FINANCIAL TIMES

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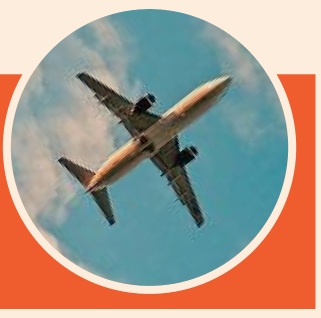
WORLD BUSINESS NEWSPAPER

USA $2.50 Canada C$3.00

Retire from home
WFH revolution won't help all older workers — SARAH O'CONNOR, PAGE 19

Flying blind
The pandemic has changed travel — but how much? — BIG READ, PAGE 17



In Mao's footsteps
Xi projects himself as natural heir in bid for third term — ANALYSIS, PAGE 4

COP26 speech
Obama invests hope in youth

Barack Obama speaks at COP26 in Glasgow yesterday, where he received a standing ovation as the global climate summit entered its second week.

The former US president showed support for young people frustrated at slow progress in dealing with the "potentially cataclysmic problem" they stood to inherit. "Vote like your life depends on it, because it does," he said.

Obama backed the push to limit global warming to 1.5C since pre-industrial times as part of talks between the west and developing nations. He also criticised the failure of China and Russia's leaders to attend the summit, saying it showed a "dangerous lack of urgency".

Young rallied page 4
Gideon Rachman page 19

PA

Central bankers pose rates puzzle with divergent slants on inflation

- Fed and BoE signal rises likely
- ECB resists policy shift
- Pace of tightening splits opinion

MARTIN ARNOLD — FRANKFURT
CHRIS GILES — LONDON
COLBY SMITH — WASHINGTON

Central bankers have outlined starkly different responses to the global surge in inflation, with US and UK officials signalling that interest rates are likely to rise soon in their countries while the eurozone is resisting any shift in policy.

Philip Lane, the European Central Bank's chief economist, said yesterday the eurozone was in a "completely different" situation to others, adding there were "powerful reasons" for inflation to fall next year. It would be "counterproductive to tighten monetary policy at the current juncture," he added.

In contrast, Richard Clarida, US Federal Reserve vice-chair, said the "necessary conditions" for US interest rates to rise from near-zero level would be met by the end of next year if the economy progressed as expected.

The Bank of England has been criticised for leading markets to believe there would be a rate rise at its meeting last week, only to leave them unchanged. Even so, Andrew Bailey, the governor, has insisted the vote was a "close call" and the BoE "won't bottle it" if the economy developed in line with forecast.

Their comments highlight the diverging views among central banks over how quickly they should tighten monetary policy in response to rising inflation. Resurgent consumer demand, supply chain bottlenecks and high energy costs are pushing up prices around the world.

Analysts said the ECB was bound to be the slowest to raise rates after it spent much of the past decade struggling to avoid Japan-style deflation. Eurozone economic activity and employment levels are weaker than in the US and UK.

"On all fronts, the risk of a self-sustained wage-price spiral looks much lower in the euro area than in the US or in the UK," said Frederik Ducrozet, a strategist at Pictet Wealth Management.

The US economy has already rebounded above pre-pandemic levels, boosted by its strong fiscal policy response. In contrast, the eurozone is expected to achieve pre-pandemic levels of output only later this year. Although the bloc's unemployment levels have returned to pre-crisis levels, millions remain on furlough schemes.

Clarida said that if the US unemployment rate dropped to 3.8 per cent from 4.6 per cent, as projections suggest, that would be consistent with his assessment of maximum employment — and warrant tighter monetary policy.

Prices are rising around the world because of resurgent consumer demand, supply chain bottlenecks and high energy costs

The Fed's preferred inflation gauge, the core personal consumption expenditure index, surged to 3.6 per cent in September from a year earlier and is on track to end the year at 3.7 per cent.

In the UK, consumer inflation has averaged the BoE's 2 per cent target over the past decade. It also has tighter labour markets than the eurozone.

By contrast, Lane said, eurozone inflation had averaged 0.9 per cent from 2014 to 2019, adding that the analysis indicating "weak medium-term inflation dynamics remains compelling".

Fed uncertainty stirs jitters page 3
Markets Insight page 13

Briefing

▸ Tesla dented after Musk's Twitter poll
A poll by chief executive Elon Musk that concluded he should sell 10 per cent of his stake has put shares in the electric carmaker under pressure. Some 3.5m of his 62.7m followers voted.— PAGE 6; LEX, PAGE 20

▸ Migrant push stirs Warsaw-Minsk spat
Poland has accused Belarus of trying to engineer a confrontation on their common border, as a large group of migrants attempted to force its way into the country from its eastern neighbour.— PAGE 2

▸ Gas prices jump as Russia disappoints
European prices have leapt as traders saw little evidence that Moscow was preparing to increase exports to the region, despite Gazprom starting to fill some storage facilities on the continent.— PAGE 6

▸ Ortega wins fourth term in 'pantomime'
Nicaragua's authoritarian president has secured a fourth consecutive term after jailing his main opponents in an election condemned by the US as a "pantomime".— PAGE 4

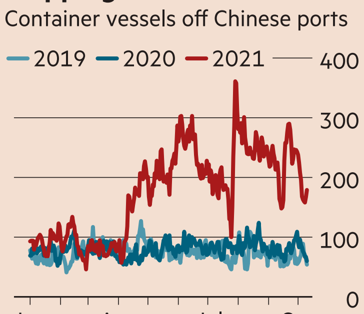
▸ Credit Suisse points hedge funds to BNP
The Swiss bank has signed a deal to recommend its fund clients move to the French lender. BNP hopes to capitalise on its rival's withdrawal from prime broking services after the Archegos scandal.— PAGE 8

▸ Palestinian activists hit by NSO spyware
A human rights group has said six activists based in the West Bank, including a French and US citizen, had their phones infected by military grade spyware made by Israel's NSO Group.— PAGE 2

▸ Toshiba confirms three-way split option
Japan's most famous conglomerate has confirmed it is considering a plan to divide itself into units that are focused on devices, infrastructure and chips, as it seeks to rebuild its market value.— PAGE 8

Datawatch

Shipping lines
Container vessels off Chinese ports



Source: VesselsValue

Covid-related closures, bad weather and rising consumer demand led to record levels of congestion at Chinese container terminals. It peaked in July when a typhoon choked access into ports such as Ningbo and Shanghai

Timing is everything for China bosses' stock sales

The FT has reviewed records showing well-timed share sales by executives at China's biggest US-listed tech groups. There is no proof of insider trading but many trades came ahead of regulatory action or poor earnings reports. They include a sale by a shell company holding stock for executives at tutoring company GSX Techedu. It sold shares worth up to $119m days after President Xi Jinping first railed against the industry. They are now worth $4m.

Cashing out ▸ PAGE 10

SoftBank unveils $8.8bn buyback after investor pressure stirs up 'major storm'

KANA INAGAKI — TOKYO

SoftBank founder Masayoshi Son has promised a ¥1tn ($8.8bn) share buyback programme over the next 12 months, yielding to investor pressure after its Vision Fund unit disclosed a record quarterly loss of ¥825.1bn.

Market expectations of a new round of share repurchases had been rising with some of the company's largest shareholders, including activist hedge fund Elliott Management, frustrated by the flagging performance of the Japanese technology conglomerate's stock price.

The Vision Fund, SoftBank's Saudi-backed $100bn investment vehicle, has suffered as its publicly traded investments in China have been hit by a government crackdown while other big bets, such as South Korean ecommerce group Coupang, have faltered.

Despite the setback, Son said he would increase the pace of investments for the Vision Fund's sequel fund, which had allocated 15 per cent of its $33bn in capital to China by September.

For the July to September quarter, SoftBank reported a net loss of ¥397.9bn compared with a profit of ¥627.5bn the previous year, as profits from its domestic telecoms business helped narrow the Vision Fund unit's losses.

In just 12 months, the value of the group's net assets collapsed from ¥27.9tn to ¥20.9tn, mainly due to a regulatory crackdown on Chinese ecommerce group Alibaba. "We're facing a major storm once again," Son said.

The Vision Fund's quarterly losses were also bigger than a loss of ¥788.6bn that the group reported in the January to March quarter of 2020, when SoftBank launched a $23bn share buyback to stem pandemic-induced market turmoil that sent its shares falling sharply.

SoftBank shares peaked in mid-March at ¥10,700, but are down more than 40 per cent.

Son said the board backed new buybacks yesterday, but he warned the programme might not reach the upper limit within the next 12 months. "I firmly believe the current share price presents a big buy opportunity. We will also preserve enough capital for investments," said the billionaire founder, who owns more than one-third of the company.

One long-term investor in SoftBank questioned how long the impact of the new share buyback would last. "The buyback has always been an easy way to drive the short-term share price but it does not help long-term institutional investors," he said.

Lex page 20

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World Markets

STOCK MARKETS

	Nov 8	prev	%chg
S&P 500	4698.49	4697.53	0.02
Nasdaq Composite	15990.92	15971.59	0.12
Dow Jones Ind	36382.42	36327.95	0.15
FTSEurofirst 300	1870.17	1870.28	-0.01
Euro Stoxx 50	4355.34	4363.04	-0.18
FTSE 100	7300.40	7303.96	-0.05
FTSE All-Share	4172.82	4175.97	-0.08
CAC 40	7047.48	7040.79	0.10
Xetra Dax	16046.52	16054.36	-0.05
Nikkei	29507.05	29611.57	-0.35
Hang Seng	24763.77	24870.51	-0.43
MSCI World $	3232.26	3224.63	0.24
MSCI EM $	1264.07	1268.45	-0.35
MSCI ACWI $	757.13	755.85	0.17

CURRENCIES

	Nov 8	prev		Nov 8	prev
$ per €	1.159	1.156	£ per $	0.737	0.741
$ per £	1.356	1.349	€ per £	1.170	1.168
£ per €	0.855	0.857	¥ per €	131.181	131.098
¥ per $	113.195	113.460	£ index	81.063	81.124
¥ per £	153.520	153.058	SFr per £	1.239	1.232
SFr per €	1.058	1.055			
€ per $	0.863	0.866			

COMMODITIES

	Nov 8	prev	%chg
Oil WTI $	81.93	81.27	0.81
Oil Brent $	83.57	82.74	1.00
Gold $	1779.30	1778.00	0.07

INTEREST RATES

	price	yield	chg
US Gov 10 yr	147.24	1.49	0.03
UK Gov 10 yr		0.77	0.01
Ger Gov 10 yr		-0.25	0.04
Jpn Gov 10 yr	115.15	0.06	0.00
US Gov 30 yr	116.38	1.89	0.00
Ger Gov 2 yr	104.94	-0.73	0.00

	price	prev	chg
Fed Funds Eff	0.08	0.08	0.00
US 3m Bills	0.05	0.04	0.01
Euro Libor 3m	-0.57	-0.57	0.00
UK 3m	0.10	0.23	-0.13

Prices are latest for edition — Data provided by Morningstar

Refugees

Poland accuses Belarus of attempting to stoke border clashes over migrants

Warsaw warning comes after surge in attempts to enter country illegally

JAMES SHOTTER — WARSAW
MAX SEDDON — MOSCOW
RICHARD MILNE — OSLO

Polish officials accused Belarus of trying to engineer a confrontation on their common border yesterday, as a large group of migrants attempted to force its way into Poland from its eastern neighbour.

The defence ministry shared aerial footage of migrants gathering on the Belarusian side of the border near the Polish village of Kuznica, after videos on social media appeared to show a column of hundreds of migrants walking towards Poland. The interior ministry subsequently said an initial attempt to enter the country had been prevented.

"It is clear that the [Belarusian] regime is not stopping its provocations, and is moving to the worst possible ones," Piotr Wawrzyk, deputy foreign minister, said.

Poland estimated that there were between 3,000 and 4,000 migrants near the Belarusian border, and a further 10,000 elsewhere in Belarus.

Agne Bilotaite, interior minister of neighbouring Lithuania, said her country was considering a state of emergency for its border area with Belarus after watching events on the Polish border. The "really serious situation" meant the Baltic country was on "maximum alert", she said.

The warnings come after a surge in attempts to enter the two countries illegally from Belarus. The EU says this is being orchestrated by Alexander Lukashenko, Belarus's leader, in retaliation for Brussels' support for the country's opposition.

Since the summer, thousands of migrants from countries including Iraq, Syria and Somalia have flown to the Belarusian capital Minsk, before travelling to the border with the EU.

According to Poland's border guard, there have been 28,500 attempts to enter the country illegally via Belarus since the beginning of August.

Poland has also accused Belarus of a series of other provocations on the border, including one case of three armed and uniformed Belarusians spotted inside Polish territory.

Belarus said it had not provoked any border incidents. It confirmed yesterday that "a large group of refugees" was moving towards Poland but said Warsaw was responsible for "forcing out thousands of migrants". "The refugees' desperate step was provoked by the indifference and inhuman attitude of the Polish authorities," it said.

Russia appeared to endorse Belarus's actions. "We have no doubt here that the Belarusian migration services are taking all necessary measures to keep the situation in the legal field," Kremlin spokesman Dmitry Peskov said, according to Interfax.

Since the number of migrants at its eastern border began to climb this summer, Poland has deployed 12,000 troops to reinforce the border guard, declared a state of emergency in land adjoining the frontier and laid barbed wire fencing.

But Warsaw has also been criticised for passing laws that human rights groups say allows it to push migrants back into Belarus, leaving them trapped in forests along the frontier between Polish and Belarusian forces.

Despite the measures, the number of migrants managing to enter has risen. Germany said last week there had been more than 8,400 "unauthorised entries" this year by people who came via Belarus. "This is payback for Poland's [support for the Belarusian opposition], but this is also the direct route to Germany," said an EU diplomat.

Desperate: migrants in Belarus attempt to cross barbed wire fencing into Poland yesterday
Leonid Shcheglov/BelTA /AP

> 'This is payback for Poland's [support for the Belarusian opposition]'
> EU diplomat

Covid-19

Germany hit by fresh wave amid record infections

GUY CHAZAN — BERLIN

Germany has recorded the highest incidence of coronavirus infections since the start of the pandemic, in a further sign that the country is firmly in the grip of a fourth wave.

According to the Robert Koch Institute, Germany's main public health authority, the number of confirmed cases per 100,000 people over the past seven days hit 201.1 yesterday morning.

The previous peak had been 197.6, a level reached on December 22, 2020. The seven-day incidence rate had stood at 191.5 on Sunday and was at 154.8 a month ago.

On Friday, there was a record number of new infections in Germany — 37,120 over 24 hours.

However, experts have pointed out that the country's health system is better able to cope with the latest wave of infections than it was last winter because a relatively large proportion of the population is fully vaccinated.

The number of coronavirus patients admitted to hospital per 100,000 people over seven days stood at 3.91 on Friday. The measure had reached a peak of 15.5 around Christmas.

The rise in infections in Germany underlines concern that Europe will be hit by a resurgence of the virus.

In Austria, authorities said yesterday that police would make stricter checks to enforce rules announced last week that bar people from some public events and places such as hotels and restaurants if they are not vaccinated or have not had the virus. Austria's infection rate per 100,000 residents has risen over the past seven days.

Authorities in France said the number of hospital admissions because of Covid-19 rose by the highest daily amount since August. President Emmanuel Macron is expected to speak about the resurgence of infections today.

Pandemic. Southern Europe

Spain plays catch-up as other EU nations rebound

Low household consumption, rising energy prices and slow release of bloc funds blamed

DANIEL DOMBEY — MADRID

As the EU's biggest economies bounce back from the coronavirus crisis, one lags far behind: Spain.

The country, the worst hit in Europe by the economic impact of the crisis last year, is making much less progress than other eurozone members in regaining pre-pandemic levels of output.

"Right now there's cause for concern," said Alicia Coronil, chief economist at Singular Bank, a Madrid-based private bank. "Compared with the eurozone average, the economy shrunk more last year, inflation is higher [at a three-decade peak of 5.5 per cent] and growth is slower."

As of the end of the third quarter, Italy's gross domestic product was 1.4 per cent below its end-2019 level. Germany narrowed the gap to 1.1 per cent and France to a mere 0.1 per cent. But in Spain, the gap is more of a gulf. Its GDP remains 6.6 per cent below pre-pandemic levels. The economy has only just returned to its size in 2016.

After 18 months in which countries' economic performance closely tracked their struggles with the pandemic, the Spanish experience represents a decoupling of sorts. Spain has some of Europe's lowest infection rates, but that does not appear to be providing an economic boost relative to its neighbours.

"The recovery has been delayed compared with other countries and compared with what was expected," said Raymond Torres, chief economist at Funcas, Spain's savings bank foundation.

He cites three factors: faltering household consumption; rising energy prices that have contributed heavily to inflation; and a delay in the use of the EU's €800bn recovery fund. Spain is one of the fund's main beneficiaries, with €140bn of grants and loans over the next six years.

The bigger question is how the delays may damage the country's longer-term prospects.

Torres said Spanish households had proved reluctant to spend the €55bn in savings he estimated they accumulated in the pandemic. He links that nervousness to a sense of precariousness in the workforce — about a quarter of jobs are temporary — and the impact of energy prices.

Antoni Cañete, the head of Pimec, Catalonia's small and medium business association, also highlights the impact on growth of the supply chain crisis on sectors such as Spain's crucial auto industry, and problems with the tourist season, which started poorly.

Torres said delays to the EU funds might have held back not just government but also private sector investment that, like domestic consumption, edged down in the third quarter.

Many corporate leaders want to move ahead with showpiece projects, but privately complain about the slow release of funds, which is partly because of talks between Madrid and Brussels over state aid and a reflection of the complexities of putting many projects out to tender.

According to a recent report by AIReF, Spain's fiscal watchdog, the government had access to almost €5bn of the recovery funds by the end of August — covering the latest data available — but had only spent €104m.

Just over a year ago, the government forecast that the economy would expand in 2021 by 9.8 per cent. But Madrid's forecast for 2021 has come down to 6.5 per cent, and the consensus today is that growth will be even lower.

