FINANCIAL TIMES

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US consumer prices increase at fastest pace in three decades

● Biden says inflation 'top priority' ● Energy fuels 6.2% rise ● Prospects of Fed action grow

COLBY SMITH — WASHINGTON

US consumer prices rose in October at the fastest pace in three decades as inflationary pressures spread throughout the economy, putting Joe Biden's administration on the defensive and increasing the chances that the Federal Reserve will raise interest rates next year.

The consumer price index published by the Bureau of Labor Statistics yesterday rose 6.2 per cent in October from a year ago — the fastest annual pace since 1990 and a sharp increase from September's levels of 5.4 per cent.

Month-on-month price gains accelerated, with a jump of 0.9 per cent, reflecting what the BLS described as a "broad based" increase across a number of sectors. Between August and September, prices had risen 0.4 per cent.

Driving the surge was a rise in costs for energy along with housing, food, used cars and trucks and new vehicles.

The energy index rose 4.8 per cent from September, while the gasoline index increased 6.1 per cent. On an annual basis, these sectors are up 30 per cent and 50 per cent, respectively.

Biden, the US president, yesterday singled out rising energy costs as a primary driver of inflation and said that it was a "top priority" to reverse the trend. He also implored Congress to pass his $1.75tn spending bill, saying "17 Nobel Prize winners in economics have said that my plan will 'ease inflationary pressures'" — although some Republicans have argued that a huge injection of spending will make inflation worse.

Joe Manchin, the Democratic senator from West Virginia who has been at the centre of congressional negotiations over the bill, also weighed in, warning that the threat posed by extremely elevated inflation was "getting worse".

In addition to higher energy prices, food prices jumped 0.9 per cent over the month.

Stripping out volatile items such as food and energy, prices rose 0.6 per cent for the month, well above the previous reading of 0.2 per cent.

On an annual basis, those costs increased 4.6 per cent, the highest level since 1991.

Short-dated US government bond yields, which are most sensitive to changes in monetary policy, surged following the report as expectations rose that the US central bank might lift interest rates several times next year.

The two-year Treasury traded roughly 0.08 percentage points higher at 0.51 per cent, while yields on the benchmark 10-year bond climbed 0.06 percentage points to trade around 1.51 per cent.

The data reinforce the view that inflationary pressures are proving more persistent than initially expected — a growing risk that the Fed acknowledged last week when it announced plans to begin scaling back its $120bn-a-month asset purchase programme this month.

Senior Fed officials — including chair Jay Powell and Richard Clarida, the vice-chair — contend that the current imbalances will recede as global supply chains and labour markets adjust, meaning inflation will ultimately prove "transitory" and fade over time.

But yesterday's data challenged that view, economists said.

"Transitory is dead and buried," said Eric Winograd, senior economist for fixed income at AllianceBernstein.

"There is a good chance we will see core CPI close to 6 per cent over the next few months."

China factory prices soar page 4
Day in the markets page 9

Source: Refinitiv | Photo: Bloomberg

A rise in the costs of energy, food, housing and vehicles was behind the surge in CPI

Briefing

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Google has lost its appeal against a €2.42bn EU fine over its Shopping service, in a ruling likely to re-energise antitrust investigators looking at how Big Tech promotes its own businesses.— PAGE 5

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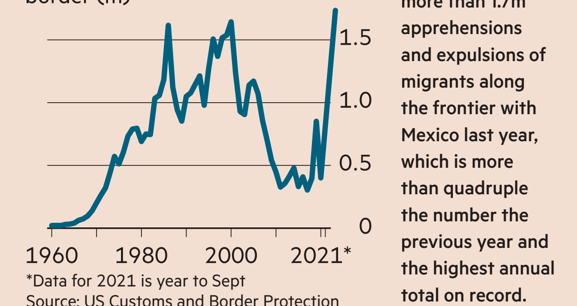
A McKinsey partner, Puneet Dikshit, has been charged with fraud in connection with alleged insider trading before Goldman Sachs' $2.2bn purchase of online loans provider GreenSky.— PAGE 6

Datawatch



*Data for 2021 is year to Sept
Source: US Customs and Border Protection

The US Border Patrol reported more than 1.7m apprehensions and expulsions of migrants along the frontier with Mexico last year, which is more than quadruple the number the previous year and the highest annual total on record.

US and China announce pledge on climate change

The US and China made a rare joint statement to co-operate over climate change, which the Chinese special envoy to the UN COP26 summit called an "existential crisis", as talks enter the final stretch. The UK, the US and the EU are among those demanding that all countries submit new targets by the end of 2022, an acceleration from the 2025 deadline in the Paris climate accord. Big emitters are insisting on staying with the five-year timeframes.
Reports & analysis ▸ PAGE 3

Electric vehicle start-up Rivian races on debut to overtake Ford and GM

DAVE LEE — SAN FRANCISCO

Rivian, the electric vehicle maker that has yet to record any meaningful revenue, surged on its Nasdaq debut with an opening market valuation of more than $100bn — a figure greater than Ford and General Motors.

The company's stock began trading at $106.75 a share, 37 per cent higher than its initial public offering price, giving it a market capitalisation of $91bn, or $107bn on a fully diluted basis.

The Amazon-backed company, which was founded in 2009, said it had sold 153m shares in the offering, more than the 135m it had initially expected. Before deductions, the company will raise approximately $11.9bn, the biggest IPO haul for a US company since Facebook's flotation in May 2012.

Investors are riding a wave of optimism surrounding companies in the electric mobility and automotive sectors, eager to buy into a company some believe can emulate the success of Tesla, which surpassed a $1tn market capitalisation in October.

"I think what's reflected in the excitement we have for the business, and I think the excitement investors have for the business, is just the scale of the opportunity," RJ Scaringe, founder and chief executive, said in an interview with the Financial Times.

"We have well over a billion vehicles on the planet that need to be switched out for electric vehicles over the next 10 to 15 years," he added.

His stake was worth $1.4bn after the offering. As the sole holder of Rivian's class B shares, the 38-year-old will retain 9.5 per cent voting rights.

Rivian's arrival on the Nasdaq stock market represents a big payday for Amazon, whose stake at the IPO price was worth $12.5bn.

Rival automaker Ford will hold a 12.1 per cent stake post-IPO, worth $8bn at the listing price. The company backed Rivian even as it threatens the start-up's success with the forthcoming Ford F-150 Lightning electric pick-up truck, said Jessica Caldwell, executive director of insights at Edmunds.

The market's reaction illustrates the sky-high expectations for Rivian, which has incurred almost $1bn in losses in the first half of this year, and estimates it may have lost up to a further $1.28bn in the third quarter.

Much of the proceeds from the Rivian IPO will go towards raising production capacity at its plant in Normal, Illinois.

Additional reporting by Nicholas Megaw

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World Markets

STOCK MARKETS

	Nov 10	prev	%chg
S&P 500	4678.71	4685.25	-0.14
Nasdaq Composite	15807.51	15886.54	-0.50
Dow Jones Ind	36284.00	36319.98	-0.10
FTSEurofirst 300	1871.69	1866.60	0.27
Euro Stoxx 50	4347.23	4344.63	0.06
FTSE 100	7340.15	7274.04	0.91
FTSE All-Share	4187.58	4155.40	0.77
CAC 40	7045.16	7043.27	0.03
Xetra Dax	16067.83	16040.47	0.17
Nikkei	29106.78	29285.46	-0.61
Hang Seng	24996.14	24813.13	0.74
MSCI World $	3227.80	3237.63	-0.30
MSCI EM $	1272.95	1268.82	0.33
MSCI ACWI $	756.81	758.57	-0.23

CURRENCIES

	Nov 10	prev		Nov 10	prev
$ per €	1.152	1.159	£ per $	0.742	0.738
$ per £	1.347	1.355	€ per £	1.170	1.170
£ per €	0.855	0.855	¥ per €	131.201	130.830
¥ per $	113.905	112.935	£ index	81.285	81.333
¥ per £	153.469	153.043	SFr per £	1.235	1.237
SFr per €	1.055	1.058			
€ per $	0.868	0.863			

COMMODITIES

	Nov 10	prev	%chg
Oil WTI $	81.61	84.15	-3.02
Oil Brent $	82.95	84.78	-2.16
Gold $	1779.30	1778.00	0.07

INTEREST RATES

	price	yield	chg
US Gov 10 yr	148.21	1.52	0.10
UK Gov 10 yr		0.84	0.10
Ger Gov 10 yr		-0.25	0.05
Jpn Gov 10 yr	115.23	0.06	-0.01
US Gov 30 yr	118.12	1.88	0.08
Ger Gov 2 yr	105.03	-0.73	0.02

	price	prev	chg
Fed Funds Eff	0.08	0.08	0.00
US 3m Bills	0.04	0.06	-0.02
Euro Libor 3m	-0.57	-0.56	-0.01
UK 3m	0.11	0.11	0.00

Prices are latest for edition | Data provided by Morningstar

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Pandemic

Covid surge hits German economic recovery

Growth forecasts cut as rising cases compound supply chain problems

MARTIN ARNOLD — FRANKFURT
GUY CHAZAN — BERLIN

Germany risks becoming the eurozone's economic laggard, as economists worry that restrictions to contain a fresh increase in Covid-19 infections will hit consumer activity and compound the supply chain problems already throttling industrial output.

The German Council of Economic Experts, which advises the government, became the latest group to cut its forecasts for growth in Europe's largest economy yesterday, warning that supply problems are taking a greater toll than expected on manufacturers.

"These supply-side bottlenecks are slowing down industrial production above all, and Germany is affected particularly badly by this, more than countries in which industry makes up a smaller share of GDP," said Volker Wieland, professor of monetary economy at Frankfurt's Goethe university.

Wieland said the country's economic recovery remained intact, although it "will be a little delayed until the bottlenecks are gradually resolved". The council cut its growth forecast for this year from 3.1 to 2.7 per cent, but raised its prediction for growth next year from 4 to 4.6 per cent.

That would give Germany one of the slowest 2021 growth rates in the eurozone, where overall output is expected to be 4 per cent higher this year.

Although the German economy declined less than most eurozone countries last year, it is expected to take longer to return to pre-pandemic levels than the bloc overall — although Spain remains further behind.

For the fourth quarter, the council forecast the German economy would grow 0.4 per cent, down from 1.8 per cent in the third quarter and well below the 1.2 per cent the European Central Bank forecast for the overall eurozone in the final three months of 2021.

"Germany is increasingly looking like the laggard of the euro area," said Holger Schmieding, chief economist at Berenberg.

Another factor that economists see weighing on growth is the steep rise in Covid-19 infections, with almost 40,000 new daily cases reported yesterday, taking the seven-day infection rate to a record high of 232 per 100,000 people.

"The government must remove all the restrictions on growth imposed during the pandemic, by successfully stepping up the vaccination campaign," the BDI, Germany's main business lobby, said in a statement in response to the economic council's report.

"The authorities must do all in their power to ensure that the vaccination numbers rise again," it added. "We cannot allow a small group of anti-vaxxers to paralyse society as a whole."

Some regional governments, such as Hamburg and Saxony, are stepping up pressure on people to get jabbed by restricting access to restaurants, gyms and other indoor public spaces to those who have been vaccinated or recovered from the virus.

Oliver Rakau, economist at Oxford Economics, said rising infections was one reason why he recently cut his German growth forecast. "I think it is a bit under-appreciated that the services sector might struggle into the fourth quarter because if you look at the Google Mobility data, there are already signs that higher Covid infections are causing a slowdown in consumer services."

Tougher stance

DoJ warns of impending crackdown on corporate wrongdoing

STEFANIA PALMA — WASHINGTON

The US Department of Justice is preparing to launch a crackdown on wrongdoing by companies with the first cases expected within weeks, a top official has warned, after the Biden administration pledged to take a tougher stance on corporate crime.

In an interview with the Financial Times, John Carlin, a senior official working on the department's crackdown, said "you'll see cases in the weeks to come" involving "some of the largest corporations" operating in the US.

Carlin said one potential target for the DoJ was companies that had violated the terms of deferred prosecution agreements, which postpone criminal charges for a set period of time to allow a business to prove that it could remedy the wrongdoing, often in exchange for a financial penalty.

The department could notify companies that are in contravention of such agreements and take action against them, added Carlin, the principal associate deputy attorney-general.

The warning comes as the Biden administration prepares to follow through on its pledge to usher in a tougher approach to corporate malfeasance than during Donald Trump's presidency, when the government was accused by some critics of adopting a more laissez-faire stance.

He added that the department would also take "significant" action against companies that were failing to invest in compliance systems that they were required to put in place to ensure they did not fall foul of the law.

"There are going to be serious consequences," Carlin warned. "You should expect in the days, months, years to come an unprecedented focus by this attorney-general on corporate accountability," he said, referring to Merrick Garland, the US government's top lawyer.

He added: "Now is the time to get the house in order, focus on compliance, because there [are] going to be tough enforcement actions coming out of the department if you do not do so."

Last month, Lisa Monaco, deputy attorney-general and Carlin's superior, announced sweeping changes to the justice department's corporate enforcement policies, such as taking into account historical misconduct during company investigations.

Monaco also signalled that the DoJ would encourage the appointment of independent monitors — outside individuals appointed by the authorities to ensure that companies were adhering to deferred prosecution agreements. During the Trump administration, monitors were deemed unnecessary in many instances where DPAs were imposed.

The deputy attorney-general said businesses seeking leniency in exchange for co-operating with authorities must also identify all individuals linked to misconduct, irrespective of their seniority.

The tougher posture comes after the number of corporate crime prosecutions brought by the justice department against individuals and business dropped to its lowest level in 25 years in 2020, according to research from Syracuse University.

Eastern Europe. Human traffic

Lukashenko raises the stakes in migrant gambit

Polish officials fear Belarus could try to provoke armed escalation over border crisis

JAMES SHOTTER — WARSAW
MAX SEDDON — MOSCOW

For five months, the regime of Belarusian leader Alexander Lukashenko has been central to a game of cat and mouse on the fringes of the EU, with migrants sent to Belarus's border with Poland trying to slip across in small groups.

This week, hundreds of migrants used tree trunks, spades and shears to try to force a way across en masse. It has intensified a crisis the EU says is being engineered by Lukashenko and which has put eastern Europe on edge.

Polish officials fear Belarus could try to provoke armed escalation, and Lithuania has declared a state of emergency.

Kalle Laanet, Estonia's defence minister, spoke of the "most difficult security crisis for our region, Nato and the European Union" since the fall of the Soviet Union 30 years ago.

EU and Polish officials believe the surge in migrants arriving via Minsk on the bloc's eastern border is retaliation by Lukashenko for Brussels' support for the Belarusian opposition, which has been the subject of a crackdown since anti-regime protests last year. Belarus denies fuelling the migration.

Officials in Poland also suspect the pressure on their border has at least the tacit backing of Russia, which helped shore up Lukashenko last year and is at odds with the west over everything from gas prices to political strains in Ukraine and Moldova.

"The narrow interests of the Belarusian regime don't explain this," said one Polish official. "It is going on with Russian consent."

Lured by simplified visa rules and extra flights to Minsk, tens of thousands of people from Iraq, Syria, Yemen and elsewhere have tried to cross into the EU in recent months. Polish officials say more than half of the 28,500 attempts at illegal entry since the crisis began were made in October.

"Lukashenko's tactical goal is to heat up the debate about migrants in Poland and other EU member states and take revenge on Poland for the support we offered to Belarus's civil society and independent media," said Marcin Przydacz, Poland's deputy foreign minister.

"His strategic goal and that of his patron in Moscow is to destabilise the eastern border of the EU and Nato, to test the unity of Nato and the EU."

European Commission president Ursula von der Leyen yesterday met US president Joe Biden in Washington, after which she said the EU would widen sanctions against Belarus next week. She had already said the bloc would also target airlines bringing migrants to Belarus.

Angela Merkel, German chancellor, yesterday spoke to Vladimir Putin, Russian president, whom Poland accuses of engineering the crisis, urging him to press Minsk to stop "instrumentalising" migrants, branding this "inhuman".

Putin and Lukashenko discussed the matter on Tuesday. But while Moscow has told Belarus to keep the migrants away from Russia, it has refrained from criticising Minsk publicly as it tries to secure its hold over its smaller neighbour.

Instead, Sergei Lavrov, Russia's foreign minister, has suggested that Brussels encourage Belarus to stop the surge with financial assistance, pointing to the deal the EU struck with Turkey during the 2016 migrant crisis. In a show of strength, two Russian bombers overflew Belarusian airspace yesterday.

Last week, Putin and Lukashenko signed a series of agreements, including plans to integrate financial and gas markets, though they were watered down significantly from original plans for Russia to essentially subsume large parts of the Belarusian state.

Artyom Shraibman, a Belarusian political analyst in Kyiv, said Lukashenko was trying to force the EU to lift sanctions it imposed after the crackdown on the opposition, and to distract from his domestic unpopularity.

"When you've got problems with your rating at home, you need to generate this threat on steroids and find new ways to force conflicts with your neighbours so your own security apparatus remains well toned," said Shraibman.

> 'When you've got problems with your rating at home, you need to generate this threat on steroids'

Maxim Samorukov, a fellow at the Carnegie Moscow Center, said Lukashenko was trying to exert more influence over the EU and restore his balancing act between the west and Russia. "Lukashenko . . . thinks the only way to start a dialogue is by force," he said.

Przydacz said events on the border also suggested Lukashenko was concerned the presence of many migrants stuck in Belarus could further erode his support.

Polish officials estimate there are more than 10,000 migrants in Belarus. "It started to be problematic internally for Lukashenko," he said.

Western diplomats doubt Lukashenko will back down without pressure from the Kremlin. "Lukashenko knows [the border crisis] . . . will lead to further sanctions but he doesn't care," said one. "I guess if he is not being told . . . to stop this, then he will probably continue for a while and see how successful it is."

See FT View and Opinion

Cold comfort: migrants try to keep warm on the border with Poland near Grodno in Belarus. Below, Alexander Lukashenko
Ramil Nasibulin/Belta/AP

Referendum pledge

Hungary's opposition chief vows to reform constitution

MARTON DUNAI AND BEN HALL
HODMEZOVASARHELY

Hungary's opposition leader plans to overhaul the constitution in a referendum if he wins next year's general election, saying the move was vital to loosen Prime Minister Viktor Orban's grip on the remaining levers of power.

Peter Marki-Zay said that within 60 days of taking office he would hold a vote on reforms to restore democratic checks and balances, despite fears that this would itself breach the constitution and spark a legal and political crisis.

"We are talking about regime change," Marki-Zay, who was chosen in a popular primary contest to lead the opposition in April's poll, told the Financial Times in an interview. "It is not a regular election."

Marki-Zay, a 49-year-old conservative mayor from a small town in southern Hungary, could lead his six-party alliance to victory against the governing Fidesz, according to recent opinion polls.

But the polls also suggest he could fall short of the two-thirds majority in parliament needed to change rules that have allowed Orban to exert tight control over practically all state institutions.

That would almost certainly trigger an institutional crisis. The office of Janos Ader, Hungary's president, and the constitutional court are both controlled by Fidesz loyalists and they would be likely to defend the status quo against any challenge.

The government and some independent experts say so-called supermajority rules can only be changed by a two-thirds vote in parliament, not by a referendum as Marki-Zay and other members of the opposition platform propose.

Andras Jakab, a constitutional lawyer at the University of Salzburg and a former director of the legal institute of the Hungarian Academy of Sciences, said Orban was building a deep state but added "breaking legal continuity (was) a dangerous game".

"There is a risk that this would lead to a full stalemate in the state organisation, and possibly even to violent acts and serious social unrest on the streets . . . the solution proposed by the opposition is misguided."

Critics in the opposition, EU institutions and some European capitals say Orban has used two-thirds majority laws to limit checks on his power, safeguard his appointments to the public prosecutor's office, the media regulator and the central bank and entrench ordinary legislation.

They could obstruct a new government and prevent it from prosecuting corruption unless it also has a two-thirds majority in parliament, Marki-Zay and his allies have argued.

"Orban perpetrated a coup," Marki-Zay said in the interview at his home town of Hodmezovasarhely. "He went against his own constitution. He has already built up a system which grants him exclusive power and which makes him pretty much irreplaceable and invincible."

> 'Orban has built up a system which grants him exclusive power'
> Peter Marki-Zay

Marki-Zay said the opposition's proposed constitutional changes were legitimate because Orban's politicisation of public bodies itself breached principles enshrined in the constitution while corruption had also become widespread.

Marki-Zay said he expected the proposed reforms to "come up in discussions" when he meets EU officials and lawmakers in Brussels this week.

Tensions between the EU and Hungary have intensified in recent months over the Fidesz government's respect for rights and the rule of law. Brussels is withholding approval for €7bn in EU recovery funds for Hungary and is under pressure from MEPs to trigger a new mechanism suspending EU financial transfers to Budapest.

Marki-Zay said the EU should no longer regard the Hungarian leader as an ally. "It is ridiculous to play by his rules," he said. "When you are in a quasi dictatorship, liberty is the most important fundamental issue of all."

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COP26 conference

US and China issue rare joint pledge to fight climate change

Big polluters including Russia dig in despite clamour to set tighter targets

LESLIE HOOK AND JIM PICKARD
GLASGOW

The US and China made a rare joint declaration to co-operate on climate change, which the Chinese special envoy to the UN COP26 summit in Glasgow described as an "existential crisis", as negotiations enter the final stretch.

The UK, US and EU are among those demanding that all countries come up with new targets by the end of 2022, a significant acceleration from the 2025 deadline in the Paris climate accord.

China, Russia, Saudi Arabia and other big emitters are insisting on staying with the original five-year timeframes in the 2015 Paris pact.

China climate envoy Xie Zhenhua said yesterday climate change was becoming increasingly urgent and severe and that by working together the world's biggest economies — and biggest polluters — would "bring more benefit to our two peoples".

The joint declaration said the US and China would continue to discuss, both on the road to COP26 and beyond, concrete actions in the 2020s to reduce emissions.

The UK, as host country, aims to address the issue of new emissions targets in the final texts that will sum up the conclusions of the COP26 when negotiations end, according to officials.

The first versions of those texts were published yesterday morning. The texts will still undergo significant revisions as countries fight over the language in the coming days.

The document "urges parties to revisit and strengthen the 2030 targets in what is known as nationally determined contributions, as necessary to align with the Paris agreement temperature goal by the end of 2022".

The documents also propose to "accelerate" the phaseout of coal, and of fossil fuel subsidies, but some negotiators said those provisions were unlikely to survive negotiations.

Significant rifts remained over how to approach the goal of limiting global warming to 1.5C, set down as ideal in the Paris accord.

Boris Johnson, UK prime minister, said the talks had entered the "hard yards" in a low-key press conference on a one-day visit to Glasgow that was overshadowed by questions about sleaze allegations in his party. The summit was in the "nuts and bolts of international climate diplomacy," he said, but there was "a huge amount to do".

Johnson said countries that had spent six years since the Paris Agreement "patting themselves on the back" were now trying to wriggle out of concrete commitments. "There's really no excuse because we know what's at stake here. We have been hearing it all week," he said, quoting the leader of one island nation who had told him "if the big countries don't do more, we might as well bomb his islands".

Elbow grease: Boris Johnson, right, greets Andrew Irven of the UN at the COP26 talks in Glasgow yesterday Robert Perry/EPA/Bloomberg

National pledges that were submitted by 152 countries ahead of and during the summit put the world on course for between 2.5C and 2.7C of warming by the end of the century.

To address the shortfall of the existing pledges, the UK and others had hoped to persuade countries to come back with updated targets, known as nationally determined contributions, next year.

Frans Timmermans, EU climate chief, threw his support behind that goal yesterday, calling for countries to "come together next year" to demonstrate how they might reach the 1.5C target.

"The EU and its progressive allies will continue to advocate for a call on all parties to deliver ambitious NDCs [climate targets] and mid-century net zero strategies, in line with a 1.5C trajectory," Timmermans said.

> 'There's really no excuse because we know what's at stake here. We have been hearing it all week'

However, developing countries say the text focuses too much on cutting emissions, and not enough on funding for adaptation to climate change.

The 2015 Paris climate accord, approved by 197 countries, aims to limit global warming to well below 2C. However, as the climate impacts of 2C become starker, an increasing number of countries believe that capping warming at 1.5C, the much more difficult goal, is imperative.

"The big piece that is missing is finance," said Jennifer Tollmann, senior policy adviser at European think-tank E3G, referring to the need for rich countries to finance developing countries.

Greenhouse gas emissions would need to fall by roughly half this decade from roughly 50bn tonnes presently, to keep the world on a pathway for 1.5C of warming, according to the UN Environment Programme.

The summit is due to end at 6pm tomorrow.

Additional reporting by Neil Hume

Heat is on Pressure builds for summit text

LESLIE HOOK — GLASGOW

As the COP26 climate summit enters its final days, negotiators from almost 200 countries are working round the clock to try to agree on the final texts that will be published at the end of the two-week conference.

Amid rising intensity, Boris Johnson, the UK prime minister, returned to Glasgow yesterday in an effort to move things along.

Following headlines on coal and finance agreements during the opening days, and celebrity speeches from Barack Obama, former US president, and Greta Thunberg, pictured, the youth activist, the negotiations that typically dominate the end of a COP summit can seem technical and arcane.

But they are also a geopolitical minefield, often opening up surprising disagreements, as well as unexpected alliances, among the 197 countries that approved the Paris climate accord at the COP21 in 2015.

Rules to implement the Paris accord

One task of COP26 is to iron out the rule book for how the Paris accord will be implemented. This includes how countries will report their greenhouse gas emissions and how those reports will be verified.

Another central issue is whether all countries should be required to set climate targets of fewer than five years, or for developing countries 10 years.

A global carbon market

A section of the Paris accord known as Article Six aims to set up a framework for a global market in carbon offsets.

Carbon offsets represent a unit of carbon avoided or removed permanently from the atmosphere, and can compensate for emissions elsewhere.

In theory, the market in offsets could allow rich countries to pay developing countries for offsets, with a corresponding accounting mechanism to avoid double counting.

If the rules agreed in Glasgow are robust enough to keep low-quality offsets from the system and avoid double counting any reductions being made, a global carbon market could help speed emissions cuts, supporters say.

But if the rules agreed contain loopholes the system could be open to abuse, as was the fate of the Clean Development Mechanism of the Kyoto protocol in 1997.

Prospects for hitting 1.5C target

Even with all the new pledges made in Glasgow, the world is still on track for around 2.7C by the end of the century. That means the COP26 slogan "keep 1.5 alive" — a reference to limiting warming to 1.5C as the point under the Paris accord that is crucial to staving off the worst effects of climate change — is looking increasingly difficult to achieve.

The 2015 Paris accord contains a "ratchet" mechanism by which countries are supposed to improve their climate targets every five years.

The Glasgow summit was the deadline for the first ratchet after the Paris pact was signed, and 152 countries formally submitted new targets to the UN ahead of the conference.

Even so, those pledges will not cut emissions fast enough to meet the temperature targets. The pledges will just about manage to hold emissions steady during this decade, according to analysis by the UN Environment Programme.

Being on track for 1.5C would mean halving emissions this decade.

For this reason, a number of countries, including the UK and US, along with the EU, are pushing for capitals to come back with updated pledges by 2023. That proposal, which will be debated in coming days, is proving highly contentious.

The role of the UK and the final text

As host of COP26, the UK holds the presidency, a role that requires significant diplomatic finesse.

At the end of the summit, several texts will be published that have been agreed on by all parties.

The most significant of these will be the "cover text", which is a summary statement from the presidency, agreed on by all parties.

Although the presidency is technically a neutral role, designed to bring together all the parties in the UN system, it can have a big influence on the outcome of the negotiations.

This year, the UK has put emphasis on increasing climate ambition and on limiting warming to 1.5C, which it hopes will be reflected in the final cover text.

The document will be the subject of intense wrangling in coming days, as so-called high-ambition participants including the UK and EU try to get other countries to come back sooner with updated targets.

Conference closure

In theory, the gathering is due to wrap up by 6pm local time tomorrow, but no COP has ended on time.

Alok Sharma, COP26 president, said yesterday he stood by the deadline: "We have shifted gears this week as we seek to accelerate the pace and I still have the intention for us to be able to close COP26 at the end of Friday — this Friday, just for clarity."

While official statements from the UK suggest they will try to be punctual, seasoned negotiators say a weekend finish is not unlikely.

India

Farmer fertiliser shortage threatens Modi poll hopes

JYOTSNA SINGH AND BENJAMIN PARKIN
NEW DELHI

An acute shortage of fertilisers in rural India threatens to disrupt the winter planting season, stoking unrest among the country's politically important farmers ahead of a series of crucial state elections next year.

Desperate farmers in central and north India have thronged state-run shops selling subsidised fertilisers and clashed with police who have used force to control the crowds. In some states, officers have been distributing bags of fertilisers at police stations to keep law and order.

Farmers, frustrated at having to sit in snaking queues for days, have held sit-in protests to demand delivery of the fertilisers. They contain basic nutrients such as diammonium phosphate or DAP, crucial to growing wheat, mustard and other crops sown in the winter season.

"Only one or two trucks arrive when there are thousands of people waiting to grab it," said Yograj Singh, a farmer in Amritsar, in the state of Punjab.

Singh had just returned home disappointed after trying to join the queue for fertiliser at 4.30am. "I need at least seven bags but have so far secured only three after trying for days," he said. "We need it now."

Fertiliser shortages threaten to galvanise voters ahead of state elections in early 2022, including in opposition-controlled Punjab and Uttar Pradesh, where Prime Minister Narendra Modi's Bharatiya Janata Party is in power.

Farmers are a politically vital constituency in a country where the majority of the population depends directly or indirectly on agriculture for their income.

The BJP has struggled for more than a year to resolve protests by thousands of farmers demanding the withdrawal of a series of laws introducing market reforms into the highly regulated agricultural economy. The protesting farmers said the reforms threaten their livelihoods.

Modi's government, however, denies there is any shortage of fertilisers, blaming the frustration on rumours that is causing hoarding. In November, the "availability will surpass the demands raised by the states", said Mansukh Mandaviya, minister of chemicals and fertilisers.

He also warned of strict action against those "who resort to black-marketing of fertilisers using rumour as a shield".

Soaring global prices of fertilisers, reduced production of raw materials during the pandemic and supply disruptions have fuelled the crisis. But critics have castigated Modi's government for a delay in placing import orders. India imports up to a third of its fertilisers for domestic use.

"It is a governance issue," said Ajay Vir Jakhar, chair of Bharat Krishak Samaj, an Indian farmer's association. "I think the government messed up because the subsidy component rose and the government couldn't decide on releasing that much extra money."

Data tracking claim

UK court blocks class-action lawsuit against Google

JANE CROFT — LONDON

Google won a ground-breaking appeal at the UK's Supreme Court yesterday, blocking a US-style class-action lawsuit brought in the English courts on behalf of more than 4m Apple iPhone users over Google's alleged tracking of personal data.

The UK's highest court prevented Richard Lloyd, a former director of consumer group Which?, from serving legal papers on Google in the US, putting an end to a £3.3bn lawsuit filed on behalf of Apple iPhone users that claimed their internet activity had been secretly tracked by Google between 2011 and 2012.

If Lloyd's lawsuit had been allowed to proceed in the English courts, lawyers said it would have permanently changed the legal landscape for technology companies by allowing millions of consumers to band together in US class-action style lawsuits, and it would have opened the floodgates for mass litigation against IT companies over data breaches.

The case, which was brought under the Data Protection Act 1998, hinged on two points of English law: whether individuals should be compensated for having personal data taken without consent, as well as whether citizens could band together in a representative class-action style group to sue companies in the High Court.

The Supreme Court unanimously ruled that the claim could not succeed. Lord George Leggatt, one of the justices of the Supreme Court, ruled that the lawsuit was "doomed to fail" because Lloyd was not able to prove that Google's alleged unlawful conduct caused any financial damage or distress to individuals and Lloyd was not able to say what quantity of personal data, if any, was unlawfully processed.

Lloyd's case had been brought on an "opt-out" basis, meaning that most people who owned an iPhone during the relevant period were automatically included unless they specifically opted out of the lawsuit.

The ruling is highly significant because the English legal system has always deterred US-style class-action lawsuits and requires law firms to first sign up individuals and then assemble a group of claimants with the same interest, which is a time-consuming and expensive process. The only exception to this is in competition law cases where class actions are permitted for antitrust breaches.

Google had argued that Lloyd's case should be stopped, and contended that the court should not allow the case to continue as a representative action.

The ruling is a blow to other consumer groups and data protection lawyers who are bringing a number of claims and were awaiting the Supreme Court ruling before proceeding to trial.

Lloyd said the ruling was a "blow for consumers". Google said: "The claim was related to events that took place a decade ago and that we addressed."

Greenhouse gas

Fashion industry to miss emissions reduction goal

MADELEINE SPEED — LONDON

Fashion brands such as Burberry and H&M are among 130 companies that have pledged to halve their greenhouse gas emissions by 2030, but the wider industry will fall well short based on its present trajectory.

The prominent brands this week lifted their target from a previous goal of cutting emissions by a third that was set in 2018, as part of an effort to limit the global temperature rise to 1.5C since pre-industrial times under the Paris accord.

However, the signatories to the updated UN fashion charter, including LVMH, Kering, Chanel, Nike, Adidas and Puma, represent a small fraction of the apparel and footwear industry.

The global industry was responsible for about 4 per cent of the total greenhouse gas emissions in 2018 — comparable to the combined emissions of France, Germany and the UK, according to McKinsey.

"The industry realised the 2018 commitment is not sufficient," said Achim Berg, fashion lead at McKinsey. "We should celebrate that it is moving in the right direction, but the whole industry needs to move from commitments to action."

Brands have 12 months to submit plans on how they will reach the updated target.

Independently of the fashion charter, brands have used the COP26 summit to announce climate-related initiatives.

Pangaia, marketed as an eco-friendly and ethically-made label, hosted a roundtable in Glasgow to bring awareness to diminished bee populations, while boot brand Ugg launched a partnership with a shoe repair company, encouraging customers to restore their footwear (for $80), rather than buy a new pair.

"COP26 is a platform that can show what is possible if we bring innovators, suppliers, customers and other partners on board to find innovative solutions," said Kim Hellström, H&M's strategy lead on climate.

"But it also shows that there is still a lot to do to significantly lower our industry's footprint."

Alongside updated commitments to cut emissions, the charter promises to reduce the environmental impact from the use of materials such as cotton, viscose, polyester, wool and leather.

The textiles sector this week also called for policy change to incentivise the use of "environmentally preferred" materials, such as organic cotton and recycled fibres.

Unless brands worked on their supply chains, "we won't get where we need to be", said Holly Syrett, sustainability director at non-profit group Global Fashion Agenda.

Approximately 70 per cent of the industry's greenhouse gas emissions stem from energy-intensive raw material production.

Syrett said the high profile of popular brands and luxury brand owners might influence industry-wide targets.

Producer prices

China's factory gate inflation hits 26-year high

Power shortages and rise in input costs combine to fuel fears of stagflation

WILLIAM LANGLEY — HONG KONG
EDWARD WHITE — SEOUL

Factory gate prices in China rose at their fastest pace in 26 years in October as crippling power shortages and record commodity prices hit the world's second-biggest economy.

China's official producer price index increased 13.5 per cent compared with October 2020, according to figures released by the National Bureau of Statistics yesterday, its biggest monthly jump since 1995.

The gain exceeded the 12.4 per cent rise forecast by analysts polled by Reuters, and outpaced September's 10.7 per cent reading, which was also the highest since 1995.

Factory gate prices refer to the cost at which wholesalers buy materials from producers, not taking into account transport and distribution fees.

The acceleration in producer prices coupled with weakening manufacturing activity has raised concerns about stagflation, complicating the country's economic outlook as slowing growth presents a challenge to President Xi Jinping's sweeping reforms of the business landscape.

Rising commodity prices have also compounded the country's energy woes. China is battling soaring coal prices after flooding in critical mining regions and the government's clean energy goals reduced output, while widespread power rationing led to a second monthly contraction in manufacturing activity in October.

Dong Lijuan, a senior statistician at China's NBS, said that the October PPI increase had resulted from the "tight supply of crucial domestic energy and raw materials".

Dong noted that rising oil prices, which last month topped $85 a barrel in the US, and coal, which reached Rmb2,301 ($360) a tonne in China, had contributed to the increase.

The price of production materials increased 17.9 per cent in October compared with the same period last year, Dong said, while prices in the coal mining and washing industries rose 103.7 per cent.

But analysts at Citi forecast that PPI inflation was nearing a peak and would not remain elevated.

In addition, recent measures to contain spiralling costs, including pledges by coal miners to cut prices as well as the waning energy crisis, would help to damp inflationary pressures, analysts said.

"Stagflation concerns should ease ahead," the Citi analysts wrote in a note.

Still, some expect that central bankers in Beijing might be forced to provide more support to counter the slowing economic momentum.

"We expect the [People's Bank of China] to have more loosening bias for the rest of the year to buffer the economic slowdown," said Jing Liu, a China economist with HSBC.

Consumer price inflation also rose faster than economists had forecast in October, hitting a 13-month high.

China's CPI was up 1.5 per cent year on year, and 0.7 per cent compared with September. The cost of fresh vegetables jumped 16.6 per cent, adding weight to concerns that surging production costs were feeding into essential goods.

But Zhaopeng Xing, a China strategist with ANZ, said households' slowing disposable income as well as mobility restrictions imposed to curb renewed outbreaks of Covid-19 would limit consumer rises.

Cabinet reshuffle

Pro-Beijing figure becomes Japan foreign minister

KANA INAGAKI — TOKYO

Fumio Kishida has appointed a pro-China heavyweight to the post of foreign minister as the Japanese prime minister aims to strengthen the country's national and economic security after his election victory last month.

After his re-election yesterday, Kishida also unveiled plans to distribute ¥100,000 ($880) in cash to households, students and temporary workers hit hardest by the Covid-19 pandemic as part of a huge economic package he will compile by the end of next week.

The selection of Yoshimasa Hayashi, a former defence and education minister, in a cabinet reshuffle, reflects Kishida's push to strengthen ties with the US while taking on a more assertive role in regional security to address the growing threat from China, say analysts.

The Harvard-educated, English-speaking 60-year-old is seen as a potential future prime minister and heads an association of parliamentarians that promotes relations with China. But experts believe he will adopt a nuanced strategy towards Beijing and Taiwan without disrupting ties with the US.

"He does have a friendlier stance towards China but he has a precise understanding of the Biden administration's China strategy and it's unlikely he will pursue a policy that will create tensions with the US," said political analyst Atsuo Ito, a former staffer for the ruling Liberal Democratic party.

Kishida also named Gen Nakatani, former defence minister, as a special adviser on human rights, in an apparent bid to address China's alleged human rights abuses against the Uyghur Muslim minority.

"In terms of our relations with China and Russia, we will assert what needs to be asserted and take a firm diplomatic stance," Kishida said.

At a news conference yesterday, China's foreign ministry spokesperson, Wang Wenbin, called on the Kishida administration to "properly manage differences and jointly foster China-Japan relations".

Ito said Hayashi's appointment was an indication that Kishida was more confident about his political standing, giving him the freedom to appoint allies into important positions. Hayashi is part of the prime minister's own political faction, an organised group of parliamentarians who band together and trade their backing for commitments on policy and ministerial jobs.

After Akira Amari, party secretary-general, lost his seat in the Diet's lower house, Kishida replaced him with Toshimitsu Motegi, who was serving as foreign minister. He also wants to ensure Japan's competitiveness amid growing technology nationalism, creating a role of economic security minister.

Brazil. Handouts

Bolsonaro puts faith in improved social welfare programme

President suspected of trying to boost re-election hopes by raising mandatory fiscal anchor

BRYAN HARRIS, MICHAEL POOLER AND CAROLINA PULICE — SAO PAULO

Poverty: people collect fruit and vegetables discarded by street vendors in Belém, northern Brazil, this month — Raimundo Pacco/AFP/Getty

The Brazilian government will next week launch an enhanced social welfare programme for the nation's poorest citizens, raising investor fears that the administration of Jair Bolsonaro is abandoning fiscal rectitude with an eye on elections next year.

With Bolsonaro's approval rating in the low 20s, many political analysts view Auxílio Brasil, which replaces the long-running Bolsa Família scheme, as a ploy to boost the popularity of the far-right president ahead of polls in October.

Investors have also reacted with dismay, with stock markets tumbling late last month when it became clear that the government intended to circumvent a mandatory spending ceiling — considered a key fiscal anchor — in order to pay for the enhanced handouts. The Bovespa equity index has dropped almost 20 per cent since June, while the local currency teeters close to record lows at R$5.5 to the dollar.

"Bolsonaro has always been against Bolsa Família. He always hated it as the typical 'money for lazy people', etc. But at the same time he knows he needs to give people something so he can have a shot at re-election," said Filipe Campante, a Brazilian professor of economics at Johns Hopkins University in Baltimore.

Scheduled to make its first payment on November 17, Auxílio Brasil will reach an estimated 14.6m families, up from the 13.9m who received Bolsa Família, which ran for 18 years before being terminated this month.

A trademark social policy of former president Luiz Inácio Lula da Silva and his leftwing Workers' party, Bolsa Família won international acclaim for reducing extreme poverty in Brazil by as much as 25 per cent.

The new scheme is expected to hand out roughly 18 per cent more than the average R$189 ($35) given monthly to recipients of Bolsa Família.

The Bolsonaro administration, however, is hoping to increase this amount further. The government wants to provide R$400 a month throughout the election cycle until December next year.

"Auxílio Brasil has neither fully defined values nor the guarantee of resources in the federal budget, despite the positive intention to increase the amount to be transferred to families," said Katia Maia, director of Oxfam Brazil.

"Once again the federal government is showing its ineptitude and incompetence in the management of public policies, especially those aimed at the vulnerable."

To free up the necessary cash for the R$400 payment, the government intends to bypass a constitutional cap on spending that limits budget increases in line with inflation. The rule was passed by Congress in 2016 with the aim of getting public finances back into shape and is viewed as a cornerstone of Brazil's economic credibility.

Draft legislation before Congress proposes changing the reference period for calculating inflation in order to lift the "ceiling", as well as delaying the payment of certain court-ordered state debts. Together, these measures would free up R$91.6bn for new expenses in next year's budget, according to the government.

Critics, however, fear that some of the funds being created would not go to the new social welfare programme but rather to opaque parliamentary budgets that can be handed out for projects backed by lawmakers in exchange for political support.

A Supreme Court judge last week temporarily suspended such payments in the 2021 budget, and a full ruling by justices is expected shortly.

The bill, which is a constitutional amendment, passed the second of two mandated votes in the chamber of deputies on Tuesday evening. Arthur Lira, Speaker of the lower house, had earlier said approval showed Congress's "commitment to the most disadvantaged". It must be ratified twice in the Senate.

"Lira is saying we need to pass this because otherwise there won't be money for the poor. But ultimately he wants the money for the parallel budgets, the things they use to maintain power," Campante said.

Although the legislation's provisions mean the fiscal ceiling would not technically be breached, some investors argue that the deferment of state obligations amounts to a default.

With inflation in double digits, the worry is that a lack of control in the public accounts will stoke further price rises. Brazil's total public debt already stands at 83 per cent of gross domestic product.

Marcelo Neri, an economist at the Getúlio Vargas Foundation, said: "You are replacing a simple programme that works well for a complex one."

Additional reporting by Carolina Ingizza in São Paulo

Oil price surge underlines Saudi Arabia's sway over frustrated Biden

GLOBAL INSIGHT

Andrew England

As American motorists face soaring fuel prices, Saudi Arabia once more finds itself the focus of Joe Biden's frustration.

When the US president bemoaned the failure of the world's top oil producers to pump more crude to help bring down prices, he singled out two countries: traditional adversary Russia and longtime partner Saudi Arabia. Speaking at the G20 meeting last month, Biden said their failure to produce more "so people can have gasoline to get to and from work . . . [was] not right".

So far, however, Saudi Arabia — Opec's de facto leader, the world's top oil exporter and the only producer with the capacity to add significant amounts of crude to the market — is not budging. Saudi energy minister Prince Abdulaziz bin Salman insisted last week that oil was "not the problem", arguing the issue was that the "energy complex is going through havoc and hell".

But the suspicion is that the reluctance to bow to US pressure is not solely related to market dynamics as Riyadh continues to smart over Biden's coolness towards Crown Prince Mohammed bin Salman.

"There's a clear view in Washington that this is probably more than just about oil, that Prince Mohammed is annoyed Biden hasn't called him personally, hasn't shown him enough respect and wants greater recognition before he becomes king," one energy analyst said.

It is a dispute that underscores the complexities of the Biden administration's relationship with one of the Arab world's most important actors. Biden took office criticising Saudi Arabia over the brutal 2018 murder of Jamal Khashoggi and other rights abuses; promising to reassess Washington's relationship with Riyadh and freezing some arms sales.

The administration also made it clear that, unlike his predecessor Donald Trump, Biden would deal with King Salman, not Prince Mohammed, the ageing monarch's son and day-to-day ruler.

But in reality, US officials know they have to engage with Prince Mohammed, either directly or indirectly, on a range of issues, from oil and Biden's pledge to end the war in Yemen to climate change. And realpolitik has been playing out on the ground.

Weeks after Biden's inauguration in January, his administration backed its promise to release a damning US intelligence report that concluded that Prince Mohammed approved the operation to "capture or kill" Khashoggi. The White House imposed visa restrictions on 76 unnamed Saudis but took no punitive measures against the heir apparent.

> The suspicion is that the reluctance to bow to US pressure is not solely related to market dynamics

In September, Jake Sullivan, Biden's national security adviser, became the most senior administration official to meet the prince in the kingdom.

This month, the state department approved its first large weapons sale to Riyadh under Biden — 280 air-to-air missiles.

Kirsten Fontenrose, who served as a senior director for Gulf affairs at the National Security Council during Trump's presidency, said the shift in the administration's posture was apparent "right after the Khashoggi dossier was released".

"They realised they need Saudi for a lot of their other goals," she said. "The visit by Jake Sullivan was also a sign — they didn't wait for someone to come here, they sent someone over. That was a bit of a capitulation, not a bad one, but it probably meant they had to swallow some pride."

Now, with US petrol prices having risen about 40 per cent since Biden's inauguration, Prince Mohammed controls a lever that has the power to help or hinder the White House.

As the president's frustration highlights, despite the US markedly reducing its dependence on Gulf crude over the past decade and a creeping disengagement from the Middle East, it is not immune from global market forces. And Saudi Arabia is the key player.

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Contracts & Tenders

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GLOBAL INVITATION (Through e-bidding Only)
FOR SELECTION OF TRANSMISSION SERVICE PROVIDER THROUGH TARIFF BASED COMPETITIVE BIDDING (TBCB) PROCESS ON BUILD, OWN, OPERATE AND TRANSFER (BOOT) BASIS FOR "SYSTEM STRENGTHENING SCHEME FOR EASTERN AND NORTH EASTERN REGIONS"

REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited),New Delhi, India (a wholly owned subsidiary of REC Limited, a Navratna Central Public Sector Undertaking) invites proposal for setting up of the above transmission project through TBCB process on Build, Own, Operate and Transfer (BOOT) basis following single stage two envelope process of "Request for Proposal (RFP)". Interested bidder may refer to the Request for Proposal (RFP) notification and RFP document available on our website **www.recpdcl.in** & **www.recindia.nic.in** w.e.f. 09.11.2021.
The bidders may obtain the RFP document on all working days between 1030 hours (IST) to 1600 hours (IST) from 09.11.2021 to 10.01.2022 on payment of non-refundable fee of Rs. 5,00,000/-(Rupees Five Lakh Only) or US$ 7000 (US Dollars Seven Thousand Only) + 18% GST as per details providedin the RFP documentavailable on the website **www.recpdcl.in** & **www.recindia.nic.in.**
The Request for Proposal (RFP) Document can also be downloaded from our website **www.recpdcl.in** & **www.recindia.nic.in,** however in such cases interested parties can submit Response to RFP only on submission of non-refundable fee of Rs. 5,00,000/-(Rupees Five Lakh Only) or US$ 7000 (US Dollars Seven Thousand Only) + 18% GST as per details provided in the RFP document. The last date for seeking clarifications on RFP is 29.11.2021 and last date for submission of Response to RFP is 11.01.2022 (upto 1200 Hrs IST). Response to RFP will be opened on the same day at 1230 Hrs (IST) in presence of bidders' representatives who wish to attend.The survey report & clarifications to RFP documents shall be issued to those bidders, who have obtained/purchased RFP document by paying requisite fee.
All corrigenda, addenda, amendments, time extensions, etc. to the RFP will be hosted on our websites **www.recpdcl.in** & **www.recindia.nic.in.** Bidders should regularly visit our websites to keep themselves updated.
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Legal Notices

THE HIGH COURT OF IRELAND
COMMERCIAL
Record No. 2021/245 COS

IN THE MATTER OF DOLE PLC

AND IN THE MATTER OF THE COMPANIES ACT 2014

AND IN THE MATTER OF A PROPOSED REDUCTION OF CAPITAL PURSUANT TO SECTIONS 84 TO 86 OF THE COMPANIES ACT 2014

NOTICE IS HEREBY GIVEN that an Order of the High Court of Ireland (the "**Court**") made on 1 November 2021 (the "**Order**"), confirming a special resolution of Dole plc (the "**Company**") passed on 2 July 2021 approving the reduction of the company capital of the Company by the cancellation of the amount of US$428,197,201.38 standing to the balance of the Company's share premium account, being the amount recorded as share premium in the company capital of the Company as a consequence of the ordinary shares which were issued in accordance with the terms and conditions set forth in the transaction agreement dated 16 February 2021 (as amended) by and among Total Produce plc, Total Produce USA Holdings Inc., the Company, TP-Dole Merger Sub, LLC, DFC Holdings, LLC, The Murdock Group, LLC, Dolicious Corporation and Castle & Cooke Holdings, Inc. (including the share premium resulting from the initial public offering of the Company's ordinary shares on the New York Stock Exchange), together with the minute approved by the Court, was registered by the Registrar of Companies on 1 November 2021. This notice is given in compliance with the Order.

11 November 2021

ARTHUR COX LLP
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D02 T380
Ireland

THE HIGH COURT OF IRELAND
COMMERCIAL
Record No. 2021/246 COS

IN THE MATTER OF FLUTTER ENTERTAINMENT PLC

AND IN THE MATTER OF THE COMPANIES ACT 2014

AND IN THE MATTER OF A PROPOSED REDUCTION OF CAPITAL PURSUANT TO SECTIONS 84 TO 86 OF THE COMPANIES ACT 2014

NOTICE IS HEREBY GIVEN that an Order of the High Court of Ireland (the "**Court**") made on 3 November 2021 (the "**Order**"), confirming a special resolution of Flutter Entertainment plc (the "Company") passed at the annual general meeting of the Company held on 29 April 2021 approving the reduction of the company capital of the Company by the cancellation of the sum of £10,000,000,000 of undenominated capital standing to the credit of the Company's share premium account, together with the minute approved by the Court, was registered by the Registrar of Companies on 3 November 2021. This notice is given in compliance with the Order.

11 November 2021

ARTHUR COX LLP
Solicitors for the Company
10 Earlsfort Terrace
Dublin 2
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Ireland

Post-pandemic panaceas The danger, for the economist Kornai, is that emergency measures become routine ➔ MARKETS INSIGHT

Companies & Markets

Twitter sets up crypto team to explore digital assets

- Group to pursue decentralised apps
- Silicon Valley buzz grows over web3

HANNAH MURPHY — SAN FRANCISCO

Twitter is launching a dedicated crypto team, marking the latest push by chief executive Jack Dorsey to embrace digital assets and decentralised apps and the growing communities around them.

The social media company has recruited Tess Rinearson to lead the team and "set the strategy for the future of crypto at (and on) Twitter", it said.

Twitter Crypto is designed to be "a centre of excellence for all things blockchain and web3", it added, referring to the term given to the growing number of decentralised apps that run on public blockchains.

"We're exploring ways to incorporate decentralised technologies into our products and infrastructure," Twitter said, adding that it in the short term it was exploring payments, ways for people creating content to earn crypto, and the "decentralisation of social media".

> 'We're exploring ways to incorporate decentralised technologies into our products'

Dorsey, a renowned bitcoin enthusiast, has long said he wants to integrate digital assets into Twitter's future, after successfully introducing bitcoin support to the payments company Square that he also runs, two years ago.

In September, Twitter said it was introducing a tool that would allow users to send tips to others for their content using bitcoin. It also said it was creating a feature for verifying non-fungible tokens (NFTs), digital collectibles that have exploded in popularity this year and that some Twitter users use as their profile pictures.

Working under Twitter's chief technology officer Parag Agrawal, Rinearson will oversee and build on these efforts. She previously worked at crypto groups such as Interchain, a group focused on open-source decentralised technologies, and Interstellar, a decentralised crypto wallet and exchange.

The appointment comes amid a growing buzz in Silicon Valley over the web3 movement, which seeks to disrupt Big Tech companies that store user data on servers and seek to monetise that data.

In the web3 ecosystem, by contrast, decentralised apps run on public blockchains, meaning data is not collected by any one party, while users can be offered token-based rewards for participating.

Several social platforms alongside Twitter, such as Reddit and Discord, have hinted that they are also exploring ways to integrate with decentralised apps and embrace some of the concepts of web3 to their platforms.

"Twitter gets crypto, and its early integration of Bitcoin Tips and NFT authentication demonstrates that," said Rinearson. "There's so much more to explore to help people participate in the promise of an evolving, decentralised internet, directly on Twitter."

Rinearson will also be part of Twitter's Bluesky, a separate project designed to find ways to decentralise social media in particular. The working group, made up of Twitter staffers and outside experts, is developing a single standard — or protocol — upon which social platforms and developers can build more tailored offerings, with a view to making them more interoperable.

Developers might then create a marketplace of moderation algorithms or filters, at a time of debate over how user-generated content should be moderated. However, experts have questioned whether such a system has the potential to cannibalise Twitter's existing advertising-driven business model.

Chips charge Infineon profits almost double to €464m as global shortage boosts demand

Infineon's new semiconductor factory in Austria profits from lowered costs of operating in Europe — Simone Attisani

JOE MILLER — FRANKFURT

Infineon, Europe's largest chipmaker, almost doubled its profits in the three months to the end of September, benefiting from surging demand for semiconductors amid a global shortage.

The Munich-based company, which relies on the automotive industry for more than 40 per cent of its revenues, said profits for the period were €464m, up from €245m in the previous quarter.

"Demand is by far outstripping supply," said Reinhard Ploss, chief executive. "Supply is bound to catch up with demand eventually but we do not see this happening on a broader scale within 2022."

In September, Infineon opened Europe's newest semiconductor plant in Villach, Austria, after advances in automation lowered the cost of operating on the continent compared with Asia. In addition to the €1.6bn spent on the site, Infineon plans to invest €2.4bn in the next 12 months on expansion. Two-thirds of that sum will be spent in Europe, the company said.

Infineon, whose semiconductors power everything from vehicle safety systems to infotainment devices, is one of a handful of manufacturers to produce most of its chips in-house, rather than outsource to companies such as Taiwan's TSMC. But the group said it would slowly increase outsourcing from 30 to 40 per cent over the next four years.

For the 12 months ending in September, Infineon generated €1.17bn in profits, up from €368m in the pandemic-hit year before, and €870m in the 2019 fiscal year. However, the company said it expected revenues to rise by a more modest 14 per cent in the 2022 fiscal year, to €12.7bn.

Analysts have warned that the industry may be experiencing a one-off surge in demand, as carmakers over-order to avoid further shortages. "A certain amount of double-ordering has to be assumed," Ploss said.

Infineon said the automotive semiconductor market was not yet returning to more normal levels, nor was the market for chips used in server farms.

But Helmut Gassel, chief marketing officer, said the investment strategy was not based on inflated demand: "We cannot use [orders] as a basis for planning or expanding our capacity."

Separately, parts supplier Continental, one of Infineon's 10 largest customers, said the chip shortage that hit its third-quarter earnings had "likely reached its peak".

Wolfgang Schäfer, chief financial officer, warned that Continental's carmaker clients would need to become better at estimating how many semiconductors they needed if repeated bottlenecks were to be avoided.

Additional report by Alexander Vladkov

EU Big Tech clampdown bolstered by Google fine

JAVIER ESPINOZA — BRUSSELS

Google has lost its appeal against a €2.42bn EU competition fine over its Shopping service, in a ruling that is likely to re-energise antitrust investigators looking at how Big Tech promotes its own businesses.

The General Court of Luxembourg ruled yesterday that Google favours "its own comparison shopping service over competing services" in search results, rather than delivering the "better result".

Margrethe Vestager, the EU's competition chief, accused Google in 2017, after a seven-year investigation, of abusing its market power to give an "illegal advantage" to another arm of its business. Some price comparison websites have gone bust since Google engaged in this behaviour.

Shivaun Raff, co-founder of Foundem, a now defunct comparison website that was a plaintiff in the EU probe, said: "While we welcome today's judgment, it does not undo the considerable consumer and anti-competitive harm caused by more than a decade of Google's insidious search manipulation practices."

Google said that the ruling related to a "very specific set of facts" and it had made changes in 2017 to comply with the European Commission's decision. It is likely to appeal against a ruling that marks the first time a European court has ruled against it in an antitrust case.

It will strengthen the hands of antitrust investigators looking at taking on similar cases where tech companies have used their dominance in one field to move successfully into another. The practice is known as "self-preferencing."

"The ruling infuses more oxygen to Vestager's move to tackle Big Tech. The commission took the Shopping case decision to establish a precedent and that has now been validated," said Alec Burnside, a partner at Dechert in Brussels who has worked with complainants against Google

Raff said the EU was still moving too slowly, given that in the 12 years since Foundem submitted its initial complaint Google had not been forced to "end or mitigate its unlawful conduct".

The European Parliament and EU member states are debating how to enact rules to hold Big Tech to account.

Andreas Schwab, the MEP leading the debate on the Digital Markets Act, said: "The decision of the court proves that the EU is on the right track."

Ikea's Russia supply chain woes highlight sustainability challenge

INSIDE BUSINESS
EUROPE

Richard Milne

COP26 has brought plenty of promises and commitments from companies on tackling climate change. But sifting through those that are genuine and those that are greenwashing is not easy.

Even the best companies for sustainability can struggle in delivering on promises. Take Ikea, the flat-pack furniture retailer that is one of the world's biggest buyers of wood.

Non-government organisations credit it as one of the more enlightened companies on environmental challenges as it aims to become "climate positive" on emissions by 2030. And yet still it has had problems in its supply chain.

Earthsight, a UK-based campaign group, has twice in the past 18 months published investigations alleging concerns over wood from Russia and Ukraine that it says entered Ikea's supply chains. Earthsight claims the timber was felled contrary to permits and allowed practices.

"They are one of the best in terms of understanding where their wood comes from and tracing it back to the forest . . . If Ikea are failing, then probably everybody is failing," says Sam Lawson, director of Earthsight.

Ikea rejects any suggestion that it has knowingly accepted illegal wood. But Jon Abrahamsson Ring, arguably the most powerful man in the sprawling Ikea empire as chief executive of the owner of the brand, Inter Ikea, concedes that responsible forestry management is "a very complex topic".

Ikea, founded in the forests of southern Sweden although now based in the Netherlands, argues wood is a sustainable and renewable material that is far better to use than plastics or metal. That is an attempt in part to counter the argument that Ikea fuels disposable consumption by producing cheap furniture.

But ensuring wood is correctly felled is far from a straightforward matter. Timber suppliers can have permits for certain areas but then illegally log in a neighbouring forest. Another issue is the misuse of the practice known as sanitary felling, where all trees in an area are cut down to protect them from disease or after a calamity such as wind damage.

> 'Looking good is dealing with your own supply chains. Being good is taking responsibility for the whole industry'

Ikea relies on three layers of protection in its wood supply chain, according to Ulf Johansson, wood supply and forestry manager at Inter Ikea. Suppliers have to present an annual wood procurement plan; a team of 40 internal wood supply specialists do about 200 audits each year; and Ikea also uses third-party auditors, both in announced and unannounced visits. It also uses certification by the Forest Stewardship Council as an "additional safeguard".

Johansson stresses: "Responsible forest management is critical for our business. It's not something we can delegate to somebody else. It's only our responsibility to make sure we are only using wood from responsible sources."

But something did go wrong in Russia. Ikea insists that it works "actively to ensure" no illegal wood enters its supply chain but concedes there were "wrongdoings" associated with sanitary felling permits. So not only has it banned the groups at the heart of the Earthsight claims, it has temporarily forbidden use of wood derived from sanitary felling in all of Siberia and the Russian far-east.

There are questions about why Ikea sources large parts of its woods from countries such as Russia, Belarus, and China rather than relying on more expensive countries closer to its base.

Johansson says Ikea conducts more audits in Russia as it is classified as a "high-risk country". But he argues that the group has many suppliers there it has worked with for many years and that "we trust". Ikea could probably source all its wood over time from Sweden and Finland but believes "very strongly that we can do more good by staying, and drive our forestry agenda", he adds. If it uncovers wrongdoing, it drops the supplier.

More than that, there is a question of just how far Ikea's responsibility extends. Both Johansson and Ring say it is not just about Ikea's own supply chain but on making responsible forestry management the norm in the industry. Lawson believes Ikea needs to go further in toughening up the auditing of suppliers and eradicating bad practices.

"Often, I ask companies: Do you want to look good, or be good? Looking good is dealing with your own supply chains. Being good is taking responsibility for the whole industry. That's the question Ikea needs to ask itself," the Earthsight director says. As more companies grapple with the fine details on sustainability pledges, Ikea is unlikely to be alone in facing up to this challenge.

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(COMPANY NO. LF00521)
(REGISTERED UNDER LABUAN COMPANIES ACT 1990)
AND
IN THE MATTER OF 169(4) OF THE LABUAN FINANCIAL SERVICES AND SECURITIES ACT 2010

NOTICE OF SURRENDER OF LABUAN BANKING LICENCE LICENCE NO.: 950044C

Notice is hereby given that ING Bank N.V., Labuan Branch intends to surrender its licence to carry on business as a Labuan bank (Licence No. 950044C) issued by Labuan Financial Services Authority. The surrender shall take effect on 2nd December 2021 and all banking related business will no longer be carried out through this entity upon the effective date of the surrender of Labuan banking licence.