AIReF now expects growth this year of 5.5 per cent, making up less than half the damage of 2020.

The government insists the recovery is strong and easy to see in figures that have not yet been finalised.

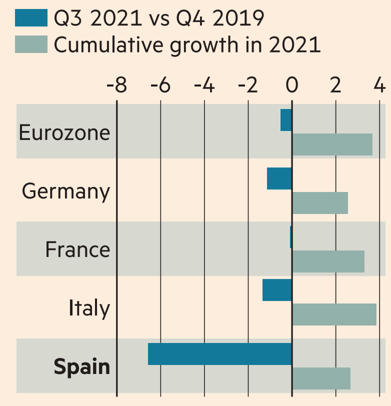
The number of people paying social security — the most commonly used gauge of the labour market — reached an all-time high of almost 20m last month. For the first time in 46 years, unemployment did not rise in October, traditionally a difficult month for the country's highly seasonal economy.

Some observers say that for decades Spain's economy has lagged behind the rest of Europe in the economic cycle and that its swings are more violent, with bigger rises and steeper falls.

Next year, the main drivers of the economy — private consumption, investment, EU funds and tourism — could all speed up. With energy costs unlikely to subside, and inflation already high, that may add to the price pressure.

It is a preoccupation shared by business. "There are lots of little things that are holding back growth," said Cañete. "But what is worse is that inflation is getting higher and we could lose competitiveness . . . That is the big worry we have."

Spain lags behind
Changes in gross domestic product (%)



Sources: Refinitiv; Eurostat

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EU-funded groups

West Bank activists claim phones hacked by Israeli spyware

MEHUL SRIVASTAVA — GAZA CITY

Phones belonging to at least six human rights activists, including a French and US citizen, working in the occupied West Bank were infected by military-grade spyware made by Israel's NSO Group, a rights group has said.

The hacks were discovered on October 16, according to Front Line Defenders, a Dublin-based rights group that had helped train one of the organisations in digital security. The University of Toronto's Citizen Lab, which monitors the use of Pegasus software globally, also confirmed the hacks.

This is the first known instance that the software has been found on the phones of Palestinian activists. The spyware, which has been traced to the phones of dozens of journalists and civil society activists around the world, mirrors a phone's encrypted messages and turns them into surveillance devices by switching on microphones and cameras.

Three of the rights activists whose phones were hacked worked for groups that received at least some funding from the EU or EU states. The other three declined to be publicly identified.

Three days after the hacks were discovered by security researchers, but before they were widely known, Benny Gantz, Israeli defence minister, who both regulates NSO and administers the occupied West Bank, designated six EU-backed human rights groups as terrorists for supporting the Popular Front for the Liberation of Palestine.

The PFLP is a secular, leftwing Palestinian faction with a military wing. The group has been designated as terrorist by the US, the EU and Israel. All six groups deny any links to the PFLP, and the EU, the UN and the US voiced surprise at the designation and asked for Israel to provide more evidence.

Ubai al-Aboudi, director of the Ramallah-based Bisan Center for Research and Development, whose phone was hacked, said the timing of the designation raised serious concerns.

"I think that it is very suspicious that just days after [a small group of people] found out that Pegasus was being used against Palestinian human rights defenders, we were suddenly declared to be terrorists," he said. "This [spyware] is supposed to be only used against terrorists, and suddenly the Israeli government declares us to be terrorists. This is putting the wagon in front of the horse."

Israel's ministry of foreign affairs has shared a dossier with European diplomats summarising an investigation into the civil society groups. Simon Coveney, Irish foreign minister, said he was not convinced by the evidence. The EU said previous Israeli "allegations of the misuse of EU funds in relation to certain Palestinian civil society organisation partners have not been substantiated".

The dossier, seen by the Financial Times, refers to testimony from two workers fired from a different organisation for financial misconduct. The Israeli defence ministry and a spokesman for Gantz did not reply to requests for comment on the alleged hacking.

NSO said: "Due to contractual and national security considerations, we cannot confirm or deny the identity of our government customers." It added that the software was authorised only for the use of defending "the public from serious crime and terror".

NSO has said its technology cannot be used to hack Israeli phone numbers without permission from the Israeli government. Israel also has substantial control over how phones operate under the Palestinian country code.

Al-Aboudi voiced concern his phone was tampered with to make him appear guilty. "A program that is so intrusive, it can also be used to create false evidence," he said. Aboudi is a US citizen, and said his conversations with US diplomats could have been compromised.

Ron Deibert, director of Citizen Lab, said Aboudi's fears were well-founded. "When a device is commandeered, you cannot exclude the possibility that falsely incriminating evidence has been planted on it," he said.

NSO spyware turns mobile phones into surveillance devices

INTERNATIONAL

Fed leadership uncertainty causes market jitters

Biden still to announce whether Powell will be reappointed as chair when his term expires in three months' time

COLBY SMITH — NEW YORK

Press conferences after US central bank meetings rarely stray from the topics at hand: the state of the economy and how monetary policy should be fine-tuned to achieve robust growth.

But for Jay Powell, his past two gatherings — the most recent of which culminated on Wednesday in the first big move by the Federal Reserve to scale down its pandemic-era stimulus — have featured probing questions about his fate at the helm of the institution.

With just three months until Powell's term expires, the window is narrowing for the Biden administration to decide whether it will renominate the incumbent for another four-year stint or opt for new leadership.

Further delays risk fomenting even more uncertainty. According to Fed watchers and market participants, it raises the spectre of financial volatility at a delicate moment for the US economy as it recovers from the pandemic and contends with uncomfortably elevated inflationary pressures.

"This is one of the most important decisions that can be made and needs to be made because we are running out of days to confirm," said Diane Swonk, chief economist at Grant Thornton. "If you want to destabilise financial markets, don't name a Fed chair."

She added: "This is a mistake that can be avoided."

Some progress appears to have been made in recent days. Biden, who pledged last Tuesday that he would make a decision "fairly quickly", met Powell at the White House on Thursday, according to a person familiar with the matter.

He separately convened with Lael Brainard, a Fed governor who is seen as another possible contender for the role and enjoys support from members of the progressive wing of the Democratic party for her firmer approach to banking regulation.

Complicating the selection process is a number of other Fed vacancies the Biden administration has to fill. Fed governor Randal Quarles, previously responsible for financial oversight, yesterday said he would depart the US central bank next month. Another leadership position opens up in January when Richard Clarida's term as vice-chair ends. There is also one remaining vacancy on the board of governors.

Nominees will require Senate confirmation, a process some fear could drag into early next year.

"If we get into late January and this is still unresolved, it is going to start feeling like the debt ceiling," said Andrew Levin, who worked on the Fed board for two decades, referring to the perennial fight over the US borrowing limit that kicks up significant uncertainty but always concludes with an eleventh-hour resolution that avoids an economic calamity. "Financial markets will start to get uneasy," he said.

Powell, who was tapped by Donald Trump in early November 2017 to lead the Fed and previously served as a top Treasury official under George H W Bush, has already won the backing of a number of Republican senators in addition to many Democratic lawmakers.

That bipartisan support has made his renomination seem likely, despite the central bank suffering one of the worst reputational crises on his watch.

In September, senior officials were found to have actively traded in a year when the Fed was aggressively intervening in financial markets to offset the damage caused by the pandemic. Two regional bank presidents resigned and Powell moved swiftly to severely restrict personal investing.

"Powell has an easier path to confirmation than Lael Brainard given his political capital within the Senate," added Swonk, a consideration that is all the more relevant given the looming deadline.

"There has been increased speculation [in Washington] that after the election results of Tuesday, [Democrats] are looking for some quick wins and stability, which both play into a renomination of Powell," said Ed Mills, Washington policy analyst at Raymond James, referring to the shock defeat delivered to Democrats in Virginia's governor race last week.

Levin, who is now a professor at Dartmouth College, added: "It is conceivable that the White House is trying to think about how to move towards a broader, less partisan approach and maybe the slate of Fed nominees is where to do that."

With the Fed also on the cusp of a big shift in its monetary policy stance, some economists and investors make the case that continuity is critical.

Brainard, who served in the Clinton and Obama administrations before joining the Fed board in 2014 and is a leading contender for either of the two vice-chair positions, would be unlikely to deviate sharply from Powell's patient approach if in charge.

But a change in leadership is still seen as risky by some at a time when Fed officials are engaged in a debate about the appropriate path forward.

"This would be the first time in modern memory that we could have a new Fed chair when Fed policy is at a very uncertain stage," said Roberto Perli, who used to work at the central bank.

When former Fed chair Ben Bernanke assumed his position in 2006, interest rate rises were well under way and expected to continue, noted Perli. When his successor, Janet Yellen, started in 2014, a reduction or "tapering" of asset purchases was already in motion and it would be about two years before any adjustments to interest rates.

"Today, while tapering has been announced, the pace might have to be changed and rate hikes might have to come in short order, depending on how inflation evolves," said Perli, who serves as the head of global policy research at Cornerstone Macro.

In the news: Fed chair Jay Powell appears on a television screen on the floor of the New York Stock Exchange this month. Below, Lael Brainard
Richard Drew/AP

Climate change

Emissions from food system rise almost a fifth in 30 years

EMIKO TERAZONO

Global greenhouse gas emissions from agriculture and food production have risen 17 per cent over the past 30 years, according to UN data, underscoring its importance in limiting climate change.

The food system, particularly deforestation from land conversion to agriculture and methane from the livestock sector, has come under the spotlight for its contribution to global warming.

The sectors accounted for 31 per cent of greenhouse gas emissions in 2019, or 16.5bn tonnes of carbon dioxide equivalent, according to a detailed analysis by the UN Food and Agriculture Organization released at the COP26 climate summit in Glasgow. This compares with the earlier calculation by a UN scientific body, the Intergovernmental Panel on Climate Change, that the agricultural and food systems accounted for 25 to 30 per cent of emissions from 2007 to 2016.

> 'From deforestation to the destruction of tropical peatland, the process needs to be accounted for'

Deforestation was the largest source of greenhouse gas emissions in 2019, at about 6 per cent total carbon dioxide equivalent emissions, or 3.1 gigatonnes, said the FAO. The digestive process enteric fermentation accounted for 5 per cent, largely from cow burps, while livestock manure made up 2 per cent.

Methane and nitrous dioxide, gases that are more potent than carbon dioxide because of their shorter-term warming properties, contributed to about 30 per cent of total emissions for the agriculture and food sectors.

The sectors produced 53 per cent of global methane, mainly from burps from cows and other ruminant livestock, and 78 per cent of nitrous dioxide, largely from fertilisers.

The data showed that factors, such as transport, storage and food preparation unrelated to on-farm activities and land-use changes, were also growing, accounting for more than half of the carbon emissions from agri-food systems.

"From deforestation to the destruction of tropical peatland and activities in the supply chain, the whole process needs to be accounted for," said FAO senior statistician Francesco Tubiello, who wrote the study. "From land use change to food production to what happens after it leaves the farm, food is gaining momentum."

The report found that the relative contribution of agri-food sectors to regional total emissions from human activities was the largest in Latin America at 72 per cent and Africa at 57 per cent, while it was nearly 24 per cent in Asia and North America.

The countries with the largest emissions from agri-food systems in 2019 were China, India, Brazil, the US and Indonesia. Land use change was the largest component in Brazil and Indonesia, while emissions from on-farm activities and supply chains were the main drivers of emissions in the US, China and India.

The report was produced in collaboration with the UN statistics division, the International Energy Agency, Columbia University and the Potsdam Institute for Climate Impact Research.

Its publication comes as governments have pledged at COP26 to tackle the effects of agriculture through innovation. Led by the US and United Arab Emirates, more than 30 countries said they would invest more than $4bn over the next five years to accelerate innovation in technology in the agriculture and food sectors to ease global warming.

COP26

Obama rallies young in keynote speech

Ex-US president brings political stardust to task of agreeing global goals

MURE DICKIE — GLASGOW

Former US president Barack Obama said young people had the "most important energy" in the climate change battle, in a rousing speech at the COP26 summit in Glasgow that earned him a standing ovation.

Speaking six years after his appearance at the Paris summit that forged agreement on keeping global warming to well below 2C since pre-industrial levels, Obama said the young were right to be frustrated at his generation's failure to deal with the "potentially cataclysmic problem" they stood to inherit.

"Vote the issue. Vote like your life depends on it, because it does," he said.

"Don't think that you can ignore politics . . . You can't be too pure for it. It is part of the process that is going to deliver all of us," he said, adding that young people could also pressure companies and educate their elders.

By far the most famous figure attending COP26 as it entered its second week, Obama's arrival brought a sprinkle of political stardust to a summit increasingly focused on the unglamorous task of hammering out detailed international consensus on complex technical issues and rules.

He also backed the "high ambition coalition" of countries in the push for a firm limit to global warming at 1.5C as part of negotiations. That grouping includes the US and the EU, as well as many developing countries, but not the fossil-fuel reliant economies that have diverged.

"The brutal tempests of the warming climate are making even clearer that we cross that line at our peril," he said, with global warming already at 1.1C.

COP26 highlighted the return of the US to international efforts to curb global warming after what Obama described as the "hostility" of the presidency of Donald Trump, who withdrew from the Paris accord.

But the arrival in Glasgow this week of Obama, US House Speaker Nancy Pelosi and dozens of other members of Congress comes without any prospect of the US passing key climate-focused legislation before the summit ends.

Obama said he was confident "a version" of Biden's $1.75tn "Build Back Better" social security package — which includes $550bn of environmental provisions — would pass through Congress "in the coming next few weeks".

At the same time, he took aim at China and Russia over the absence of their leaders from Glasgow, saying it showed a "dangerous lack of urgency".

'We can't just yell at them, or say they are ignorant, we can't just tweet at them'

Obama also praised the energy of young climate activists, which has been on display in Glasgow through a host of events and protests around the summit.

While saying that if "older folks won't listen, they need to get out of the way", the former president also called for campaigners to be attentive to the concerns of those who worried about the effects on their livelihoods from eliminating carbon-intensive industries.

"We can't just yell at them, or say they are ignorant, we can't just tweet at them. It's not enough to inconvenience them by blocking traffic in a protest."

The former president ruefully noted his changed status with jokes about how music no longer played when he entered the room, and "traffic is a thing again", but hailed the efforts of sleepy negotiators subjected to "weak coffee and bad food" at COP26.

Investment greenwashing see Markets

China. Annual meeting

Xi invokes Mao in push for third term

President seeks to solidify his rule and present himself as natural heir to former leaders

TOM MITCHELL — SINGAPORE

Xi Jinping has summoned hundreds of senior Chinese Communist party officials to Beijing for a meeting that is expected to pave the way for his unprecedented bid for a third term in power next year.

The annual autumn meeting, or plenum, of the party's Central Committee will review and approve a rare "resolution" on Chinese history, and comes just four months after Xi presided over an elaborate celebration of the 100th anniversary of the party's founding.

Both Mao Zedong and Deng Xiaoping, the party's two other transformational leaders with whom Xi compares himself, secured such resolutions at the beginning of their long tenures in power.

Mao was the party's unchallenged revolutionary leader for more than three decades and Deng reigned for about 15 years, steering the country away from Maoist autarky and opening its economy to the outside world.

Deng used his resolution to criticise the later years of Mao's rule and justify his bold new economic programme. But analysts said Xi's resolution would ignore controversial episodes in the party's history and present himself as their natural heir, guiding China to its rightful place as a first-rank global power by the middle of the century.

In approving the plenum's agenda last month, the party's 25-member politburo alluded to what Chinese officials argue is the historical continuum linking Mao, Deng and Xi while disregarding interim figures such as former presidents Jiang Zemin and Hu Jintao. Mao, they said, unified China while Deng made it rich and Xi has made it strong.

"The Chinese nation has ushered in a great leap from standing up and getting rich to becoming strong," the politburo said. "The great rejuvenation of the Chinese nation has entered an irreversible historical process."

Ahead of this week's plenum, which will conclude on Thursday, state media have been even more effusive in their praise of Xi, who is now often referred to not just as president and party general secretary but "the people's leader".

Historical links: an exhibition in Beijing. Xi Jinping, right, compares himself with Mao Zedong, left, and Deng Xiaoping, second left, but disregards interim figures Jiang Zemin, centre, and Hu Jintao, second right Jason Lee/Reuters

A long article published by the official Xinhua news agency at the weekend called Xi "a man of determination and action, a man of profound thoughts and feelings, a man who inherited a legacy but dares to innovate, a man who has forward-looking vision and is committed to working tirelessly".

Xi has made clear his admiration for Mao and rejected many of the institutional reforms championed by Deng, including a clearer separation of party and government roles and a regular transfer of power every decade. Xi is widely expected to remain party and state head for five to 10 more years and the de facto ruler for as long as he lives.

"Mao is the benchmark for Xi," said Steve Tsang, director of the Soas China Institute in London. "The resolution is likely to cover the whole duration of the 100 years of the party and will project a much more positive assessment of the party — nearly always right if not right all the time, and certainly central to the achievements of China today.

"In this sense Xi is setting the scene for his third, and the beginning of his indefinite, term as top leader next year."

That it took Xi almost a decade to secure an official party resolution on history shows how sensitive his bid for lifetime rule remains, despite the absence of effective internal opposition.

Wu Qiang, a former lecturer at Tsinghua University and outspoken party critic, said the resolution was intended to "prepare China for even more of Xi's personality cult". He added: "The resolution is about self affirmation. It will turn a blind eye to negative parts of the party's history and will damage the country. Xi has used institutional and non-institutional methods to centralise all power around himself."

Another potential threat to Xi's hopes for a smooth transition to a third term will be his government's gamble on a "zero Covid" policy. The policy has essentially closed the world's second-largest economy to inbound and outbound travel and could remain in place until after Xi is sworn in for his third presidential term at the March 2023 session of the National People's Congress.

"Xi must be aware of resistance to this approach and thus a wish among some of his 'comrades' [for him] to fail spectacularly just prior to [next year's] Congress," said Tsang. But he added: "Unless he sees an enormous economic catastrophe brewing, I'm sure he's relaxed about the restrictions in place for travel between 'Covid-free' China and the rest of the Covid-infested world."