Any enquiries can be directed to the ING Registered Office at Unit Level 13(A), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Labuan F.T., Malaysia.

Dated this 11th day of November 2021.

This notice is inserted by ING Bank N.V., Labuan Branch of Unit Level 13(A), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Labuan F.T., Malaysia

COMPANIES & MARKETS

Financials

McKinsey partner charged over US trades

Insider dealing alleged in connection with $2.2bn Goldman acquisition

MAMTA BADKAR AND JOSHUA FRANKLIN
NEW YORK

A partner at McKinsey, the consulting firm, has been charged in the US with securities fraud in connection with alleged insider trading ahead of Goldman Sachs' $2.2bn acquisition of GreenSky, the online loans provider

A criminal complaint unsealed yesterday in Manhattan federal court alleged that Puneet Dikshit, 40, "used and employed manipulative and deceptive devices and contrivances" while providing consulting services to Goldman to glean confidential information about its impending acquisition.

Dikshit "exploited his access to material non-public information" about the deal, in a "breach of duties to his firm and its investment bank client — and violation of the law", Damian Williams, the US attorney for the southern district of New York, said in a statement.

It was alleged he bought out-of-the-money GreenSky call options — a bet the price of the underlying security will rise — that were set to expire days after the announcement, and then sold them the morning the deal was announced.

Prosecutors said the trades between July and September netted Dikshit a $450,000 profit after the deal was announced.

Dikshit was arrested yesterday and is charged with two counts of securities fraud, each of which carries a maximum 20-year prison sentence.

Lawyers for Dikshit did not immediately respond to a request for comment. He was to appear before a US magistrate judge yesterday afternoon.

The US Securities and Exchange Commission also filed a parallel civil case alleging Dikshit traded illegally in advance of the acquisition. Both the SEC and justice department alleged that Dikshit failed to pre-clear these purchases with his firm.

McKinsey said in a statement that it had fired Dikshit "for a gross violation of our policies and code of conduct. We have zero tolerance for the appalling behaviour described in the complaint and we will continue co-operating with the authorities."

Goldman said in a statement the bank was "deeply disappointed by the insider trading allegations and was are fully co-operating with the investigation".

GreenSky shares rose more than 50 per cent after it was announced on September 15 that Goldman would buy the loans provider for $12.11 per share in Goldman stock.

GreenSky went public in 2018 at a $4bn valuation, but the company's share price has consistently traded below its $23 IPO price.

Goldman has said previously it expects the deal to close in the final three months of 2021 or the first three months of 2022.

Additional reporting by Andrew Edgecliffe-Johnson

Pharmaceuticals

Big boost for Valneva as Brussels signs Covid vaccine deal

DONATO PAOLO MANCINI — LONDON

Brussels has approved a deal to buy up to 60m doses of Valneva's Covid-19 vaccine over two years, boosting the jab's fortunes after the UK government's cancellation this year of a 100m-dose contract worth up to €1.4bn.

Shares in the French vaccine maker jumped as much as 24 per cent on the news of the initial agreement, touching record highs reached earlier this year.

Under the contract, which is subject to national reviews and approval by the EU medicines regulator, member states will be able to purchase a total of almost 27m doses in 2022. Crucially, it "includes the possibility to adapt the vaccines to new variant strains", the European Commission said.

Thomas Lingelbach, Valneva chief executive, said the company was grateful to the commission for its support.

"We continue to receive messages from people across the world who are waiting for an inactivated vaccine," he added.

"We are deeply committed to bringing an alternative vaccine solution to the market as quickly as possible and continue to work tirelessly to achieve that."

The UK in September rescinded a deal for at least 100m doses of the shot, saying the company was in breach of its obligations under the deal — an accusation Valneva "strenuously" denied. People close to the matter said this was because the shot performed less well than others as boosters in a trial whose results have yet to be published.

> 'We are deeply committed to bringing an alternative vaccine . . . to the market as quickly as possible'

Valneva said last month that its vaccine elicited a stronger immune response with fewer side-effects than the Oxford/AstraZeneca shot. The announcement renewed concerns about whether the UK should have abandoned the contract.

Officials close to the European negotiations said in September a deal with the bloc had been put on hold because of a glut of vaccines, with the EU having secured up to a total of 2.1bn doses of the Moderna and BioNTech/Pfizer shots. Since then, however, Europe has suffered a resurgence in Covid-19 cases and hospital admissions.

No money will be paid until a final contract is signed, which will be subject to regulatory approval by the European Medicines Agency, according to one person with knowledge of the matter.

The shot, currently not medically approved anywhere, hinges on the deployment of an inactivated virus. In theory, these types of vaccines could elicit a broader type of immunity. Vaccines currently used in the UK and EU target only one of its components, the so-called spike protein.

Commission president Ursula von der Leyen said the deal "allows for the vaccine to be adapted to new variants. Our broad portfolio will help us to fight Covid and its variants in Europe and beyond."

Member states would be able to donate the vaccine to poorer countries, or to redirect shipments within the bloc, Brussels said, adding it had taken "a decision to support this vaccine based on a sound scientific assessment, the technology used, the company's experience in vaccine development and its production capacity to supply all EU member states".

Mining. Dispute

Johnson half-brother accused over Mongolia fraud claim

Businessman says UK PM's sibling made false allegation to gain control of metals project

NEIL HUME
NATURAL RESOURCES EDITOR

A Mongolian businessman has accused Boris Johnson's half-brother of pursuing a spurious fraud complaint against him in order to wrest control of a mining project.

Max Johnson, the youngest son of the UK prime minister's father Stanley, is seeking to recover a $19m investment in the Zasag Chandmani mines on behalf of Simon Murray, the former chair of Glencore.

After allegations from Johnson, the Mongolian police have investigated ZCM's owner Buyantogtokh Dashdeleg on suspicion of embezzlement and money laundering and sent a report to the general prosecutor.

Buyantogtokh, who is seeking asylum in the US, fiercely denies the allegations and in his first public comments on the matter said Johnson put "huge pressure" on the Mongolian government to start criminal proceedings. Although a trial has been ordered, a case has yet to be called to court.

Buyantogtokh Dashdeleg: claims Mongolian authorities are under pressure to prosecute him

"I cannot afford to remain silent any more," Buyantogtokh told the Financial Times. "The Mongolian government is trying very hard to attract foreign investment . . . and it is extremely challenging for them to push back against someone like Max Johnson."

The dispute between Johnson and Buyantogtokh comes at a sensitive time for Mongolia, which needs more foreign capital to develop its natural resources but is locked in a bitter row with Rio Tinto over a late-running $6.8bn underground copper project.

Buyantogtokh insisted he could prove the money invested by Murray's investment vehicle GRF Paragon was appropriately spent. "There are videos of the construction progress which I can share with anyone interested to verify this," he said, adding that if the evidence against him was so overwhelming, "one would reasonably ask why this case is still ongoing two years later?"

"This matter is 100 per cent a civil matter and I've tried on many occasions to resolve it with Max. I have never said that I don't owe GRF money and I have tried to reach an amicable settlement many times with Max," he said. Buyantogtokh fears he could be stripped of the project if he is found guilty of fraud.

Max Johnson has argued that GRF's money had not been spent on developing the ZCM mining project, below
Andrew Parsons/Shutterstock

A former child actor, Johnson was educated at Eton and Oxford university, where he studied Russian. He first visited Mongolia in 2006 during the Naadam festival of traditional sport. He "fell in love with the country" and made a promise "to find some career choices that would bring me back here", Johnson told Mongolia's Eagle News during a visit to the country in September.

"In 2016 when Murray invested in Mongolia I was obviously aware," said Johnson, who knew Murray from his days as a metal trader in Hong Kong. "He asked me to join the project in 2018, which I did."

Murray's private investment group GEMS set up GRF in 2015 to invest in ZCM, owner of a high-grade copper, gold and iron project. Between 2016 and 2018, the fund invested $19m in ZCM in return for convertible loan notes — its only asset — that it could eventually exchange for a stake in the company.

Six months after the final tranche of cash was transferred, Johnson joined the project.

In Johnson's telling of the story it became clear to him that the $19m invested by GRF had not been spent on developing the mine. In 2019 he reported his concerns to the Mongolian police, who launched an investigation, at which point work on the mine stopped.

"We would very much like the case to be heard in court," Johnson told Eagle News. "Obviously we will respect the decision of the Mongolian judicial system — it is an independent, impartial authority."

Buyantogtokh says these allegations are false. Independent analysis of ZCM's financial statements between 2015 and 2018, prepared by accountants BDO and seen by the FT, found "no evidence proving cases of abuse of power and embezzlement and/or misappropriation of funds" by Buyantogtokh.

According to Buyantogtokh, a GRF team was actively involved with the project. "Not once did they raise an issue," he said. "They visited the mine site every few months, visited Mongolia monthly for board meetings and received detailed monthly financial and operational reports from a team of expatriates working on this project."

> 'I have never said that I don't owe GRF money and I have tried to reach an amicable settlement many times with Max'
> Buyantogtokh Dashdeleg

He added that Johnson resorted to legal proceedings only after Buyantogtokh acquired senior secured debt in ZCM from Noble Group, the commodity trader, in 2018.

"This put GRF in a very weak position as their debt was second-ranking secured. I believe, confronted with this reality, Max decided to pursue criminal proceedings as he had little civil recourse."

Johnson said: "We cannot comment at this time due to the ongoing legal process but as soon as we can, we would be happy to do so."

However, he told the Sunday Times in September that he was facing a personal loss of £1.5m in Mongolia and was "acutely aware" of the risks of any trading on the Johnson name.

Murray did not respond to requests for comment.

Asked why he had left Mongolia in 2019, Buyantogtokh said it was for a medical procedure.

He decided not to return after learning that the authorities were investigating his wife, he added.

"Confronted with powerful adversaries, I felt my only chances of fairly resolving this entire matter was to go to the US and take my family with me," he said.

Airlines

Emirates pares losses as demand recovers

SIMEON KERR — DUBAI

Emirates has pared back its losses as demand for travel rebounds with the Gulf airline's revenues surging 86 per cent.

The government-owned carrier was hit with a half-year loss of $1.6bn in its 2021-22 financial year compared with a loss of $3.8bn in the previous period. The Dubai-based airline carried 6.1m passengers between April and the end of September, a 319 per cent increase on the same period in 2020-2021.

"We saw operations and demand pick up as countries started to ease travel restrictions," said Sheikh Ahmed bin Saeed Al Maktoum, the airline's chair and chief executive. "This momentum accelerated over the summer and continues to grow steadily."

Dubai is also recovering after last year's recession as tourism and business activity picks up. The city, which has a symbiotic relationship with its flagship carrier, is hosting the delayed Expo 2020 world fair and has witnessed an influx of tourists thanks to its successful handling of the pandemic.

The airline said it had been restarting services or increasing frequency to destinations as travel restrictions were lifted. By the end of the period, Emirates was serving 139 airports, using all its Boeing 777s and about a third of its A380 superjumbos.

The group, which includes cargo and ground handling, reported a loss of $1.6bn, with revenues up 81 per cent.

It returned to profitability with earnings before interest, tax, depreciation and amortisation of $1.5bn, a "dramatic turnround" from a negative $12m ebitda during the same period last year.

The group relied on cash reserves, loans and a $681m equity injection from its owner, Dubai's government holding company. In the 2020-21 financial year, the airline received $3.1bn in state support. It also implemented a redundancy programme that reduced its staff by 31 per cent to about 75,000.

As demand picks up, the group has launched recruitment drives that prioritise rehiring of employees who were put on furlough or made redundant.

Cargo operations remained strong, the airline said, posting a 39 per cent increase that brought the business back to 90 per cent of volumes in 2019.

"While there's still some way to go . . . we are well on the recovery path," Sheikh Ahmed said.

Travel & leisure

Tycoon Kretinsky takes 27% West Ham stake

SAMUEL AGINI — LONDON
JAMES SHOTTER — WARSAW

Czech tycoon Daniel Kretinsky has acquired more than a quarter of West Ham United, becoming the latest billionaire to buy into the English Premier League, the world's richest domestic football competition.

West Ham said yesterday that Kretinsky was buying a 27 per cent holding in the club, which has played its way into third place in the division.

Kretinsky is making the investment through Czech investment group 1890s holdings, and will sit on the board along with business partner Pavel Horsky.

He is paying roughly £160m for the stake, valuing the club at roughly £600m, or £700m including debt, according to two people with knowledge of the transaction. West Ham and Kretinsky declined to comment. "I am delighted this detailed process has now been successfully concluded," said Kretinsky. "I am passionate about football."

The deal is a vote of confidence in the team's prospects and a sign of the enduring appetite among overseas investors for Premier League clubs, even after the hit to revenues during the pandemic. It follows the acquisitions last month of Newcastle United by Saudi Arabia's sovereign wealth fund.

Kretinsky began his career at Czech bank J&T before moving into energy, where he bought up a string of infrastructure and power assets via his vehicle EPH. He has since diversified into other sectors from retail to media, with investments in companies including UK supermarket J Sainsbury, Royal Mail and French newspaper Le Monde. He is a co-owner of Sparta Prague, one of his home country's biggest football clubs.

West Ham said the deal would allow it to reduce its long-term debt.

The club said in October it had received planning permission to increase the capacity of the London Stadium, its home ground, by 2,500 seats to 62,500, as it looks to ramp the number up to 67,000. Unlike many Premier League rivals, the club does not own its home stadium.

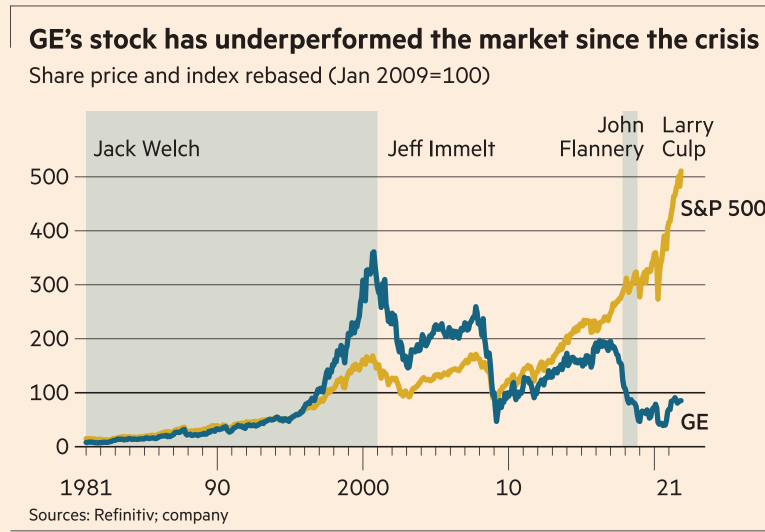
"We are always looking to continue to progress and Daniel's involvement brings investment which strengthens the club's position," said West Ham vice-chair Karren Brady.

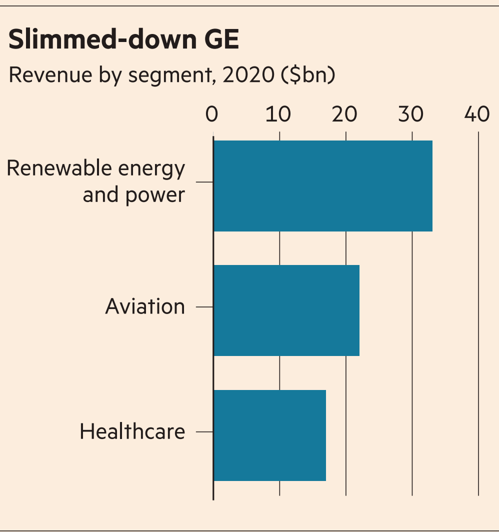
British entrepreneurs David Sullivan and David Gold remain in control of the club as its largest shareholders.

GE boss bids farewell to industrial complexity

Culp closes a critical chapter by deciding smaller is better, and the CEO makes clear his focus is firmly on the future

ANDREW EDGECLIFFE-JOHNSON
GARY SILVERMAN — NEW YORK
JAMES FONTANELLA-KHAN — LONDON





Workers assemble arc lamps at General Electric's West Lynn plant in Massachusetts in 1898. Larry Culp, right, inherited $140bn of debt at GE — Schenectady Museum/Corbis/Getty

As Larry Culp revealed his plan to break GE into three, he closed a defining chapter in US corporate history, signalling how far from favour the conglomerate business model has fallen.

With Toshiba, the Japanese industrial group, also considering splitting into three under pressure from activist investors, and IBM quitting its services business, all are following a path taken by the likes of United Technologies, DowDuPont, ABB and Siemens: distancing themselves further from the time four or five decades ago when conglomerates defined corporate best practice.

"I'm going to leave the look back, the retrospectives, to the academics and the historians, frankly," said Culp, chief executive since 2018. "I've spent my entire career with these models and there are different answers for different businesses at different points of time."

While one former executive talked of "the end of the GE we knew", Culp, chief executive since 2018, said the company had simply concluded that letting the healthcare, aviation and energy businesses fend for themselves with "greater focus, tailored capital allocation and strategic flexibility" was the best way to set them up for the next 100 years.

Culp told the Financial Times: "I'm going to leave the look back, to the retrospectives, to the academics and the historians, frankly. I've spent my entire career with these models and there are different answers for different businesses at different points of time."

But the symbolism was clear, said Sara Moeller, professor of finance at Pittsburgh University: "Basically, GE is telling us that smaller is better."

The rise of private equity had made it harder for industrial companies to compete for the deals that conglomerates depended on, she added. Now they needed to "focus and stay within [their] lane, while becoming more efficient".

For years in the late 1990s and early 2000s GE was the most valuable company in the US, with a market capitalisation peaking at almost $600bn in 2000. Jack Welch, its chair and chief executive for 20 years until 2001, personified its reputation for being able to manage any business. "There was almost an Elon Musk hype that drove the stock," said Jeffrey Sonnenfeld, a professor at Yale School of Management.

Its share price history does not capture the extent of its cultural impact, however. Generations of Americans bought GE lightbulbs and GE fridges, Ronald Reagan advertised its products before becoming president and Kurt Vonnegut was a GE publicist before he wrote *Slaughterhouse-Five*.

But the break-up Culp unveiled on Tuesday, reversing decades of acquisitions, also had its roots in history. Described by Deane Dray of RBC Capital Markets as the longest anticipated break-up in the industrial sector, it is the latest and largest step in a painful process of cleaning up and simplifying GE that started after the financial crisis exposed a near-fatal flaw in its model.

Welch transformed GE Capital, a division originally focused on helping clients finance purchases of its aircraft engines and power turbines, into a financial services powerhouse involved in everything from subprime mortgages to insurance. He called it the "blob".

The financial crisis of 2007-09 exposed how much the group depended on GE Capital and how little investors understood the risks lurking within it.

GE Capital had been a "cookie jar" into which executives could dip to smooth over uneven results from other businesses, Sonnenfeld said. "Many of them did not perform well but GE Capital provided protection."

Questions about the quality of GE's accounting also emerged after the crisis. It later agreed to pay $50m to settle civil accounting fraud charges brought by US regulators. "GE bent the accounting rules beyond the breaking point," said Robert Khuzami, director of the Securities and Exchange Commission's enforcement division at the time.

In its 2009 settlement, GE did not admit or deny allegations that it had used improper accounting methods to flatter its results. It neither admitted nor denied separate SEC charges that it had misled investors, which it settled for $200m in December.

The process of trying to bring GE Capital's risks under control began under Jeff Immelt, Welch's successor, who began a series of disposals including the $30bn sale of a speciality finance portfolio to Wells Fargo in 2015. By then, he had also sold NBCUniversal to Comcast; in 2016 he sold GE's century-old appliances business too, to China's Haier.

Immelt, who ran GE from just before the September 11 attacks of 2001 until 2017, sold most of GE Capital, but continued pursuing acquisitions. Fatefully, he bought Alstom's power business in 2015 just as the market moved away from fossil fuels.

It has taken two more chief executives to fully reckon with GE's past. Soon after Culp took over, he wrote down Alstom's by $23bn, but he was not Immelt's chosen successor. That was John Flannery, who began with a plan to strip GE down to its electricity and aviation divisions. He lasted a year, before a plunging share price prompted the board to turn to Culp, the first outsider to run GE.

Explaining the significance of GE's break-up, Culp focused on liabilities. He inherited $140bn of gross debt and will have cut that to less than $65bn this year, with a focus on manufacturing efficiency, improving cash flow and selling more businesses, including aviation services and life sciences. Since he took the job, GE's market capitalisation has risen from $98bn to $122bn.

His plan will take until early 2024 to complete, after which he intends to remain with the aviation business, which will keep the GE name.

The three companies would shape the future of flight, advance precision healthcare and lead the energy transition, he said. But they are likely to be dwarfed by the likes of Apple, Amazon and Tesla.

That has prompted speculation that one or more could be M&A targets. The split could also prompt other conglomerates such as 3M, Eaton and Emerson to simplify their portfolios, said Dray.

Frank Aquila, global head of M&A at Sullivan & Cromwell, the law firm, agreed. "GE has finally found the key to unlocking the remaining value for its shareholders," he said. "Given the pressure from activist investors we are likely to see more spin-offs."

As for Culp, a near-doubling of GE's stock since the depths of the pandemic has unlocked incentives that were worth $129m at Tuesday's closing price. Culp lost an advisory shareholder vote on his pay in May but if GE's share price rises 20 per cent from Tuesday night's level and stays there for 30 consecutive days, he could receive $233m.

"Certainly investors have been sceptical of this award," said Brian Johnson, executive director of ISS Corporate Solutions, a governance data provider. "Nonetheless, the stock price has improved since the grant was made."

Asked how the split reflected on his record, Culp did not talk about endings. "Hopefully," he said, "I'm still in the early days of my time with GE".

Additional reporting by Patrick Temple-West

Timeline

How the group has shrunk since the financial crisis

2009
Nov: United Technologies acquires GE Fire and Security divisions for $1.82bn
Dec: GE agrees $13.75bn sale of 51 per cent stake in NBCUniversal to Comcast

2011
Aug: Sea container leasing joint venture sold to HNA Group and Bravia Capital for $2.5bn

2012
Jul: Sells smaller units including a business property lending division to EverBank for $2.51bn

2013
Mar: Remaining stake in NBCUniversal sold to Comcast for $16.7bn
Dec: GE's advanced sensors business sold to Amphenol for $318m

2014
Feb: GE Money Bank sold to Sovcombank for $232m
Sep: GE appliance business acquired by Electrolux for $3.3bn

2015
Aug: Healthcare finance unit sold to Capital One for $8.5bn
Oct: GE Capital sells speciality finance portfolio worth $30bn to Wells Fargo
Nov: GE Finance and Insurance and GE Capital Finance Australia sold to a consortium of groups including Deutsche Bank, KKR and Värde Partners for $6.2bn

2016
Apr: GE Japan sold to Sumitomo Mitsui Finance and Leasing Company for $4.7bn
Jun: GE's US home appliance unit sold to Qingdao Haier for $5.6bn

2017
GE Osmonics sold for $3.4bn

2018
May: Merged transport unit with Wabtec in $11.1bn deal
Nov: Sold Innio for $3.25bn to Advent International and divested a $4bn stake in Baker Hughes
Dec: Sells 90 per cent stake in ServiceMax to Silver Lake

2019
Feb: GE Transportation sold to Westinghouse Air Brake Technologies for $9.7bn
Mar: GE BioPharma sold to Danaher for $21.4bn

2021
Mar: GE Capital Aviation Services sold to AerCap for $30bn
Nov: Larry Culp announces plan to split GE into three companies

© World Animal Protection/Emi Kondo

WORLD ANIMAL PROTECTION

COP26 –
time to act

As governments of the world gathered to address the climate emergency, World Animal Protection called upon them to take action on one of the biggest drivers of climate change – factory farming.

With the biggest meat and dairy companies' climate impact now outweighing that of several developed nations* – there's no bigger threat to our planet's future than factory farming expansion.

Factory farming is often overlooked as the climate culprit within the agriculture sector. Yet it's an industry that rips down forests to plant crops for animal feed – releasing carbon into the atmosphere.

And it is factory farming that devastates wildlife habitats, displaces local communities and profits from the cruel treatment of billions of farmed animals each year.

Emissions from rising consumption of meat and dairy products, and the exploitation and trade of wildlife, are causing irreversible damage to the world's natural habitats and vital biodiversity.

Some factory farming companies have made 'net-zero' commitments but these lack credibility and often let them continue to grow and profit at our expense. The commitments of certain countries unveiled at COP26 to tackle deforestation, while welcome, are not enough.

The G20 also failed to tackle factory farming and the wildlife trade. We need urgent action from our leaders to end factory farming and avoid further damage to our climate.

It is time for governments to act to protect humanity, animals and our planet.

Please donate and support World Animal Protection to help change lives. Forever.
worldanimalprotection.org/join-us

*Source: GRAIN & IATP

Commodities. Innovation

Physical carbon credit ETF wins praise, despite misgivings

Shining example: a solar farm on the outskirts of Gunnedah, New South Wales, Australia — investors in clean energy are driving demand for new ETFs
David Gray/Bloomberg

Warnings over 'unintended consequences' if new product pushes energy prices higher

EMMA BOYDE

The launch last week of a carbon credit exchange traded fund has been broadly welcomed for its innovative approach but some industry observers caution that, if the concept proves too successful, there could be "unintended consequences".

Unlike competing ETFs, which offer exposure to futures prices of carbon credits, the SparkChange Physical Carbon EUA ETC (CO2), which launched on the London Stock Exchange last Thursday, is the first ETF to invest directly and exclusively in EU allowances (or EUAs) — otherwise known as pollution permits.

The idea is that, by buying the ETF, investors are withdrawing carbon allowances from the market and therefore preventing polluters from using them, driving up the cost of the remaining EUAs and helping stop emissions from occurring in the first place.

EUAs have almost doubled in price since the beginning of the year, rising from about €35 per tonne at the beginning of January to a high of almost €65 at the end of September.

The launch day was a success. Assets under management swelled from $1m at the opening bell to more than $11m by the close of trade, according to Hector McNeil, co-founder of HanETF, the white-label ETF provider that partnered with SparkChange to bring the ETF to market.

"Buying a physically-backed carbon allowance and effectively taking the permit to pollute away from a polluter does exactly that — it forces polluters to reduce emissions now," said Jan Ahrens, head of research at SparkChange.

He noted that EUAs, with their controlled supply, differed from uncapped carbon offsets, although both were sometimes referred to as carbon credits.

Kenneth Lamont, senior fund analyst for passive funds research at Morningstar Europe, said the concept of investing directly in EUAs through the ETF was an interesting development that offered distinct advantages over futures-based carbon credit ETFs.

"By tracking physical contracts, the new ETC neatly sidesteps the additional pricing noise created by tracking futures," said Lamont.

"This is particularly important when the futures market is in contango — [a phenomenon that] occurs when the price of carbon allowances are expected to rise," he said. "In this environment investors can lose money even when the spot price of carbon credits is rising."

US investors have access to four ETFs investing in carbon futures prices: the KraneShares Global Carbon ETF (KRBN); KraneShares California Carbon Allowance ETF (KCCA); KraneShares European Carbon Allowance ETF (KEUA); and iPathA Series B Carbon ETN (GRN).

WisdomTree relaunched its futures-based Carbon ETF (CARB) on the LSE in August this year.

However, some industry observers sounded a note of caution.

Patrick Wood Uribe, chief executive of Util, a sustainable investment data provider, said one-dimensional actions could have "unintended consequences".

He added: "What happens if you do allow investors to restrict the supply of allowances?"

Wood Uribe argued that one of the outcomes could be rising energy prices, which could in turn have negative social consequences if prices increased too quickly.

Polluters could also simply decide it is worth paying for the trade, he said.

Wood Uribe said he welcomed the idea of trying to solve a non-financial problem in a financial way but added: "It does highlight how important it is to think holistically about these things."

> 'What happens if you do allow investors to restrict the supply of allowances?'

Lana Khabarova, founder of SustainFi, a sustainable and impact investing site, agreed that investors who genuinely wanted to buy the ETF ought to give it careful thought.

She said that, while there were no intentions to increase the amount of EUAs in supply, Article 29a of the EU emissions trading directive allowed authorities to increase the supply of allowances if there had been significant and sustained price rises, which could affect the value of the ETF's holdings.

Khabarova also said EUAs were already used by hedge funds to hedge their exposure to investments in oil and gas stocks, raising the prospect that this ETF could be used in the same way.

But despite potential problems, she said she welcomed the new fund. "I think it's great that investors can invest in carbon credits, whether via futures or physical credits."

She said carbon prices were "way too low to meet Paris Agreement goals" and that they needed to exceed $100 a tonne.

Lamont agreed that the product's positive attributes could not be ignored. "This is a great example of an ETC/ETF providing access to markets that had once been the preserve of institutional investors," he said.

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Derivatives

Brussels to extend bank access to UK clearing

PHILIP STAFFORD — LONDON
MEHREEN KHAN — BRUSSELS

Brussels will extend its temporary permit allowing European banks to access UK clearing houses, heading off a potential threat to financial market stability when the arrangement lapses.

Mairead McGuinness, European commissioner for financial services, said yesterday that the decision would be formally announced early next year to help avoid "a cliff edge" for EU banks when the permit expires in June 2022.

The move is intended to give banks, other financial companies and asset managers more time to move more of their euro-denominated contracts out of the City and to the eurozone.

Clearing houses are central to staving off market instability, sitting between parties on deals and preventing defaults from cascading through the financial system. London's LCH still handles about 90 per cent of all euro-denominated derivatives, according to data provider Osttra.

Brussels signalled its intent to award the extension as relations between the UK and EU have frayed over the Northern Ireland protocol, with the UK government threatening to trigger an Article 16 clause in protest at the Brexit trade arrangements for the region.

EU diplomats said the move on clearing houses was made this week to avoid getting snarled up in broader tension and possible retaliatory measures over the protocol.

> 'The EU has accepted that it underestimated how vital UK-located clearing services were to the EU'

The commission, however, wants to see derivatives clearing business shifted back to the EU because it is unhappy about the financial stability risks of seeing up to €80tn of open contracts being handled in a market that is no longer subject to its direct oversight.

Last month, McGuinness told the Financial Times that she was determined to avoid any market instability over the clearing decision.

The market has been unwilling to move from London because users can concentrate their portfolios in one place, net their positions and save millions of dollars a day on the insurance required to back their deals.

But McGuinness admitted the June 2022 expiry date "was too short" to build up capacity over the medium term. The extension will also give EU regulators time to assess the risks to the bloc from UK clearing houses like LCH and ICE Clear Europe.

"The EU has at last accepted that it underestimated how vital UK-located clearing services were to the EU," Michael McKee, financial services regulatory partner at DLA Piper said. "Longer term, however, the EU will want to develop its own clearing capacity."

Additional reporting by Laura Noonan in London

Equities

Tencent revenue growth falls after China curbs on children's gaming time

PRIMROSE RIORDAN — HONG KONG
SARAH PROVAN — LONDON

Tencent defended a slowdown in revenue growth in its first financial results following Beijing's crackdown on children's gaming time.

Revenues grew 13 per cent in the three months to September 30 to Rmb142.4bn ($22bn) from the Rmb125.4bn reported in the same period a year earlier.

But the sales missed the average forecast of Rmb145.4bn in a Bloomberg poll, and growth was lower than the 20 per cent and 25 per cent growth rates of quarters two and one, respectively.

Shares in the group closed up 4.2 per cent to HK$483.6 yesterday before the results were released.

Martin Lau, the company's president, said stricter regulation was "the new normal" both in China and internationally.

He expected the amount of new rules to decrease, though he did not offer details. "The impact on industry will be less and less over time," he told analysts yesterday.

China's biggest companies have been rattled by a series of regulations as President Xi Jinping rolled out a new "common prosperity" policy, which has targeted everything from social inequity to consumer rights.

Video games, a key business area for Tencent, have come under intense scrutiny. The government accused companies of making games that were too addictive, briefly labelling them "spiritual opium" and restricting the amount of time that children could play them. Tencent said both its revenue from under-18s and the amount of playing time had further decreased. Minors accounted for 0.7 per cent of the company's domestic games time spent in September 2021, down from 6.4 per cent in September 2020.

Tencent says stricter regulation is 'the new normal' for its business

James Mitchell, the company's chief strategy officer, said he did not expect the time limits placed on minors to be extended to adults and he also emphasised the importance of gaming to China's soft power.

"Its advantageous to society on multiple levels to have a thriving . . . game industry," Mitchell said, pointing to the examples of Hollywood in America and Korea's music industry.

International gaming revenue growth outpaced the rate inside China.

Domestic games revenue in China rose 5 per cent to Rmb33.6bn over the quarter with games such as *Honour of Kings* and *Call of Duty* helping to drive its sales, the company said yesterday.

International gaming revenues climbed 20 per cent to Rmb11.3bn on the back of games such as *Valorant* and *Clash of Clans*.

See Lex

Fixed income

Choppy pricing of US government bonds aggravated by liquidity drought

KATE DUGUID — NEW YORK

The trading climate in the $22tn US government bond market has become less hospitable, adding to choppy moves in securities that act as a foundation of the global financial system.

Liquidity — the ease with which an investor can buy or sell an asset — has deteriorated in recent weeks, data show. That has added to the pressure on regulators to improve a market long viewed as a haven during times of trouble.

But regulators are far from any solution, according to a progress report released this week by a federal working group charged with assessing the structure of the US Treasury bond market.

The report, part of a review commissioned after Treasury markets were thrown into chaos at the start of the pandemic, detailed why there have been liquidity problems in recent years.

It also outlined some familiar solutions such as increased transparency and oversight, and central clearing.

However, it stopped short of making any policy recommendations and did not suggest a timeline for the work.

"The report does not go far enough to support the plumbing of the Treasury market and to assure that liquidity providers will remain trading when conditions become stressed," said Yesha Yadav, a professor at Vanderbilt Law School who researches Treasury markets regulation.

The report arrived as liquidity conditions have once again worsened. Demand for Treasury debt has risen in recent days, leading to a jump in the price of 30-year bonds to the highest level since July. The price of the benchmark 10-year bond has risen to its highest level since September.

> 'This has got to be sending a troubling signal to central bankers because it is not fundamentally driven'

The current rise in prices is counterintuitive. The Fed last week announced intentions to slow its pandemic-era purchases of Treasuries, which will mean the exit of the market's biggest buyer.

There is also no clear fundamental economic reason why demand for these haven securities should be so high at the moment — October's US employment report showed strong jobs growth plus riskier assets like stocks are booming.

"This seems to be something that has got to be sending sort of a troubling signal to central bankers because it is not fundamentally driven," said Subadra Rajappa, head of US rates strategy at Société Générale. "There's clearly some 'position unwinds' that are going on as we speak."

This "position unwind" means that speculators are rushing to get out of bets that longer dated Treasury prices would fall. The trade has been a popular one in recent month, but the relentless move higher in prices has clobbered hedge funds, including Rokos Capital Management, Alphadyne Asset Management and Odey Asset Management.

As investors exit these bearish positions, liquidity has been worsening, making the moves even more extreme.

JPMorgan Chase research from November 5 showed that market depth, one measure of liquidity, had fallen to the lowest levels since summer when fears about the effect of the Delta variant on the US economy hampered liquidity.

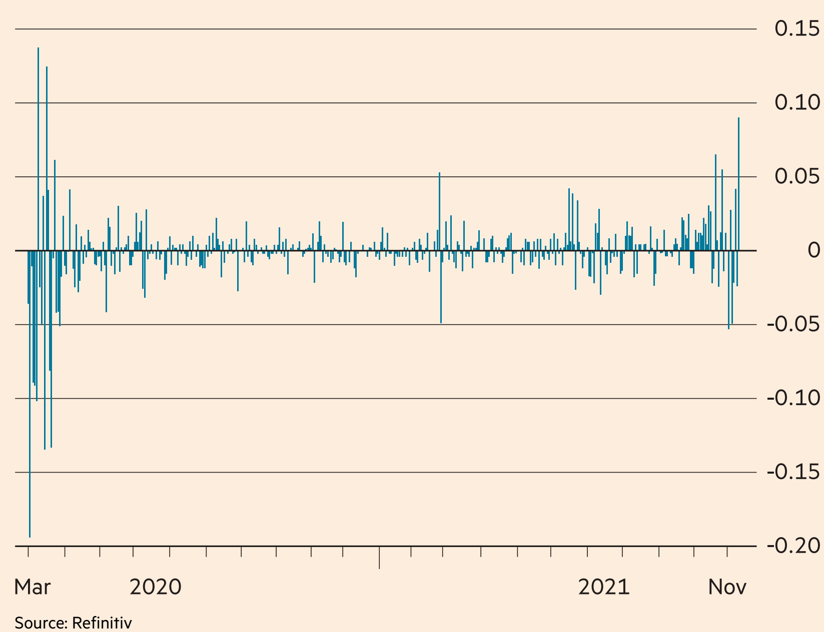
The day in the markets

What you need to know

- **Short-term US government debt sells off sharply on inflation surge**
- **Investors pricing in 75 per cent chance of Fed rate hike in June next year**
- **China's high producer price inflation reading weighs on Asian stocks**

Biggest sell-off in short-dated Treasuries since March 2020

Daily change in 2-year US government bonds (basis points)



Source: Refinitiv

Short-term government debt sold off sharply yesterday after US consumer prices rose at the fastest pace in three decades last month.

Two-year Treasury notes, which are sensitive to interest rate expectations, sustained the sharpest rise in yield since the market ructions at the height of the coronavirus crisis in March 2020.

Two-year yields jumped 9 basis points to 0.50 per cent while the yield on the five-year Treasury climbed to 1.19 per cent after rising 13bp.

Data released yesterday showed US consumer prices climbed 6.2 per cent year on year in October, well above the 5.8 per cent expected by economists.

The move in short-dated Treasuries was down to "investors bringing forward rate hike expectations assuming the Federal Reserve will need to normalise policy rates sooner rather than later", said Ian Lyngen at BMO Capital Markets.

Eurodollar futures, a closely watched gauge of market expectations of interest rate hikes, showed investors were pricing in a 75 per cent chance of a rate hike as soon as June 2022 and 100 per cent chance of a rate hike in July.

A key market measure of inflation — the five-year break-even inflation rate, which reflects where investors expect inflation to be in five years' time — rose to the highest level on record at 3 per cent, according to Bloomberg data.

Global concerns over inflation were also heightened by data showing that Chinese producer price inflation — the measure of what businesses pay each other for goods — rose 13.5 per cent in October from the same time last year, its biggest leap in 26 years as factories absorbed higher energy prices.

Asian markets mostly fell following the factory gate figures, which had dented "optimism about seeing some monetary policy action" in China to support the real estate sector, said Chris Jeffery at Legal & General Investment Management.

China's CSI 300 index declined 0.5 per cent while the Nikkei 225 Average in Tokyo closed 0.6 per cent lower.

On Wall Street, the S&P 500, which reached its longest streak of all-time highs since 1997 on Monday, was down 0.4 per cent by lunchtime in New York.

The Nasdaq Composite index, which is full of tech stocks sensitive to inflation because their valuations are often based on future growth, fell 0.6 per cent.

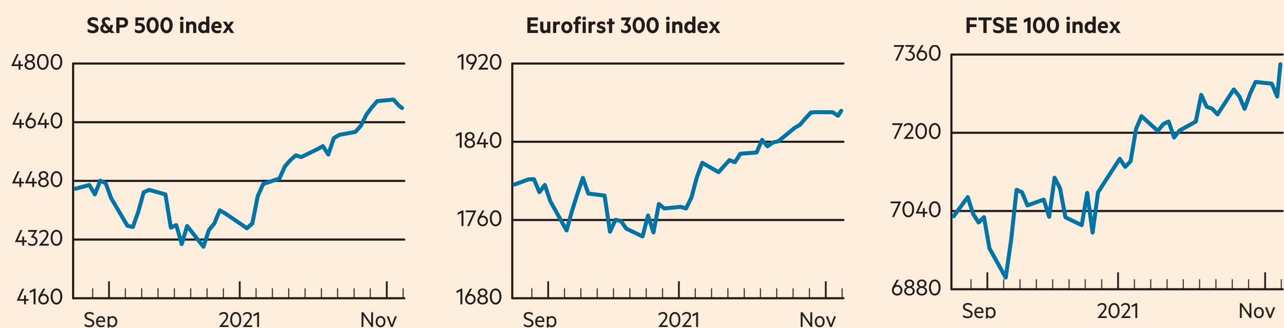
The continent-wide Stoxx Europe 600 index, which has risen for 16 of the past 20 sessions, ticked up 0.2 per cent. **Naomi Rovnick and Kate Duguid**

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4678.71	1871.69	29106.78	7340.15	3492.46	107162.51
% change on day	-0.14	0.27	-0.61	0.91	-0.41	1.54
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	94.242	1.152	113.905	1.347	6.392	5.479
% change on day	0.305	-0.604	0.859	-0.590	-0.055	-0.185
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	1.524	-0.250	0.055	0.844	2.905	10.866
Basis point change on day	9.910	5.000	-0.610	10.300	0.800	-47.700
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	496.45	82.95	81.61	1779.30	24.23	4335.70
% change on day	-0.34	-2.47	-3.44	0.07	1.15	-1.04

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

Main equity markets



Biggest movers

%	US		Eurozone		UK	
Ups	Alliance Data Systems	5.03	Alstom	9.75	Itv	15.14
	Discovery	4.71	Commerzbank	3.73	Pearson	3.56
	Discovery	4.65	Carrefour	3.51	Fresnillo	3.54
	Pfizer	3.99	Telefonica	2.95	Smiths	3.46
	Mastercard	3.73	Repsol	2.35	B&m Eur Value Retail S.a.	3.07
Downs	Perrigo	-11.34	Adidas	-3.72	Aveva	-3.59
	Advanced Micro Devices	-4.23	Tenaris	-3.32	Darktrace	-1.72
	Fortinet	-3.90	A.p. Moller - Maersk B	-3.10	Intercontinental Hotels	-1.26
	Occidental Petroleum	-3.02	Kering	-2.51	Burberry	-1.01
	Technipfmc	-2.97	Stmicroelectronics	-1.95	Smurfit Kappa	-0.85

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

A slide in the number of users pushed crypto exchange **Coinbase** lower.

Third-quarter revenue of $1.31bn came in well short of the Refinitiv-compiled consensus estimate of $1.56bn while monthly transacting users fell to 7.4m from 8.8m in the previous quarter.

Tesla bounced back, having fallen more than 10 per cent this week after chief executive Elon Musk suggested on Twitter that he would sell 10 per cent of his shares in the electric car group.

DoorDash, the food delivery platform, surged on news that it was buying Finnish peer Wolt in an all-stock deal.

Wolt was "one of the smallest but fastest growing names in the space", said Bank of America, which added that the deal could "rekindle speculation of further industry rationalisation and consolidation".

The €7bn transaction was expected to close in the first half of next year.

An earnings miss weighed on online clothing marketplace **Poshmark**.

It posted a loss of 9 cents per share in the third quarter against a 7 cents loss that was expected.

Manish Chandra, chief executive, admitted to "headwinds" from Apple's privacy changes. Earlier this year, it was reported that Apple's anti-tracking policy was affecting Poshmark's marketing efforts. *Ray Douglas*

Europe

Danish rig operator **Maersk Drilling** surged on news that it was merging with US peer Noble in an all-stock transaction.

ICA rallied after the Swedish grocer recommended a takeover offer from shareholder ICA-handlarnas Förbund and pension group AMF.

The bid of SKr534 per share represented a 14 per cent premium on Tuesday's closing price.

French train group **Alstom** jumped on signs that it was doing well in integrating Bombardier Transportation, which it bought in January.

Free cash flow of minus €1.46bn was "better than expected", said Citi. Alstom showed it was making "progress on the problematic contracts acquired as part of the Bombardier deal", added the broker.

A reduction in full-year guidance weighed on **Adidas** with operating margin and net income now expected to reach "the lower end of . . . previously communicated ranges", it said.

Kasper Rorsted, chief executive, added that the trading environment was "characterised by severe challenges on both the supply and demand side".

The German sportswear group said the "positive effects from significantly higher full-price sales were offset by the negative impact from currency fluctuations [and] significantly higher supply chain costs". *Ray Douglas*

London

Investors switched on to **ITV**, which leapt after its chief executive declared the past nine months trading "outstanding".

This year looked "set to have the highest advertising revenue in ITV's history, despite the lockdown in Q1", said Carolyn McCall.

For the period, revenue hit £2.38bn, which was up 28 per cent year on year and 8 per cent compared with the same months in 2019.

A second profit upgrade by **Marks and Spencer** pushed the retailer up more than a fifth at one point.

Pre-tax profit for the year was expected to be "ahead of expectations and in the region of £500m", it said. This was above the £300m to £350m range stated in August.

Another revision to full-year outlook propelled **Halfords** higher.

The auto and cycling retailer forecast underlying profits of between £80m and £90m, up from its previous guidance of about £75m.

Graham Stapleton, chief executive, said he was "seeing significant growth in the number of customers choosing electric forms of transport".

He added: "Sales of e-bikes, e-scooters and accessories grew by more than 140 per cent on two years ago, and servicing for electric cars in our garages was up 120 per cent year on year." *Ray Douglas*

Kornai's warning echoes in a world after coronavirus

Matthew C Klein

Markets Insight

If the pandemic has taught us anything, it is that downturns are essentially optional. Governments across the rich world were able to protect household and corporate balance sheets from the most severe disruption since the second world war simply by printing money.

How should we use this new knowledge? Anyone thinking seriously about the potential risks and rewards of the policy mix that might be called "full Keynesianism" should consider the ideas of the economist Janos Kornai, who died last month.

Kornai grew up in Hungary and spent much of his life in the Soviet satellite, which gave him first-hand experience of a society where "full employment" was the norm and the business cycle had been outlawed. The result was not a paradise for workers or anyone else but instead what Kornai called a "shortage economy" of wasteful producers and deprived consumers.

For Kornai, the essential feature of the "capitalist" economies is that businesses face "hard budget constraints". If they do not make enough money from their operations, they need to raise funds from banks or the capital markets. And if they can't raise funds, they go bust.

This constraint forces producers to conform to the desires of consumers. Companies cannot survive unless they provide goods and services that people want at prices they can afford. At the same time, businesses also have to be focused on efficiency and cost control so that they can cover their own expenses.

Kornai believed these imperatives drive competition that leads to innovation, productivity gains and sustainable increases in living standards.

Hungary and the other "socialist" economies, by contrast, were characterised by what Kornai called "soft budget constraints". Enterprises never had to worry about breaking even, much less generating profits.

Instead, they knew that they had unlimited financial support from the government. They could always "afford" to employ workers, invest in physical capital and accumulate raw materials. It did not matter whether any of that activity was actually valuable.

That removed the incentive to innovate to meet the needs of customers and to hold down costs. Consumers were forced to adapt to the whims of producers. Since managers were personally rewarded based on the reported size of their enterprise, they were highly motivated to get as big as possible by hoarding workers, land and material inputs.

> Anyone thinking about the risks of 'full Keynesianism' should consider the ideas of this economist

To use Kornai's word, enterprises' demand was "insatiable" even as their production of useful goods and services was limited by the weak incentives embedded in the system.

Chronic shortages were the result. There was not inflation in the conventional sense of rising consumer prices because those prices were either explicitly or implicitly set by the state. But ordinary people felt the squeeze.

They had to spend inordinate amounts of time waiting for things they wanted, whether it was a decent apartment, a new appliance or even just groceries. Even then, many consumer goods and services simply were not available.

Workers were severely restricted in their ability to change jobs or ask for higher pay. And the state violently suppressed other forms of labour activism such as adversarial unions and strikes.

The rich democracies of the 2020s are a world apart from the Eastern bloc of the 1970s that inspired Kornai's work.

In fact, Kornai probably would have approved of the extraordinary measures taken to preserve household and business incomes over the past 18 months, including wage subsidies, forgivable loans, foreclosure moratoriums and eviction bans. But it is possible to imagine how we might inadvertently catch the "soft budget constraint syndrome", as Kornai put it, in the aftermath of the coronavirus.

The danger, for Kornai, is that one-time emergency measures become routine. What would the world look like if consumers and businesses came to believe that governments would respond with similar force every time the economy turned down?

We would probably all be better off if there were less self-insurance for bad times and a greater reliance on a robust and reliable public safety net.

But it is also easy to see how exploring the possibilities revealed by the pandemic could potentially create a new set of social problems as expectations and behaviours adjusted. Undermining the incentives that make workers and businesses productive would ultimately make everyone worse off.

Matthew C Klein is publisher of The Overshoot research service and co-author of Trade Wars are Class Wars'

FT LIVE

Climate Capital Live

The Race to Net-Zero

Developing Sustainable Future Cities

18 November | 9.45 – 13.55 ET

On 18 November, the fourth FT Race to Net-Zero forum will explore how the development of urban areas can shine a light on what a successful decarbonisation strategy looks like. Policymakers, investors and key industry stakeholders will explore the steps needed to set a sustainable path for future cities in the global fight against climate change.

Speakers include

Lamia Kamal-Chaoui Director, *Centre for Entrepreneurship, SMEs, Regions and Cities, OECD*

Greg Clark Group Advisor on Future Cities and New Industries, *HSBC*

Nikolaus Lang Managing Director & Senior Partner & Global Leader, *Global Advantage Practice, BCG*

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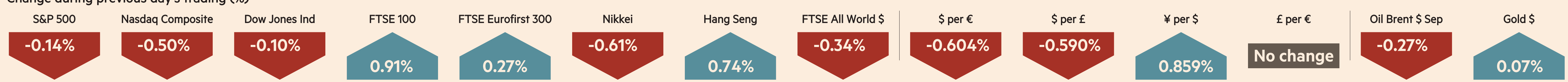
MARKET DATA

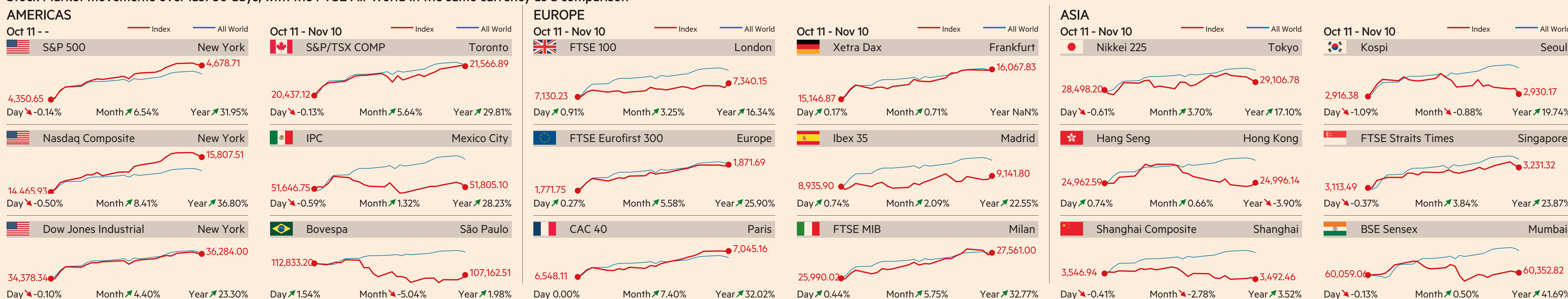
WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)



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



Country	Index	Latest	Previous
Argentina	Merval	95257.09	94381.35
Australia	All Ordinaries	7737.40	7756.30
	S&P/ASX 200	7423.90	7434.20
	S&P/ASX 200 Res	4686.80	4773.40
Austria	ATX	3881.00	3905.67
Belgium	BEL 20	4380.69	4380.69
	BEL Mid	10535.53	10535.53
Brazil	IBovespa	107162.51	105535.08
Canada	S&P/TSX 60	1296.70	1297.85
	S&P/TSX Comp	21566.89	21594.52
	S&P/TSX Div Met & Min	1010.63	1028.48
Chile	S&P/CLX IGPA Gen	22338.62	22413.32
China	FTSE A200	12890.10	12982.94
	FTSE B35	9000.71	8988.96
	Shanghai A	3660.26	3675.52
	Shanghai B	268.29	269.76
	Shanghai Comp	3492.46	3507.00
	Shenzhen A	2542.89	2549.31
	Shenzhen B	1151.96	1162.39
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1373.71	1388.38
Denmark	OMXC Copenahgen 20	1864.08	1878.45
Egypt	EGX 30	11480.50	11612.84
Estonia	OMX Tallinn	2023.94	2031.61
Finland	OMX Helsinki General	12741.55	12756.98
France	CAC 40	7045.16	7045.16
	SBF 120	5494.87	5494.87
Germany	M-DAX	35991.18	36098.25
	TecDAX	3874.91	3906.65
	XETRA Dax	16067.83	16040.47
Greece	Athens Gen	918.06	920.52
	FTSE/ASE 20	2212.80	2217.53
Hong Kong	Hang Seng	24996.14	24813.13
	HS China Enterprise	8910.98	8806.02
	HSCC Red Chip	3759.97	3738.29
Hungary	Bux	53389.23	54099.27
India	BSE Sensex	60352.82	60433.45
	Nifty 500	15521.10	15541.95
Indonesia	Jakarta Comp	6683.15	6669.93
Ireland	ISEQ Overall	8509.47	8520.87
Israel	Tel Aviv 125	1979.53	1984.17
Italy	FTSE Italia All-Share	30239.07	30136.78
	FTSE Italia Mid Cap	51304.74	51650.18
	FTSE MIB	27561.00	27441.27
Japan	2nd Section	7626.06	7600.62
	Nikkei 225	29106.78	29285.46
	S&P Topix 150	1719.37	1727.86
	Topix	2007.96	2018.77
Jordan	Amman SE	2091.81	2079.92
Kenya	NSE 20	1934.83	1935.91
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1281.52	1282.81
Lithuania	OMX Vilnius	957.75	960.56
Luxembourg	LuxX	1691.11	1694.93
Malaysia	FTSE Bursa KLCI	1520.74	1524.03
Mexico	IPC	51805.10	52114.12
Morocco	MASI	13380.34	13428.26
Netherlands	AEX	814.63	814.63
	AEX All Share	1129.12	1129.12
New Zealand	NZX 50	13022.46	13090.58
Nigeria	SE All Share	43730.55	43246.87
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	46629.88	46399.91
Philippines	Manila Comp	7375.68	7441.67
Poland	Wig	72794.96	73574.18
Portugal	PSI 20	5704.09	5704.09
	PSI General	4274.36	4274.36
Romania	BET Index	12779.74	12847.75
Russia	Micex Index	4172.47	4187.33
	RTX	1853.64	1864.21
Saudi-Arabia	TADAWUL All Share Index	11857.51	11753.18
Singapore	FTSE Straits Times	3231.32	3243.42
Slovakia	SAX	400.36	398.28
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	68279.40	67983.20
	FTSE/JSE Res 20	62450.58	61246.25
	FTSE/JSE Top 40	61537.83	61246.70
South Korea	Kospi	2930.17	2962.46
	Kospi 200	386.24	390.36
Spain	IBEX 35	9141.80	9074.90
Sri Lanka	CSE All Share	10522.60	10361.80
Sweden	OMX Stockholm 30	2331.42	2327.12
	OMX Stockholm AS	998.09	998.08
Switzerland	SMI Index	12401.40	12367.52
Taiwan	Weighted Pr	17559.65	17541.36
Thailand	Bangkok SET	1630.47	1631.69
Turkey	BIST 100	1624.09	1615.64
UAE	Abu Dhabi General Index	8230.47	8196.10
UK	FT 30	2837.10	2788.70
	FTSE 100	7340.15	7274.04
	FTSE 4Good UK	6846.70	6786.15
	FTSE All Share	4187.58	4155.40
	FTSE techMARK 100	7052.50	7064.39
USA	DJ Composite	12188.64	12180.66
	DJ Industrial	36284.00	36319.98
	DJ Transport	16691.06	16655.47
	DJ Utilities	914.50	909.94
	Nasdaq 100	16158.20	16219.94
	Nasdaq Cmp	15807.51	15886.54
	NYSE Comp	17304.24	17286.91
	S&P 500	4678.71	4685.25
	Wilshire 5000	48681.44	48787.73
Venezuela	IBC	6113.25	6316.44
Vietnam	VNI	1465.02	1461.50
Cross-Border	DJ Global Titans ($)	539.94	540.57
	Euro Stoxx 50 (Eur)	4348.82	4344.63
	Euronext 100 ID	1369.54	1369.54
	FTSE 4Good Global ($)	11480.58	11541.34
	FTSE All World ($)	496.45	498.16
	FTSE E300	1871.69	1866.60
	FTSE Eurotop 100	3524.99	3514.67
	FTSE Global 100 ($)	3044.30	3058.67
	FTSE Gold Min ($)	2069.30	2048.87
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3284.00	3297.12
	FTSE World ($)	893.06	896.87
	FTSEurofirst 100 (Eur)	4775.02	4755.56
	FTSEurofirst 80 (Eur)	6006.11	6001.17
	MSCI ACWI Fr ($)	756.81	758.57
	MSCI All World ($)	3227.80	3237.63
	MSCI Europe (Eur)	1921.29	1924.39
	MSCI Pacific ($)	3200.50	3220.53
	S&P Euro (Eur)	2011.07	2009.46
	S&P Europe 350 (Eur)	1925.73	1920.95
	S&P Global 1200 ($)	3519.15	3527.04
	Stoxx 50 (Eur)	3761.29	3751.58

(c) Closed. (u) Unavaliable. † Correction. Subject to official recalculation. For more index coverage please see www.ft.com/worldindices. A fuller version of this table is available on the ft.com research data archive.

STOCK MARKET: BIGGEST MOVERS

AMERICA

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nvidia	101.0	301.34	-5.24
Advanced Micro Devices	58.6	142.62	-6.30
Amazon.com	57.1	3592.51	16.28
Apple	43.9	149.07	-1.74
Meta Platforms	34.4	330.73	-4.65
Microsoft	31.5	332.44	-3.51
Paypal Holdings	23.1	206.07	0.65
Ford Motor	18.9	20.22	0.07
Alphabet	17.7	2943.61	-34.76
Alphabet	14.4	2955.20	-29.77

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Alliance Data Systems	79.38	3.80	5.03
Discovery	26.95	1.21	4.71
Discovery	27.89	1.24	4.65
Pfizer	49.19	1.89	3.99
Mastercard	357.49	12.84	3.73
Downs			
Perrigo	42.05	-5.38	-11.34
Advanced Micro Devices	142.62	-6.30	-4.23
Fortinet	335.44	-13.62	-3.90
Occidental Petroleum	32.72	-1.02	-3.02
Technipfmc	7.19	-0.22	-2.97

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Bp	206.6	347.80	3.35
Glencore	192.9	355.35	-0.10
Rio Tinto	190.9	4445.00	4.50
Astrazeneca	157.0	9384.00	95.00
Glaxosmithkline	127.8	1590.20	30.40
Bhp	124.1	1901.00	6.60
Royal Dutch Shell	109.6	1684.60	2.20
Reckitt Benckiser	97.8	6207.00	82.00
Barclays	97.1	192.76	2.76
Hsbc Holdings	95.0	431.30	1.60

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Marks And Spencer	226.50	32.05	16.48
Itv	125.85	16.55	15.14
Petropavlovsk	23.64	1.64	7.45
Centamin	99.84	5.38	5.70
Airtel Africa	131.50	6.30	5.03
Downs			
Wetherspoon (J.d.)	954.50	-74.50	-7.24
Indivior	245.60	-15.00	-5.76
Watches Of Switzerland	1250.00	-54.00	-4.14
Aveva	3384.00	-126.00	-3.59
Restaurant	80.40	-2.60	-3.13

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Asml Holding	550.9	719.70	-12.00
Adidas Ag Na O.n.	432.2	284.50	-11.00
Royal Dutch Shella	274.7	19.76	0.06
Infineon Tech.ag Na O.n.	268.0	41.23	-0.50
Lvmh	244.1	698.60	-8.70
Daimler Ag Na O.n.	226.3	88.09	0.67
Allianz Se Na O.n.	211.7	205.25	1.95
Ing Groep N.v.	207.0	13.26	0.10
Eni	203.8	12.66	0.04
Sap Se O.n.	172.9	127.68	-0.64

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Alstom	35.01	3.11	9.75
Commerzbank Ag	6.95	0.25	3.73
Carrefour	16.35	0.56	3.51
Telefonica	3.93	0.11	2.95
Assa Abloy Ab Ser. B	26.73	0.72	2.77
Downs			
Hexagon Ab Ser. B	13.67	-0.64	-4.45
Adidas Ag Na O.n.	284.50	-11.00	-3.72
Tenaris	10.49	-0.36	-3.32
A.p. M__ller - M__rsk B A/s	2622.59	-84.04	-3.10
Kering	664.80	-17.10	-2.51

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Softbank .	1958.1	6554.00	-254.00
Nippon Yusen Kabushiki Kaisha	410.5	7600.00	40.00
Tokyo Electron	397.2	56000.00	-1190.00
Nissan Motor Co.,	357.9	634.00	44.30
Fast Retailing Co.,	346.6	75720.00	-310.00
Sony	330.9	13725.00	-125.00
Toyota Motor	257.1	2005.50	10.50
Kawasaki Kisen Kaisha,	227.9	5220.00	170.00
Takeda Pharmaceutical	219.7	3232.00	-32.00
Kirin Holdings ,	214.6	1880.50	-125.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Nissan Motor Co.,	634.00	44.30	7.51
Ntt Data	2419.00	116.00	5.04
Kawasaki Kisen Kaisha,	5220.00	170.00	3.37
Resona Holdings, .	445.10	13.50	3.13
Tokyu	1682.00	46.00	2.81
Downs			
Toho Z Co.,	2483.00	-500.00	-16.76
Dena Co.,	1830.00	-293.00	-13.80
Credit Saison Co.,	1268.00	-142.00	-10.07
Mitsubishi Materials	2013.00	-160.00	-7.36
Yokohama Rubber Co Ltd	1858.00	-134.00	-6.73