Additional reporting by Xinning Liu

Gideon Rachman see Opinion

GLOBAL INSIGHT

LATIN AMERICA

Gideon Long

Lasso on the ropes as honeymoon ends for Ecuador president

Political honeymoons seldom last long but few have ended quite so abruptly as that of Guillermo Lasso, Ecuador's business-friendly right-wing president.

Just two months ago, Lasso was riding high with an approval rating of between 64 and 74 per cent after an impressive first 100 days in office. He had kept his ambitious promise to vaccinate half the country against Covid-19, renegotiated a loan with the IMF and, in a drive to encourage foreign investment, rejoined Icsid, the World Bank tribunal that resolves disputes between companies and states.

Since then, however, the millionaire former banker has been named in the Pandora Papers over his offshore investments. Lasso is under investigation by both Ecuador's attorney-general and Congress, which could try to impeach him. His decision to raise fuel prices last month sparked indigenous-led street protests that, although they have subsided, might well resurface.

Lasso's "mega-package" of economic reforms submitted to Congress in September was rejected by lawmakers, who sent it back with a request to break it up and submit each part separately.

He has done so, sending the first part on tax reform to Congress, where his party has only a handful of seats. He has less than a month to get it approved. The IMF's next disbursement, due in December, depends on it.

On top of all this, Lasso is struggling to stem a crime wave. In late September, 118 prisoners were killed in the country's worst jail riot.

Ecuador's murder rate has climbed, particularly in the port of Guayaquil, a major exit point for drugs. The president has declared a state of emergency and sent soldiers on to the streets.

'Mutual death' allows Lasso to dissolve both Congress and his own position

Lasso's approval ratings have dropped. One pollster, Cedatos, says he shed 10 percentage points between August and October while another, Perfiles de Opinión, says he plummeted 30 points in just six weeks and is polling at 34 per cent. One of the few polls published since the Pandora Papers shows Lasso's approval rating crashed from 62 per cent before to 42 per cent afterwards.

In the short term, Lasso's priority is to get his tax reform approved in time to meet the IMF deadline.

"He's made changes to it to make it more attractive to potential allies in Congress," said Sebastián Hurtado, head of local political risk consultancy Prófitas. "Of the three major reforms he plans to send to Congress, this is the most likely to be approved. The other reforms will be an uphill battle."

Lasso has options, but they are drastic. If Congress rejects his reforms, he could include them in a popular referendum to in effect bypass the legislature. Ecuador has a history of doing just that.

His other option is a curious mechanism in Ecuadorean politics known as *muerte cruzada*, or mutual death. It allows the president to dissolve both Congress and his own position, triggering fresh presidential and legislative elections. It is a risky strategy for a leader whose approval rating is plummeting.

Much will depend on the investigations into the Pandora Papers. Lasso faces allegations he failed to divest offshore holdings before he launched his presidential bid and that he lied about his assets when he was sworn in as president. He denies any wrongdoing.

"There are a lot of potentially impeachable offences here: having assets in tax havens; the perjury issue of lying on your declaration; refusing to co-operate with a parliamentary investigation," said Guillaume Long, a former Ecuadorean foreign minister under the previous leftwing government of Rafael Correa.

"Mutual death wouldn't be Lasso's preferred option but if it looks like he's about to be impeached he might go down that route."

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Real estate

Hong Kong property barons to gain in affordable homes drive

PRIMROSE RIORDAN, CHAN HO-HIM AND JENNIFER CREERY — HONG KONG

China is threatening to smash the empires of Hong Kong's real estate magnates — once so powerful they were seen as shadow governors of the Asian financial centre — and force them to fix the city's housing woes.

Despite Beijing's anger, the tycoons, who made their fortunes on the back of Hong Kong's rise to become one of the world's most expensive real estate markets, are set to benefit once again as the government lays out new policies on affordable housing.

While Hong Kong's property billionaires, such as nonagenarian Li Ka-shing of CK Asset Holdings and the Kwoks of Sun Hung Kai, have been overtaken by those in China and India on the region's rich lists, they remain among Asia's wealthiest and most influential business leaders.

For decades, the real estate magnates enjoyed outsized influence in Hong Kong's political bodies until anti-government protests erupted in 2019. Beijing blamed the demonstrations on popular discontent with the city's expensive housing rather than on Hong Kongers' desire to protect civic freedoms granted to them after the city's handover to China from the UK in 1997.

Critics say the Hong Kong government's policy of selling large chunks of land has benefited the biggest tycoons, who are the only ones who can afford to participate in the auctions. In return, the government reaps windfalls from land sales, which make up a fifth of Hong Kong's fiscal revenue.

But after pressure from Beijing, Carrie Lam, Hong Kong's leader, last month announced affordable housing measures, including a scheme to convert districts in the rural New Territories, near the border with mainland China, into a vast residential area dubbed the Northern Metropolis. If fully developed, the metropolis would have a population of 2.5m living in up to 926,000 homes.

Despite the planned increase in housing supply, the property tycoons would benefit, said Philip Tse, China property analyst with Bocom International. In the 15-20 years that it would take to build the Northern Metropolis, house prices were expected to rise due to low levels of available land. "The shortage could become more severe, giving them [the tycoons] stronger pricing power."

The government's focus on the New Territories could also help developers unlock agricultural areas in their land banks that previously were bound up in red tape. Four big developers, Henderson, Sun Hung Kai Properties, New World Development and CK Asset, have amassed huge land banks, mostly in the New Territories, according to analysts and company reports. The four declined to comment.

Residential blocks in Hong Kong. The territory has one of the world's most expensive property markets

But despite these favourable developments, the developers will be wary of events in Beijing, where President Xi Jinping's campaign for "common prosperity" is targeting social inequality and aims to clamp down on monopolistic behaviour. "Common prosperity should be taken seriously in Hong Kong as well," said Chen Zhiwu, a finance professor at the University of Hong Kong. "Hong Kong real estate developers will be forced to donate money for charity purposes or donate land to buy political insurance. They are under increasing pressure."

Indeed, New World two years ago gave almost 3m sq ft of farmland reserves to the government, while Henderson said it would lend almost 500,000 sq ft to the government for transitional housing for those awaiting public homes.

A Chinese official said while Beijing was unhappy with the tycoons, it could not directly intervene in land policy due to the "one country, two systems" framework granting Hong Kong considerable autonomy after the handover.

Nevertheless, Beijing is keen to curb their political influence. The tycoons' power was diluted in a recent election, which a pro-Beijing lawmaker said was needed to clear obstacles to new housing policies.

"The excessive and unlawful monopoly by [Hong Kong's] property developers must be broken," said Tian Feilong, director of the Chinese Association of Hong Kong and Macau Studies, a semi-official think-tank.

Presidential race

Ortega wins fourth poll in Nicaragua after jailing rivals

CHRISTINE MURRAY — MEXICO CITY
MICHAEL STOTT — LONDON

Nicaragua's authoritarian president Daniel Ortega has secured a fourth consecutive term in office after jailing his main opponents and winning a landslide victory in an election condemned by the US as a "pantomime".

Official results showed the former Marxist guerrilla leader took 75 per cent of the votes and his nearest rival 14 per cent in Sunday's election, with just under half the votes counted. Five little-known candidates from allied parties ran against Ortega and the main opposition had called for Nicaraguans to boycott the poll.

In power since 2007, Ortega, 75, is the longest-ruling leader in the Americas and has installed his wife, Rosario Murillo, as vice-president. He controls parliament, the courts and the electoral council, has locked up 39 political rivals, closed independent media and cowed non-governmental organisations. Foreign journalists were barred from covering the election. Ortega first took power after leading the Sandinista revolution that overthrew a US-backed dictator, Anastasio Somoza, in 1979. He ruled until 1990 before being voted out but returned to power in 2007 and has not left since.

"Long unpopular and now without a democratic mandate, the Ortega and Murillo family now rule Nicaragua as autocrats, no different from the Somoza family that Ortega and the Sandinistas fought four decades ago," said President Joe Biden on Sunday when he called the poll "a pantomime election that was neither free nor fair".

Biden hinted at more sanctions against Nicaragua, adding that the US "will use all diplomatic and economic tools at our disposal to support the people of Nicaragua and hold accountable the Ortega-Murillo government".

"Ortega will begin his fourth consecutive term by force through repression, censorship and fear," said José Miguel Vivanco, Americas director of Human Rights Watch.

ADVERTISEMENT

One material, boundless potential: green and digital ceramics solutions

NGK INSULATORS

One material, boundless potential

Even after nearly four decades working for and recently becoming president of NGK Insulators (NGK), the world's leading industrial ceramics manufacturer, ceramics can still be full of surprises for Shigeru Kobayashi.

"What's amazing about the material is how it has continued to provide unexpected functions to match society's changing needs over time," says Kobayashi.

Using unique moulding, firing, processing and evaluation technologies, NGK has continued to bring out ceramic products with new properties and industrial applications. The company's century of evolution reflects this versatility.

Since being founded in 1919 to produce Japan's first insulators for transmission lines, NGK's numerous products across various sectors have become indispensable globally. Power grids in more than 100 countries rely on its ceramic insulators to safely deliver electricity. Half of all internal combustion engine cars produced today contain NGK's substrates and its automotive-related ceramic products. In the last decade, the company has become the top supplier of critical ceramic components necessary for equipment used to manufacture semiconductors.

As know-how accumulates, NGK's laboratories continue to innovate, from next-generation batteries to molecular sieves. Driving all this is a patience to keep at a project for years, sometimes decades, before successful commercialisation.

These assets will play a crucial role in NGK's mid- to long-term vision announced earlier this year. Having identified carbon neutrality and digital transformation as the world's most urgent priorities and where growth lies, NGK pledged to become: "A company to contribute to carbon neutrality and digital society with our unique ceramic technologies". In a drastic self-transformation, NGK aims to generate half of its total sales from products related to carbon neutrality and digital areas by 2030 from its current 30 per cent. This proportion will rise to 80 per cent by 2050.

Harnessing renewables through ceramics

Heading the list of technologies NGK hopes will help realise its new group vision are its unique batteries.

"Now that the whole world is racing towards carbon neutrality, batteries which can store more energy for longer durations are increasingly in demand," says Kobayashi.

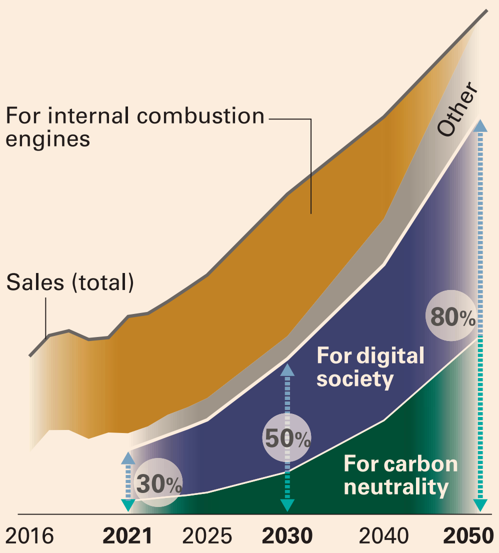
Indeed, global renewable energy capacity in solar and wind power increased at record rates last year. But as these renewables are intermittent sources of energy—affected by weather and time of day—there is a growing need to store and shift this energy for when power is needed or can be transmitted through the grid. Without such storage, renewable energies are wasted.

The NAS® battery ideally matches such requirements of long-duration energy storage systems for renewables, explains Kobayashi.

The NAS battery is made of sodium (Na) and sulphur (S) electrodes separated by a fine ceramic electrolyte. Development of the technology started in 1984 to provide more flexible energy storage than pumped hydro for a Japanese utility company. The first NAS system was deployed in 1995, making it the world's first commercialised large-scale energy storage battery system. It is now in use in about 200 locations worldwide with a total output of more than 695MW and a storage capacity of 4.9GWh.

Shigeru Kobayashi
President, NGK Insulators, Ltd.

Projections for carbon neutral and digital society-related businesses by 2050



The NAS battery has multiple advantages over its rivals: scalability, constancy of up to six hours or more of high electric power output, and durability. In addition, they are compact, allowing for rapid and cost-effective deployment, and boast safety features proven through extensive field experience.

"Although lithium-ion batteries for large-scale storage have been in the limelight recently, there are risks such as resource constraints," says Kobayashi.

Over the past year, lithium prices have surged along with demand for electric vehicle batteries, raising concerns about future shortages. The NAS battery, on the other hand, only requires comparatively common materials, so its production costs will not be affected even if output is ramped up. Once economies of scale kick in, NGK argues that NAS batteries can be offered at a price far lower than its already competitive level. And unlike lithium-ion batteries, the NAS battery is resilient to harsher weather conditions and able to handle full discharge cycles frequently, making it an attractive long-term option.

Most recent orders for NAS batteries include those for a solar power plant in Mongolia and a wind farm in South Korea. NGK will supply NAS batteries for the Mongolian plant so that renewable electricity can be used day or night, reducing the country's dependence on coal. In South Korea, NGK will supply, through its partnership with BASF New Business GmbH, a subsidiary of the German chemicals giant BASF, NAS batteries for a 21MW wind farm. NAS batteries there will ensure the stable supply of electricity for a power-to-gas plant which will produce green hydrogen from wind power. BASF is also planning to set up NAS batteries in its plants globally to store renewables which increasingly power its sites. In September, NAS batteries were connected to BASF's Verbund site in Antwerp, Belgium, making it the first installation of the technology in a BASF facility.

Along with expanding such orders, Kobayashi wishes to develop a business model of providing "energy as a service, in a kind of banking service of storing energy" using NAS batteries. He is also hoping to partner with renewable energy producers to use NAS batteries to supply green energy directly to NGK's production plants. Such measures will help the company reach its goal of halving its own carbon emissions by 2030 compared with 2013 and reach carbon neutrality by 2050. In addition, the company has announced that all electricity used at overseas bases—approximately 60 per cent of all electricity used by the NGK Group—will switch to renewables by fiscal 2025, helping to cut about 330,000 tonnes of CO_2 per year.

Along with NAS batteries, NGK is also developing the world's first zinc rechargeable battery using a proprietary ceramic separator and aqueous solutions as the electrolyte. These features make the zinc rechargeable battery system safe and suitable for large energy storage indoors to provide emergency power supply and renewable energy use.

"Since zinc rechargeable batteries are lighter and smaller than lead batteries, they can be stored in about half the space required for lead batteries and are ideal for putting in all kinds of places indoors," explains Kobayashi. The company expects potential use cases in schools, stores, base stations, and communication buildings where maintaining power during blackouts is vital.

Capturing, storing and utilising carbon with ceramics

Of course, batteries for renewables are only one step towards achieving a carbon neutral society.

> "Whichever system—hydrogen, methane, methanol, or e-fuel—becomes the standard for a carbon neutral society, our strategy is to be ready."

Across the carbon capture, utilisation, and storage (CCUS) cycle, NGK technologies promise to play a significant role. For example, NGK has developed the world's largest ceramic membranes capable of separating out carbon dioxide using proprietary sub-nanometre-sized pore control technology. In the near future, there are hopes that these subnano-ceramic membranes could be used to directly capture carbon dioxide from the ambient air. The captured carbon dioxide may then be combined with water through another emerging NGK application—a solid-oxide electrolysis cell—to produce fuels and raw materials efficiently. Another stage in the CCUS cycle will be the production of synthetic fuels such as methane, methanol, and e-fuels. Here too, NGK's honeycomb structural reactors utilising large-scale ceramics extrusion and separation membrane technology may help efficient production.

"Whichever system—hydrogen, methane, methanol, or e-fuel—becomes the standard for a carbon neutral society, our strategy is to be ready," says Kobayashi.

Funding this strategy, the company plans to pour some JPY 300bn over the next ten years into R&D, allocating 80 per cent of this for carbon neutral and digital society applications.

Diversifying with strength

One reason why the company can, in a sense, back so many horses and envision a long-term conversion of its business structure is that it does so from a position of strength. Two of its current main earners in the automotive and semiconductor ceramics business are in rude health.

Kobayashi explains that although the company is planning on a scenario that the global market for the internal combustion engine will hit zero by 2050, the process is not going to happen overnight. Besides, the company's revenues for semiconductor manufacturing equipment have risen steadily, driven by insatiable chip demand.

Both domains should generate steady revenues to fund NGK's transformation and keep shareholders happy. In the meantime, the company hopes to increase overall sales from JPY 452bn in the year ended March 2021 (with operating income of JPY 50.8bn) to some JPY 600bn (with operating income of JPY 90bn) by 2025.

Other products are also lined up to boost digital-related revenues. These include the prize-winning and recently commercialised EnerCera®—a high capacity, ultra-small, ultra-thin and long-living rechargeable lithium-ion battery—which promises maintenance-free energy for IoT. Another is the high-quality Gallium Nitride (GaN) wafer, which will be indispensable as the wafers used in the production of semiconductors for next-generation power devices. The new material is drawing close interest for its potential to contribute to carbon neutrality and enable IoT.

"Long before this global pivot to carbon neutrality and digitalisation, we have been steadfastly nurturing many ceramic-based seeds," says Kobayashi. "Now we come to find that many of them have applications for today's needs."

NGK's evolution reminds us that nothing is more powerful than an idea whose time has come. With many ideas up its sleeve, and patience to wait for the right time to come, the Japanese manufacturer will be indispensable as we shift to a greener and more digital world.

NAS systems, pictured here, are deployed at various wind and solar power stabilisation sites globally.

Bank on clarity If we want people to understand what the BoE thinks is necessary . . . why not just tell them? MARKETS INSIGHT

Tesla shares fall after Musk's Twitter poll backs stake sale

- Vote on $20bn move splits opinion
- Fate of 10% disposal remains unclear

PETER CAMPBELL AND LEKE OSO ALABI

Tesla shares were under pressure yesterday after millions of Twitter users polled by Elon Musk concluded that he should sell 10 per cent of his stake in the electric-car maker.

The 24-hour poll, which was conducted over the weekend, is the latest stunt by Musk to delight fans but risk controversy. When announcing the poll on Saturday, Musk said on Twitter that he would abide by its result.