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Nov 10 price(p)	%Chg week	%Chg ytd
Winners			
Itv	125.85	18.6	15.9
Bt	165.15	16.2	22.1
Associated British Foods	2058.00	12.0	-
Rolls-royce Holdings	147.20	11.0	31.4
Fresnillo	959.20	9.4	-
Polymetal Int	1449.00	8.3	-
Jd Sports Fashion	1150.50	6.2	33.3
Melrose Industries	168.10	6.0	-6.1
B&m Eur Value Retail S.a.	643.80	5.5	23.6
Vodafone	112.26	5.0	-8.6
Intermediate Capital	2310.00	4.7	29.9
Pearson	634.60	4.4	-7.7
Losers			
Aveva	3384.00	-4.8	5.0
Natwest	215.30	-4.3	29.1
Hargreaves Lansdown	1536.00	-3.9	-0.4
Hikma Pharmaceuticals	2378.00	-3.5	-6.2
Royal Mail	424.10	-3.4	24.6
Entain	1964.00	-3.4	58.3
Barclays	192.76	-3.4	28.4
Hsbc Holdings	431.30	-3.0	12.6
Flutter Entertainment	12510.00	-2.8	-
Lloyds Banking	49.28	-2.4	33.3
Standard Chartered	451.70	-2.1	-4.7
Dcc	6142.00	-1.3	14.6

FTSE 250	Nov 10 price(p)	%Chg week	%Chg ytd
Winners			
Marks And Spencer	226.50	20.1	63.9
Airtel Africa	131.50	19.5	75.8
Currys	137.00	12.1	2.6
Hochschild Mining	161.70	11.4	-
Watches Of Switzerland	1250.00	10.6	129.2
Endeavour Mining	2030.00	8.8	-
Centamin	99.84	8.8	-
Imi	1768.00	8.5	45.6
Petropavlovsk	23.64	8.1	-22.7
Ssp	272.30	8.1	-3.3
Trainline	323.40	7.9	-
Electrocomponents	1219.00	7.1	39.2
Losers			
Virgin Money Uk	171.05	-12.6	25.5
Ashmore	312.00	-9.4	-
Diversified Energy	100.60	-8.0	-
Clarkson	3870.00	-6.7	41.0
Just	87.75	-6.4	28.3
Restaurant	80.40	-5.9	22.9
Discoverie	1012.00	-5.8	48.8
Xp Power	5240.00	-5.4	13.5
Aston Martin Lagonda Global Holdings	1665.00	-5.0	-
Indivior	245.60	-4.8	-
Contourglobal	191.00	-4.5	-
Grafton	1295.00	-4.4	38.4

FTSE SmallCap	Nov 10 price(p)	%Chg week	%Chg ytd
Winners			
Metro Bank	128.70	25.0	-2.5
Halfords	333.80	20.4	17.3
Card Factory	53.30	12.6	32.1
Kin And Carta	335.00	12.0	-
Alfa Fin Software Holdings	208.00	9.5	58.8
Renewi	778.00	7.8	91.2
Sabre Insurance	198.00	7.0	-
Macfarlane	139.50	6.5	61.1
Blackrock Latin American Investment Trust	338.00	6.3	-
Jpmorgan Global Growth & ome	470.00	5.9	21.1
Value And Indexed Property ome Trust	238.00	4.8	7.7
Jpmorgan Us Smaller Co. Inv Tst	455.00	4.8	13.8
Losers			
Hostmore	110.00	-17.7	-
Electra Private Equity	93.00	-16.8	-66.7
Rm	195.00	-9.3	-8.0
Bakkavor	117.00	-8.6	44.4
Lamprell	39.80	-8.0	-
Funding Circle Holdings	148.00	-7.5	64.8
Sig	48.12	-7.0	49.3
Kenmare Resources	403.00	-6.3	28.8
Photo-me Int	62.00	-6.1	22.8
Galliford Try Holdings	193.80	-6.0	56.6
Motorpoint	345.00	-6.0	19.0
On The Beach	280.00	-5.7	-

Industry Sectors	Nov 10 price(p)	%Chg week	%Chg ytd
Winners			
Health Care Equip.& Services	8404.14	36.0	31.2
Industrial Transportation	4713.44	33.7	20.1
Pharmaceuticals & Biotech.	19620.41	31.0	19.6
Real Estate & Investment Servic	3035.22	24.2	15.0
Beverages	29216.86	23.9	13.9
Support Services	12513.61	22.9	13.7
Aerospace & Defense	4473.82	22.0	20.0
Industrial Engineering	18996.83	21.6	17.3
Electricity	10012.31	21.6	13.6
Chemicals	17279.91	20.9	11.6
Electronic & Electrical Equip.	11898.75	20.6	10.1
Media	9741.20	19.2	12.2
Losers			
Automobiles & Parts	4214.69	-11.5	-
Travel & Leisure	8375.52	-11.0	-6.1
Food Producers	6815.44	-9.4	-
Mining	22417.30	-8.3	-8.0
Household Goods	16535.94	-6.7	-
Mobile Telecommunications	2836.35	-6.6	-
Nonlife Insurance	3102.54	-2.4	-2.4
Industrial Metals	5819.74	-2.2	-
General Financial	11679.95	-1.9	0.2
Tobacco	27729.71	-0.1	-7.8
Life Insurance	8254.11	-0.1	-2.6
General Industrials	6914.04	3.1	-0.8

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

CURRENCIES

Nov 10	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change

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

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FT 30 INDEX

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FX: EFFECTIVE INDICES

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

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

FTSE 100 SUMMARY

FTSE GLOBAL EQUITY INDEX SERIES

UK STOCK MARKET TRADING DATA

(c) Market closed.

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

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ	28.12	0.21	29.64	20.36	2.16	16.81	58388.38
BHPBilltn	35.74	-0.99	54.55	35.56	5.80	12.09	77594.77
CmwBkAu	108.91	0.10	110.19	72.53	2.27	23.26	136761.98
CSL	314.22	-0.66	320.42	242.00	0.88	45.51	105366.99
NatAusBk	30.15	1.26	30.30	20.96	2.01	19.56	72818.82
Telstra	3.93	0.01	4.05	2.92	2.53	25.32	34396.49
Wesfarmers	59.84	-0.01	67.20	47.05	2.74	28.61	49930.1
Westpc	22.71	0.19	27.12	18.03	1.38	19.22	61310.57
Woolworths	39.00	-0.22	42.66	31.24	2.58	32.12	34783.82
Belgium (€)							
AnBshInBv	52.47	0.66	65.86	46.66	0.98	21.74	104898.95
KBC Grp	85.74	0.68	85.74	48.57	0.52	14.03	41152.53
Brazil (R$)							
Ambev	17.97	0.08	19.86	13.35	2.91	18.37	51626.94
Bradesco	17.72	0.98	24.57	16.45	3.09	10.96	15751.7
Cielo	2.49	0.02	4.45	2.17	3.98	7.76	1234.66
ItauHldFin	21.15	0.76	30.15	20.27	3.53	6.99	19139.25
Petrobras	27.60	0.05	32.34	20.60	3.78	3.42	37489.35
Vale	66.02	0.08	120.45	62.46	13.27	3.77	61842.02
Canada (C$)							
Bausch Hlth	34.27	-0.03	43.97	23.96	-	-7.84	9870.39
BCE	63.92	0.06	67.08	54.18	5.24	21.89	46679.47
BkMontrl	139.05	-0.35	139.55	85.00	2.91	17.72	72419.24
BkNvaS	82.99	0.15	83.62	59.92	4.27	13.60	81055.05
Brookfield	75.76	-0.64	77.51	46.62	0.80	35.27	99868.97
CanadPcR	96.95	0.04	100.00	82.12	0.77	20.51	51958.52
CanImp	149.07	0.64	152.87	102.68	3.78	11.82	53947.67
CanNatRs	53.36	-0.88	55.19	25.80	3.29	15.83	50513.68
CanNatRy	163.49	-0.79	168.66	125.00	1.43	29.58	93122.72
Enbridge	52.72	0.10	54.00	37.33	6.12	17.93	85834.97
GtWesLif	38.45	-0.14	39.73	28.53	4.47	11.28	28751.68
ImpOil	43.15	-0.18	45.49	20.99	2.11	-84.67	24022.82
Manulife	24.92	0.10	27.68	20.48	4.40	6.99	38898.5
Nutrien	84.99	-0.25	91.15	52.92	2.60	41.44	39005.93
RylBkC	132.70	0.47	134.23	97.99	3.14	12.95	151964.07
Suncor En	32.27	-0.40	33.45	17.79	2.55	32.93	37937.88
ThmReut	150.59	0.55	152.03	99.11	1.27	8.91	59359.63
TntoDom	92.38	0.73	92.43	63.05	3.30	11.26	135307.3
TrnCan	62.48	-0.35	68.20	51.26	5.27	30.80	49169.55
China (HK$)							
AgricBkCh	2.61	-0.01	3.30	2.54	8.42	3.52	10300.89
Bk China	2.73	-0.02	3.17	2.54	8.40	3.57	29310.44
BkofComm	4.72	-0.07	5.26	4.00	7.89	3.75	21217.89
BOE Tech	0.90	0.03	1.21	0.55	-	-76.57	22.99
Ch Coms Cons	4.04	-0.01	4.73	3.21	5.19	2.84	2291.91
Ch Evrbrght	2.72	-	3.54	2.63	9.10	3.84	4427.79
Ch Rail Cons	4.87	-	6.03	4.07	5.02	2.53	1298.27
Ch Rail Gp	3.70	0.01	4.70	3.33	5.32	3.17	1998.76
ChConstBk	5.19	-0.03	6.74	5.15	7.37	3.94	160204.49
China Vanke	19.16	1.06	35.00	16.84	6.20	4.71	4676.96
ChinaCitic	3.38	-0.02	4.29	3.15	8.84	3.12	6458.41
ChinaLife	13.58	-0.08	18.86	12.22	5.54	5.37	12974.36
ChinaMBank	62.45	-0.30	72.45	45.95	2.36	12.74	36810.67
ChinaMob	47.95	-0.15	59.20	39.00	6.92	7.50	126056.7
ChinaPcIns	23.95	0.05	42.75	20.85	5.84	7.12	8534.13
ChMinsheng	3.05	-	5.01	2.56	8.31	3.93	3258.23
ChMrchSecs	17.09	0.04	28.18	16.01	1.89	15.14	19844.21
Chna Utd Coms	4.01	-0.03	5.03	3.98	1.61	20.68	19294.86
ChShenEgy	16.18	-0.02	19.36	13.64	13.05	6.14	7016.41
ChShpbldng	4.16	-0.01	5.08	3.78	-	-269.85	14372.58
ChStConEng	4.64	0.07	5.61	4.38	4.46	3.94	29504.72
ChUncHK	3.98	-	5.60	3.90	4.35	7.93	15635.95
CNNC Intl	6.44	-0.19	8.31	4.54	1.83	16.24	17197.54
CSR	3.50	-	4.22	2.53	6.10	7.63	1964.27
Daqin	6.14	-0.06	7.11	5.80	-	8.27	14280.99
GuosenSec	11.09	-	14.57	10.32	2.00	13.68	15315.14
HaitongSecs	6.79	0.01	7.93	6.36	9.20	5.50	2972.43
Hngzh HikVDT	52.05	-0.15	70.48	43.38	1.48	32.78	66308.77
Hunng Pwr	3.58	-0.12	4.91	2.44	5.88	-43.51	2160.53
IM Baotou Stl	2.57	-0.03	4.14	1.12	-	39.37	12736.46
In&CmBkCh	4.22	-0.01	5.75	4.15	7.23	4.23	47026.75
IndstrlBk	18.19	-0.12	28.07	17.08	3.99	5.93	55820.89
Kweichow	1753.99	-36.02	2627.88	1525.5	1.06	46.84	344711.08
Midea	0.53	-0.01	0.85	0.51	-	-3.41	20.49
New Ch Life Ins	21.80	0.05	35.35	20.55	7.53	3.48	2894.44
PetroChina	3.52	0.01	4.20	2.32	5.83	5.40	9535.65
PingAnIns	56.70	0.50	103.60	48.80	4.53	6.48	54217.76
PngAnBnk	17.40	-0.13	25.31	16.69	1.00	11.71	52826.35
Pwr Cons Corp	6.83	-0.25	9.96	3.57	1.31	14.14	11908.24
SaicMtr	21.42	-0.74	27.46	18.03	-	10.17	39152.68
ShenwanHong	0.08	0.00	0.11	0.05	-	-14.38	89.95
ShgPdgBk	8.48	-0.06	11.24	8.44	6.83	4.99	38940.93
Sinopec Corp	3.80	0.02	4.69	3.32	5.85	5.63	12448.01
Sinopec Oil	2.08	-	2.90	1.79	-	309.64	4415.61
Denmark (kr)							
DanskeBk	112.00	1.50	125.60	95.52	1.80	9.97	14935.36
MollerMrsk	19505	-625.00	21360	10675	1.68	6.95	26970.97
NovoB	730.90	-3.70	747.00	411.30	1.25	38.04	200732.36
Finland (€)							
Nokia	5.03	-0.02	5.38	3.07	-	-14.98	33045.88
SampoA	44.68	-0.14	47.33	33.07	3.81	42.11	28608.55
France (€)							
Airbus Grpe	116.20	-0.12	121.00	81.80	-	30.14	105213.17
AirLiquide	152.06	1.16	153.26	124.25	1.82	27.68	82988.64
AXA	25.67	0.32	26.35	17.47	5.59	11.02	71545.17
BNP Parib	59.20	0.33	60.62	38.83	1.88	9.54	85223.03
ChristianDior	691.50	-5.00	728.00	408.40	0.87	31.94	143774.78
Cred Agr	12.86	-0.24	13.49	8.27	6.25	9.39	45794.23
Danone	57.94	0.68	65.30	50.82	7.00	18.79	45894.61
EDF	12.91	-0.01	13.58	9.63	1.63	8.08	46939.91
Engie SA	12.86	0.14	13.87	10.98	4.14	64.03	36073.32
EssilorLuxottica	182.38	-2.26	190.82	113.30	1.23	59.35	92895.46
Hermes Intl	1430	-10.50	1476.5	815.80	0.32	67.17	173887.9
LOreal	414.35	-0.20	415.60	290.10	0.97	56.53	266159.33
LVMH	698.60	-8.70	718.70	460.45	0.86	37.07	406168.7
Orange	9.83	0.18	10.87	9.17	7.15	29.66	30112.8
PernodRic	205.00	-0.30	206.30	150.90	1.95	40.91	61836.62
Renault	34.30	0.65	41.42	25.79	-	-26.07	11683.51
Safran	123.00	2.38	127.74	101.64	0.35	39.13	60530.17
Sanofi	89.82	1.21	91.14	74.92	3.58	19.44	130717.49
Sant Gbn	59.82	-0.82	64.93	36.22	2.23	14.57	36695.29
Schneider	153.98	-0.30	159.30	112.25	1.70	29.47	100924.67
SocGen	29.40	-0.12	30.84	14.86	1.88	8.32	28898.86
Total	39.69	0.87	42.19	24.51	6.66	19.52	127408.73
UnibailR	68.64	-0.49	85.65	46.41	-	-2.30	10957.67
Vinci	95.20	0.76	96.95	75.38	2.15	24.19	65613.99
Vivendi	11.21	0.24	11.75	5.04	5.37	10.63	14313.98
Germany (€)							
Allianz	205.25	1.95	223.50	182.52	4.70	9.83	97473.03
BASF	61.95	0.24	72.88	54.83	5.35	29.10	65539.87
Bayer	51.25	0.50	57.73	44.47	3.92	-6.63	57994.67
BMW	91.76	1.10	96.39	67.38	2.08	5.46	63627.03
Continental	107.40	1.90	132.68	89.73	2.80	427.83	24742.44
Daimler	88.09	0.67	88.40	50.71	2.56	7.00	108552.45
Deut Bank	11.10	0.10	12.56	8.37	-	17.68	26415.24
Deut Tlkm	16.72	0.18	18.92	14.45	3.60	14.87	96022.24
DeutsPost	55.44	-0.87	61.38	37.92	4.53	15.08	79124.43
E.ON	11.16	0.15	11.43	8.27	4.23	8.55	33965.33
Fresenius Med	58.98	0.64	75.08	55.18	4.32	17.22	19896.86
Fresenius SE	38.08	0.31	47.60	32.94	4.54	12.15	19836.85
HenkelKgaA	72.10	-0.15	86.50	70.20	2.55	19.83	21575.59
Linde	292.70	0.90	293.60	199.35	1.17	55.49	172805.75
MuenchRkv	256.35	2.40	269.30	215.25	3.84	16.96	41367.89
SAP	127.68	-0.64	129.74	97.35	1.45	25.64	180673.62
Siemens	146.96	1.26	151.86	108.90	2.39	23.49	143884.26
Volkswgn	284.60	-0.60	357.40	150.90	1.69	8.06	96735.16
Hong Kong (HK$)							
AIA	82.55	-3.05	109.30	81.20	1.60	19.07	128211.62
BOC Hold	24.40	-	29.55	22.20	4.98	11.06	33122.41
Ch OSLnd&Inv	17.80	1.12	21.95	14.92	6.63	3.77	25013.39
ChngKng	47.90	-0.10	56.05	38.25	3.68	9.89	22408.22
Citic Ltd	7.24	0.05	10.24	5.20	6.59	2.91	27041.44
Citic Secs	18.98	0.06	22.00	15.22	-	11.53	5552.08
CK Hutchison	52.65	-0.05	65.80	50.30	4.30	6.02	25934.01
CNOOC	8.20	0.02	10.60	6.50	5.48	6.46	47006.18
HangSeng	145.40	-0.30	166.70	128.10	3.70	18.22	35691.1
HK Exc&Clr	464.00	-1.00	587.00	365.00	1.72	46.69	75530.92
MTR	43.00	-0.15	49.00	40.25	2.80	-146.55	34193.61
SandsCh	17.92	-0.18	40.55	14.64	-	-16.07	18620.89
SHK Props	99.80	0.95	126.00	94.00	4.85	11.08	37131.23
Tencent	483.60	19.60	775.50	412.20	0.32	21.22	595773.03
India (Rs)							
Bhartiartl	735.45	22.25	739.12	450.20	0.26	-43.64	58188.46
HDFC Bk	1555.25	-17.00	1725	1342	0.41	26.25	115838.08
Hind Unilevr	2400.15	-31.00	2859.3	2095	1.65	70.53	75826.03
HsngDevFin	2945.6	4.00	3002	2179.3	1.46	27.06	71616.06
ICICI Bk	780.90	-5.65	867.00	465.80	-	27.79	72849.98
Infosys	1740.15	-2.35	1848	1087	1.54	36.91	98399.54
ITC	230.85	2.10	265.30	178.60	4.54	20.90	38245.88
L&T	1950.15	6.55	1964.1	1021.25	0.40	66.52	36829.4
OilNatGas	157.70	1.05	172.75	70.05	1.08	9.19	26675.35
RelianceIn	2549.9	28.20	2751.35	1830	0.27	35.69	231979.7
SBI NewA	524.40	-4.75	542.30	220.10	0.74	19.17	62927.35
SunPhrmInds	811.10	9.75	851.00	492.00	0.78	33.25	26166.94
Tata Cons	3484.3	-21.40	3989.9	2607.05	0.92	38.65	173298
Israel (ILS)							
TevaPha	28.67	0.16	43.90	27.38	-	-2.63	10169.87
Italy (€)							
Enel	7.16	0.07	9.05	6.55	4.81	29.71	83846.95
ENI	12.66	0.04	12.83	7.45	4.55	-5.00	52594.81
Generali	19.02	0.04	19.19	13.18	5.33	12.06	34638.3
IntSPaolo	2.48	0.01	2.59	1.77	1.45	12.87	55437.64
Unicred	11.53	0.15	12.16	7.30	1.04	20.12	29722.96
Japan (¥)							
AstellasPh	1971.5	14.00	2025	1470	2.13	36.25	32224.33
Bridgestne	4904	-132.00	5467	3307	2.96	26.47	30727.15
Canon	2566	2.50	2938	1826	3.32	15.27	30046.41
CntJpRwy	16925	-295.00	18455	13290	0.77	-21.14	30609.28
Denso	8241	-13.00	8513	4929	1.70	20.96	57007.64
EastJpRwy	7103	-89.00	8626	6056	1.41	-5.36	23567.48
Fanuc	22200	45.00	29700	21720	1.33	33.98	39351.99
FastRetail	75720	-310.00	110500	69230	0.63	51.95	70514
Fuji Hvy Ind	2163.5	2.00	2363	1943	2.59	16.14	14609.65
Hitachi	7014	-4.00	7239	3820	1.50	16.91	59621.61
HondaMtr	3260	-35.00	3677	2743	3.65	5.85	51843.7
JapanTob	2326	-1.00	2387.5	1898	6.11	11.37	40841.06
KDDI	3415	21.00	3899	2919.5	3.52	11.82	69081.88
Keyence	70660	-1220.00	76210	47150	0.28	74.98	150871.82
MitsbCp	3355	-65.00	3758	2422	4.00	15.34	43761.05
MitsubEst	1690	-15.00	2047.5	1595.5	1.48	16.02	20645.27
MitsubishiEle	1525.5	22.50	1817	1384	2.36	13.79	28756.91
MitsuiFud	2556	-29.50	2816.5	1988	1.72	16.39	21665.17
MitUFJFin	630.00	-	688.90	441.10	3.99	10.39	75120.93
Mizuho Fin	1523.5	-2.50	1732.5	1287	2.73	6.60	33962.92
Murata Mfg	8425	-39.00	10835	7610	1.37	19.61	49984.97
Nippon T&T	3225	11.00	3293	2428	3.10	12.00	110443.31
NipponTT	3225	11.00	3293	2428	3.10	12.00	110443.31
Nissan Mt	634.00	44.30	664.50	404.20	-	-51.04	23492.67
Nomura	502.00	-4.40	721.00	501.40	6.98	27.01	14250.89
Nppn Stl	1891.5	-33.00	2381	1155	0.53	10.13	15780.98
Panasonic	1380	27.00	1541	1039	1.45	12.80	29729.47
Seven & I	5022	40.00	5340	3289	1.94	21.57	39082.67
ShnEtsuCh	19870	5.00	21480	14905	1.26	25.79	72684.17
Softbank	6554	-254.00	10695	5888	0.67	2.97	99137.34
Sony	13725	-125.00	14245	8850	0.40	14.42	151951.47
SumitomoF	3790	-7.00	4354	3014	5.02	8.24	45729.62
Takeda Ph	3232	-32.00	4365	3157	5.57	11.80	44895.66
TokioMarine	5916	-47.00	6210	4907	3.38	18.46	36226.77
Toyota	2005.5	10.50	2100	1396	2.35	9.46	287254.39
Mexico (Mex$)							
AmerMvl	18.59	-0.04	19.90	13.25	2.05	12.14	40983.1
FEMSA UBD	166.55	0.91	180.66	133.21	3.09	60.86	17589.13
WalMrtMex	73.82	-0.72	76.95	52.23	0.81	30.88	62988.69
Netherlands (€)							
ASML Hld	719.70	-12.00	764.40	334.75	0.38	62.43	342643.75
Heineken	96.56	0.42	103.80	80.84	0.73	49.06	64064.43
ING	13.26	0.10	13.74	6.96	0.91	10.33	59637.76
Unilever	45.78	0.10	53.66	43.00	2.38	25.88	158621.58
Norway (Kr)							
DNB	213.30	-1.00	217.90	126.05	3.87	16.34	38455.11
Equinor	225.35	0.05	237.55	116.30	1.52	-111.95	85368.23
Telenor	138.30	2.55	161.45	131.80	6.55	11.19	22506.67
Qatar (QR)							
QatarNtBk	21.00	-	21.01	16.35	2.09	17.51	53272.49
Russia (RUB)							
Gzprm neft	352.29	3.17	3649	74.00	-	-	117440.75
Lukoil	7268.27	23.34	7554.91	7.45	-	-	70914.26
MmcNrlskNckl	22220.03	-184.43	28011.97	343.80	-	-	49514.18
Novatek	1788.93	-0.93	13307.81	1160.85	-	-	76487.74
Rosneft	643.10	6.92	39143.78	116.00	-	-	95976.25
Sberbank	352.12	-8.59	568.52	213.80	-	-	107037.15
Surgutneftegas	34.32	-0.29	43.50	29.80	-	-	17264.59
Saudi Arabia (SR)							
AlRajhiBnk	149.00	2.00	151.00	69.90	1.57	30.01	99317.45
NatnlcomBnk	69.00	2.00	69.50	41.70	1.13	20.21	55191.18
SaudiBasic	128.20	0.60	136.60	95.10	2.28	24.89	102543.6
SaudiTelec	115.00	-	139.80	104.00	3.39	21.17	61323.52
Singapore (S$)							
DBS	32.10	-0.20	32.68	23.66	2.20	14.16	61016.84
JardnMt US$	60.00	0.69	68.88	49.13	2.80	91.82	43240.95
OCBC	11.84	-0.04	12.77	9.41	2.63	11.29	39413.74
SingTel	2.55	-0.02	2.63	2.19	4.06	76.84	31162.09
UOB	27.69	-0.21	28.17	21.11	2.76	14.51	34305.06
South Africa (R)							
Firstrand	58.78	-0.09	65.24	44.71	2.56	22.57	21463.86
MTN Grp	165.54	-3.52	174.99	58.69	-	38.39	20304.91
Naspers N	2548.14	-3.24	3888	1262.66	0.22	14.11	72239.97
South Korea (KRW)							
HyundMobis	245000	-3500.00	405000	235500	2.09	10.02	19665.78
KoreaElePwr	23200	-200.00	30050	20750	5.34	7.11	12611.51
SK Hynix	108500	-500.00	150500	85900	1.10	12.47	66885.36
SmsungEl	70200	-300.00	96800	60400	4.38	14.46	354865.78
Spain (€)							
BBVA	6.03	0.06	6.29	2.88	0.98	12.01	46328.14
BcoSantdr	3.21	0.02	3.51	2.03	-	-6.89	64155.86
CaixaBnk	2.52	0.04	2.90	1.84	1.07	3.28	23434.4
Iberdrola	10.16	0.06	12.57	8.59	3.95	20.24	74500.93
Inditex	32.28	0.39	32.85	24.34	1.76	39.22	115882.3
Repsol	11.06	0.25	11.78	6.67	5.34	42.36	19458.17
Telefonica	3.93	0.11	4.32	3.10	10.02	2.40	25522.12
Sweden (SKr)							
AtlasCpcoB	473.70	0.70	518.00	364.40	1.49	35.38	21303.46
Ericsson	96.26	0.37	121.80	91.00	1.80	16.43	34135.18
H & M	168.82	3.08	229.50	160.50	-	32.04	28428.47
Investor	207.20	1.15	221.60	143.45	1.19	2.05	43720.09
Nordea Bk	109.44	1.26	114.64	65.76	0.64	13.33	51211.8
SEB	140.20	0.70	141.60	81.80	2.88	13.80	35232.76
SvnskaHn	100.60	0.15	108.15	80.06	4.01	12.06	22688.7
Swedbank	191.06	0.88	196.70	140.70	3.73	10.74	25075.42
Telia Co	34.87	0.44	39.97	33.45	5.39	-11.09	16444.25
Volvo	206.05	1.00	240.80	182.00	2.89	12.94	37659.31
Switzerland (SFr)							
ABB	31.97	0.08	34.79	23.66	2.37	81.31	71638.9
CredSuisse	9.36	0.01	13.50	8.71	2.47	120.45	26062.88
Nestle	123.46	0.50	124.06	95.00	2.15	29.29	379306.84
Novartis	76.60	0.72	86.92	74.81	3.86	21.70	203521.58
Richemont	121.75	-1.75	126.55	73.22	0.80	50.42	69362.62
Roche	370.10	2.95	378.95	293.05	2.38	23.56	283785.49
Swiss Re	90.20	-0.10	94.96	76.22	6.43	23.20	31255.94
Swisscom	507.40	0.60	562.40	456.30	4.19	14.80	28686.83
UBS	16.69	-0.06	17.04	11.96	3.94	9.11	67421.49
Zurich Fin	409.40	0.70	415.10	331.60	4.80	14.19	67228.8
Taiwan (NT$)							
Chunghwa Telecom	112.00	0.50	118.50	108.00	-	26.06	31282.29
Formosa PetChem	102.50	0.50	117.50	86.90	-	17.43	35155.56
HonHaiPrc	109.00	1.00	134.50	80.40	3.75	11.64	54405.72
MediaTek	958.00	-13.00	1185	662.00	3.75	19.28	55145.84
TaiwanSem	612.00	1.00	679.00	448.50	1.59	29.83	571375.93
Thailand (THB)							
PTT Explor	38.50	0.25	45.00	34.00	2.59	13.05	33567.52
United Arab Emirates (Dhs)							
Emirtestele	27.40	0.40	27.40	16.64	1.96	26.50	64873.78
United Kingdom (p)							
AscBrFd	2058	51.00	2528	1719	-	40.67	21951.84
AstraZen	9384	95.00	9523	6499.8	2.19	45.17	160123.36
Aviva	405.60	10.40	429.60	247.40	6.66	13.52	21931.68
Barclays	192.76	2.76	217.63	111.83	0.52	6.22	44316.98
BP	347.80	3.35	366.40	3.20	4.35	11.24	93396.45
BrAmTob	2580.5	35.00	2961.5	207.50	8.20	9.56	64823.7
BT	165.15	2.50	206.70	104.60	-	11.31	22077.62
Compass	1594	13.50	1721.63	18.06	-	-69.00	35320.35
Diageo	3766	25.00	4364.1	2693	1.87	33.21	127737.8
GlaxoSmh	1590.2	30.40	1591	1190.8	5.03	18.34	105367.47
Glencore	355.35	-0.10	420.03	3.40	1.22	30.68	69062.63
HSBC	431.30	1.60	462.55	329.55	2.49	13.24	116513.32
Imperial Brands	1548.5	18.00	1686	1142	11.99	9.79	19898.43
LlydsBkg	49.28	0.90	51.58	30.82	1.16	7.58	47852.45
Natl Grid	964.70	22.10	983.70	805.40	5.08	20.84	43628.13
Natwest Group	215.30	1.30	235.07	135.80	1.39	14.26	34711.42
Prudential	1498.5	18.50	1598.5	1158	0.78	20.83	52237.21
ReckittB	6207	82.00	7972	4905.16	2.81	-26.86	58892.48
RELX	2360	22.00	2375	1484.9	1.99	34.10	61515.87
RioTinto	4445	4.50	6876.26	4398.5	7.57	5.33	80324.86
RollsRoyce	147.20	0.34	150.48	86.38	-	3.21	3688.6
RylDShlA	1681.2	4.20	1795.2	16.51	2.88	32.71	104132.4
StandCh	451.70	3.30	533.20	407.60	1.44	16.12	20064.08
Tesco	284.95	6.45	317.55	2.74	3.51	21.75	31434.78
Vodafone	112.26	0.48	157.52	1.56	6.83	346.48	40344.93
WPP	1107	12.00	1108.72	11.00	2.17	28.12	18884.2
United States of America ($)							
21stC Fox A	41.33	0.79	44.80	25.33	1.09	11.74	13239.93
3M	182.69	1.36	208.95	163.38	3.15	18.53	105711.42
AbbottLb	126.90	0.47	129.70	105.32	1.25	36.65	224395.62
Abbvie	116.62	1.01	121.53	95.63	4.15	32.32	206088.01
Accenture	364.64	-2.83	372.12	235.58	0.89	42.98	239473.49
Adobe	651.80	-16.12	677.76	420.78	-	55.11	310517.52
AEP	83.79	0.75	92.79	74.80	3.40	18.32	42200.97
Aetna	-	-	-	-	-	-	-
Aflac	56.55	0.27	57.66	39.75	2.10	7.01	37409.42
AirProd	314.60	0.76	315.57	245.75	1.76	36.65	69641.32
Alexion	182.50	3.05	187.45	99.91	-	59.43	40336.01
Allstate	115.37	0.18	140.00	93.07	2.28	4.96	33073.81
Alphabet	2943.61	-34.76	3012.3	1694	-	32.75	885466.37
Altria	45.00	0.21	52.59	38.48	7.46	18.83	82655.31
Amazon	3592.51	16.28	3773.08	2881	-	64.14	1821932.9
AmerAir	21.93	-0.33	26.09	11.65	-	-2.20	14199.99
AmerExpr	182.64	2.78	189.03	109.55	0.92	21.77	145095.26
AmerIntGrp	59.25	0.49	62.54	35.55	2.11	12.76	49194.97
AmerTower	276.56	-3.37	303.72	197.50	1.71	57.17	125946.93
Amgen	214.62	2.91	276.69	200.47	3.05	22.36	120888.13
Anthem	427.51	-2.62	439.90	286.04	0.95	25.66	103761.74
Aon Cp	300.70	3.17	326.25	192.51	0.61	33.84	66253.95
Apple	149.07	-1.74	157.26	112.59	0.55	29.85	2445701.6
Aptiv	172.37	-0.11	180.81	106.70	-	49.50	46627.17
ArcherDan	65.30	0.87	69.30	48.12	2.18	16.33	36528.72
AT&T	25.12	0.41	33.88	24.54	8.08	-83.07	179321.1
AutomData	229.42	0.22	231.70	159.31	1.57	38.75	96671.99
Avago Tech	557.49	-0.32	563.89	360.36	2.44	42.61	229469.91
BakerHu	24.73	-0.56	27.66	16.95	2.84	47.83	21509.96
BankAm	47.35	0.47	48.69	26.31	1.48	16.18	387546.66
Baxter	79.01	1.31	88.32	73.12	1.25	37.16	39559.79
BectonDick	246.05	2.39	267.37	226.15	1.30	39.85	70663.14
BerkshHat	430181.95	-1498.04	445000	331977.46	-	6.56	266686.14
Biogen	271.12	1.09	468.55	234.56	-	21.60	39825.55
BkNYMeln	59.48	0.90	60.52	37.33	2.03	15.76	49119.84
BlackRock	958.35	-8.40	971.78	645.12	1.58	27.64	145589.83
Boeing	225.02	4.23	278.57	176.25	-	-14.90	132244.08
Booking Holdings	2595.59	-52.61	2687.29	1860.73	-	263.75	106583.97
BrisMySq	59.69	0.23	69.75	56.11	3.14	-27.20	132490.61
CapOne	158.16	2.74	177.95	82.53	0.62	6.45	67316.38
CardinalHlth	50.08	0.76	62.96	47.15	3.79	24.69	14210.55
Carnival	24.10	-0.08	31.52	14.88	-	-2.96	23464.3
Caterpillar	209.61	-0.20	246.69	167.47	1.92	27.00	113386.77
CharlesSch	80.74	0.14	84.49	44.26	0.87	34.93	146244.87
Charter Comms	704.35	8.04	825.62	585.45	-	37.44	126283.67
Chevron Corp	114.82	-1.18	116.21	79.71	4.43	62.95	221336.9
Chubb	194.28	0.76	197.92	144.00	1.58	11.01	83684.42
Cigna	220.38	4.18	272.81	190.88	0.89	9.99	73038.4
Cisco	58.52	1.08	60.27	38.17	2.42	24.16	246815.54
Citigroup	68.29	-0.16	80.29	46.26	2.91	7.18	138409.16
CME Grp	222.02	0.29	230.89	159.46	1.54	42.55	79793.14
Coca-Cola	56.71	0.22	57.56	48.11	2.85	31.09	244962.53
Cognizant	80.98	0.47	82.73	66.19	1.11	26.36	42532.26
ColgtPlm	78.06	0.01	86.41	74.01	2.21	25.01	65788.55
Comcast	54.35	0.60	61.80	45.95	1.72	20.79	247807.67
ConocPhil	74.10	-1.65	77.98	33.59	2.25	67.39	97733.96
Corning	38.10	0.12	46.82	34.57	2.36	35.84	32514.86
Costco	508.04	-0.67	520.21	307.00	0.57	46.05	224464.17
CrownCstl	180.18	-0.67	204.62	146.15	2.81	71.05	77874.38
CSX	35.54	-	36.45	27.70	0.99	24.79	78827.13
CVS	92.94	0.18	96.57	65.18	2.10	17.45	122686.25
Danaher	301.20	2.01	333.96	211.22	0.25	41.73	215230.55
Deere	355.12	-0.69	400.34	245.96	0.91	21.24	110109.03
Delta	44.33	-0.20	52.28	34.02	-	-4.34	28371.81
Devon Energy	43.30	-0.69	44.79	11.06	0.99	211.42	29314.1
DiscFinServ	119.40	2.59	135.69	72.57	1.44	7.83	34993.25
Disney	176.27	1.16	203.02	134.11	-	291.49	320295.82
DominRes	75.60	1.02	86.95	67.85	3.65	26.82	61121.64
DukeEner	101.73	0.76	108.38	85.56	3.70	27.38	78264.71
DuPont	80.52	-0.50	87.27	59.42	1.45	41.70	42116.52
Eaton	173.03	-0.87	175.24	112.37	1.68	37.83	68969.76
eBay	74.40	0.44	81.19	45.36	0.89	23.26	48364.15
Ecolab	232.95	2.00	233.12	201.11	0.80	65.26	66755.85
Emerson	97.40	0.42	105.99	73.47	2.02	25.54	58225.72
EOG Res	95.57	-1.54	98.20	39.57	1.57	30.34	55917.05
EquityResTP	85.62	-0.04	88.08	56.08	2.75	48.06	32108.89
Exelon	54.34	0.25	54.70	38.36	2.75	56.28	53135.43
ExxonMb	64.61	-0.88	66.38	34.87	5.25	-21.30	273509.59
Facebook	330.73	-4.65	384.33	244.61	-	25.16	782587.24
Fedex	249.94	0.46	319.90	216.34	1.10	13.57	66395.25
FordMtr	20.22	0.07	20.51	8.08	-	24.39	79370.59
Franklin	35.59	-0.13	38.27	19.52	3.78	15.08	17896.58
GenDyn	203.33	0.45	210.21	144.50	2.20	18.14	56774.38
GenElectric	110.77	-0.52	116.17	69.36	0.28	-473.23	121641.53
GenMills	63.32	0.15	64.65	53.96	3.15	17.15	38349.42
GenMotors	60.24	1.62	64.30	38.81	-	7.14	87460.06
GileadSci	67.71	1.56	73.34	56.56	4.00	16.93	84934.31
GoldmSchs	403.29	-2.06	426.16	211.18	1.21	7.56	135018.66
Halliburton	24.47	-0.61	26.75	13.78	0.72	139.38	21790.52
HCA Hold	246.15	0.01	263.92	142.47	0.38	17.30	76558.26
Hew-Pack	31.87	0.10	36.00	18.69	2.30	10.21	36730.77
HiltonWwde	148.68	0.22	154.40	98.57	-	-150.93	41440.34
HomeDep	369.57	-1.08	375.15	246.59	1.65	26.84	390028.91
Honywell	227.16	-0.59	236.86	194.55	1.58	33.08	156379.96
HumanaInc	447.69	-2.71	475.44	370.22	0.58	24.24	57543.52
IBM	121.35	0.50	152.84	113.48	5.25	21.38	108768.44
IllinoisTool	235.84	1.02	242.07	192.89	1.89	28.75	74025.63
Illumina	390.96	-4.41	555.77	292.65	-	76.79	61106.27
Intcntl Exch	134.15	-1.33	139.79	96.14	0.92	27.51	75580.69
Intel	51.19	-0.02	68.49	44.55	2.58	11.66	208169.4
Intuit	608.44	-4.34	631.56	337.72	0.38	83.05	166287.99
John&John	163.72	1.21	179.92	142.86	2.44	25.24	431008.78
JohnsonCn	76.75	2.28	76.83	43.46	1.35	34.07	54663.21
JPMrgnCh	168.35	-0.72	172.96	110.35	2.09	11.51	497504.27
Kimb-Clark	133.43	0.97	144.44	125.27	3.23	23.31	44928.11
KinderM	16.71	-0.12	19.29	12.27	6.17	22.54	37862.23
Kraft Heinz	37.57	0.22	44.95	29.54	4.15	21.88	46026.95
Kroger	41.86	-0.08	47.99	30.35	1.67	28.60	31124.99
L Brands	79.92	-0.15	-	-	-	-	-
LasVegasSd	41.21	0.13	66.77	35.59	-	-22.72	31484.02
LibertyGbl	28.60	0.08	30.58	19.79	-	1.60	5058.78
Lilly (E)	264.93	2.91	275.87	138.61	1.17	40.85	253427.82
Linde	337.46	-1.16	340.16	240.80	1.17	55.54	172966.72
Lockheed	339.88	1.71	396.99	319.81	2.93	13.55	93734.3
Lowes	234.05	0.14	239.27	146.72	1.08	24.87	162063.87
Lyondell	93.09	0.28	118.02	72.95	4.48	7.82	30978.86
Marathon Ptl	66.76	-0.37	68.78	34.42	3.39	-30.29	41096.63
Marsh&M	165.64	0.72	171.13	106.95	1.10	35.02	83630.87
MasterCard	357.49	12.84	401.50	312.38	0.46	50.91	348448.76
McDonald's	253.30	0.65	257.53	202.73	1.97	28.26	189277.27
McKesson	220.67	1.21	227.81	168.88	0.74	-8.11	33692.37
Medtronic	122.69	0.40	135.89	108.60	1.87	44.27	164883.6
Merck	83.58	0.86	91.40	68.38	2.99	34.98	211572.3
Metlife	64.38	1.41	67.68	43.13	2.82	13.28	55167.06
Microsoft	332.44	-3.51	338.79	208.16	0.64	42.34	2495953.02
Mnstr Bvrg	92.80	1.04	99.89	80.51	-	33.04	49104.11
MondelezInt	62.76	0.52	65.60	52.91	1.96	21.31	87548.45
Monsanto	9.77	-	10.00	9.51	-	-	244.25
MorganStly	98.93	-0.79	105.95	54.90	1.38	13.44	177512.2
Netflix	649.69	-6.30	690.97	463.41	-	69.03	287781.61
NextEraE	85.02	0.08	87.69	68.33	1.69	54.48	166811.09
Nike	169.43	-4.40	179.10	125.44	0.64	45.90	216492.36
NorfolkS	282.76	-1.84	296.06	226.09	1.33	26.89	68808.09
Northrop	366.31	1.79	408.03	282.88	1.58	13.53	58073.92
NXP	218.05	-3.01	228.72	139.94	0.84	60.59	57985.42
Occid Pet	32.72	-1.02	35.75	11.19	0.12	-6.07	30559.86
Oracle	94.24	-0.36	98.95	55.56	1.16	20.52	258032.3
Pepsico	163.70	0.19	166.43	128.32	2.56	27.91	226333.37
Perrigo	42.05	-5.38	50.90	38.20	2.16	-17.11	5622.71
Pfizer	49.19	1.89	51.86	33.36	3.05	23.13	275764.97
Phillips66	78.32	-0.85	94.34	54.60	4.48	-20.64	34312.01
PhilMorris	94.26	0.59	106.51	72.13	4.97	17.05	146746.58
PNCFin	207.35	0.31	217.60	118.79	2.16	16.13	87634.57
PPG Inds	162.03	0.58	182.97	132.10	1.30	26.04	38464.87
ProctGmbl	146.35	0.96	147.23	121.54	2.16	27.28	354157.43
Prudntl	110.08	0.92	115.52	69.93	3.99	6.20	41608.35
PublStor	327.10	2.10	340.95	212.22	2.39	46.13	57358.48
Qualcomm	163.05	-3.69	169.52	122.17	1.57	20.90	182616
Raytheon	91.32	0.33	92.32	63.27	2.07	55.40	136685.74
Regen Pharm	632.78	16.47	686.62	441.00	-	11.68	66897.51
S&P Global	456.26	-5.72	476.17	303.50	0.62	45.95	109958.66
Salesforce	304.00	-5.71	311.75	201.51	-	126.49	297616
Schlmbrg	33.33	-0.81	36.87	17.16	1.46	46.81	46749.74
Sempra Energy	125.24	0.18	144.93	114.66	3.34	18.58	39992.68
Shrwin-Will	324.59	0.54	325.37	218.06	0.60	41.70	85106.26
SimonProp	166.37	-1.12	171.01	68.01	3.87	37.33	54671.04
SouthCpr	59.57	-0.25	83.29	53.29	3.60	16.92	46052.45
Starbucks	114.17	0.04	126.32	92.66	1.50	48.77	134611.95
StateSt	98.08	2.05	100.69	66.07	2.07	16.01	33690.79
Stryker	273.09	-2.08	281.16	220.90	0.88	51.28	102981.22
Sychrony Fin	50.42	1.11	52.49	28.55	1.70	9.25	27592.81
T-MobileUS	121.26	1.40	150.20	114.69	-	38.97	151458.23
Target	254.24	-0.92	267.06	156.56	1.04	20.90	124079.05
TE Connect	161.60	0.54	161.74	105.59	1.17	32.68	53004.3
Tesla Mtrs	1066.06	42.56	1243.49	396.03	-	566.34	1070606.59
TexasInstr	187.87	-2.93	202.26	151.02	2.06	26.86	173498.22
TheTrvelers	158.39	0.99	163.29	129.57	2.11	10.93	38965.32
ThrmoFshr	625.42	6.84	643.52	433.52	0.15	29.70	246445.55
TJX Cos	69.76	0.08	76.16	58.23	0.72	34.78	83889.13
Truist Financial Corp	64.53	0.27	65.42	45.44	2.72	17.28	86144.69
UnionPac	241.37	0.37	243.91	193.14	1.61	28.19	155170.91
UPS B	212.52	2.56	220.24	154.76	1.86	31.53	154963.9
USBancorp	60.78	0.71	63.01	42.13	2.70	13.37	90124.44
UtdHlthcre	457.39	-6.96	466.00	320.35	1.11	30.95	430793.34
ValeroEngy	77.92	-0.33	84.95	46.96	4.91	-23.78	31856.47
Verizon	52.45	0.21	61.95	50.86	4.67	11.13	217169.81
VertexPharm	191.22	0.13	242.99	176.36	-	25.87	48618.06
VF Cp	75.46	0.28	90.79	65.34	2.52	38.49	29639.35
ViacomCBS	36.37	0.87	101.97	28.86	2.57	7.30	22062.88
Visa Inc	215.22	-5.27	252.67	192.81	0.57	44.58	364110.52
Walgreen	49.59	0.49	57.05	37.02	3.57	20.20	42925.72
WalMartSto	149.34	-0.45	153.66	126.28	1.41	43.29	416434.26
WellsFargo	50.56	0.67	52.57	23.56	0.77	13.82	207599.58
Williams Cos	28.21	-0.32	29.89	19.07	5.60	30.45	34275.99
Yum!Brnds	125.91	-0.28	135.77	99.74	1.50	29.68	36908.39
Venezuela (VEF)							
Bco de Vnzla	0.48	-0.03	594.00	0.02	207.32	-	389.77
Bco Provncl	2.20	-0.22	798000	2.20	-	-4.91	53.37
Mrcntl Srvcs	7.00	-	601.00	0.75	0.02	2.84	95.88

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 %
MTN Grp	165.54	169.06	-3.52	-2.08	27.23	19.7	15.76
Qualcomm	163.05	166.74	-3.69	-2.21	24.57	17.7	28.90
BT	165.15	162.65	2.50	1.54	23.00	16.2	12.85
AscBrFd	2058.00	2007.00	51.00	2.54	220.50	12.0	11.63
China Vanke	19.16	18.10	1.06	5.86	2.04	11.9	-9.13
RollsRoyce	147.20	146.86	0.34	0.23	14.60	11.0	2.44
Pfizer	49.19	47.30	1.89	3.99	4.37	9.7	15.83
Renault	34.30	33.66	0.65	1.92	2.81	8.9	9.08
FordMtr	20.22	20.15	0.07	0.35	1.59	8.5	33.60
MasterCard	357.49	344.65	12.84	3.73	28.06	8.5	0.77
BOE Tech	0.90	0.87	0.03	3.45	0.07	8.4	-10.31
Safran	123.00	120.62	2.38	1.97	9.02	7.9	6.85
Airbus Grpe	116.20	116.32	-0.12	-0.10	8.20	7.6	2.63
GenMotors	60.24	58.62	1.62	2.76	4.24	7.6	2.76
Delta	44.33	44.53	-0.20	-0.45	3.09	7.5	2.22
Cielo	2.49	2.47	0.02	0.81	0.17	7.3	-5.68
NatAusBk	30.15	28.89	1.26	4.36	1.95	6.9	6.24
Ch OSLnd&Inv	17.80	16.68	1.12	6.71	1.12	6.7	2.06
Booking Holdings	2595.59	2648.20	-52.61	-1.99	160.26	6.6	4.93
Nissan Mt	634.00	589.70	44.30	7.51	37.90	6.4	17.95

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 %
Pwr Cons Corp	6.83	7.08	-0.25	-3.53	-0.98	-12.5	-10.37
Tesla Mtrs	1066.06	1023.50	42.56	4.16	-147.80	-12.2	35.83
Hunng Pwr	3.58	3.70	-0.12	-3.24	-0.41	-10.3	-4.03
Perrigo	42.05	47.43	-5.38	-11.34	-4.61	-9.9	-8.62
ShenwanHong	0.08	0.08	0.00	-1.23	-0.01	-9.1	-9.41
MitsbCp	3355.00	3420.00	-65.00	-1.90	-316.00	-8.6	-4.22
Allstate	115.37	115.19	0.18	0.16	-10.75	-8.5	-9.37
CNNC Intl	6.44	6.63	-0.19	-2.87	-0.51	-7.3	-9.55
Illumina	390.96	395.36	-4.41	-1.11	-28.62	-6.8	-4.65
TrnCan	62.48	62.83	-0.35	-0.56	-4.35	-6.5	0.60
AIA	82.55	85.60	-3.05	-3.56	-5.65	-6.4	-8.11
Nppn Stl	1891.50	1924.50	-33.00	-1.71	-123.50	-6.1	-1.23
ChShpbldng	4.16	4.17	-0.01	-0.24	-0.27	-6.1	-6.94
MollerMrsk	19505.00	20130.00	-625.00	-3.10	-1215.00	-5.9	11.90
Merck	83.58	82.72	0.86	1.04	-5.10	-5.8	3.58
Netflix	649.69	655.99	-6.30	-0.96	-38.60	-5.6	2.67
HondaMtr	3260.00	3295.00	-35.00	-1.06	-193.00	-5.6	-3.23
CredSuisse	9.36	9.35	0.01	0.15	-0.54	-5.4	-2.82
Naspers N	2548.14	2551.38	-3.24	-0.13	-144.44	-5.4	0.24
Midea	0.53	0.54	-0.01	-1.85	-0.03	-5.4	-1.85

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Nov 10	Red date	Coupon	S*	M*	F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
High Yield US$										
HCA Inc.	04/24	8.36	BB-	Ba2	BB	113.75	4.24	0.00	0.12	-
High Yield Euro										
Aldesa Financial Services S.A.	04/21	7.25	-	-	B	71.10	28.23	0.00	0.64	25.98

BONDS: GLOBAL INVESTMENT GRADE

Nov 10	Red date	Coupon	S*	M*	F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
FleetBoston Financial Corp.	01/28	6.88	BBB+	Baa1	A-	129.00	2.54	-0.01	-0.05	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A3	A	117.21	2.47	0.00	0.32	-
NationsBank Corp.	03/28	6.80	BBB+	Baa1	A-	127.69	2.72	-0.01	0.06	-
GTE LLC	04/28	6.94	BBB+	Baa2	A-	128.27	2.80	0.00	-0.11	-

INTEREST RATES: OFFICIAL

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

BOND INDICES

	Index	Day's change	Month's change	Year change	Return 1 month	Return 1 year
Markit IBoxx						
ABF Pan-Asia unhedged	218.03	0.45	0.05	-4.11	-1.54	0.07
Corporates(£)	393.84	0.27	-0.15	-3.67	-2.48	-0.38
Corporates($)	337.72	0.30	-0.12	-1.12	-0.12	-1.12

INTEREST RATES: MARKET

VOLATILITY INDICES

BONDS: BENCHMARK GOVERNMENT

GILTS: UK CASH MARKET

GILTS: UK FTSE ACTUARIES INDICES

BONDS: INDEX-LINKED

BONDS: TEN YEAR GOVT SPREADS

COMMODITIES

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

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ARTS

When the past fights back

The Ocean at the End of the Lane
Duke of York's Theatre, London
★★★★☆

Pride and Prejudice* (*sort of)
Criterion Theatre, london
★★★★☆

Six
Vaudeville Theatre, london
★★★★☆

THEATRE
Sarah Hemming

A man slips away from his father's funeral to a childhood haunt: an old duck pond near his family home. Suddenly the years peel away and he's his 12-year-old self again, reliving a period of bewildering change.

So begins the National Theatre's superlative staging of Neil Gaiman's novel **The Ocean at the End of the Lane**. It was excellent at its first outing in December 2019; now finally making its West End debut, it seems to have grown, charged perhaps with the reflective depth the pandemic has brought. It's still spectacular, peopling the stage with the sort of half-perceived monsters that can haunt our nightmares. But more striking yet is its emotional core, which now feels even deeper.

This is a play about grief, love and loss, eloquent on the interplay between memory and fiction and serious about the size of a child's imagination. Rather than rationalise the boy's fears and hopes, it embraces them, pitching us with him into an uncertain world where fantasy and reality collide. That becomes immensely moving, as does the double vision created by the framework: looking back, what can the adult protagonist make of his memories?

As the present slides away, we're back with the unnamed boy on his 12th birthday. His home life is in turmoil, his family reeling from this mother's death, his father frayed and distracted. When the lodger kills himself, things go from bad to worse. It's then that our protagonist meets Lettie Hempstock from the neighbouring farm, a young girl who appears to have magical powers. Soon the two of them are battling something evil and predatory intent on invading the human space.

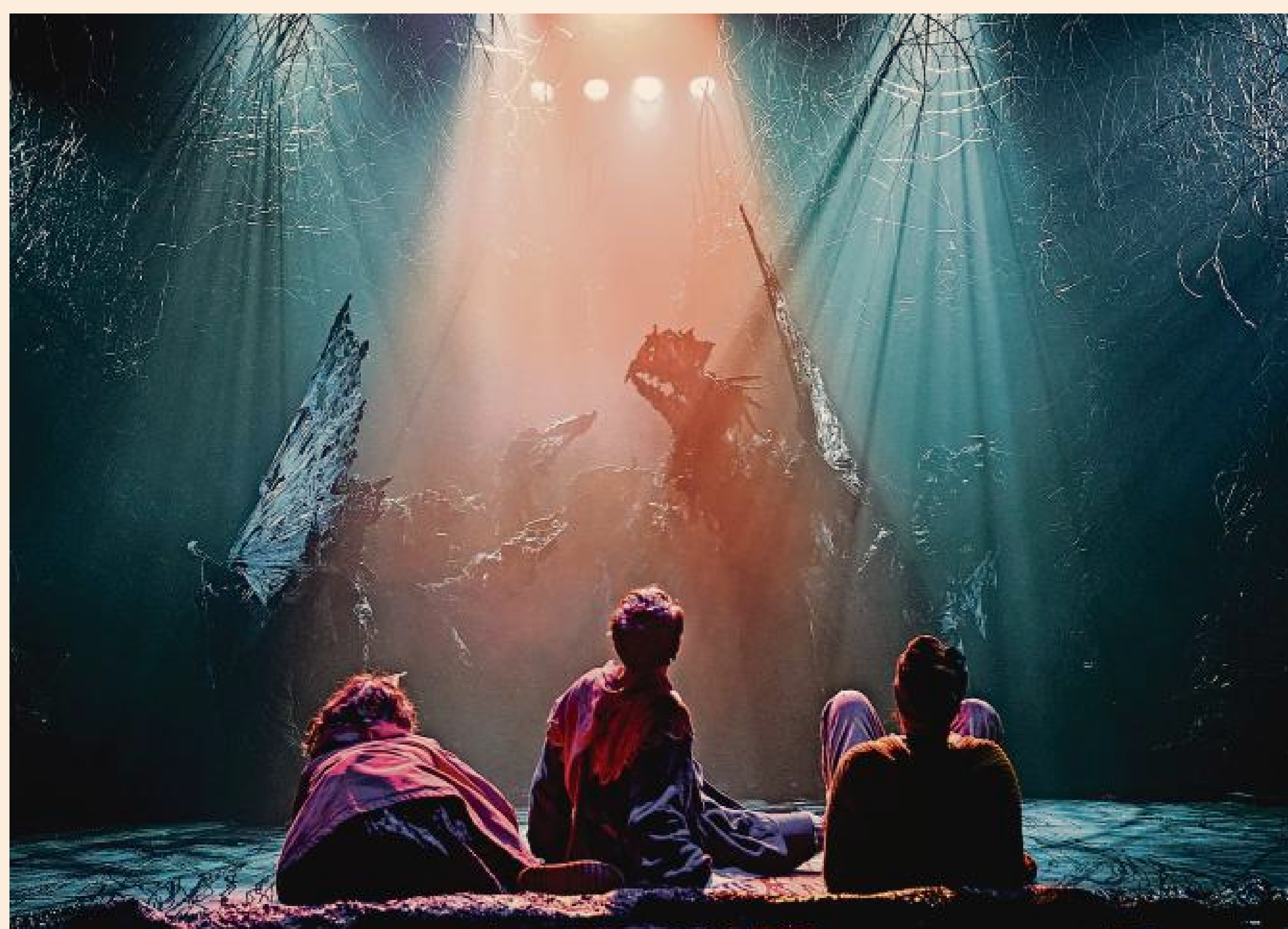
What's so brilliant about Katy Rudd's staging is that it keeps all options open. Perhaps it's true that a hideous otherworldly creature does (literally) worm its way through the boy's hand and into his household, assuming the seductive form of Ursula, a woman who beguiles his dad and his sister. Or perhaps we're in the traumatised imagination of a shy boy, struggling to comprehend death. Or perhaps it is his adult mind, transposing a buried memory about when his father became abusive (the double casting of Nicolas Tennant as both father and adult son hints at this).

On stage, interior and exterior landscapes overlap, just as they do in memory, and something is no less real for being imagined. The boy seeks refuge in stories, all of them pitched on the threshold between this world and another. Rudd's staging takes this as its key. Thresholds and portals loom large in Fly Davis's set: at home, doors move and multiply in nightmare fashion to allow Ursula to keep bursting in on him (a transfixing bit of stagecraft); a window offers escape; thickets on the farm yield up terrifying, shape-shifting creatures composed of rags and shards and beaks (designed by Samuel Wyer).

Meanwhile the Hempstock farm kitchen is a warm, yearned-for matriarchal haven, presided over by a wise female trio who can mend hurts, vanquish monsters and even outwit time, snipping and stitching memories to erase the bad.

It's all sympathetically realised in Rudd's production. James Bamford's coltish protagonist conveys lonely longing; Nia Towle's Lettie combines youthful zeal with a grounded wisdom older than her years; Laura Rogers's Ursula is silkily sinister. The stage crew, visible throughout, reveal how the effects are created without detracting from their power, amplifying on stage the mysteries of the book. Beautiful.

To May 14 2022, *nationaltheatre.org.uk*



Above, from main: immensely moving 'The Ocean at the End of the Lane'; Christina Gordon (left) plays Jane in 'Pride and Prejudice* (*sort of)', a playful subversion of the Austen tale — Manuel Harlan; Matt Crockett

It is a truth universally acknowledged that *Pride and Prejudice* must be frequently dramatised (and that any review of said dramatisation must reference the novel's famous opening line . . .) Enter London's Criterion Theatre, then, and everything seems in place for a pleasing rendition of Jane Austen's beloved masterpiece.

There's the gracious curving staircase, there's the plumped sofa, there's the chandelier, there's the yellow rubber glove dangling from the chandelier . . . "Don't worry, we've not started yet," cries a Scottish serving girl in cream petticoat and Doc Marten boots as she and her fellow maidservants try frantically to retrieve said glove and scurry round the stage tidying piles of books and flapping a feather duster.

And that sets the tone for **Pride and Prejudice* (*sort of)**, a mischievous, joyous new take on the novel that mashes up Austen's story with beady below-stairs commentary and a dollop of 21st-century sensibility. Isobel McArthur's script (first seen at Glasgow's Tron Theatre and co-directed by McArthur and Simon Harvey) splices the original dialogue with robust interjections from our team of servants. They start by reminding us how crucial they are to the plot — delivering letters (slowly); filling glasses (quickly) — and that, of course, "we've seen absolutely everyone naked".

The five women then take ownership of telling the story, playing all the parts, switching costumes, bursting into karaoke and deploying dozens of running gags. Rubbish goes into a Jane Aust-bin; Mr Bennet is depicted as a silent armchair and a newspaper and when Jane (Christina Gordon) is dumped by Mr Bingley, McArthur's Mrs Bennet collapses in disheveled woe, eating her way despondently through a huge tin of Quality Street chocolates.

What's remarkable is that, for all the high jinks and irreverent anachronisms, the spirit of the novel comes through. The characterisation is sharp (Hannah Jarrett-Scott particularly enjoyable as both Bingley siblings, when not tidying up or playing the trumpet); the songs judiciously chosen. Here is Austen's shrewd critique of society and women's financial plight, whipped together with smart contemporary feminism — down to the fact that the all-woman company literally sprint around the set to present the male characters. "You know who I can't stand? People," growls McArthur's ramrod stiff Darcy as he arrives at the local ball.

Even more astonishingly, the show honours the emotional heart of the novel: you're soon rooting for the mixed-up lovers and feeling for the left-behind. It's an exuberant, irresistible piece of theatre that reminds us that we most love Austen's characters not for their bonnets and balls, but because they are so like us.

To April 17 2022, prideandprejudicesortof.com

More long overdue payback comes at the hands of **Six**, finally back in the West End after a torrid time during the pandemic. Here the six in question are the wives of Henry VIII, back to wrestle their stories from the footnotes of history and their reduction to their respective fates.

Brushing aside the tinkling strains of "Greensleeves", they stride on to the stage in a blaze of light, attitude and mini-farthingales and launch into a riotous 75-minute musical gig (by Toby Marlow and Lucy Moss) that merges Tudor history with pop numbers, power ballads and steamy jazz.

Like *Pride and Prejudice* (*sort of)*, the show finds its biting point in the tensions and crossovers between then and now. We hear the women's voices through songs that echo many of the girl-power queens — Beyoncé, Rihanna, Ariana, Adele, Taylor — and that find modern parallels with their experience: Anna of Cleves, rejected because she doesn't match her profile picture; Jane Howard, groomed, abused and then labelled a slut. And what starts as a competition as to who had the worst experience finally becomes an affirmative exercise in female solidarity.