The Tesla chief's move to throw open to the Twittersphere whether to sell more than $20bn of shares comes as the question of how to tax billionaires has gained some political traction in the US.

By early yesterday in New York, Musk, who boasts 62.7m Twitter followers, had yet to respond to the result of a poll in which 58 per cent of the 3.5m who voted said the entrepreneur should sell the stake.

> 'On the surface, this is great news. You get more liquidity and a billionaire paying tax'

Tesla shares, which have surged nearly 70 per cent this year, catapulting the group's value beyond $1tn, were down 5 per cent in early New York trading yesterday. They later traded down about 3 per cent.

The online poll divided opinion. Some heralded the potential benefits if Musk does sell, while others speculated that the 50-year-old, whose Twitter following dwarfs that of other business leaders, was simply seeking backing for a sale he may have wanted to make anyway.

"On the surface, this is great news. You get more liquidity and a billionaire paying tax," said Philippe Houchois, an automotive analyst at Jefferies, who believes Musk will follow through on his promise to sell. It "would be damaging to [Musk's] image if he didn't" go on to sell the shares, Houchois added.

Musk flagged at a conference in September that he was likely to sell shares in the fourth quarter as he has options that expire early next year.

If he goes ahead, the vote will cause a huge block of Tesla shares to hit the market. Based on Friday's closing price, Musk's 17 per cent stake in Tesla was worth $208bn. He did not indicate when or how he would dispose of the stock.

The meteoric rise in Tesla's shares has made Musk billions of dollars through a controversial pay package agreed three years ago, under which he has been able to exercise large tranches of stock options when the carmaker meets certain performance targets and its shares hit pre-determined levels.

The Tesla chief earlier this month also said he was open to selling $6bn of shares and donating the proceeds to the World Food Programme but only if the organisation told him how it would use the money to end poverty.

His use of Twitter has marked Musk, who at present styles himself as "Lorde Edge" on the platform, out from other business executives but also drawn scrutiny from regulators, notably over a 2018 tweet that he had the "funding secured" to take the company private.

In 2019, Musk agreed to a deal with the US Securities and Exchange Commission over new restrictions on his use of social media.

Houchois of Jefferies reckoned that Musk would "keep pushing the boundaries" on social media as "nothing has really blown up in his face so far".

Additional reporting by Richard Waters in San Francisco

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Space saver Viasat lands Inmarsat in $7.3bn deal as satellite groups jostle to consolidate

An Inmarsat GX1-4 satellite: the tie-up will create one of the market's biggest space-based broadband providers

PEGGY HOLLINGER AND NIC FILDES

The California-based satellite company Viasat is taking over Britain's Inmarsat to create one of the biggest space-based broadband providers, in a cash and share deal that values the business at $7.3bn including debt.

The deal, which will result in Inmarsat's private equity owners holding 37.5 per cent of the combined group, is expected to trigger more merger activity in the highly fragmented satellite industry.

The agreed bid follows a failed approach for rival Eutelsat by French cable entrepreneur Patrick Drahi last month. It also comes as investors push up valuations for space-based companies, attracted by falling launch costs and the potential to deliver a range of mobility and data services from cheaper satellites, many at lower earth orbits.

Operators of satellites at higher geostationary orbits, however, have suffered from the decline of the legacy broadcast business and face a capacity glut. A geostationary satellite sits about 20,000 miles above the earth.

With about 55 satellite companies, there is a hugely competitive market in which Elon Musk's Starlink, Amazon's Project Kuiper and other new operators have added capacity.

Viasat has about a 13 per cent of satellite industry revenue, compared with Inmarsat's 7 per cent, according to one internal industry document seen by the Financial Times.

Inmarsat has long been seen as a key chip in the consolidation of the sector, with rivals EchoStar and Eutelsat having looked at a deal in the past. However, Inmarsat was sold to a consortium led by Apax and Warburg Pincus for $6bn in 2020.

Many in the industry have long argued for consolidation as a means to help cut the capital costs required, but deals have been hindered by political concerns and business rivalry.

With the most obvious target now out of the game, others such as Eutelsat and SES, the Luxembourg satellite company, Canada's Telesat and Charlie Ergen's EchoStar could be forced to come together to compete.

"It's clear that satellite industry consolidation is now under way," said Armand Musey, of satellite and telecoms consultancy Summit Ridge.

The appointment of Rajeev Suri, the former Nokia boss, as chief executive of Inmarsat this year was seen as a move either to sell the group or to move on a rival. Suri said: "There was an opportunity to create a winning player with complementary assets, complementary regions. Viasat will get true global reach."

Mark Dankberg, executive chair of Viasat, said "We think it enhances Viasat's financial strength. This will be a lot more diverse company."

European gas prices leap after Russia support stalls

DAVID SHEPPARD — ENERGY EDITOR

European gas prices jumped yesterday as traders said there was little evidence that Russia was preparing to increase exports to the region, despite Gazprom starting to fill some of its storage facilities on the continent.

Russian president Vladimir Putin last month ordered state gas giant Gazprom to begin filling the storage facilities it controls in Germany and Austria by November 8 at the latest, boosting hopes that exports to Europe would rise.

But while data show Gazprom started adding some gas to its largest storage sites in those countries over the weekend, traders and analysts said there was disappointment as no additional pipeline capacity had been booked by Russia, suggesting that any storage fill would come from existing flows.

This is unlikely to provide significant relief to a market that has been roiled by tight supplies ahead of winter and shortage fears if the weather is even slightly colder than normal and Russia does not boost exports to western Europe.

"Russia has done what it said it was going to do, but in a very narrow way," said Laurent Ruseckas at consultancy IHS Markit. "There has been no big increase in the overall exports to Europe, which is why some traders are disappointed."

The European benchmark price jumped as much as 10 per cent to above €80 per megawatt hour yesterday before easing to €76.50, while the UK benchmark for December delivery rose 6 per cent to about £2 per therm.

Gas prices in Europe have eased slightly from record highs in October after Putin indicated Russian supplies to western Europe could increase.

Traders and analysts were focused on November 8 after the Russian president's order to fill the Gazprom controlled sites.

Russia has limited its exports to western Europe to those secured by long-term contracts and has tied increased supplies to the start-up of the controversial Nord Stream 2 pipeline, which runs through the Baltic Sea to Germany.

Some European lawmakers have accused Russia of stoking the gas crisis to increase pressure on regulators in Europe to accelerate the pipeline's authorisation. Russia has denied limiting gas supplies.

Additional reporting by Max Seddon in Moscow

Big US dealmakers show interest in mid-tier UK banking sector

INSIDE BUSINESS
FINANCE

Patrick Jenkins

Are the tables about to turn? Investment banks have prospered in recent years, thanks to dealmaking and trading booms, turbocharged by ultra-low interest rates and quantitative easing.

But have they finally passed their peak? And will their retail and commercial banking cousins, which have suffered squeezes on lending margins as a result of those same ultra-low rates, finally prosper? If the smart brains of private equity are any guide, the answer may be yes.

The US Federal Reserve said last week it would begin an immediate tapering of its quantitative easing bond-buying programme. In the UK, the Bank of England surprised markets by not raising base rates last week, but there is a consensus expectation that rates will rise at the central bank's December meeting. In other countries — from Norway to Poland — rises have already happened.

It is clear we are at a pivotal juncture for global economies. It is also a big moment for banks.

The loose-money environment has driven an investment banking boom. JPMorgan last month trounced third-quarter profit expectations, reporting a 26 per cent return on equity in its investment bank and a group return of 18 per cent. JPMorgan's market capitalisation grazed $500bn last month after doubling in barely 18 months. Bank of America, Morgan Stanley and Goldman Sachs have also thrived. Wall Street executives know the best may be over as the exuberant bond and M&A markets will be constrained by tighter monetary policy and they may have to boost staff pay in a more inflationary environment.

Conversely, if interest rates have bottomed, retail and commercial banking should, all else being equal, be set for a rebound as the gap between the cost of funding and what they make from lending widens. In Europe, where such models dominate, that could help close a longtime valuation gap with US giants.

It is against that background that the mid-tier UK banking market is becoming the unlikely focus of interest for big-name US dealmakers, particularly private equity firms looking to deploy their plentiful "dry powder".

> If interest rates have bottomed, retail and commercial banking should be set for a rebound

Last week, Metro Bank announced it had received a takeover approach from Carlyle. A few weeks earlier, Co-op Bank — backed by JC Flowers and Bain Capital and a clutch of hedge funds — approached Spain's Sabadell about a £1bn-plus potential purchase of its UK subsidiary TSB.

These are tiny deals for huge firms. Metro, for example, has a market cap of barely £200m. So why bother? Well, there is the appeal of cheap price tags and a core logic of arbitraging the firm's ample cheap funding on a business with lending margins that look set to widen.

But buyout executives will also be eyeing the consolidation opportunity of rolling up other lenders. If Carlyle did buy Metro, it could look at the Co-op and TSB, too, not to mention other mid-tier lenders. Flowers and Bain, via the Co-op, could do the same.

For a listed lender such as Metro, with capital levels stretched by thin interest rate margins and persistent losses, a private equity capital injection resolves the Catch-22 alternative of trying to raise capital from existing shareholders at a stubbornly low valuation. Its shares trade 93 per cent below a March 2018 peak and the lower the valuation, the more dilution existing shareholders would suffer from an equity issue if they do not participate in it.

The pandemic has heightened the opportunity to make cost savings on branch networks in a roll-up. At Lloyds, nearly three-quarters of customers bank online, up from less than two-thirds pre-pandemic.

There are a few examples of private equity turnrounds of troubled banks, from JC Flowers' takeover of Japan's Shinsei to Cerberus's acquisition of Austria's Bawag. But regulators have tended to be nervous of big buyouts, given concerns about the potential "double leverage" stemming from private equity's normal operating model and banks' capital structures. They also tend to prefer the diversity of capital backing that comes with a listed shareholder base.

Beggars, though, can't be choosers. Both Co-op and Metro have come close to failure in recent years, after scandals and capital mismanagement. A sturdy owner could fix that and might also help Britain's weak mid-tier consolidate into a viable challenger to the big operators. As long as interest rate rises are contained, that sounds like an attractive investment case. If economic stresses get out of control, however, it could prove a high-risk one.

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Financials

Credit Suisse gives up hedge fund clients

Bank signs deal with BNP amid prime broking exit in wake of Archegos scandal

SARAH WHITE AND OWEN WALKER
LONDON

Credit Suisse has signed a deal to recommend its hedge fund clients move to BNP Paribas, which is hoping to capitalise on the Swiss bank's withdrawal from prime broking services in the wake of the Archegos scandal.

Rivals circling Credit Suisse's prime brokerage, which serves hedge funds, have a chance to pick up customers as the Swiss bank all but exits the business, which racked up $5.1bn of losses this year following the collapse of family office Archegos Capital.

Credit Suisse chair António Horta-Osório unveiled an overhaul of the group last week, including a plan to streamline the investment bank and consolidate its wealth management division.

BNP, which competes with bigger rivals such as Goldman Sachs and Morgan Stanley in prime services, swooped on a retreat by Deutsche Bank two years ago and bought its global prime finance unit and electronic equities business.

This year it bought the 50 per cent it did not own in investment company Exane to beef up its equities unit.

The French bank said yesterday that it had signed a referral agreement with Credit Suisse, which aims to ease a transfer of services between the two banks for clients who want that option.

> Credit Suisse chair António Horta-Osório unveiled an overhaul of the group last week

Hedge funds that used to work with Credit Suisse and want to go elsewhere would still be free to do so. And BNP would have leeway to approve or turn away clients.

A person with knowledge of the talks said they expected up to half of the Credit Suisse prime assets could be transferred to the French bank.

Credit Suisse has no other agreements of this type in place for its prime services, but did not rule out signing more.

The banks did not comment on any financial terms involved.

BNP is one of the few European banks expanding prime finance, a risky but potentially lucrative business that involves lending money and handling trades for hedge funds.

Often used as a means to woo hedge funds to also sell them other services, it has long been dominated by Wall Street banks, with Barclays, Credit Suisse and UBS ranking as the contenders to beat outside the US before the Swiss firms were hit by Archegos losses.

Credit Suisse had said it was the fourth-biggest bank in US prime broking last year.

The Deutsche Bank acquisition, and fresh gains linked to Credit Suisse, could put BNP in a position to rank fifth or sixth globally and rival Barclays, the person familiar with the talks said.

BNP profited from a recent equities trading boom, thanks in part to the Exane integration, and its equity and prime services revenues rose 79 per cent in the third quarter, versus an average rise of 35 per cent at big US banks.

It is still a minnow in the market compared with Wall Street rivals, however.

Financials. Transparency drive

Investors hit back over buyout firms' fees

Regulators are facing pressure to reform opaque expenses that private equity managers charge

CHRIS FLOOD — LONDON

A $2.7bn private equity manager, named after the Monomoy lighthouse in the Nantucket Sound, was forced to return almost $2m to its investors after US regulators decided last year that it had failed to provide "full and fair disclosure" about costs that were ultimately paid by clients.

Monomoy Capital pledges to help its clients navigate "rough waters" but numerous similar examples of private equity managers exploiting opaque fees and expenses to boost their own profits are making investors feel queasy.

Investors say they routinely find themselves billed for extra costs, such as the hiring of private jets, in addition to the standard "two and 20" — a 2 per cent annual management fee and 20 per cent performance fee — charged by the managers of private equity groups, known as general partners, or GPs. "Expenses are the biggest cause of misalignment between GPs and their clients," said an investor running a multibillion-dollar private equity portfolio.

Public criticisms of private equity managers by institutional investors remain extremely rare. Most large investors are reluctant to speak out in case they damage their own reputations as fiduciaries — guardians of their clients' money — and because they worry that they will be quietly excluded from joining new funds raised by private equity managers. But now, rule changes might be coming down the track.

The Institutional Limited Partners Association (ILPA), a trade body, is urging US regulators to force private equity managers to report all of the fees and expenses that they charge in a clear and consistent format to investors.

"I have made allocations to more than 50 PE funds and there are a dozen where it is unclear what is being charged as an expense, even with the help of an external auditor," said the buyout investor.

Michael Frerichs, the state treasurer of Illinois who oversees a $430m private equity portfolio, recently appealed to the US Congress to pass "new rules and sensible reforms" so that a "dangerously unregulated" part of the capitalist system would not cause further damage to investors, businesses and workers.

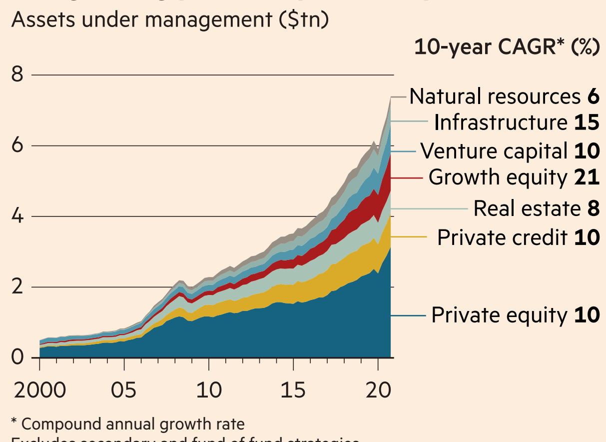
Clear and standardised fee and expense disclosures by private equity managers, which either own or invest in 8,000 US companies, would "drive better decision making" among investors, said Frerichs, a former Democratic member of the Illinois senate.

Private equity investors say they are often billed for opaque fees and expenses such as the hiring of private jets
D. Hurst/Alamy

Assets overseen by private equity managers have grown rapidly over the past decade to $4.5tn and the contracts signed by investors allow GPs to take additional fees for sourcing deals, salaries for advisers and expenses for regulatory and compliance filings.

A quarter of investors are paying for administrative expenses for private equity managers, such as in-house legal services, accounting and computer software, according to ILPA.

The growing power of private capital
Assets under management ($tn)



* Compound annual growth rate
Excludes secondary and fund of fund strategies
Sources: HLNE Cobalt data as of Dec 30 2020; Morgan Stanley Research

The legal costs to set up new private equity funds have more than doubled since 2011, a bill that is also paid by investors who are also having to stump up for new expenses such as cyber security services for GPs.

KKR, the world's second-largest private markets manager by assets, has reported that it earned $480m in capital market fees and a further $152m in "additional fees" including monitoring and transaction fees in 2020.

"These fees include services provided by KKR which its portfolio companies are encouraged to use. They accounted for 30 per cent of KKR's fee-related revenue last year," said Eamon Devlin, a private equity lawyer.

Ludovic Phalippou, a professor of finance at Oxford Saïd Business School, said that the expenses heaped on to investors at the discretion of GPs shows that the alignment of interests between private equity managers and their clients is "completely crooked".

He added: "It is amazing that it is down to GPs to decide how much they get paid after the contract with the investor is signed. This is effectively what happens when a GP can choose what to invoice as an expense."

> 'Every pension fund investing in private funds would benefit if there were [greater clarity]'
>
> Gary Gensler, SEC chair

Demands for improvements in transparency standards led ILPA to create a new cost-reporting template in 2016 for fees and expenses which the association says is "gaining traction".

"All investors should have the transparency necessary to validate their fees and expenses with managers. Regulation can help achieve this," said Chris Hayes, general counsel at ILPA.

But only 60 per cent of the US buyout funds raised since 2017 have used the ILPA cost template or a similar reporting framework, according to Colmore, a specialist data provider.

"Fee templates based on the ILPA guidelines are now standard features of the services of fund administrators and software providers. We are moving to the point where ILPA-type reporting standards will apply to all new PE funds," said Ben Cook, the chief executive of Colmore.

Gary Gensler, chair of the Securities and Exchange Commission, said last month that he supported reforms to enhance fee disclosures by private funds. "Every pension fund investing in private funds would benefit if there were greater transparency and competition," said Gensler.

His comments follow blistering criticisms by the SEC last year that rebuked buyout managers for overcharging investors and secretly favouring their own interests and those of high-paying clients over other customers, in clear contravention of existing regulations.