Delivered with terrific panache by the cast (Jarnéia Richard-Noel, Courtney Bowman, Natalie Paris, Alexia McIntosh, Sophie Isaacs and Danielle Steers) and their female band, it's a blast. Who run the West End? Girls.

To May 1 2022, then touring, sixthemusical.com

The wives of Henry VIII wrestle their stories from the footnotes of history in 'Six' Pamela Raith

Cocker is back with vocal flamboyance

POP

Jarv Is
Roundhouse, London
★★★☆☆

Ludovic Hunter-Tilney

"We've got all night to get re-acquainted," Jarvis Cocker said at the outset of his band Jarv Is's Roundhouse show. He phrased it like a comical chat-up line, with raised eyebrow rather than come-hither look, arm propped on the microphone stand as though draped across a mantlepiece. With his glasses and 1970s suit, a dialectical contrast between tight fit and flapping flares, the former Pulp frontman cut a reassuringly familiar sight — an improbably groovy polytechnic lecturer leading the most popular course on campus.

The show had been rescheduled from May 2020, when Jarv Is were forced by the pandemic to cancel the tour accompanying the release of their debut album *Beyond the Pale*. Blending archness and wildness, psych-rock abandon and sophisticated rhymes, its songs are Cocker's best since his Pulp days. But a somewhat subdued atmosphere illustrated the difficulty of resuming the thread of a disrupted conversation.

They opened with a Pulp cover, "She's a Lady", from the Sheffield band's 1994 breakthrough album *His 'n' Hers*. Murky red lighting, a thumping snare beat and scything synthesiser riffs accompanied Cocker's tale of grimy libidinous desire, a sardonic reworking of Gloria Gaynor's "I Will Survive". "Yeah, I guess I kind of missed you whilst you were away," Cocker intoned at its conclusion.

"House Music All Night Long" was the first Jarv Is song of the night, one of several to be performed with guest singer Naala. The music was sturdy dance-rock, less scintillating than Cocker's rhyming of "claustrophobia" with "disrobing ya". A new song followed with the working titles of "Slow Jam" or "Bad Friday", a number that finds its groove as it progresses. Another new track was "Aline", a cover of a 1965 French hit by the singer Christophe, which Cocker sung with unbridled Gallic drama. It features on his soundtrack for Wes Anderson's new film *The French Dispatch*.

His Jarv Is bandmates — Serafina Steer on keyboards and harp, electronic musician Jason Buckle, drummer Adam Betts, bassist Andrew McKinney and Emma Smith playing violin and guitar — formed a curving line across the stage. Cocker brought out his stage moves, a kind of corduroy-jacketed vogueing with extravagant armography and preening shapes, only impeded by monitors and equipment. His vocal flamboyance, an act of display going from sonorous voice-overs to possessed gasps and cries, was dampened by rather restrained amplification.

The best moments were like a switch being flicked. "Sometimes I Am Pharaoh" was a powerful drone-rocker that hinged on a sudden pause before exploding back into life. "Swanky Modes" based a Pulp-like act of bittersweet observation around a former clothes shop in a nearby street to the Roundhouse (the shop's owners, present in the audience, received a shoutout from Cocker). "Must I Evolve?" was a comic epic linking cave art to acid house raves, with Smith and Steer as an admonitory backing chorus. In a sometimes tentative evening, its evolutionary message rang out clearly: life goes on.

roundhouse.org.uk

The former Pulp frontman cut a reassuringly familiar sight Redferns

FT BIG READ. LATIN AMERICA

The fund's 2018 decision to bail out Argentina — for the 21st time in 60 years — was always controversial. Now there are fears that Buenos Aires will not be able to meet a $2.8bn repayment due in March.

By Michael Stott and Lucinda Elliott

Clash over $57bn IMF loan looms

President Alberto Fernández is under pressure to do a deal with the IMF, but risks losing domestic support if he concedes too much. Below: homeless people in downtown Buenos Aires; below left: an anti-IMF protester in the capital last month

FT montage; Juan Mabromata/AFP; Getty Images

Argentina's president was in no mood to compromise. Agreeing a quick deal with the IMF would mean "going down on my knees and complying with the creditors' demands", Alberto Fernández bellowed to a crowd of trade unionists in Buenos Aires last week. "That's not what a Peronist does. We know who we represent: we represent you, not the creditors."

As a March deadline looms for Argentina to repay billions of dollars to the IMF from a record-breaking $57bn bailout, the leftwing government faces an economic crisis and needs a fresh deal with the fund to unlock more cash. But instead of pushing for an agreement, Fernández and his key ministers are hardening their line ahead of midterm elections on Sunday, in which the governing Peronist party may lose its senate majority. They have surprised IMF officials by insisting on big concessions, such as lower interest rates and much more time to pay.

"I have become increasingly pessimistic," says a source close to both sides in the talks. "Right now, it's so uncertain that anything could happen."

At stake is the reputation of the IMF as it tries to help key emerging market economies out of pandemic-induced recessions and the future path of Argentina, a G20 member and major grain exporter which risks cutting itself off from the international community and retreating into isolation.

Most economists agree that failure to reach a deal with the IMF by the end of March would be disastrous. It would mean Buenos Aires falling into arrears with the fund, a move which would cut off credit from other multilateral lenders. With private investors already shunning Argentina after it defaulted briefly on their debt last year, a confrontation with the fund would leave Argentina an international financial pariah.

Yet for a hard core of the governing Peronist party, such a result would be hailed as a victory, proving that Argentina can defy the international financial system and pursue its own nationalist path towards economic development.

"The IMF's relationship with us is not one of a creditor to a debtor," says Juan Grabois, leader of a radical grassroots social movement allied to the ruling coalition. "It's the relationship of a scammer to someone they've scammed. For us, the IMF is the devil."

'Only game in town'

The IMF's $57bn bailout to Argentina was controversial from the start. Agreed in haste in 2018 when Mauricio Macri, the pro-investor president, hit a markets crisis that triggered a two-week run on the peso, the loan was approved amid support from Donald Trump, the then US president, for the Argentine leader, who he considered a political soulmate.

Concerns about making such a large loan to a country that had already been bailed out 21 times in six decades by the fund were waved aside.

"We were the only game in town," Christine Lagarde, who was president of the IMF at the time, said in 2019 when justifying the bailout. "There was nobody else at the time to invest in the recovery process . . . and given the size of the challenge, we had to go big."

The payment timetable for the $57bn loan aroused particular ire among critics in Argentina. They pointed out that while the IMF disbursed almost all the money before Macri faced re-election in October 2019, most of the repayments were bunched into two later years, 2022 and 2023.

In the event, Macri lost a primary by a landslide two months before the main election, markets plunged again and the IMF stopped the payments. Only $44bn out of the agreed $57bn was disbursed by the time Macri left office in December 2019, after a heavy election defeat, and handed over an economy already in recession to Fernández.

"The loan from the fund was very obviously to finance Macri's campaign," says Santiago Cafiero, Argentina's foreign minister. "The biggest loan in the history of the fund was used to finance capital flight in 2018-19, the fund has a big responsibility for that . . . there were inadequate procedures in the fund."

Gerry Rice, the IMF's director of communications, said last week that "we continue to work toward a programme that can help Argentina and face the challenges of the moment and set the basis for inclusive growth". Rice has previously rejected claims that the fund broke its own rules with the bailout to Macri's government.

Those briefed on the negotiations have been particularly concerned that economy minister Martín Guzmán, Argentina's chief negotiator and formerly a moderate voice in the government, has toughened his line.

In October, he accused the IMF of using the loan to finance Macri's election campaign. In an interview with the Financial Times, he blamed the IMF for Argentina's looming shortage of dollars next year. "The reason why Argentina faces a problem in its balance of payments in 2022 is precisely because of the presence of the IMF loans," he said. Argentina is due to pay the fund a total of nearly $19bn next year.

Such statements, says the source close to the talks, "affect how the fund's shareholders see the country. It makes them less willing to accept a programme".

Benjamin Gedan, who runs the Argentina project at the Wilson Center, says: the government's arguments about the bailout "are irrelevant".

"The Peronists for domestic political purposes want to re-litigate the terms of the last bailout rather than have a conversation about managing debt, the deficit and inflation. [They] say there is a tactical advantage to doing this but the reality is that the IMF leadership and board will judge a new programme on its merits," he adds.

Ground control to Fernández

As the mood between Argentina and the IMF sours, the economy is stuttering.

Cut off from most sources of international finance, the government has resorted to printing money to help fund its deficit, fuelling inflation which is topping 50 per cent a year. To conserve scarce foreign currency, strict capital controls limit the amount of dollars Argentines can buy and the black market dollar has rocketed to almost double the official rate. Ministers have ordered a price freeze to control the cost of more than 1,400 household items.

"Macri's big idea was for Argentina to be part of the world," says a second source close to the talks. "That is not part of the current Peronist ideology."

A viral video meme, "The Dollar Goes to the Moon", conveys vividly the sense of despair in the country. Using footage from the film *Apollo 13*, it shows mission control with the countdown to lift-off under way.

The flight director runs through a pre-launch checklist: "Economy?" "Stagnant," comes the reply from colleagues in mission control. "Investment?" "Zero." "Country risk?" "Through the roof." "Small businesses?" "Bankrupt." "Inflation?" "Rising." "Price controls?" "In progress." "Taxes?" "169 and counting", and so on.

Then the controller presses a button and a giant US dollar soars into space, to the despair of watching Argentines. "Damn, I didn't buy," sighs one. The clip has been shared 2m times across different social media platforms.

"The checklist in this rocket launch scene was perfect for our country," says Andy Olivera, a comedian from Buenos Aires who co-produced the meme. "Our biggest concern as voters in Argentina is the economy, that's why this video is so popular. People are poorer. It's simple."

Economists see a moment of reckoning approaching. "Inflation and the foreign exchange gap are at near multi-decade highs; the fiscal deficit is too wide for a country with limited market access; the central bank's balance sheet has deteriorated markedly, with net FX reserves dwindling. And import and capital restrictions limit activity and cloud the growth outlook," said Fernando Sedano of Morgan Stanley in a recent report.

The government dismisses such gloom. "Argentina is on the correct path," says Cafiero. "The problem is the debt, the problem is not our path of economic recovery."

Yet bankers in Buenos Aires blame the government for scaring away investors. As one put it: "Argentina has a viable economy but it is financially bankrupt. It's like a company that keeps producing but can't finance itself."

The prospect of IMF negotiations not succeeding before the March deadline for a $2.8bn repayment to the fund is causing alarm. Both sides talk of constructive progress, even though officials say privately that few real advances have been made.

"The chances of a deal have declined significantly," says the second person close to the talks. "I would still put it as the most likely outcome, but there are some people . . . who already think the probability is much lower."

The key sticking points are Argentina's demands for surcharges to be dropped on the interest rates it pays to the IMF and to have more than the standard 10 years for repayment. For its part, the IMF wants to see a credible plan to cut the country's fiscal deficit over the next few years.

With Argentina's net foreign currency reserves running low, economic logic suggests that even a bare-bones deal would be the best outcome for both sides, yet the politics of a deal are becoming increasingly complex.

The Peronist coalition is likely to suffer a heavy defeat on Sunday, something that would sharpen internal divisions ahead of the next presidential campaign in 2023. The radical wing, led by Cristina Fernández de Kirchner, the influential vice-president, believes the answer is to reinforce nationalist policies, step up government controls on the economy and insist the IMF gives way.

Analysts say Guzmán is under heavy pressure from hardliners to take a tougher line with the fund. In what was widely seen as a shot at the economy minister, Kirchner implied that the government had erred by not spending enough in an open letter published after the Peronists suffered a drubbing in primary elections in September.

"Our supporters voted for social assistance which didn't happen," says Eduardo Valdés, a Peronist congressman close to Kirchner. "Budgets which should have helped people were not fully spent."

With polls showing the opposition heading for a victory in Sunday's elections, Fernández and his ministers want to be seen to take a hard line with the fund. Horacio Larreta, the Buenos Aires mayor who is among the opposition's most popular figures, has said the bailout deal is not good or bad in itself and that the best way to renegotiate it is to convince the IMF that Argentina has a sound economic plan.

Guzmán said that the chances of an IMF deal by March depend "principally on the support of the international community for what Argentina is proposing". He reiterated demands that the fund drop the interest surcharges it imposes on Argentina's debt and give the country more time to pay.

"It's a kind of weird strategy in which Argentina puts something on the table that is very hard for the fund to deliver," says the second person close to the talks. "And they have it lingering there as an excuse in case there's no agreement on a policy programme."

The repeated Peronist outbursts against the fund have taken a toll in Washington — the US is the fund's biggest shareholder. Officials close to the talks warn that among some of the IMF's other larger shareholder nations, who must approve any new deal, patience with Argentina is wearing thin.

"They are not the country you would want to make an exception for," says one official familiar with the negotiations.

'The IMF's relationship with [Argentina] is not one of a creditor to a debtor. It's the relationship of a scammer to someone they have scammed. For us, the IMF is the devil'

Guzmán's own credibility with markets has also declined as months have passed without progress on the IMF talks. Many believe he missed an opportunity to seal a deal with the fund last year, after successfully renegotiating $65bn of debt owed to international investors.

"The [IMF's] original plan was to have an agreement a year ago," says the first source. "It was never the idea to get to the end of 2021 in this position. There were consistent warnings to Argentina that delaying would only make things more difficult."

"In two years, Guzmán has done nothing other than debt negotiations," says Alfonso Prat-Gay, who was finance minister in Macri's first year, before the IMF bailout. "The deal with private creditors last year just kicked the can down the road and nothing has been achieved with the IMF. It's a fiasco."

'Absolute nightmare'

Sergio Berensztein, an influential political consultant and newspaper columnist, thinks the most likely scenario is what he terms "mediocre muddling through".

"There will be a suboptimal deal with the fund, a small devaluation" and some modest reduction in the deficit. "It won't solve anything fundamental," he adds.

Even if such a deal were struck, people close to the talks warn that it could quickly veer off track. A new IMF agreement would provide Argentina with fresh cash to repay existing debt to the fund. But a review of whether the country had met its obligations would be needed before every payment.

"It would be an absolute nightmare," says the first person close to the talks. "Every three months you would have a nail-biting panic over whether the review was on track and whether the IMF board would approve a disbursement."

Cafiero, Fernández's former cabinet chief, says that within the Peronist coalition: "We all think the same way. We want a good agreement, not a quick agreement. We need the fund to show willingness to advance on a . . . programme which includes the particularities of this country."

As the prospects of a deal by March fade, some are starting to prepare for a worst-case scenario. "I'm pretty sure that Argentina will go into arrears [with the IMF], either because the negotiation ends without a programme or as part of the negotiation," says the second person familiar with the talks.

"There seems to be a line of thinking within the government that arrears for the fund are more costly than for Argentina," he says. "So they might play that card for a month to see if the fund is going to bend on some of Argentina's demands . . . Their policies are crazy."

FINANCIAL TIMES

'Without fear and without favour'

THURSDAY 11 NOVEMBER 2021

The climate case for nuclear generation

Small reactors can potentially be built more quickly and cheaply

Early environmental movements saw nuclear power as villain number one. Disasters a quarter of a century apart at Chernobyl and Fukushima stoked the fears of successive generations. Many of today's climate campaigners remain understandably hostile to nuclear. Yet as leaders at COP26 struggle to agree on carbon reductions that will come anywhere near restraining the global temperature rise to 1.5C, it is becoming clear that nuclear generation needs to be part of the panoply of solutions, even if on a transitional basis.

Few would question that renewable sources such as wind and solar must be the mainstay of future electricity generation. The drawback remains their intermittent nature, and the lack of large-scale means to store electricity. Storage technologies seem unlikely to provide a big enough solution, fast enough. Nuclear power is the only carbon-free source that can deliver round-the-clock power, on demand, almost anywhere.

The world needs not only to replace the fossil fuel sources, moreover, which still generate nearly two-thirds of global power. Electric power must also be hugely expanded to replace the oil, coal, and gas burnt by vehicles, homes and industry. At the same time many of the nuclear plants that supply 10 per cent of world electricity are getting old.

For renewables to take all of the strain would be a daunting challenge. Consider a scenario where sales of internal combustion engine cars end by 2035 and global electricity is decarbonised by 2040. The International Energy Agency suggests the world would need to ramp up building solar and wind plants so that, by 2030, it was adding four times as much capacity annually as in the record-breaking year of 2020.

Some sectors, less suited to electrification, will require alternative fuels, such as hydrogen, or sources of heat. Nuclear is good for producing both.

The arguments against nuclear are powerful and resonant. It is expensive and complex to build; projects frequently overrun on costs and duration. It produces deadly waste. When things go wrong, the effects can be devastating. The nuclear industry and its proponents are prone to dismiss such concerns too blithely.

Yet the few tragic accidents were caused by a combination of poor training, design flaws and inadequate understanding of risks. Many scientists and academics agree modern designs, safety features and training are superior. Technology has advanced, too, on waste storage. Finland is setting a welcome benchmark for dealing with high level nuclear waste with the construction of a deep underground site set to become the world's first repository for spent nuclear fuel.

Co-investment by the state or using, say, regulated asset base models can reduce financing costs to the point where nuclear is competitive over its lifespan with other sources. Small modular reactors — being studied by the UK, Estonia, Czech Republic, the Netherlands and others — offer the prospect of being built more cheaply and quickly, but producing copious power. Communities may balk at having such plants in their backyard. But they could potentially be built on sites of existing reactors, or — as the US is examining — retrofitted in formerly coal-fired plants, and use existing transmission infrastructure.

Governments, regulators and the industry face an uphill struggle in winning confidence in nuclear. Yet averting climate catastrophe is the defining challenge of this century. All means of achieving it have drawbacks, risks and trade-offs. Nuclear power has perhaps more than most. But these are not so great as to bar it from playing a role.

Belarus is fomenting a tragedy on its border

The EU must act to defend its values and protect the vulnerable

In the forests on the Belarus-Poland border, a humanitarian crisis is in the making. President Alexander Lukashenko has escalated his contemptible tactic of "instrumentalising" migrants to press the EU to ease sanctions on Belarus. Video footage has shown Belarusian guards escorting columns of mostly Middle Eastern people towards the fences on the Polish border. Warsaw has accused Minsk of pushing the migrants across the frontier, and refuses to accept them; Belarus will not take them back. Thousands of vulnerable people are now on the border. With temperatures plummeting, many lives are at stake.

Lukashenko's broader aims are clear, and cleverly targeted: to widen fissures in the EU. Poland was one of several EU countries to reject "quotas" of migrants during the mass influx from Syria and the Middle East in 2015. It is locked in a deepening struggle with the EU over rule of law. Its conservative-nationalist government has publicly refused assistance from the EU's Frontex border force in dealing with the crisis. A former foreign minister in the PiS-led government has accused the EU of "pushing to take control of our border".

The most pressing priorities are to prevent a calamity in the border area, and preserve EU unity. One aim can reinforce the other. Brussels should make clear through public and private channels that it is ready to provide support in handling and providing shelter for migrants, resettling those who qualify as asylum seekers and returning to their country of origin those who do not. Both Brussels and Warsaw are wary of being seen to yield to blackmail. But a Warsaw government that touts its Christian values should make safeguarding human life its guiding principle, accept EU help, and during this crisis period allow those stranded to cross into its territory.

The next imperative, however, is for EU institutions and capitals to step up efforts to stem the flow of desperate people being lured under false pretences to Belarus, as quickly as possible. Preventing migrants from reaching a landlocked country in central Europe ought not to be hard, but measures to date have clearly proved inadequate.

EU diplomats must press countries of origin such as Iraq to clamp down on people traffickers and pause flights carrying migrants to Minsk — pointing out that their safety cannot be guaranteed and many may ultimately be returned. Ursula von der Leyen, European Commission president, says the EU will seek to target "third country airlines" helping to ferry migrants to Belarus; this should extend to charter and aircraft leasing companies.

There are concerns in western capitals, too, that meetings between senior Belarusian and Central Asian officials may indicate Minsk is attempting to open a new front by attracting those fleeing the mounting human disaster in Afghanistan. That makes it all the more important for the EU to be ready to accept credible numbers of Afghan refugees — and avoid them instead being funnelled towards a Belarusian state that intends only to exploit them.

The EU, finally, should be clear that Lukashenko's stratagems will lead not to a loosening of sanctions over his assaults on democracy in Belarus, but to a tightening. The bloc has targeted senior officials and the national carrier Belavia; it should be ready to toughen restrictions on lucrative Belarusian exports such as petroleum products and potash, even if this does some harm to EU economic interests. Above all, the EU and its member states must defend their values — by not sinking to the same level of indifference to human suffering on their borders as that being displayed by the regime in Minsk.

Letters

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China's overseas students vote with their feet

In his column "Isolated China is a concern for us all" (Opinion, November 9) Gideon Rachman notes that China's zero-Covid policies risk deepening that isolation. But an unintended effect works the other way round. The two-week quarantine required of anyone entering either the US or China means that many of my Chinese students choose to stay in the US rather than return home for visits.

Chinese students in other countries must have made similar decisions. Thus, in isolating itself from the west, China leaves its overseas students to marinate longer in those "pernicious juices".

Granted, the US and Australia do show lower Chinese enrolments than in 2019.

But their best-known universities have seen little impact, and UK universities have benefited by the cousins' fall from grace. According to the UK's Universities and Colleges Admission Service (Ucas), between 2019 and 2021 its Chinese applications increased by 30 per cent.

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Adoption of hydrogen will be a multi-decade process

Martin Sandbu's article "The Gordian knot of Europe's gas dependence" (Opinion, November 8) is well argued. To quote his description of using natural gas in future to make blue hydrogen, he writes: "For there to be enough demand, mass adoption of hydrogen-powered technologies in the relevant sectors is necessary. That in turn is economically viable only if users are confident hydrogen supply will be forthcoming."

However, in the following paragraph I think Sandbu goes off course when he argues that "both must jump together". In reality, the growth in both supply of, and demand for, hydrogen will be more gradual. On the blue hydrogen supply side, much more practical experience has to be gained (and is being gained) on CCS (carbon capture and storage), and costs driven down. Likewise much work has to be done (and is being done) on safe hydrogen utilisation — it is very tricky stuff to store and distribute.

Meanwhile, I believe that the EU, the UK and indeed most of the world will continue to need all the natural gas (including LNG) that can be responsibly and economically produced. Today's high gas prices illustrate strong demand. When I glance at the UK National Grid website this morning as I write I see 50 per cent of UK power deriving from natural gas (against 21.5 per cent from wind and 1.5 per cent from solar).

I therefore see no need for a developer of a new gasfield (from say Norway) to fear having "to switch it off in five to 10 years' time". What I do expect is that, as carbon penalties increase and hydrogen manufacturing costs are driven down, the proportion of gas produced being converted to hydrogen (with accompanying CCS) will increase — and the proportion used for combustion will decline.

It will be a multiyear — or multi-decade — process, but heading in a good (if expensive) direction.

The Gordian knot will need careful untying rather than slicing at a stroke.

John French
Tunbridge Wells, Kent, UK

Providing aid is no match for green policies at home

I read with great interest the cri de coeur of Mya-Rose Craig ("Young climate activists are tired of mere lip service", Opinion, November 5).

That is, until I got to her second last sentence: "Those in the global south do not want handouts . . . they want justice, equity and compensation."

With all due respect, I am far from convinced that giving hundreds of billions of dollars to governments which are all too frequently incompetent or corrupt — in the "north" as well as the "south" — would achieve much.

It would be far more effective, I suspect, for the more developed nations to spend these huge sums on shutting down their own fossil fuel output and consumption, boosting "green" energy, and diminishing methane and other harmful outputs in their home countries — under the watchful eye of domestic public scrutiny and legislation.

Other countries, including China and Russia, will be inspired to truly effective action by the example of others and by their own domestic opinion, rather than via the tried and largely failed route of large-scale international aid.

We need urgent action now, which means leadership in cleaning up our own mess first.

Mark Hudson
Blandford Forum, Dorset, UK

Population size matters when it comes to pollution

When I was an Asian nerd sent to school in the UK, there was a joke going around: "Americans eat far more sweets than Brits." Really? "Yes. Because there are more of them."

In my day, it was a playground joke. But I see the same trick used several times a day now in the major media ("Consumer boycott would bring big emitters to heel", November 1), where the Chinese are painted as the world's biggest polluters. The crucial fact is that when it comes to carbon emissions, China is actually about 12th in the list of countries, on a per capita basis.

Could the FT style guide simply remind writers who identify the Chinese as number one polluters — or number one anything — to add: "Because there are more of them."

Nury Vittachi
Hong Kong

Abiy is not to blame for starting Ethiopia's conflict

I have been consistently disappointed in the FT coverage of the conflict in Ethiopia. The latest editorial ("Ethiopia risks becoming a new Yugoslavia", FT View, November 9) disproportionately lays the blame at the door of Abiy Ahmed, the Ethiopian prime minister, and essentially calls for a new transitional government.

This is both inaccurate and deeply dangerous for the international community's understanding of the conflict. So many aspects are misinformed, but I want to address the most pressing.

Responsibility for the start of hostilities lies solely with the Tigray People's Liberation Front. In November 2020, it launched attacks on national army bases in Tigray. On December 1, in an interview with the BBC, ambassador Tibor Nagy, a former US assistant secretary for African affairs, made clear the TPLF was waging war on Ethiopia to restore its lost power. Furthermore, the UN Development Programme clarified that the attack would have been seen as "an act of war everywhere in the world . . . that triggers a military response in defence of any nation".

As to the suggestion the Ethiopian government is losing control of its armed forces, I would refer you to the weekend statement by 16 nations — the US and UK included — praising the Ethiopian government for its efforts to prosecute those accused of crimes related to the conflict and for ensuring redress to victims.

On a transitional arrangement, I would like to assure you that the vast majority of Ethiopians do not view a transitional government as the answer. The answer is a constructive engagement with the democratically elected government of Ethiopia, something as a career diplomat, I am amazed I need to clarify.

Fisseha Adugna
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Making doctors employees of the NHS has advantages

Isn't it time GPs were brought fully into the NHS by becoming salaried staff subject to normal terms and conditions of employment (FT View, November 8)? Not only might this enable GPs and hospital doctors to work more closely together for the benefit of patients but the career attractions and opportunities for younger medics would improve by, for example, enabling them to move easily between hospital and GP practices to the advantage of all concerned.

Jeremy Wagener
Boxford, Suffolk, UK

Hereford institute pioneers courses in engineering

Sir Peter Lampl is right to highlight the central importance of degree apprenticeships to the government's levelling up agenda ("'Levelling up' depends on reforming routes into higher education", Opinion, FT.com, November 6).

But it is surprising that he does not mention the need for greater variety and innovation within the UK higher education sector itself. The contrast with the plethora of different specialist skills-based colleges such as Olin College and Harvey Mudd College in North America, and the "learning factories" of continental Europe is especially marked.

One UK exception is the pioneering New Model Institute in Technology and Engineering (NMITE) in Hereford, in my constituency.

NMITE selects students for their creativity, resilience and teamwork as well as their academic grades, allowing a student body from more diverse and disadvantaged backgrounds without loss of academic quality.

Students work in teams in a structured series of three-week "sprints". The aim is to produce, not theorists of engineering, but reflective, work-ready practical engineers.

Best of all, this skills-based HE-FE approach is being fully documented, so that it can be deployed elsewhere around the UK to boost economic development and so "level up".

Jesse Norman
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Homeworking advances autonomy not diversity

The article entitled "Why minority staff may prefer working from home" (Work & Careers, November 1) may be well-intentioned but I believe it carries unintended negative consequences.

I realise that headlines have to be catchy to grab the reader's attention, however, this one actually reaffirms stereotypical faultlines by simplifying diversity into white and non-white, and between men and women.

The notion that employers need to "hold on to diversity" treats diversity among employees in a transactional way. The diversity dividend does not come from the numbers alone but mostly from the ability of an organisation to combine the diverse knowledge, viewpoints and skills of all its staff.

This will increase the understanding of what parents of young kids need, what carers need, what drives people to come to the office and what drives them to stay at home.

For example, Holger Reisinger and Dane Fetterer argue in a recent article in Harvard Business Review that when employees speak of flexibility and a desire to work from home, what they mean is they want more autonomy.

Deliberations with different groups will bring a deeper level of understanding of core values and needs, leading ultimately to greater inclusion, creating a better functioning workplace amid a changing culture. Allowing minority staff to spend more time working from home is a lazy approach to diversity. Not one employer can afford that in these times of the "great resignation".

Milena Bowman
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Iran's social divisions are on show at airport departures

Tehran Notebook

by Najmeh Bozorgmehr

Iran's widening social divisions are on display at Tehran's international airport, where pilgrims to Iraq's holy town of Karbala stand shoulder to shoulder with tourists heading for a beach holiday in Antalya, on Turkey's Mediterranean coast.

The two sides — who have a history of conflict — have long accused each other of taking the country into a social, cultural and religious abyss. They trade blows on social media for their opposing lifestyles, and each claims the other is fuelling the pandemic by going to packed holy shrines in Iraq or concerts featuring expatriate pop singers and rap stars in Turkey.

In recent months, I have been witness to some of the busiest days at Imam Khomeini International Airport. Most check-in desks handle flights to Turkish destinations. There is, however, no mention of Antalya on flight information displays: instead they show lesser-known places such as Adana, Alanya or Gazipaşa.

It has been almost two decades since the Islamic republic obliged Turkish airlines to make a detour so leaders can hide from their religious followers that Iranians travel freely to Antalya to sunbathe and drink alcohol in five-star hotels.

Iran's travel agencies charter Turkish flights, which stop in Adena or elsewhere for about 45 minutes and then continue to Antalya. Even privately owned Iranian airlines which are quietly backed by members of the regime stop at Turkish destinations which are a five-hour bus ride from Antalya.

In times of pilgrimage, the social extremes are stark. In late September the airport was full of pilgrims to Karbala, with women attired in black Islamic coverings. Before the pandemic, a few million pilgrims used to travel to mark *Arbaeen*, the 40th day of mourning for the death of Hossein, a grandson of Prophet Mohammad, who is buried in Karbala. But this year the Iraqi government only allowed tens of thousands of Iranian pilgrims, and instructed them to travel by plane rather than over land to limit the spread of Covid-19.

Tehran's leaders, who encourage such religious ceremonies, supplied military aircraft for the journey. In Karbala, pilgrims are given free food and tea. They are even charged a lower airport exit fee than other travellers.

For Iranians, this follows a familiar pattern: the regime pampers its loyalists and those who want more social freedom can find it in a neighbouring country, in return for a high fee and a slightly tortuous journey. Some Antalyan hotels are heavily-promoted by Iranian travel agencies on social media, fuelling suspicions that powerful hands connected to the regime are reaping the rewards of this profitable business.

This approach — whether seen as tolerance, pragmatism or corruption — has not gone unnoticed by passengers. One woman travelling to Antalya asked: "Why do we have to stop? What's this policy?" A male passenger replied: "Take it easy, ma'am! We will have lots of wine."

At the airport, both sides look at each other in despair or shake their heads in disapproval.