Private equity managers are obliged to observe a fiduciary duty to act in the best interests for their clients. But most funds are domiciled in Delaware and the Cayman Islands where local laws permit GPs to dilute or eliminate key parts of their fiduciary duties.

Not everyone thinks that PE needs to change how it operates.

"It's worth remembering that investors understand that PE is an expensive asset class . . . investors have demonstrated that they're willing to pay those costs in exchange for the returns they are able to obtain," said Igor Rozenblit, founder of the Iron Road Partners consultancy to private market managers, and a former SEC regulator.

But Phalippou cautions that regulators will need to step up their supervision of GPs to ensure that they "play by the rules" as opaque and complex private equity strategies move deeper into the investing mainstream.

"At the moment, investing in PE is like walking into a jungle. All you can hope is that the lions will be friendly," he says.

Industrial goods

Toshiba looks at splitting into three to rebuild market value

LEO LEWIS AND KANA INAGAKI — TOKYO

Toshiba is considering a plan to split into three companies, as Japan's most famous conglomerate seeks to rebuild its market value and address the demands of activist shareholders.

The proposal is just one of several under discussion by Toshiba, which was forced by investors this year to establish a committee to overhaul the group's strategy after a shareholder revolt.

Under the plan, the conglomerate would be divided into a devices company, an infrastructure group and a business focused on semiconductors and memory chips, according to two people with knowledge of the proposal. The businesses, according to one version of the plan, would eventually be listed, with Toshiba's existing investors receiving stock in each.

It remains unclear whether all of Toshiba's sprawling businesses would fit within the three companies or if some would be sold off. Another crucial element is who would have control over the businesses that include sensitive technologies that would attract scrutiny from the Japanese government.

Toshiba's involvement in several highly sensitive areas of national security, including nuclear power and defence contracting, has added a layer of complexity to any restructuring of the group, which has been beset by crises since 2015.

> 'The key question is whether the businesses can continue to grow even after they are split up'

"It depends on details of the plan whether it will be viable. The key question is whether the businesses can continue to grow even after they are split up," said one government official.

Toshiba confirmed late yesterday that splitting the group into three was an option after the plan was first reported by the Nikkei newspaper. However, people close to the company cautioned that the committee might present several proposals when it announced the result of its strategic review on Friday.

Such a split would be unprecedented for a Japanese conglomerate, but would echo the step DowDuPont took following the 2017 merger of Dow Chemical and DuPont. The US chemicals group broke up into three separate companies in response to shareholder concerns about the size and lack of focus of the combined entity.

Toshiba continues to face intense pressure from its largest shareholders, some of whom argue that the company's best option is to invite buyout offers from private equity firms that could delist the company and address its restructuring beyond the glare of the public market.

Earlier this year, Toshiba's former chief executive said the company was considering a $20bn buyout proposal from UK-based private equity firm CVC. The plan was preliminary, but triggered a boardroom coup that ousted the chief executive.

Toshiba's strained relationship with its shareholders dates from 2017, when a financial crisis pushed the company into an emergency fundraising that brought a large number of foreign and activist funds on to the shareholder register.

Banks

Citigroup books $1.5bn charge on S Korea exit

IMANI MOISE — NEW YORK

Citigroup has said it expects to incur a charge of up to $1.5bn in connection with exiting its consumer banking business in South Korea.

The wind-down of consumer operations in the country is part of the bank's retreat from 13 markets across Asia, Europe and the Middle East to refocus on more profitable business lines. The process has so far been marked by losses and complicated by talks over how to retain staff.

In the most recent quarter, Citigroup reported a $680m pre-tax loss tied to the sale of its Australia business. The bulk of the charges in the South Korea business are related to severance costs tied to voluntary early retirement programmes.

Citigroup had sought to sell most of its international consumer franchise but decided it was more cost-effective to close it down in South Korea.

"We continue to have good conversations with potential buyers of our consumer businesses across the two regions," said chief financial officer Mark Mason. "In terms of Korea, however, the economics of winding down the consumer business are much more attractive than continuing to run the business."

The third-largest US lender had been preparing to part with about 16,000 staff across Asia as it pulls back from the region, the Financial Times reported last week. The bank expects the Korea-related charges will be spread out over the next year as voluntary retirements are accepted, it said in a filing. The updated timeline reflects an accelerated exit compared with last month, when it warned it could incur charges related to the exit throughout 2023.

Last month Citigroup received about 40 final bids from rival banks for its retail lending businesses in the 11 international markets it plans to exit after Australia and South Korea, sources have told the FT. The bank expects deals to be finalised by the second quarter of next year.

The anticipated sales mark the end of Citigroup's long-term ambitions to be a global consumer bank and fit the broader trend of retreat by global banks. Last year the 13 consumer markets it is leaving operated at a slight loss.

Earlier this year, UK banking giant HSBC sold its US retail business, giving up on its 40-year attempt to run a full-service bank in the country. At the time, the bank said it expected to incur a $100m pre-tax charge associated with the sale.

Citigroup's announced disposals have been cheered by investors who have urged the bank to abandon unprofitable markets. The bank's shares were up almost 3 per cent to $68.96 yesterday afternoon.

Additional reporting by Stephen Morris in London

Technology

Software group McAfee agrees $14bn takeover

ANTOINE GARA — NEW YORK

Cyber security software company McAfee has agreed to be taken over for $14bn by a consortium of investors led by private equity firms Advent International and Permira Advisers, in one of the largest leveraged buyouts of the year.

The takeover consortium, which also includes minority investors made up of private equity firm Crosspoint Capital Partners, the Canada Pension Plan Investment Board (CPPIB), Singaporean sovereign wealth fund GIC and the Abu Dhabi Investment Authority, will pay McAfee shareholders $26 a share, a 21 per cent premium to its market price on November 4.

As IT departments move on to cloud networks, cyber security companies have grown and received heavy investment from private equity firms with practices dedicated to the technology.

If completed as expected in the second half of 2022, the deal will end McAfee's brief run on public markets after private equity owners TPG and Thoma Bravo listed it in October 2020.

McAfee was founded in 1987 by John McAfee. He left the company in the mid-1990s. Last year, he was indicted on US charges of tax evasion and was later detained in Spain on charges of manipulation. He was found dead in his jail cell in June.

Founded in 1987, McAfee was last listed on the public stock markets by its private equity owners in 2020

In 2016, TPG struck a deal to acquire a 51 per cent stake in the McAfee company, carving the business out of Intel, which retained a 49 per cent interest. Thoma Bravo acquired a minority position in McAfee a year later. Almost 68 per cent of shareholders, including TPG and Intel, have agreed to the terms of the takeover, McAfee said yesterday.

"We are thrilled to be partnering with premier firms who truly understand the cyber security landscape and have a proven track record of success," said Peter Leav, chief executive of McAfee.

The proposed deal marks a successful investment for TPG. Intel has also benefited from McAfee's rising value.

Intel acquired McAfee in 2010 for $7.7bn. When TPG bought its 51 per cent stake for $4.2bn in 2016, it used just $1.1bn of equity with the remainder of the purchase funded with debt. The October 2020 initial public offering raised $740m for McAfee, which was used to repay debt.

The takeover consortium will contribute $5.2bn in equity to take McAfee private and raise almost $10bn in debt from banks and the credit funds of two Canadian pension plans including CPPIB.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YOUR PENSION
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UK pensions fund 330 million tonnes of global
CO2 emissions every year. That's more than the
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Act now at makemymoneymatter.co.uk
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China's executives pick right time to cash out

Bosses of New York-listed Chinese techs make hefty share sales in US this year before regulatory crackdowns or the release of poor results

RYAN MCMORROW — BEIJING,
ELEANOR OLCOTT — LONDON
ANDY LIN — HONG KONG

In China, there is no clearer "sell" sign than when President Xi Jinping starts personally attacking an industry.

So when Xi complained in March that relentless home-schooling was a "stubborn disease" that was putting too much pressure on Chinese children and their parents, the heads of at least two Chinese tutoring companies started selling their shares in New York.

In one previously unreported trade, a shell company holding shares for executives at GSX Techedu, whose market capitalisation in New York was about $24bn at the time, launched the sale of shares worth as much as $119m just three days after Xi spoke.

The sale is among hundreds of records reviewed by the Financial Times that provide one of the first looks at how and when executives at China's biggest New York-listed tech companies trade their shares.

In public, Larry Chen, the chief executive of GSX, who does not appear to be linked to the shell company that sold, expressed confidence in his business, promising at the end of March to buy $50m of shares with his own money.

But one person close to GSX said its leaders were aware at the time of the trade that Beijing was considering stricter regulations on the industry.

By July, Beijing had banned the entire sector from making profits, crashing the shares of all the big tutoring companies.

Today, the block of GSX shares that was put up for sale in March would be worth only $4m. Chen does not appear to have yet fulfilled his $50m pledge.

GSX (which has since rebranded as Gaotu Techedu) declined to comment on the share sale and said any share purchases by Chen would be noted in public filings. None has so far occurred.

In the run-up to the July profits ban, executives at another Chinese education company also cashed in their New York-listed shares.

The husband and wife team who co-founded online English tutoring platform 51Talk began selling shares on April 1 and sold blocks of shares roughly every other day through to the end of June. Their sales represented as much as half the traded shares on a few days. By the time Beijing announced its regulations, they had cashed out $4.3m.

51Talk did not respond to repeated requests for comment.

The documents reviewed by the FT show dozens of other well-timed sales by Chinese executives.

While there is no proof of insider trading, many of the deals came ahead of regulatory action or the release of disappointing earnings reports.

Some executives appear to have hit the top of the market.

Ten executives and directors at Vipshop, an online discount-shopping site, sold about $527m of shares in March, almost three-quarters of all the shares they sold over the past 18 months, just before the collapse of Archegos Capital Management triggered a sell-off in its shares.

Its share price is currently down 70 per cent from its level in March. Vipshop declined to comment.

The trades by Chinese executives have been little noticed because they are held to different reporting rules by the US Securities and Exchange Commission, which insists that US executives report share sales within two days.

In Hong Kong, directors have three days to report, while executives of companies listed in mainland China must give 15 days' notice before they can sell.

By contrast, executives at foreign companies listed in the US instead tend to report their total shareholding once or twice a year, or not at all, depending on the size of their stakes.

Companies including the online shopping groupAlibaba have used their US listings to gain exemptions in Hong Kong, arguing that any additional disclosure is "unduly burdensome" on its "corporate insiders".

In the US, under Rule 144, foreign executives have to report when they initiate plans to sell restricted stock either by uploading documents to EDGAR, the main disclosure system, or by mail.

Nearly all of them have historically filed by mail, and the SEC allowed access to the documents in its Washington DC reading room but did not upload them to EDGAR.

Since last April, the SEC has also accepted email notifications, but does not upload these to EDGAR either.

A private company digitised the filings to sell to institutional investors and banks. "This system exists not because there are some people that say, 'Yeah, we don't think foreigners need to report their insider trades,' it exists because people haven't recognised the asymmetry in disclosure rules," said Daniel Taylor, a corporate finance expert at the Wharton School.

"When I tell people that the trades are reported, but mailed-filed with the SEC, few people believe me until I show them the actual mail filings," he added.

The SEC is considering changing its rules to mandate that all Form 144s be filed to EDGAR.

Some Chinese tech executives also use shell companies that conceal their identities.

One top Alibaba executive has used a Bahamas shell company called Skyscraper Enterprises Ltd to initiate plans to sell shares worth hundreds of millions of dollars.

One plan was launched to sell as much as $155m of shares in the weeks around the planned blockbuster IPO of Alibaba's sister company, Ant Group. The plan stumbled after Beijing intervened to block the IPO.

While the identity of the executive could not be proven, there were some clues: he or she won larger and larger share packages over the past decade and

> 'The fact that these [trades] were adopted at quarter-end prior to the earnings . . . is concerning'

is among the company's best-compensated leaders. The FT has identified different shell companies used by almost all of Alibaba's top brass, except for chief executive Daniel Zhang and Eric Jing, the chair of Ant.

Alibaba said that it had "a strict policy and rigorous procedures in place to ensure that all our employees, especially our directors and officers, fully comply with all applicable securities laws". It added that all executive officers must sell shares according to passive plans with 30 or 60-day cooling off periods before trades automatically execute. Ant declined to comment.

Planned trading schemes are ostensibly intended to prevent any unlawful insider trading, but Taylor has carried out research that shows their potential for misuse.

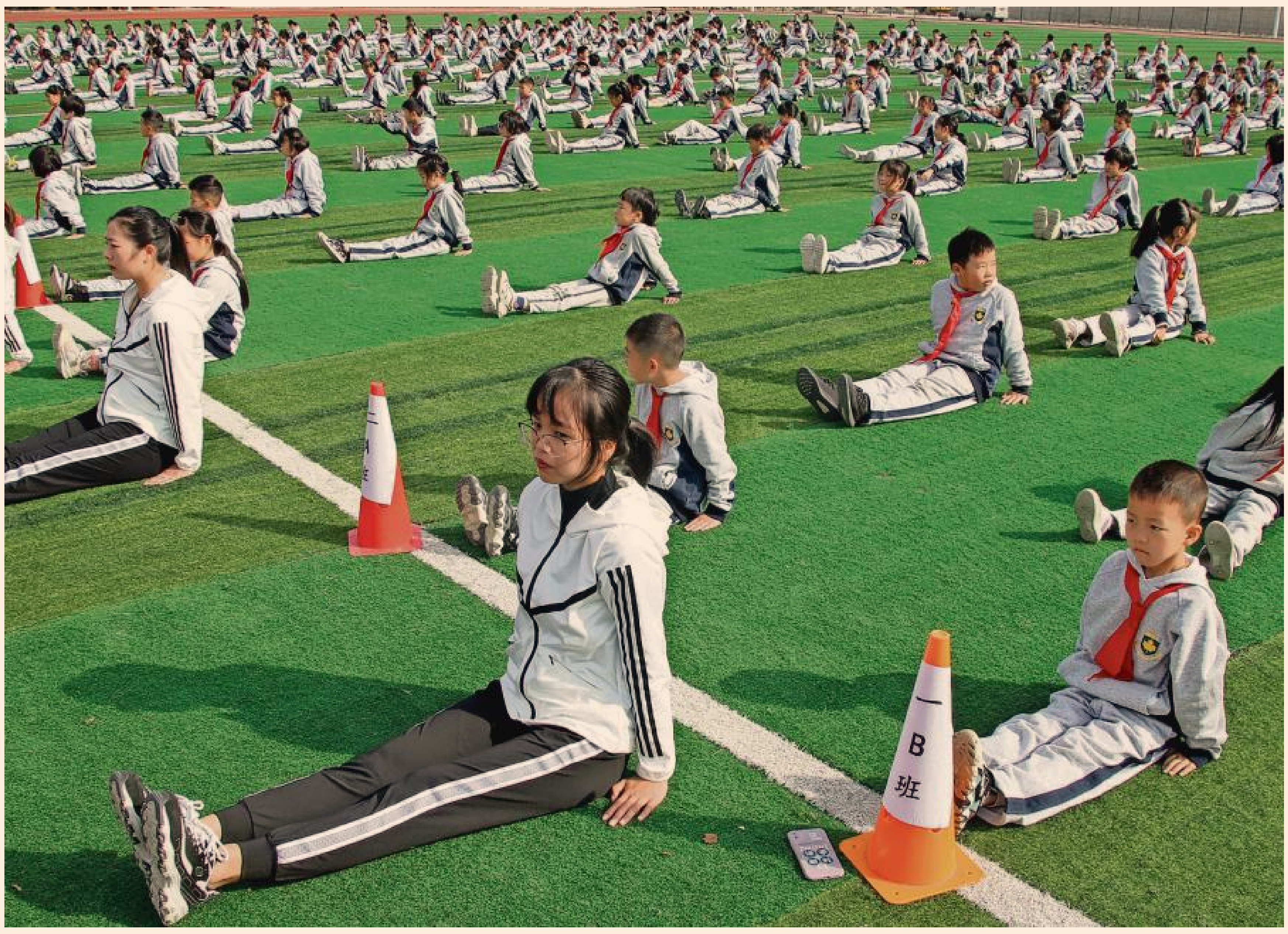
Several Chinese executives made well-timed trades under plans adopted at the end of the companies' financial quarters, raising concerns that they could have made them while being aware of forthcoming quarterly earnings.

In 2016 and 2017, the chief executives of New York-listed Cheetah Mobile and Tarena International initiated the sale of shares worth as much as $31m and $10m a few weeks before reporting quarterly results that sent their share prices down 30 per cent and 24 per cent, respectively. Both men had adopted the trading plans at the end of the quarter.

"This is a big red flag. The fact that these plans were adopted at quarter-end and initiated trades prior to the earnings announcement is highly concerning," said Taylor.

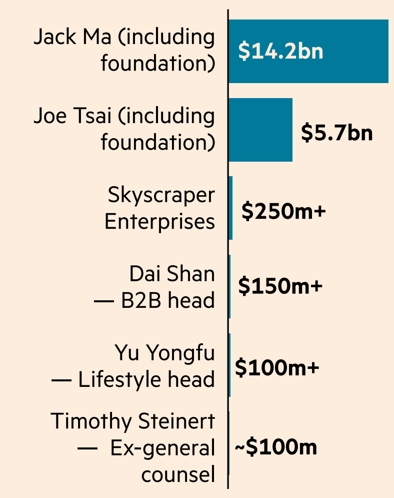
Cheetah Mobile did not respond to repeated requests for comment. Tarena International declined to comment.

Additional reporting by Hudson Lockett in Hong Kong



Sitting pretty: before Beijing's ban on education groups making profits, the heads of several New York-listed Chinese tutoring companies cashed in their shares — VCG via Getty Images

Estimated Alibaba executive share sales
Form 144 data give estimate of insider sales



Estimates from Form 144 data on initiated sales and actual prior sales. Ma and Tsai sales since 2017, all others since 2016
Source: SEC

Financials

Activist Third Point buys stake in Richemont

LEILA ABBOUD — PARIS

Activist hedge fund Third Point has taken a stake in Swiss luxury group Richemont, which owns watch and jewellery brands Cartier and Van Cleef & Arpels, according to people familiar with the matter.