When an expatriate rapper from Iran held a concert in Turkey, tickets to which cost up to $250 — close to the monthly salary for an Iranian worker under US sanctions — audience members descended into hooliganism and began physically fighting each other. The videos, which went viral, prompted angry questions about why such performances can't be held in Iran to avoid public brawls overseas which are bad for Iran's reputation. Hosting concerts at home would also make attendance cheaper.

But a member of parliament, Ali Yazdikhah, declared that an Islamic country could not allow public alcohol consumption merely "to save a few dollars and euros".

The social gaps persist and the Islamic republic is expected to continue playing both sides.

During the 10-day Ashura religious festival in Tehran this August, I asked organisers to turn down their loudspeaker, which was booming at midnight from a small park opposite my apartment. "You have your parties until 2am for 355 days of the year, but only 10 days of the year are ours," said one man, a voluntary member of the Revolutionary Guards. He did not hear me grumble: "Actually, I thought all 365 days were yours."

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Opinion

GE may be breaking up but conglomerates will survive

BUSINESS
Brooke Masters

When General Electric announced this week that it planned to break itself up, it seemed to be closing a chapter on the industrial conglomerate. Yet the obituary of the all-encompassing corporate structure has been written many times and, somehow, it still survives.

Once America's most valuable companies, GE's offerings spanned everything from plastics and jet engines to credit cards and television advertising. Now it has joined a wave of corporate divestitures that emphasise simplicity, with plans to become three separate public companies focused on healthcare, energy and aviation.

Since 2017, there have been 178 spinout deals worth nearly $800bn, not counting GE, according to Dealogic statistics. Siemens split off its healthcare and energy divisions. United Technologies did the same with Otis elevators and Carrier heating and air conditioning. DuPont is spinning out polymers, and Toshiba is mulling its own three-way split — although this is not yet a sure thing.

Conglomerates are often criticised by investors, who say the component businesses underperform rivals and share prices fail to reflect the value of the various parts. That argument is compelling: giant companies often move too slowly, spend too much on bureaucracy and obsess about their best and worst business lines while neglecting those that just tick along.

GE chief executive Larry Culp argued that breaking up "heightens focus and accountability" and Trian Partners, the activist investor that has been a thorn in GE's side, agreed.

The history of conglomerates is a tug of war, not a straight line. Observers announced the "decline and fall of the conglomerate" in 1994 and declared "conglomerates are dead" in 2007. The 1980s wave of corporate break-ups cut the share of large US groups operating in three or more sectors from half to 30 per cent. ITT split in 1995 and Tyco broke up after a scandal in 2006. Yet each had become big enough by 2011 to split themselves up again.

"It becomes the conventional wisdom that conglomerates are no good and need to be broken up. Then we end up with companies that are so specialised that somebody decides that there is merit in vertical and horizontal integration," says Alexander Pepper, a London School of Economics professor of management. "Ten years later you end up with a conglomerate."

> Sprawling multi-sectoral companies do still have advantages in parts of the developing world

The conglomerate's resurgent appeal lies in the normal ambition to improve coupled with a hubristic assumption that good managers can manage anything. Entering new business lines seems attractive when competition rules prevent dominance in a single sector.

Western industrial conglomerates have been forced to evolve in the past 50 years. Heightened global competition reduced the ability of a single multinational to supply emerging markets with everything from train compartments to telecommunication towers. And GE's initially successful but ultimately disastrous foray into finance put many groups off doing something similar.

Sprawling multi-sectoral companies do still have advantages in parts of the developing world where capital markets are less mature. And even in the west, some very large companies still have fingers in many different pies. The big private equity houses that made their first fortunes by breaking up US conglomerates in the 1980s have built sprawling empires of their own. KKR's portfolio companies alone employ more than 800,000 people and its lending arm is larger than many regional banks.

Backers of the private equity model argue that it avoids some common conglomerate failings. The centre focuses on capital allocation, allowing expert CEOs the freedom to run their businesses. PE funds also return capital to investors after fixed periods, reducing some of their freedom to expand. Still, one has to wonder how long the rapid growth can continue.

Today's tech giants are also essentially conglomerates, although they trade mostly, but not entirely, in digital goods. Amazon, Apple and Google argue that their businesses have synergies because everything fits under the "tech" rubric. And their rapid growth so far has more than compensated investors for any inefficiencies that stem from their size.

This too may not last. Two prior technology conglomerates, IBM and Microsoft, drew regulatory fire for trying to extend their reach too broadly. While they were busy fighting in the courts, smaller, more focused competitors made the most of the opportunity, eventually growing into giants themselves. The cycle continues.

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Sleaze row sheds light on Brexit gambit

Ellie Foreman-Peck

BRITAIN
Robert Shrimsley

In another life Boris Johnson might have spent his days trying the handles of parked cars. The UK prime minister is a chancer, a man who believes in pushing his luck. He worries little about consequences because he trusts himself to get out of any scrape and conducts his politics with a smirk as if we are all in on the joke. It has been a winning formula.

Yet there are costs, as Tory MPs reading unflattering news reports about their outside earnings can now attest. They know they have the Owen Paterson standards debacle to thank for the unwelcome scrutiny. Johnson's half-formed wheeze to dilute the independent scrutiny of MPs and get his colleague Paterson off the hook for blatant breaches of parliamentary rules created a painful Newtonian backlash.

Johnson's rapid retreat also reminds his troops that for all the Churchillian rhetoric, he is often the first one heading for the hills when he deems the fight no longer worth his while. This is not always a weakness. Johnson feels no obligation to defend a losing position. But at least two Tory MPs are now facing calls for new standards inquiries because he did not game the consequences of his gambit. This offers larger lessons both for his allies at home and his adversaries in the EU as he heads into a new fight with Brussels over the Northern Ireland protocol, which, to the rage of Unionists, created a trade barrier between Britain and the province.

No matter that he knew its import when he signed it, to Johnson this is unfinished business and he is determined to change it. He and his Brexit minister, Lord Frost, have thus far played a weak hand well. The protocol is unquestionably having adverse effects on trade between Northern Ireland and Britain and their uncompromising stance has secured concessions on goods checks, which they can argue would not otherwise have materialised. Another leader might have declared victory already, but the first lesson is that Johnson doesn't throw in his hand while there are still cards in the deck.

There is much in the current row that suits his style. He has brandished the threat to trigger Article 16 of the protocol, which allows a side to suspend part of the agreement if it is causing serious "social or economic damage". What should be an escape valve for specific problems is seen by Johnson as a lever to try to rewrite the deal.

This moment is moving closer and has provoked bellicose retaliatory threats from the EU, though Frost has said the UK "is not there yet". But if and when Johnson triggers the process, he can start small and ratchet up. The mechanisms allow for delays before each EU response, which means he can back away if the price, be it targeted retaliatory tariffs or more disruptive checks at Calais, seems too high. Even the nuclear option floated by Irish foreign minister Simon Coveney — of terminating the UK/EU trade deal — requires a year's notice, giving Johnson time, though at the price of economic uncertainty.

The second lesson is that Johnson will retreat when outgunned. The history of his Brexit negotiations is of talking tough and then giving in. The fight over the protocol highlights just how thoroughly he caved in when he signed it in 2019. A year later he accepted a trade agreement that secured few advantages. For all his fighting talk of walking away with no deal, Johnson never did. Since his core demands go beyond what the EU is prepared to grant, it is a reasonable bet that the same will be true again.

> Johnson is often the first to head for the hills when he deems the fight no longer worth his while

So the third unhappy lesson for the UK is that the sooner the EU responds with disproportionate force, the faster he will back down. Some in the EU clearly see this, talking of the need to show "escalation dominance". Johnson will not long jeopardise votes on the British mainland for a trade war over Northern Ireland. His allies may cheer a premier battling Brussels but they and the media could quickly turn in the face of economic damage and empty shelves.

This means his own cheerleaders need to give him the room to retreat when he is ready. And here is another warning from the Paterson saga. While blame lies with Johnson, a common factor in Brexit agitation and the Paterson episode are those Tory MPs, the "Spartans" who egg him on to hardline positions. Johnson fears and placates this rebellious old guard of former ministers and life-long backbenchers — the has-beens — who destroyed Theresa May.

Driven by an insurgent mindset, they convinced themselves and Johnson that Paterson was the victim of an anti-Brexit, left-leaning standards commissioner and a rigged process — rather than his own foolishness. Since the greatest risk to Johnson's premiership will come when his MPs no longer see him as a winner, there is a price to alienating voters to appease unreliable allies who often have poor political judgment.

Johnson takes a puckish pleasure in poking the EU bear. But it risks economic and political consequences which, as with the Paterson case, far outweigh the potential gain. The danger is more miscalculation. The EU, France especially, is losing patience with a man it sees as a bad faith actor. It too is capable of mistakes, pushing him into a corner with no line of retreat.

Johnson will keep trying the handles of the car until it is against his interests. There is a price to be paid in instability in Northern Ireland. But where he is indulged he will keep pushing. It is not a bad tactic for the weaker party, as long as he knows when to walk away.

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Poland and the EU must resist Lukashenko's blackmail

Magdalena Miecznicka

Distressing images of mostly Middle Eastern migrants marched by Belarusian police to the Polish frontier are shaking Europe. Belarusian guards watch as migrants cut barbed wire to cross into Poland — and, if they are lucky, from there to Germany or beyond.

Lithuania, facing a similar assault, declared a state of emergency on Tuesday. These scenes mark the escalation of a crisis that began in the summer. Several thousand migrants have made it across the Polish border and into Germany, but many have been pushed back into Belarus. As winter sets in, several have frozen to death in the forests that straddle the two countries.

The use of human "cannon fodder" fired against the gates of Europe — poor migrants who yearn for a better life — is a despicable act. Its author is Alexander Lukashenko, the leader of what the EU rightly calls a "gangster state". Behind him lurks Vladimir Putin, Russia's president, who has already signed an "integration plan" with Belarus aimed at unifying their defence and financial polices.

Lukashenko's aims are threefold: to distract attention from his political problems at home, to destabilise Poland and Lithuania and to sow discord in Europe. Distressingly, he is making inroads on all fronts, though the EU has backed Warsaw's right to defend its borders. Still, Poland and Europe need a more co-ordinated, rational and above all humane policy to counter Lukashenko's execrable actions.

The story began last year when Lukashenko, fearing he would lose a presidential election, cracked down violently on the democratic opposition. In May, Belarus hijacked a passenger plane so it could arrest a journalist critical of his regime.

By becoming a human trafficker, Lukashenko is lashing out at the European sanctions that followed. Since summer, planes have brought migrants from the Middle East and other regions to Minsk with the promise of an onward ticket to Europe.

People fleeing poverty and conflict pay thousands of dollars for a "sightseeing trip" that they hope will lead to a better life. In Belarus, they are fleeced out of more money. For Lukashenko's cash-strapped regime, refugee trafficking has become a source of loot.

> Polish guards are having ugly clashes with desperate migrants, darkening the country's image

The Polish government is on the horns of a dilemma. Let the refugees in and Lukashenko will be more than happy to send more. Push them back and Poland violates international laws.

The daily sight of refugees trying to enter the country has polarised Polish society. Some show contempt for migrants, while others defend their rights — even rushing to the border to help them. Poland's government wants to construct a Trump-style fence and has dispatched 15,000 troops to the border. Each night guards are involved in ugly clashes with desperate migrants, darkening Poland's image as an upholder of human rights.

Anti-immigrant feeling in Poland is not new. In 2015 the rightwing Law and Justice party came to power after the refugee and migrant crisis, using Angela Merkel's admission of 1m Syrians and others to scare Polish voters.

Sadly, such tactics still work. The party is using Lukashenko's "human wave" to stir up its base. Some of the language applied to migrants is shocking and dehumanising. But refugees cannot be blamed for trying to improve their life, nor know that they are pawns in a larger game.

Though Lukashenko has scored some victories, his policy may yet backfire. Refugees flown to Belarus are sleeping on the streets of Minsk. He must be made to pay in other ways.

Lukashenko hopes to blackmail Europe into stopping sanctions. The EU should ratchet them up instead. Diplomatic and economic pressure should be put on states and companies, including airlines, that have become accessories to trafficking. Other Belarusian officials responsible should be identified.

As for the migrants, those who make it through to Poland should be processed according to international law and humanitarian principles. Those with no right to stay should be swiftly repatriated, those who qualify given asylum.

Poland should work more closely with its EU partners, including the Frontex border control agency. It should lift an exclusion zone so international personnel and journalists can operate near the border. Such actions will not show weakness. They will demonstrate that Poland and the EU will have no truck with Lukashenko's methods.

The Polish government claims to be on top of things. It clearly is not. It should stop posing as the lone saviour of Poland and Europe from an alien horde. Only by acting legally, humanely and firmly can it call the gangster's bluff.

The author is a Polish novelist and playwright

We need a Marshall Plan to reforest the Amazon

Juan Carlos Castilla-Rubio

The Amazon rainforest is the greatest repository of biodiversity in the world. It also plays a critical role in global water cycles and stores nearly 100bn metric tons of carbon — about a decade's worth of global emissions.

But it is now under mortal threat. The Amazon Basin has already experienced three mega-droughts and three mega-floods in the past 12 years. We may be close to an irreversible shift: up to 60 per cent of the Amazon rainforest could be transformed into degraded savannah, with catastrophic consequences for South America and the rest of the world.

To compound this, the largest pool of yet-to-be discovered zoonotic viruses may reside in bats, primates and rodents in the Amazon. "Disease X", an unknown pathogen that could cause the next global pandemic, could emerge from the region if we do not start mapping the risks immediately.

So far, well-intentioned public and private sector and civil society organisations have focused on tried-and-tested policies aimed at eliminating illegal deforestation and promoting economic and social development. But these are not enough by themselves.

Instead we need a revolution combining a "Marshall Plan" — aimed at reconstructing the region's highly degraded social, economic and environmental fabric — and the equivalent of an Apollo programme to engineer an inclusive bio-economy that is in harmony with nature, and benefits the peoples of the Amazon and the world at large.

> Up to 60 per cent of the rainforest is at risk of being transformed into degraded savannah

Just as the US Marshall Plan granted billions of dollars in aid to European countries devastated by the second world war, a well-resourced undertaking is required if we are to have a fighting chance of avoiding large swaths of the Amazon being turned into grassland.

This would involve reforesting more than 200,000 sq km with native tree species. Reforestation on this scale has never been attempted before. But a public-private partnership with wide-ranging social participation would be a significant source of employment for the peoples of the Amazon.

This is where the Apollo programme — the reinvention of the region's economic system — comes in. Building a new computational bio-economy has the potential to reverse rapid deindustrialisation in countries that are rich in bio-assets. It would also provide an example to the rest of the world of an alternative model of economic development.

One new species is discovered every three days in the Amazon, using existing analogue methods. But the Amazonian library of biological knowledge is being destroyed to make space for low-productivity cattle ranching, imposing a gigantic cost on the global economy for generations to come.

A combination of autonomous robotic systems and computational and synthetic biology would give us a new basis for biological discovery and innovation. For example, the use of the fungal and microbial genetic diversity of Amazonian soils to bioengineer "precision plant microbiomes", which optimise resistance to pests, disease and drought resistance and enhance soil fertility.

Where will the resources for this multibillion-dollar effort come from? I and my colleagues in risk transfer have argued for the creation of an Amazon Savannisation Recovery Bond. This would be a kind of reverse catastrophe bond that will pay its public and private bondholders — pension funds, institutional investors and the like — based on an index that measures and verifies vast reforestation of native species in the Amazon to reduce the overall risk.

Time is not on our side. We need more than the easy net zero commitments from governments and businesses alike that are likely to emerge from the COP26 summit in Glasgow. We need nothing less than a revolution.

The writer is chairman of Moray Biosciences and a co-leader of the KAA Initiative

Lex.

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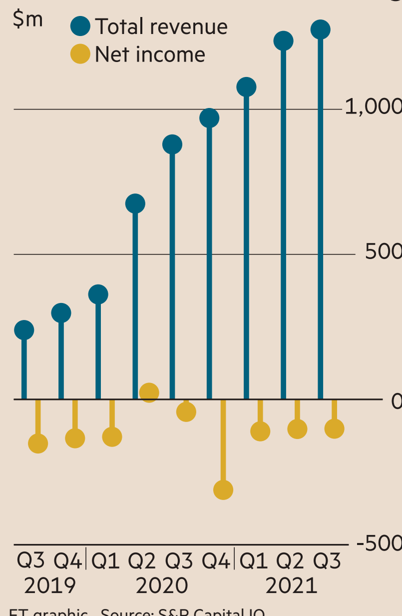
DoorDash/Wolt: Nordic knowhow

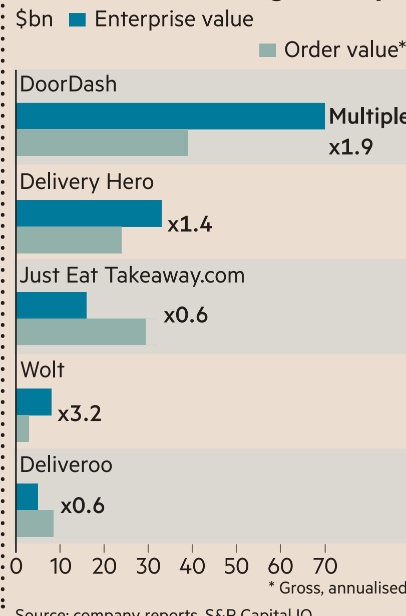
Shares in the San Francisco-based delivery app jumped on news of the acquisition of Wolt. The €7bn ($8.1bn) price is a high multiple of the Finnish company's annualised orders. DoorDash's top line has been growing strongly. But apart from one quarter in 2020, it has yet to turn a profit.

DoorDash remains loss-making



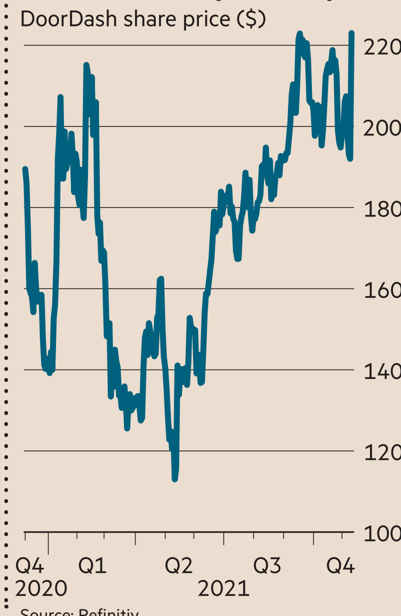
FT graphic Source: S&P Capital IQ

Wolt commands a high multiple



Source: company reports, S&P Capital IQ

Shares reacted positively



Source: Refinitiv

Wolt styles itself as an underdog in a difficult home market. But the Helsinki-based delivery company is priced like a pedigree pup. Its larger US peer DoorDash will fork out €7bn in an all-stock deal as it seeks to pep up its post-pandemic growth.

The deal will provide San Francisco-based DoorDash with access to 22 new countries and potentially up to 700m new customers. Its share price jumped in response to the promise of a new source of growth. In the US, it has limited scope for expansion due to its 55 per cent delivery market share.

Moreover, the Finnish company is expanding fast. Customer orders grew at an annualised rate of 130 per cent in the third quarter, nearly three times faster than those of bigger DoorDash.

DoorDash values Wolt's expertise in delivering goods as well as takeaways. Finland, with its more equal income distribution, no-tipping tradition and long dark winters, is not an obvious place for the gig economy to thrive. But Wolt has made it work and prides itself on efficiencies. Those could be useful learnings for DoorDash, which has had to bump up hourly pay more than 30 per cent since the third quarter of 2019.

DoorDash will need all the lessons it can get, as it is paying a high price. The deal values Wolt at three times its annualised gross order value of €2.5bn. Using the same metric, Wolt would trade much higher than DoorDash itself and Delivery Hero. That is several times the multiple commanded by Just Eat Takeaway.com. Shares in the Amsterdam-based food delivery business have fallen two-fifths since it announced its $7.3bn acquisition of Grubhub in June last year. Activist investor Cat Rock wants JET to sell it, arguing that it is a distraction. Grubhub is unlikely to become the market leader in the US without a strong US partner.

Similar arguments could apply to DoorDash. The European market is hyper-competitive; virtually no overlap exists with Wolt and the deal will not boost profitability, in the short term at least. This boost to DoorDash's valuation shows investors have banked on success in new markets that is far from guaranteed.

Coinbase: two-sided, unlike bitcoin

The fortunes of Coinbase are as volatile as the cryptocurrencies that customers trade on its platform. Third-quarter results came in worse than expected after dealing fervour unexpectedly cooled. Shares fell as much as 10 per cent yesterday before clawing back some of that lost ground.

The group has become one of the main venues in the US for buying and selling digital tokens such as bitcoin and ethereum. It makes the bulk of its revenue from fees collected every time cryptos change hands virtually.

That business model has made shares in Coinbase alluring to crypto-curious regulated investors precluded from dabbling directly in the tokens. The group listed publicly in April and now boasts a $71.5bn market worth.

Trading volumes slumped almost a third in the last quarter compared with the prior period to $327bn. The number of "retail monthly transacting users" was 7.4m, down from 8.8m.

Coinbase remains highly profitable. It made a net income of $406m on revenues of $1.31bn. But that does not justify its lofty valuation. The stock is trading at 49 times forward earnings, compared with a multiple of 25 times for Intercontinental Exchange and 29 times for Nasdaq. Its valuation is baking in very fast growth. That is far from guaranteed, given that demand is unpredictable for cryptos.

It promised better fourth-quarter numbers thanks to the rally in bitcoin and other digital assets. Coinbase talked up its plans to launch a marketplace for non-fungible tokens and cash in on the boom in digital collectibles. It is pursuing a strategy based on the unstoppable momentum of the crypto revolution or chasing fads, depending on your viewpoint.

No less than 7,248 cryptocurrencies are traded at the moment, according to coinmarketcap.com. That points to the relatively low cost of creating tokens rather than their growing utility.

A less divisive observation is that competition has increased over the past year. Robinhood, PayPal and Square now offer crypto trading. That is on top of services from rival exchanges including Binance, Gemini, Bitstamp and Kraken. Investors can also gain exposure to bitcoin through dedicated ETFs. Custody banks are muscling in on providing crypto services to institutional clients.

All of these factors will weigh on the fees Coinbase can charge. Its business, like bitcoin, is a crowded trade.

ITV: ad break

For a small national broadcaster, ITV has put out some big numbers. Advertising revenues in the first nine months of the year rose 8.5 per cent on the pre-Covid period in 2019. Group sales of £2.38bn climbed by a similar rate. Full-year total ad revenues are on course to rise by around a quarter, ITV's biggest haul in history.

That news delighted boss Carolyn McCall, and her shareholders. Its stock price jumped 15 per cent yesterday. The UK government, plotting a privatisation of ITV's edgier peer, Channel 4, might also be making gleeful read-across calculations.

Online viewing was supposed to kill linear TV, but clearly life remains in the model. A boost in the period came from the 34m viewers who tuned in — across ITV and public broadcaster BBC — to watch the Euro 2020 final between England and Italy. Advertisers too have shown loyalty; even native digital brands like food delivery group Just Eat and comparison websites turned to old-school advertising.

McCall has built on earlier efforts to diversify, producing shows for third parties, as well as boosting its digital offering. Still, its audience's switch to online viewing has hurt as has ITV's tardiness in shifting over. Online viewing as a proportion of total viewing at ITV was under 3 per cent last year, on Enders Analysis calculations, less than a quarter of Channel 4 or the BBC.

ITV does not split out ad rates for online and linear, but is clearly loath to cannibalise TV revenues. Online viewing is rising, but from a smaller base. Also those watching shows on ITV Hub are typically subjected to far fewer ads than on linear programming.

The broadcaster hopes it can segment and target viewers to the same micro level as tech goliaths like Google. But the ranks of competitors for eyeballs has expanded tremendously since the halcyon days of three terrestrial channels. ITV remains a legacy broadcaster that lacks scale. Those with an eye to the denouement will prefer to tune out.

Tencent: bad optics

Tencent missed third-quarter sales expectations yesterday. Revenues grew at their slowest since the Chinese web giant listed in 2004. ByteDance, owner of video platform TikTok, has become a bigger risk than Beijing crackdowns.

A 13 per cent revenue rise to Rmb142bn ($22.2bn) marked the sixth straight quarter of slowing growth. Crucially, online advertising sales grew only 5 per cent. Local marketing spending is falling. Tencent has to share fewer ads with smaller rivals that are increasing their market share.

The shift makes sense for advertisers. Tencent's biggest edge has been the number of eyes on its social media platform WeChat. This has about 1bn users, but is losing its shine. Users are spending more and more time on platforms such as Douyin, the Chinese equivalent of TikTok, both of which are run by ByteDance.

Local trends favour video content. Tencent's music streaming unit has also been hit, with paying users down in the third quarter, compared with both the previous year and quarter. Catching up will be costly. Aggressive measures to regain market share risk fresh antitrust scrutiny.

The company's net margin fell 4 percentage points to 23 per cent. Net income of Rmb40bn was stronger than expected. But this had more to do with gains from investment disposals than a rebound by the core businesses.

Tencent has adapted swiftly to state curbs on gaming time and online spending by children. Gross receipts from Chinese kids are less than a quarter of last year's. But the limits have reduced regulatory uncertainty.

Investors should not rely too much on the gaming business, which made up almost a third of revenues last year. It remains just one official criticism away from another sharp decline.

That regulatory risk has been priced in for now. Shares are up 15 per cent from an August low. Tencent's future course now depends more on the online preferences of young people than government disapproval.

Rivian Automotive: truck pop

If anyone deserves credit for Rivian's success it could be the two richest men in the world, Elon Musk and Jeff Bezos.

Yesterday, the hyped electric truckmaker began trading after it sold $12bn of stock. Shares opened 37 per cent above the float price for a valuation of $93bn, according to Bloomberg data.

That looks incredibly high for any newly-listed company. Even more shockingly, this company generated, according to its securities filings, perhaps $1m of revenue in its most recent quarter.

Bulls will no doubt bow to Elon Musk. Tesla has surged to an equity value exceeding $1tn, showing that the improbable can happen: a start-up carmaker can produce vehicles at scale. Optimists also owe a favour to Bezos. Amazon provided early capital to Rivian and became an important customer by ordering 100,000 trucks.

In a banner year for new listings, Rivian might have taken top prize. Other electric vehicle groups have used the special purpose acquisition company process to share forward projections. A traditional IPO, like Rivian's, does not allow such flexibility. That leaves investors to rely on back-of-the-envelope estimates, along with the reputation of big backers, to accept venture capital-like risk.

Among EV start-ups listed this year, precedents are mixed. Lucid Motors, a luxury sedan maker backed by the Saudi government, trades at four times its listing price. But the likes of Fisker, Lordstown Motors, and Nikola are well off their highs. With revenues so many years away, even small cash flow outlook changes can greatly affect present value calculations.

Tesla will make close to 1m vehicles in 2021. So far this year, Rivian has rolled a dozen off its assembly line. Investors will hope Rivian's production acceleration matches that of its trucks. Musk occasionally quips sheepishly about his own company's lofty valuation. He may now have a new target for his tweets.

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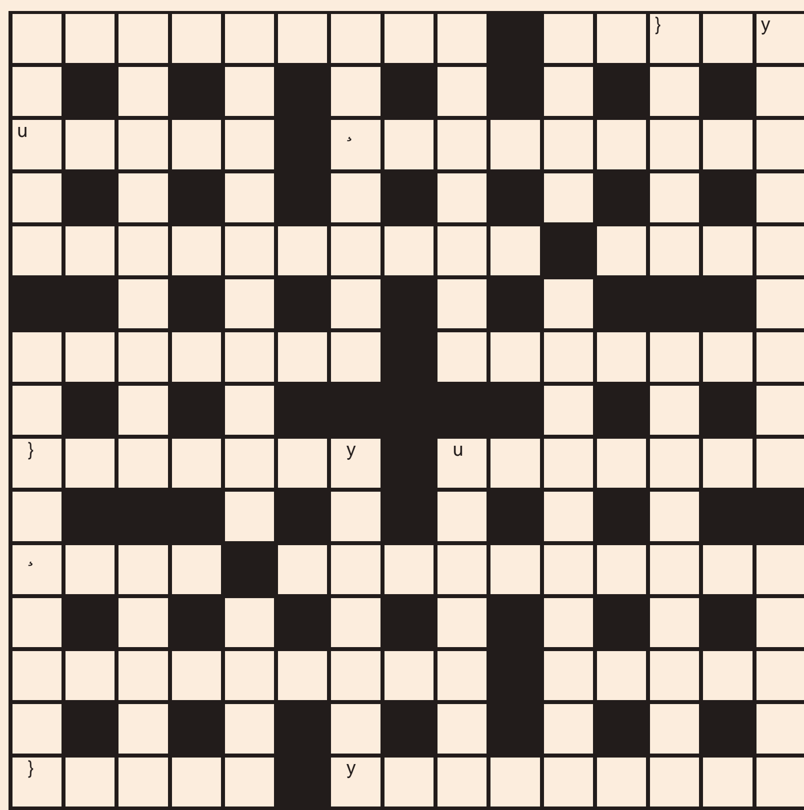
No 16,940 Set by LEONIDAS

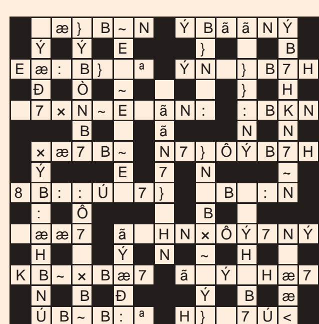


ACROSS
1 City's query regarding morality of monk (9)
6 Growth in borders of poppy crop returned (5)
9 Priest wearing black and white sent by Tube (5)
10 Some led an Alps expert around area for a walk (9)
11 Essence of co-operation lost as Met trashed Priti (4,6)
12 Danish export sex cryptically! (4)
14 Carbohydrate source oddly grew (7)
15 Call up vet's centre having wounded avocet (7)
17 Rutte possibly hosts starts of campaigns here (7)
19 State of Ford seen on films (7)
20 Seizure in back of Flying Scotsman (4)
22 Evenings after work with small entitled men (10)
25 Artist regularly in shed (that guy will make trouble) (5,4)
26 Turn on good film to see beginning (3-2)
27 This may require a double hamper (5)
28 Mocking island state involved in sham trials (9)

DOWN
1 Contribution from leader at home being promoted (5)
2 Performer friend spun atop reindeer (3,6)
3 Nearly too much said about knack for making money (5,5)
4 Direct route from empty birdcage cat initially avoided (7)
5 Strip of road holding record that lasts a while (7)
6 Singer with Indian accompaniment hasn't left (4)
7 Desert pasture extremely valuable (5)
8 Events assistant fixes female on sign (9)
13 Aged fellow punches red-headed man with the 3 (10)
14 Idle bunch hit security personnel leaving university (9)
16 Uninterested adult on course recalled quote (9)
18 Old Greek wine is finally imported by America (7)
19, 24 Ten bolt kits faulty, evaluation on the cards? (3-4,4)
21 Acceptable to support Kate on Radio 4 for so long (5)
23 Raised hard in country school (5)
24 See 19

JOTTER PAD

Solution 16,939



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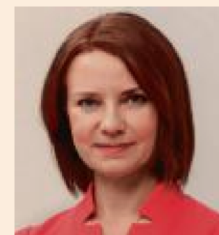
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