The US-based fund Artisan Partners, which has been a Richemont shareholder for years and owns a roughly 1.2 per cent stake, has also been pressing the group to improve its performance, according to one of the people.

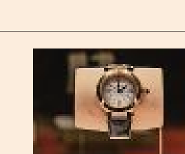
Third Point did not return requests for comment, while Artisan could not be reached for comment. Richemont, which will report its half-year results on Friday, declined to comment.

Shares in Richemont jumped almost 5 per cent yesterday before paring back gains, putting them at all-time highs.

An activist campaign at Richemont would have to contend with powerful chair Johann Rupert, who has long set strategy for the group's 26 *maisons*. Although the South African businessman owns only 9.1 per cent of the capital, he controls 50 per cent of the voting rights under a dual-class share structure. Critics argue Richemont has not kept pace with rivals during a decade-long boom for the luxury industry largely driven by Chinese consumers.

Its market capitalisation has risen 79 per cent in the past five years, while those of LVMH and Hermès have roughly quadrupled.

Analysts have also criticised the group's inability to stem losses at its



Investors have concerns the Cartier maker would suffer more than others from the pandemic

ecommerce unit Yoox Net-a-Porter, which has lost market share to newer competitors such as Farfetch.

It could not be determined what Third Point was aiming to achieve at Richemont, or the size of its investment.

But the hedge fund controlled by billionaire investor Dan Loeb can adopt aggressive tactics, such as when it urged Nestlé to sell assets in 2017 and recently called for the break-up of Royal Dutch Shell. Artisan is a more traditional long-term fund but has taken a more activist tack on some investments lately, such as a public campaign it mounted this year to remove Emmanuel Faber as Danone chief executive.

Jean-Philippe Bertschy, an analyst at Swiss investment group Vontobel, welcomed the activist fund's investment in Richemont because "external pressure is always healthy" and said that the dual-class structure was not "viable nowadays" in terms of governance.

"Third Point and Artisan are in our view the top of the iceberg, as many investors, including us, have been advocating changes for some time."

Richemont's shares underperformed sector leaders LVMH and Hermès last year as investors fretted that its jewellery-reliant business would suffer more than others from the pandemic.

But the biggest operators in luxury have snapped back from the crisis, helped largely by ebullient Chinese consumers who have kept buying at home because they can no longer travel to shop in Europe's fashion capitals.

Third Point's investment was first reported by independent fashion publication Miss Tweed.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Asset management. Disclosure rules

Regulators step up scrutiny of investment 'greenwashing'

Come clean: Members of protest movement Extinction Rebellion demonstrate against greenwashing during the COP26 summit in Glasgow
Jane Barlow/PA

Huge amount of capital chasing sustainable financing places spotlight on clearer standards

CHRIS FLOOD

Financial watchdogs across the world are sharpening their scrutiny of potential "greenwashing" in the investment industry on rising concerns that capital is being deployed based on misleading claims.

The avalanche of new private money pledged towards tacking climate change has prompted regulators to step up their work on setting standards to ensure banks, insurers and asset managers provide clear disclosures on the environmental credentials of the investments they are pitching.

"We can't let this greenwashing persist and risk the flow of much-needed capital to help secure our futures," Nikhil Rathi, chief executive of the UK's Financial Conduct Authority, said last week at the COP26 climate conference in Glasgow.

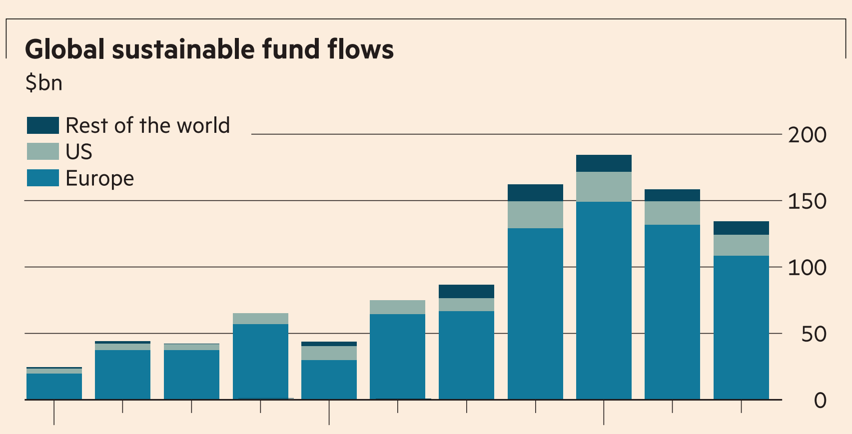
In a document issued last week, the UK regulator suggested that investment funds labelled as sustainable should carry "concise and accessible" language for consumers alongside more detailed underlying disclosures aimed primarily at institutional investors.

The FCA also wants asset managers to provide more information about how environmental, social and governance factors are incorporated into their investment processes.

Similar disclosure requirements were introduced by the EU in March under the Sustainable Finance Disclosure Regulation. The FCA will invite responses to its proposals in a consultation process next year before publishing new rules.

The Swiss financial regulator issued guidance this month aimed at protecting fund investors from greenwashing.

Joining the push by the UK, EU and Swiss authorities to clamp down on greenwashing is work by the International Organization of Securities Commissions, a global standard setter for securities trading that aims to co-ordinate policy development among national regulators.



Source: Morningstar

"Greenwashing could damage the credibility of the green finance movement, endangering the work to limit the rise in global temperatures to 1.5C," said Erik Thedéen, head of the Swedish Financial Supervisory Authority and chair of Iosco's sustainable finance task force. "It is clearly a concern to Iosco's members."

Tackling greenwashing is essential if securities regulators are to meet their twin objectives of protecting investors and ensuring the integrity of financial markets, he added.

However, only a minority of Iosco's members across 130 jurisdictions have specific rules covering sustainable investments.

Many rely on their existing rule books to police sustainable strategies but Iosco wants national regulators to go further.

It has proposed that national supervisors should consider issuing new rules or guidance covering sustainable investment products and also to examine whether the regulations covering the management of sustainability-related risks by investment companies are sufficiently rigorous.

"This is a clear signal to the asset management industry that they need to have policies, practices and processes to avoid greenwashing," said Thedéen.

Iosco's proposals, which are intended only as baseline, leave national regulators to decide whether any new rules should be mandatory, comply-or-explain, or voluntary.

This reflects the need for Iosco to achieve a consensus among its members but Grant Vingoe, head of the Ontario Securities Commission, said regulators stood ready to act when they uncovered "egregious failures or misleading statements" that constitute greenwashing.

"There are very strong [business] incentives for asset managers to make assertions in the competition to be 'green' but, if they issue truly misleading statements, then enforcement is a tool that should be used [by regulators]," said Vingoe.

'There are very strong incentives to make assertions in the competition to be green'

In a sign of how financial watchdogs are closely examining the sector, it was revealed in August that German and US regulators had opened investigations into asset manager DWS following allegations about greenwashing made by its former global head of sustainability.

The group said at the time that it "stands by" its disclosures.

Even as scrutiny mounts, investors are pouring hundreds of billions of dollars into green investments.

Global inflows into sustainable funds reached $477.4bn in the first nine months of this year, well above the $366.6bn gathered over the whole of 2020, according to Morningstar, the data provider.

Inflows into sustainable funds sold in Europe account for 81.6 per cent of the overall growth so far this year while the US has contributed 11.8 per cent of the new business.

In the US, the task of tackling greenwashing is complicated by the highly politicised nature of the debate over climate change risks.

Robert Eccles, visiting professor at the University of Oxford Saïd Business School, said the Securities and Exchange Commission, the US regulator, could face legal threats if it issued even high-level guidance on how investment managers should address the risks of climate change.

Gary Gensler, SEC chair, told Congress in September that the US regulator was looking at the information provided by the growing number of funds that are branded as green or sustainable.

Gensler signalled that he wanted to ensure that sustainable funds provided sufficient disclosures to allow investors to make informed choices, but his approach has triggered opposition from some Republicans.

John Kennedy, the Republican senator representing Louisiana, accused Gensler of imposing his "personal preferences" about climate change on investors, an allegation that the SEC chair denied.

"The US is the biggest capital market in the world so it is essential that there is clear regulatory guidance on the meaning of 'green' and 'sustainable' to prevent greenwashing," said Eccles.

Equities

Galderma begins talks over potential $22bn IPO

SAM JONES — ZURICH

Galderma, the Swiss skincare specialist, has begun talks with international investors for a possible $22bn initial public offering in the first half of next year.

Chief executive Flemming Ornskov, the former boss of rare diseases specialist Shire, told the Financial Times that Galderma and its owners had accelerated strategic planning after two years of bumper growth thanks in part to the Covid-19 pandemic.

Galderma was spun out of Nestlé in 2019 and bought by a consortium for $10bn led by private equity house EQT and including Singapore's GIC and the Abu Dhabi Investment Authority.

Ornskov said that, since then, growth had "significantly" accelerated. "We have experienced double-digit top and bottom-line growth. Last year, we hit $3bn in top-line sales. We're expecting that it will be $3.5bn-plus this year."

The pandemic, coupled with the growing power of social media, has turbocharged the market for non-invasive aesthetic and specialist skincare, Ornskov said.

"Digitalisation and social media have underscored something that was always part of this [business] — the emotional part. The skin is the largest organ in the body and we look at it every day. We react to it. We look at people and their skin and we judge whether they are healthy or in a good mood . . . Many hours spent on screens have reinforced that."

'We look at people and their skin and we judge whether they are healthy or in a good mood'

Ornskov said he could not comment on the timing or outcome of the company's strategic discussions but confirmed that banks had been appointed and said a decision on Galderma's future was imminent.

He added that "the growth profile, the size of the company" meant an IPO was "of course one of many [options] but it is certainly a realistic one".

According to senior advisers to the company, Lazard has been appointed as lead IPO adviser with Goldman Sachs, Morgan Stanley and Credit Suisse as joint global co-ordinators.

Bank of America, BNP Paribas, Citi, Jefferies and UBS are joint bookrunners. Banks have told the group that a valuation of $22bn is possible.

Galderma, nevertheless, is still largely dependent on a portfolio of historic products — the patents for many of which have begun to expire.

Stagnant profits and a slim pipeline of new products were key reasons behind Nestlé's decision to sell the business.

Ornskov's appointment was an early signal that its new owners expected radical change. The 63-year-old Dane has pledged to pump significant capital into research and development, and has moved to reposition Galderma's existing range by honing the group's marketing.

Derivatives

Euronext terminates deal with LSE subsidiary to move clearing to Italy

PHILIP STAFFORD

Euronext is breaking a deal with a subsidiary of the London Stock Exchange Group to shift clearing functions to Italy in a move that further reduces the role of UK-based institutions in pivotal areas of Europe's financial markets.

Euronext, the biggest stock markets operator in the EU, said yesterday that it was giving notice to LCH in Paris, which is owned by the LSE, to terminate a 10-year deal early and begin moving its equity, derivatives and commodities business to Italy.

Its move has underscored the extent to which Euronext has leveraged its €4.4bn acquisition of Borsa Italiana from the LSE this year to tilt its operations away from London and to the EU.

In April, Euronext announced plans to move its trading servers from an Essex data centre owned by ICE Futures Europe to a new site at Bergamo in Italy.

The first moves will begin from the middle of next year.

The LCH and Euronext deal on clearing was set to expire in 2027 but the purchase of Borsa Italiana included the CC&G clearing house in Milan, which meant that Euronext no longer had to rely on services from its rival.

Stéphane Boujnah, chief executive of Euronext, said that the "transforming" deal had been key.

"When you get bigger it allows you [to] do things in a different manner and to expand your business," he said. "Our ambitions on clearing and the data centre are a direct consequence of us now owning this type of assets."

A clearing house stands between two parties in financial transactions, helping avoid fallout across markets should an entity default. It is a back-office function dominated by London.

The Borsa Italiana was acquired by Euronext for €4.4bn this year

But it has become highly politicised in Europe after the UK voted to leave the EU.

Authorities see regulatory control over clearing houses as a crucial element in controlling systemic risk for the financial system.

Euronext had tried to buy the French unit, valued at €510m, in 2017 when the LSE was looking to merge with Deutsche Börse but the deal fell through when the merger collapsed.

Market participants say the continent is not ready to host clearing itself.

The derivatives business will move in 2024 when the notice period expires at the start of the year, Euronext said. The cash equities business could move right away, Boujnah said. CC&G will be folded into a bigger unit called Euronext Clearing, the exchange added.

The LSE said the cash equities business was subject to a 12-month notice period.

"The total potential impact is less than one per cent of total group revenue and is not at risk for a number of years," the LSE said in a statement.

Crypto

Huobi explores other financial centres as China ban wipes out third of revenues

EVA SZALAY

China's ban on private digital assets will wipe out almost one-third of revenues for Huobi Global, one of the world's largest cryptocurrency exchanges, and force it to look elsewhere for growth, the co-founder said.

Huobi is being forced to cut off its clients in China and give up 30 per cent of its revenues because of the country's crackdown on cryptocurrencies.

To make up for that loss, the exchange plans to hunt for customers in other financial centres, underlining the global impact of China's decision.

"Between late September to December 31, we are in the process of stopping servicing all our Chinese users," said Du Jun, the 33-year-old co-founder of the exchange. "There will be no Chinese users on the platform . . . so our revenues from [these clients] are going to go to zero."

Huobi is one of the handful of exchanges that has benefited from bitcoin hitting mainstream markets as the price of the asset rallied to a series of all-time highs since March last year.

That has turned Huobi, FTX, Coinbase and a few other start-ups into billion-dollar companies.

Jun emphasised that 70 per cent of the company's revenue was overseas but said it was accelerating efforts to expand globally and quadrupling its global headcount from 1,000.

"We are very comfortable in Asia and we are the leader here but we need a new emphasis, we need to go global," said the boss of the Seychelles-based exchange. He would not provide revenue or profit figures for the business.

'We are very comfortable in Asia but we need a new emphasis, we need to go global'

Until 2018, China enjoyed an overwhelming dominance in bitcoin markets as it was home to the majority of mining and trading activity.

But in the past four years, a series of crackdowns culminated in Beijing's banning all digital assets this October. The US has already surpassed China as the largest mining hub.

In October, $211bn worth of digital assets changed hands on the platform, down 74 per cent since the ban in May, according to data specialist CryptoCompare.

Jun co-founded the exchange with his business partner, Leon Li, a former Oracle computer engineer, in September 2013, despite Jun at first thinking that bitcoin was a scam.

Jun added: "Leon suggested: how about we don't buy the asset but we just do something like an exchange?"

Despite revenues being cut in China, Huobi is celebrating its eighth anniversary by giving away "millions" in crypto, sending a yet to be chosen user to space and following peer FTX in courting celebrity endorsements.

A study from the National Bureau of Economic Research said Huobi and Binance served as "a gateway for money laundering and other grey activities" due to lack of know your customer (KYC) checks.

The exchange said users had to undergo "rigorous" KYC processes to trade above a certain amount and to be able to convert currencies to digital coins.

The day in the markets

What you need to know

- **Strong earnings boost global equities to all-time peak**
- **S&P 500 groups have beaten analysts' expectations by 10 per cent**
- **European shares in positive territory for eighth consecutive session**

Global stocks hit new record high
FTSE All-World index

Source: Refinitiv

Global stocks hit another all-time high yesterday, buoyed by strong third-quarter corporate earnings.

The FTSE All-World index, a global gauge for equities, was up as much as 0.4 per cent to a new record peak.

On Wall Street, the S&P 500 index was flat at lunchtime in New York, having closed out its best week since June on Friday. The tech-focused Nasdaq Composite built on its latest record high, adding 0.2 per cent.

The S&P 500, which has closed at record levels for seven consecutive sessions, is up 25 per cent this year and has more than doubled since the coronavirus-induced market rout of March 2020.

Scotching concerns that high rates of global inflation would dent profit margins, S&P 500 companies have beaten analysts' quarterly earnings expectations by 10 per cent, on aggregate, according to FactSet.

Total quarterly earnings from companies listed on the Stoxx Europe 600 have beaten forecasts by 7 per cent so far, according to Goldman Sachs.

The continent-wide benchmark closed marginally higher for its eighth consecutive session in positive territory.

However, investors expect corporate profit growth to moderate next year as a strong earnings recovery from the coronavirus shocks of 2020 begins to fade.

Zehrid Osmani, manager of Martin Currie's global portfolio trust, said: "Next year is clearly a much lower-forecast year for earnings as this year has been one of recovery."

A note of caution crept back into US Treasury markets yesterday after Fed vice-chair Richard Clarida said he expected improvements in the labour market could warrant rate rises by the end of next year.

Data tomorrow was also expected to reveal that US headline consumer price inflation rose to its highest since 1990 last month.

"The risks to the outlook for inflation are to the upside," Clarida said in remarks at a Brookings Institution event.

The yield on the 10-year US Treasury note, a benchmark for government borrowing costs, added 4 basis points to 1.49 per cent as the price of the debt softened.

In Asia, both Hong Kong's Hang Seng and Tokyo's Nikkei 225 Average stock gauges retreated 0.4 per cent.

Brent crude rose almost 1 per cent to $83.50 a barrel. **Naomi Rovnick**

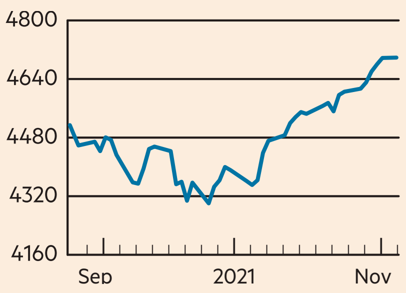
Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4698.49	1870.17	29507.05	7300.40	3498.63	105070.15
% change on day	0.02	-0.01	-0.35	-0.05	0.20	0.23
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	94.121	1.159	113.195	1.356	6.398	5.547
% change on day	-0.211	0.260	-0.234	0.519	-0.051	0.227
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	1.485	-0.246	0.056	0.769	2.898	11.280
Basis point change on day	2.790	3.600	-0.240	1.100	1.000	-17.600
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	499.19	83.57	81.93	1779.30	24.23	4320.70
% change on day	0.17	1.11	0.85	0.07	1.15	0.54

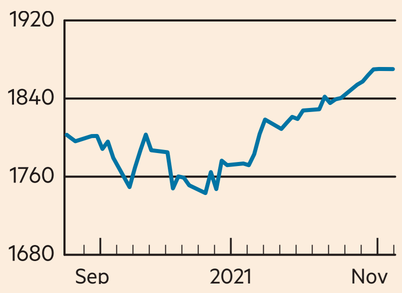
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

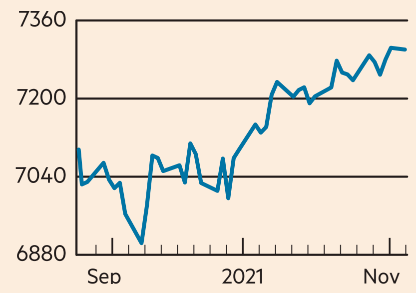
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Coty	12.86	Coloplast	5.58	Darktrace	12.47
	Advanced Micro Devices	9.24	Merck	2.92	Abrdn	3.21
	Freeport-mcmoran	6.17	Arcelormittal	2.89	Fresnillo	2.75
	Cf Industries Holding	5.14	Tenaris	2.68	Antofagasta	2.34
	Xilinx	4.98	Hugo Boss	2.50	Polymetal Int	2.09
Downs	Nike	-3.89	Bouygues	-5.82	Itv	-2.86
	Live Nation Entertainment	-3.36	Volkswagen	-5.46	Informa	-2.63
	Nrg Energy	-3.25	Henkel	-5.08	British Land	-2.39
	Entergy	-3.09	Inditex	-2.48	Intercontinental Hotels	-2.02
	Ameren	-3.02	Telecom Italia	-2.23	Whitbread	-1.98

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

Tesla slid after Elon Musk polled Twitter users on whether he should sell 10 per cent of his stock in the electric car group.

The majority, 57.9 per cent, said the chief executive should. The poll results "effectively signals that he is going to dump stock on the market", said AJ Bell.

Musk had nevertheless often implied one thing and done "the opposite soon after", added the broker.

An upgrade to its outlook sent healthcare group **Viatris** sharply higher.

Full-year revenue would be between $17.7bn and $17.9bn, up from the $17.5bn to $17.9bn range stated previously.

Stocks linked to building and construction climbed after the passing of the $1.2tn bipartisan infrastructure bill. **Vulcan Materials**, **Astec Industries** and **Terex** all rallied.

Online health insurance marketplace **eHealth** plummeted following a significant earnings miss.

Third-quarter revenue of $63.9m was more than 30 per cent below analysts' forecasts while a loss of $1.78 per share was wider than the $1.02 loss expected.

A green light to start human studies of its experimental drug lifted **Prelude Therapeutics**.

The Food and Drug Administration gave clearance for phase 1 trials of its treatment of such conditions as sarcoma, prostate and breast cancers. *Ray Douglas*

Europe

A downgrade to its outlook weighed on **Henkel**, the maker of Persil washing powder and Loctite glue.

The German group lowered its earnings before interest and tax margin to "around 13.5 per cent", down from the 13.5-14.5 per cent range stated in August.

Carsten Knobel, chief executive, said the revision was because of "negative impacts occurring from further increased raw material and transport costs".

The update disappointed RBC Europe, which said the news did not "reflect well on management, which had made reliable delivery of expectations one of its top priorities".

Optimism that **Siemens Gamesa** would turn a profit buoyed the wind turbine maker.

For its next fiscal year, the Spanish group forecast ebit margin of between 1 per cent and 4 per cent, up from a previous range of minus 1 per cent to 0 per cent for its full 2021 year.

Medical device maker **Coloplast** jumped on news that it was buying Atos Medical, a laryngectomy specialist, for €2.16bn. Citi said the acquisition provided "a good strategic fit for Coloplast".

Atos offered the group a recurring revenue stream with the average value of each Atos patient being about DKr20,000 ($3,112) to DKr30,000, said the broker. *Ray Douglas*

London

Fishing retailer **Angling Direct** found itself in hot water after being targeted in a cyber attack.

It detected unauthorised activity on its network late last Friday. Its board said it did not anticipate that the incident would "have a detrimental impact on underlying trading".

Asset manager **Abrdn** rose following confirmation that it was "currently in discussions with [private equity firm] JC Flowers & Co regarding a potential acquisition of Interactive Investor".

Numis had "mixed feelings" about the proposed purchase of the fund supermarket. "We want to like this deal as . . . we consider that it represents a sensible strategic step, by pivoting the group towards a growth part of the industry," said analyst David McCann.

But he had reservations about the rumoured £1.5bn bid, which McCann considered "full" on a short-term basis, leading the broker to lower its share price target for Abrdn.

A second takeover proposal this year lifted online gaming software group **Playtech**.

It said an affiliate of its second-largest shareholder was exploring "terms on which a possible offer . . . might be made".

Australian gambling machine maker Aristocrat offered Playtech shareholders £6.80 per share in October. *Ray Douglas*

Solution needed for BoE's problem of communication

Moyeen Islam

Markets Insight

There are lessons to learn for both the Bank of England and the market after the central bank dashed expectations by not delivering a tightening in its main policy rate at its meeting last week.

In a world of greater data volatility, investors may have to live with more surprises and reconsider how they interpret messages from members of the policy-setting Monetary Policy Committee. On the BoE's part, it is smart to revisit its communication strategy to aid the market's understanding.

On the eve of the meeting last Thursday, investors had priced a full 0.15 percentage point rise in the bank's benchmark rate to 0.25 per cent. This was quite the turnround considering that, at the previous two meetings of the MPC, the market had priced only about 0.01 points of tightening for November.

The market's surprise over the BoE's decision was evident in its aftermath: policy-sensitive two- and five-year gilts rallied sharply, with yields falling by 0.20 percentage points by early evening.

That was the largest intraday move in five-year yields since the EU referendum. Expectations in tightening have now been pushed back and the peak in rates in the current cycle lowered by about 0.20 percentage points.

The gyrations of gilt yields should not really be a big factor in policy deliberations. But volatility highlights a wider problem — a communication impasse between the BoE and the market.

In the run-up to last week's meeting, a succession of MPC speakers had emphasised the need to tighten policy in order to head off the risk of what they viewed as largely transitory inflation becoming embedded into wider expectations. In response, the market adjusted the pricing of short-term rates in anticipation of a sharper and faster tightening cycle.

The MPC, in its defence, will point towards the conditionality that it attaches to all its statements. The BoE's policy stance is constantly adjusted within the framework of meeting its inflation mandate. Equally, the central bank is not solely responsible for the evolution of market pricing, which can reflect myriad external factors.

But the result is a comedy of errors. The MPC could claim that the market misread its messages while the market would say the committee lacked clarity.

Traders and analysts, no doubt aggrieved at being wrong, could also argue that the committee had ample opportunity to reshape market pricing ahead of last week's meeting. Both sides should now adjust their expectations.

> 'If we want people to understand what the MPC thinks is a necessary path, why not just tell them?'

The kind of outcome we saw last week is not without cost — volatile markets degrade both the signal and the process of monetary policy. Extreme cases might diminish the BoE's credibility.

Communication remains an important tool in any central bank's armoury and all the more so as we leave an era of asset purchases to support markets.

Through speeches and interviews, MPC members play crucial roles in steering market rates, which remain a key input in the construction of the BoE's own inflation forecasts, delivered every quarter. The central bank has traditionally used those forecasts to guide investors' expectations. If inflation at the two-year horizon is above the BoE's 2 per cent target, the market is effectively being asked to price more tightening; lower, and the opposite is true.

Such sphinx-like communication may (sometimes) be clear to dedicated BoE watchers but not to broader audiences.

The MPC is wide-ranging by design: it was set up to offer a plurality of views, with each member responsible and accountable for their own vote. And it is true that the BoE has taken steps to improve understanding of the committee's deliberations, regularly publishing minutes including splits on votes, for example, while providing other documents to illuminate members' thinking.

But looking ahead, it might consider going further. Former MPC member Gertjan Vlieghe offered a possible way forward in a speech two years ago.

He said the MPC published a forecast of what it thought was likely to happen to growth and inflation, given a path of interest rates determined by markets.

It would be better, he noted, for the MPC to simply follow the lead of other central banks and publish members' own projections of the likely path of rates.

He asked: "If we want people to understand what we, the MPC, think is the necessary path of interest rates to achieve the inflation target, why not just tell them?"

If we are moving to a world where monetary policy will be conducted against a backdrop of higher uncertainty, why not indeed.

Moyeen Islam is director of European fixed income strategy at Barclays

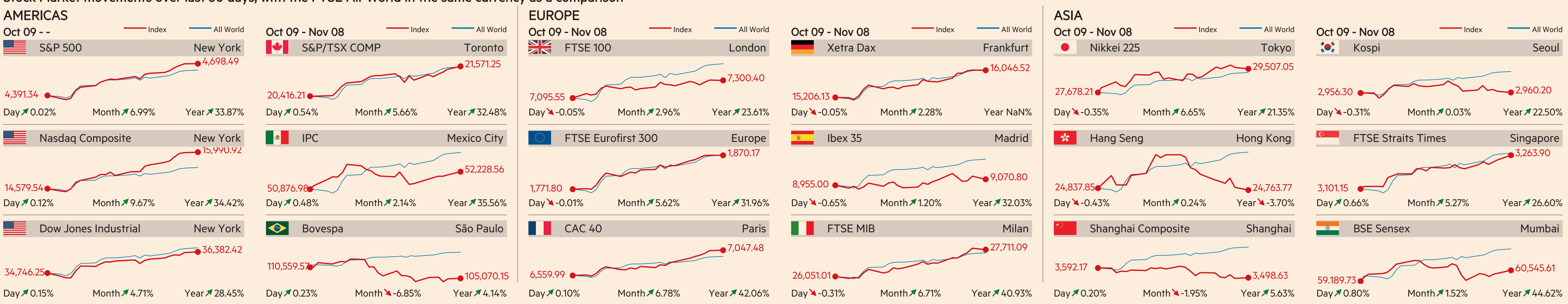
MARKET DATA

WORLD MARKETS AT A GLANCE
FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
0.02%	0.12%	0.15%	-0.05%	-0.01%	-0.35%	-0.43%	0.17%	0.260%	0.519%	-0.234%	-0.233%	0.17%	0.07%

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	94400.61	92895.89
Australia	All Ordinaries	7787.90	7777.20
	S&P/ASX 200	7452.20	7456.90
	S&P/ASX 200 Res	4729.10	4683.10
Austria	ATX	3923.78	3881.93
Belgium	BEL 20	4383.83	4385.57
	BEL Mid	10540.36	10573.70
Brazil	IBovespa	105070.15	104824.23
Canada	S&P/TSX 60	1296.19	1290.01
	S&P/TSX Comp	21571.25	21455.62
	S&P/TSX Div Met & Min	1003.19	1022.23
Chile	S&P/CLX IGPA Gen	21956.24	22039.39
China	FTSE A200	12993.96	12944.20
	FTSE B35	9000.71	8988.96
	Shanghai A	3666.72	3659.34
	Shanghai B	270.00	268.50
	Shanghai Comp	3498.63	3491.57
	Shenzhen A	2530.18	2518.09
	Shenzhen B	1158.96	1154.37
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1388.05	1375.84
Denmark	OMXC Copenahgen 20	1876.36	1846.16
Egypt	EGX 30	11612.84	11685.12
Estonia	OMX Tallinn	2029.45	2016.91
Finland	OMX Helsinki General	12846.72	12820.46
France	CAC 40	7047.48	7040.79
	SBF 120	5500.39	5494.99
Germany	M-DAX	36123.22	35823.44
	TecDAX	3904.27	3895.73
	XETRA Dax	16046.52	16054.36
Greece	Athens Gen	921.00	906.85
	FTSE/ASE 20	2224.59	2195.70
Hong Kong	Hang Seng	24763.77	24870.51
	HS China Enterprise	8793.73	8820.83
	HSCC Red Chip	3728.87	3709.75
Hungary	Bux	54132.14	55099.88
India	BSE Sensex	60545.61	60067.62
	Nifty 500	15520.15	15376.90
Indonesia	Jakarta Comp	6632.30	6581.79
Ireland	ISEQ Overall	8552.51	8528.93
Israel	Tel Aviv 125	1982.52	1971.56
Italy	FTSE Italia All-Share	30422.24	30484.56
	FTSE Italia Mid Cap	52005.25	51750.80
	FTSE MIB	27711.09	27795.93
Japan	2nd Section	7638.77	7669.91
	Nikkei 225	29507.05	29611.57
	S&P Topix 150	1741.15	1746.80
	Topix	2035.22	2041.42
Jordan	Amman SE	2094.60	2103.78
Kenya	NSE 20	1948.87	1956.28
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1298.79	1290.28
Lithuania	OMX Vilnius	964.38	966.22
Luxembourg	LuxX	1718.89	1704.35
Malaysia	FTSE Bursa KLCI	1535.41	1531.73
Mexico	IPC	52228.56	51977.96
Morocco	MASI	13413.80	13506.99
Netherlands	AEX	817.59	819.72
	AEX All Share	1132.94	1136.16
New Zealand	NZX 50	13041.30	13074.61
Nigeria	SE All Share	42014.50	41975.45
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	47115.04	47295.80
Philippines	Manila Comp	7396.22	7340.77
Poland	Wig	74449.91	74813.24
Portugal	PSI 20	5663.71	5644.63
	PSI General	4236.44	4211.52
Romania	BET Index	12860.05	12874.81
Russia	Micex Index	4218.27	4174.76
	RTX	1865.46	1848.10
Saudi-Arabia	TADAWUL All Share Index	11846.53	11841.60
Singapore	FTSE Straits Times	3263.90	3242.34
Slovakia	SAX	398.28	392.74
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	68049.34	67825.34
	FTSE/JSE Res 20	62014.12	61367.61
	FTSE/JSE Top 40	61317.75	61115.79
South Korea	Kospi	2960.20	2969.27
	Kospi 200	389.59	389.86
Spain	IBEX 35	9070.80	9130.60
Sri Lanka	CSE All Share	10621.40	10632.21
Sweden	OMX Stockholm 30	2331.85	2324.90
	OMX Stockholm AS	998.07	996.43
Switzerland	SMI Index	12353.35	12321.85
Taiwan	Weighted Pr	17415.30	17296.90
Thailand	Bangkok SET	1626.13	1626.22
Turkey	BIST 100	1608.54	1583.59
UAE	Abu Dhabi General Index	8093.70	8014.89
UK	FT 30	2787.30	2799.60
	FTSE 100	7300.40	7303.96
	FTSE 4Good UK	6811.62	6820.00
	FTSE All Share	4172.82	4175.97
	FTSE techMARK 100	7093.86	7140.41
USA	DJ Composite	12237.70	12236.09
	DJ Industrial	36382.42	36327.95
	DJ Transport	16916.59	16843.98
	DJ Utilities	904.29	918.63
	Nasdaq 100	16342.80	16359.38
	Nasdaq Cmp	15990.92	15971.59
	NYSE Comp	17291.27	17242.36
	S&P 500	4698.49	4697.53
	Wilshire 5000	48942.10	48868.23
Venezuela	IBC	5855.23	5680.15
Vietnam	VNI	1467.57	949.48
Cross-Border	DJ Global Titans ($)	544.78	544.93
	Euro Stoxx 50 (Eur)	4355.34	4363.04
	Euronext 100 ID	1372.82	1373.10
	FTSE 4Good Global ($)	11560.13	11546.20
	FTSE All World ($)	499.19	498.35
	FTSE E300	1870.17	1870.29
	FTSE Eurotop 100	3521.82	3523.57
	FTSE Global 100 ($)	3073.42	3074.31
	FTSE Gold Min ($)	2034.87	1976.17
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3291.22	3282.19
	FTSE World ($)	898.88	897.56
	FTSEurofirst 100 (Eur)	4770.09	4775.10
	FTSEurofirst 80 (Eur)	6015.39	6029.02
	MSCI ACWI Fr ($)	757.13	755.85
	MSCI All World ($)	3232.26	3224.63
	MSCI Europe (Eur)	1923.90	1922.25
	MSCI Pacific ($)	3221.09	3225.66
	S&P Euro (Eur)	2014.34	2018.21
	S&P Europe 350 (Eur)	1924.29	1924.83
	S&P Global 1200 ($)	3535.16	3533.25
	Stoxx 50 (Eur)	3757.05	3758.32

(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
Advanced Micro Devices	108.2	148.94	12.60
Nvidia	90.9	307.86	10.34
Amazon.com	49.4	3512.82	-6.17
Apple	47.7	150.41	-0.87
Meta Platforms	27.7	340.51	-0.62
Microsoft	25.4	334.91	-1.15
Ford Motor	16.5	19.82	0.53
Alphabet	15.6	2985.35	8.31
Paypal Holdings	15.4	230.14	4.36
Pfizer	14.5	48.03	-0.58

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Coty	10.49	1.20	12.86
Advanced Micro Devices	148.94	12.60	9.24
Freeport-mcmoran	39.33	2.29	6.17
Cf Industries Holding	62.24	3.04	5.14
Xilinx	208.40	9.89	4.98
Downs			
Nike	170.60	-6.91	-3.89
Live Nation Entertainment	119.64	-4.16	-3.36
Nrg Energy	35.10	-1.18	-3.25
Entergy	101.03	-3.22	-3.09
Ameren	82.92	-2.58	-3.02

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Royal Dutch Shell	408.3	1686.20	2.80
Meggitt	214.7	745.00	-3.60
Glencore	121.9	360.45	7.05
Rio Tinto	115.7	4474.00	49.50
Glaxosmithkline	113.9	1558.20	-17.80
Bp	111.2	345.25	-0.15
Unilever	97.8	3880.00	-20.00
Astrazeneca	90.1	9331.00	22.00
Royal Dutch Shell	87.0	1691.20	8.20
Hsbc Holdings	82.8	434.15	-3.10

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Darktrace	649.50	72.00	12.47
Investec	353.50	23.30	7.06
Ti Fluid Systems	287.50	16.00	5.89
Hochschild Mining	156.70	5.00	3.30
Abrdn	263.90	8.20	3.21
Downs			
Baltic Classifieds	194.00	-11.00	-5.37
Discoverie	1046.00	-46.00	-4.21
Sirius Real Estate Ld	132.60	-5.40	-3.91
Pz Cussons	204.50	-8.00	-3.76
Moonpig	327.40	-11.00	-3.25

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Inditex	1251.4	31.47	-0.80
Novo Nordisk B A/s	723.4	99.16	1.63
Asml Holding	349.0	734.80	-2.30
Lvmh	224.6	707.40	-1.50
Santander	223.5	3.24	-0.05
Royal Dutch Shella	220.7	19.84	0.05
Airbus	203.7	115.64	1.74
Intesa Sanpaolo	198.3	2.49	0.01
Volkswagen Ag Vzo O.n.	183.2	187.52	-5.36
Eni	172.3	12.68	0.01

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Coloplast B A/s	149.97	7.93	5.58
Atlas Copco Ab Ser. A	56.79	1.73	3.15
Atlas Copco Ab Ser. B	48.14	1.44	3.08
Alfa Laval Ab	38.30	1.10	2.95
Merck Kgaa O.n.	208.20	5.90	2.92
Downs			
Henkel Ag+co.kgaa Vzo	75.54	-5.26	-6.51
Bouygues	33.52	-2.07	-5.82
Volkswagen Ag St O.n.	283.80	-16.40	-5.46
Hennes & Mauritz Ab, H & M Ser. B	16.44	-0.90	-5.19
Henkel Ag+co.kgaa St O.n.	71.05	-3.80	-5.08

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Softbank .	668.0	6161.00	-48.00
Nippon Yusen Kabushiki Kaisha	643.4	7730.00	280.00
Jfe Holdings,.	429.4	1500.00	-191.00
Sony	400.6	13985.00	-60.00
Tokyo Electron	378.8	57310.00	710.00
Fast Retailing Co.,	365.9	78510.00	-1520.00
Mitsubishi	311.5	3435.00	-95.00
Kawasaki Kisen Kaisha,	286.6	5130.00	275.00
Toyota Motor	285.2	2028.00	-7.00
Mitsui O.s.k.lines,	285.1	7000.00	320.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Olympus	2656.50	150.50	6.01
Kawasaki Kisen Kaisha,	5130.00	275.00	5.66
Itochu	3449.00	183.00	5.60
Ihi	2851.00	139.00	5.13
Mitsui O.s.k.lines,	7000.00	320.00	4.79
Downs			
Jfe Holdings,.	1500.00	-191.00	-11.30
Obayashi	900.00	-91.00	-9.18
Gs Yuasa	2264.00	-219.00	-8.82
Kubota	2285.00	-207.50	-8.32
Shimizu	809.00	-67.00	-7.65

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Nov 08 price(p)	%Chg week	%Chg ytd
Winners			
Bt	158.45	9.3	17.1
Int Consolidated Airlines S.a.	177.38	6.4	6.0
Rolls-royce Holdings	141.76	6.3	26.5
Smith & Nephew	1352.00	5.6	-
Crh	3744.00	5.4	19.0
Fresnillo	925.80	4.6	-
Spirax-sarco Eng	16430.00	4.5	43.4
Smiths	1442.00	4.5	-6.5
Melrose Industries	165.00	4.1	-7.6
Intermediate Capital	2293.00	3.9	31.5
Sage	733.20	3.7	24.6
Taylor Wimpey	155.80	3.5	-6.1
Losers			
Flutter Entertainment	12480.00	-11.1	-
Standard Chartered	451.90	-10.7	-4.3
Darktrace	649.50	-4.7	-
Barclays	192.44	-4.2	29.6
Lloyds Banking	49.16	-3.8	33.6
Hargreaves Lansdown	1504.50	-3.6	-2.5
Bp	345.25	-3.3	33.2
Natwest	217.40	-3.2	31.9
Ocado	1701.50	-3.0	-
Hsbc Holdings	434.15	-2.8	13.4
Antofagasta	1399.50	-2.7	-3.6
Pearson	600.60	-2.7	-

FTSE 250	Nov 08 price(p)	%Chg week	%Chg ytd
Winners			
Airtel Africa	122.50	11.4	63.8
Cmc Markets	274.50	9.6	-
Imi	1783.00	8.3	46.6
Carnival	1650.60	8.0	18.8
Currys	133.50	7.7	0.0
Beazley	423.10	7.5	14.5
Allianz Technology Trust	353.00	7.5	19.3
Investec	353.50	7.3	84.3
Coats	68.70	7.2	0.7
Redde Northgate	426.50	7.2	58.3
Electrocomponents	1218.00	7.0	38.1
Ti Fluid Systems	287.50	6.9	19.1
Losers			
Tp Icap	137.60	-12.4	-42.4
Virgin Money Uk	176.35	-12.2	29.5
Diversified Energy	102.60	-12.2	-
Baltic Classifieds	194.00	-8.1	-
Ashmore	317.20	-8.0	-
Ferrexpo	291.00	-6.8	3.3
Ao World	133.10	-5.7	-
C&c	251.20	-5.1	16.5
Pz Cussons	204.50	-4.9	-
Restaurant	84.70	-4.7	28.5
Future	3352.00	-4.7	89.4
Moonpig	327.40	-4.5	-

FTSE SmallCap	Nov 08 price(p)	%Chg week	%Chg ytd
Winners			
Metro Bank	130.80	24.0	-0.9
Up Global Sourcing Holdings	211.00	22.0	75.8
Kin And Carta	341.00	15.6	137.5
Zotefoams	414.00	15.0	10.1
Card Factory	54.60	10.3	35.3
Luceco	395.00	9.7	56.1
Int Personal Finance	142.20	9.6	72.8
Costain	59.55	9.1	-2.8
Augmentum Fintech	173.00	8.8	22.9
Esken	14.11	8.5	-
The Gym	275.00	6.6	27.9
Brunner Investment Trust	1100.00	6.0	27.9
Losers			
Hostmore	109.50	-	-
Electra Private Equity	95.60	-82.6	-
Superdry	273.50	-12.2	6.9
Topps Tiles	59.40	-7.2	5.1
Record	78.00	-6.9	59.2
Aptitude Software	590.00	-6.5	32.6
Sig	49.68	-6.0	54.1
Bakkavor	120.40	-5.9	48.1
Photo-me Int	63.60	-5.9	25.9
Lamprell	40.60	-5.6	-19.1
Robert Walters	798.00	-5.0	69.1
Taylor Maritime Investments	98.50	-4.8	-

Industry Sectors	Nov 08 price(p)	%Chg week	%Chg ytd
Winners			
Health Care Equip.& Services	8434.40	36.6	18.0
Industrial Transportation	4788.68	36.5	22.6
Pharmaceuticals & Biotech.	19458.26	30.1	18.7
Real Estate & Investment Servic	3035.13	23.9	18.3
Industrial Engineering	19265.15	23.6	20.5
Support Services	12506.42	23.0	17.2
Beverages	29040.73	22.9	12.2
Electronic & Electrical Equip.	12022.48	21.9	15.8
Aerospace & Defense	4439.64	21.4	21.5
Electricity	9920.22	21.3	15.7
Chemicals	17136.73	19.6	13.1
Real Estate Investment Trusts	3282.53	18.3	11.6
Losers			
Food Producers	6412.34	-14.6	-
Mining	21640.38	-11.6	-
Travel & Leisure	8498.66	-9.9	0.8
Mobile Telecommunications	2777.09	-8.1	-
Automobiles & Parts	4405.17	-7.5	-7.0
Household Goods	16535.16	-6.3	-
General Financial	11664.60	-1.9	1.8
Tobacco	27325.45	-1.4	-8.7
Nonlife Insurance	3131.56	-1.3	1.1
Industrial Metals	5877.42	-1.2	-
Life Insurance	8219.88	0.1	0.6
Food & Drug Retailers	4263.41	1.8	-2.5

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

CURRENCIES

Nov 8	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Argentina	Argentine Peso	100.0492	0.1027	115.9466	0.4630	135.6912	0.8634
Australia	Australian Dollar	1.3474	-0.0022	1.5615	0.0021	1.8275	0.0068
Bahrain	Bahrainin Dinar	0.3771	0.0000	0.4370	0.0014	0.5114	0.0028
Bolivia	Bolivian Boliviano	6.9100	-	8.0080	0.0238	9.3717	0.0501
Brazil	Brazilian Real	5.5468	0.0126	6.4282	0.0336	7.5228	0.0571
Canada	Canadian Dollar	1.2445	0.0005	1.4422	0.0049	1.6878	0.0097
Chile	Chilean Peso	801.9500	-8.3200	929.3769	-6.8536	1087.6406	-5.4135
China	Chinese Yuan	6.3978	-0.0033	7.4144	0.0183	8.6770	0.0420
Colombia	Colombian Peso	3881.8500	-1.6500	4498.6623	11.4518	5264.7401	25.8987
Costa Rica	Costa Rican Colon	640.4250	0.2600	742.1862	2.5044	868.5732	4.9907
Czech Republic	Czech Koruna	21.7909	-0.0205	25.2534	0.0513	29.5538	0.1302
Denmark	Danish Krone	6.4184	-0.0185	7.4382	0.0007	8.7049	0.0215
Egypt	Egyptian Pound	15.7285	0.0516	18.2277	0.1137	21.3317	0.1835
Hong Kong	Hong Kong Dollar	7.7888	0.0057	9.0264	0.0334	10.5635	0.0641
Hungary	Hungarian Forint	311.2866	0.7669	360.7489	1.9573	422.1809	3.2898
India	Indian Rupee	74.0238	-0.4425	85.7858	-0.2565	100.3943	-0.0606
Indonesia	Indonesian Rupiah	14257.5000	-70.0000	16522.9719	-31.8120	19336.6747	8.8575
Israel	Israeli Shekel	3.1131	0.0033	3.6078	0.0145	4.2221	0.0270
Japan	Japanese Yen	113.1950	-0.2650	131.1813	0.0833	153.5201	0.4626
..One Month		113.1950	-0.2650	131.1813	0.0835	153.5201	0.4626
..Three Month		113.1949	-0.2653	131.1814	0.0836	153.5200	0.4624
..One Year		113.1944	-0.2662	131.1817	0.0843	153.5201	0.4614
Kenya	Kenyan Shilling	111.6500	0.0500	129.3908	0.4420	151.4247	0.8764
Kuwait	Kuwaiti Dinar	0.3015	-0.0002	0.3494	0.0008	0.4089	0.0019
Malaysia	Malaysian Ringgit	4.1550	-0.0045	4.8152	0.0091	5.6352	0.0240
Mexico	Mexican Peso	20.3420	-0.0810	23.5743	-0.0236	27.5887	0.0381
New Zealand	New Zealand Dollar	1.3951	-0.0087	1.6168	-0.0053	1.8921	-0.0016
Nigeria	Nigerian Naira	413.7500	-	479.4933	1.4239	561.1463	2.9977
Norway	Norwegian Krone	8.5062	-0.0552	9.8577	-0.0345	11.5364	-0.0128
Pakistan	Pakistani Rupee	170.6000	0.5250	197.7077	1.1937	231.3754	1.9442
Peru	Peruvian Nuevo Sol	4.0149	-0.0015	4.6528	0.0120	5.4451	0.0270
Philippines	Philippine Peso	50.1700	-0.1800	58.1418	-0.0353	68.0428	0.1207
Poland	Polish Zloty	3.9606	-0.0184	4.5899	-0.0076	5.3715	0.0039
Romania	Romanian Leu	4.2707	-0.0129	4.9492	-0.0002	5.7920	0.0135
Russia	Russian Ruble	71.2288	0.0225	82.5467	0.2711	96.6036	0.5464
Saudi Arabia	Saudi Riyal	3.7505	-0.0004	4.3464	0.0124	5.0866	0.0266
Singapore	Singapore Dollar	1.3471	-0.0029	1.5611	0.0012	1.8270	0.0058
South Africa	South African Rand	14.9494	-0.1506	17.3248	-0.1226	20.2750	-0.0948
South Korea	South Korean Won	1183.0500	-2.1000	1371.0323	1.6449	1604.5055	5.7384
Sweden	Swedish Krona	8.5693	0.0036	9.9310	0.0336	11.6221	0.0669
Switzerland	Swiss Franc	0.9134	0.0001	1.0585	0.0033	1.2387	0.0068
Taiwan	New Taiwan Dollar	27.8310	-0.0435	32.2532	0.0455	37.7456	0.1430
Thailand	Thai Baht	33.0550	-0.2625	38.3073	-0.1896	44.8307	-0.1146
Tunisia	Tunisian Dinar	2.8338	-0.0051	3.2840	0.0039	3.8433	0.0137
Turkey	Turkish Lira	9.7020	-0.0003	11.2436	0.0331	13.1583	0.0700
United Arab Emirates	UAE Dirham	3.6732	-	4.2568	0.0126	4.9817	0.0266
United Kingdom	Pound Sterling	0.7373	-0.0040	0.8545	-0.0020	-	-
..One Month		0.7373	-0.0040	0.8544	-0.0020	-	-
..Three Month		0.7374	-0.0040	0.8543	-0.0020	-	-
..One Year		0.7370	-0.0040	0.8535	-0.0021	-	-
United States	United States Dollar	-	-	1.1589	0.0034	1.3562	0.0072
..One Month		-	-	1.1588	-0.1901	1.3563	0.0072
..Three Month		-	-	1.1586	-0.1901	1.3563	0.0072
..One Year		-	-	1.1579	-0.1901	1.3559	0.0072
Vietnam	Vietnamese Dong	22660.5000	-20.5000	26261.1938	54.3009	30733.2020	136.5364
European Union	Euro	0.8629	-0.0026	-	-	1.1703	0.0028
..One Month		0.8628	-0.0026	-	-	1.1702	0.0028
..Three Month		0.8626	-0.0026	-	-	1.1701	0.0028
..One Year		0.8618	-0.0026	-	-	1.1693	0.0028

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

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Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg Nov 08	Day's chge%	Euro Index	£ Strlg Nov 05	£ Strlg Nov 04	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (101)	7300.40	-0.05	6657.44	7303.96	7279.91	5910.02	3.37	2.06	14.37	220.64	7202.04
FTSE 250 (250)	23539.92	-0.24	21466.72	23596.79	23471.11	17917.83	1.85	3.30	16.37	386.47	19008.89
FTSE 250 ex Inv Co (183)	24437.48	-0.16	22285.23	24476.89	24343.02	18000.77	1.79	0.76	73.14	350.46	20122.15
FTSE 350 (351)	4190.92	-0.08	3821.82	4194.40	4179.07	3355.63	3.10	2.20	14.69	116.22	8217.76
FTSE 350 ex Investment Trusts (282)	4079.18	-0.06	3719.92	4081.49	4066.32	3262.46	3.19	1.86	16.90	86.80	4130.93
FTSE 350 Higher Yield (113)	3279.58	-0.06	2990.74	3281.71	3272.13	2480.84	4.68	1.58	13.55	127.92	7150.84
FTSE 350 Lower Yield (238)	4871.26	-0.10	4442.24	4876.24	4854.62	4115.09	1.43	4.34	16.11	80.19	5866.65
FTSE SmallCap (254)	7520.82	0.15	6858.45	7509.88	7492.77	5292.51	2.39	4.33	9.64	150.01	12213.74
FTSE SmallCap ex Inv Co (134)	6307.02	-0.02	5751.55	6308.11	6278.55	3963.81	1.90	0.80	65.91	88.03	10664.04
FTSE All-Share (605)	4172.82	-0.08	3805.31	4175.97	4160.90	3326.65	3.08	2.25	14.43	114.61	8263.38
FTSE All-Share ex Inv Co (416)	4020.07	-0.06	3666.02	4022.32	4007.30	3200.79	3.16	1.85	17.14	85.02	4133.76
FTSE All-Share ex Multinationals (534)	1341.39	-0.21	1015.11	1344.25	1338.52	1050.49	2.51	3.25	12.29	28.85	2748.56
FTSE Fledgling (84)	13550.20	0.22	12356.81	13520.78	13506.19	8819.24	2.09	6.12	7.84	228.33	28409.61
FTSE Fledgling ex Inv Co (35)	18405.10	-0.21	16784.13	18444.51	18422.73	92.34	1.42	-7.82	-9.02	208.88	37534.72
FTSE All-Small (338)	5235.48	0.15	4774.38	5227.66	5216.09	3668.25	2.38	4.42	9.52	103.50	10906.39
FTSE All-Small ex Inv Co (169)	4739.28	-0.02	4321.88	4740.44	4718.85	89.08	1.88	0.56	95.47	65.77	10149.41
FTSE AIM All-Share (746)	1239.57	0.19	1130.40	1237.17	1235.46	982.72	0.86	1.28	90.79	9.19	1434.19
FTSE All-Share Technology (22)	2277.01	-0.52	2126.59	2288.87	2285.14	2149.55	1.50	0.85	79.11	19.59	3230.34
FTSE All-Share Telecommunications (7)	1802.49	-0.45	1683.42	1810.58	1787.01	1551.06	4.77	0.49	43.14	40.79	2541.87
FTSE All-Share Health Care (13)	13695.82	-0.22	12791.10	13725.67	13819.28	12242.67	2.94	0.70	48.45	186.26	12294.03
FTSE All-Share Financials (253)	4975.27	-0.13	4646.61	4981.76	4948.75	3835.14	2.63	5.39	7.05	94.11	5333.11
FTSE All-Share Real Estate (56)	1179.94	-0.86	1152.81	1190.14	1188.36	905.15	2.50	0.36	112.17	17.41	1197.75
FTSE All-Share Consumer Discretionary (91)	5538.97	-0.74	5173.07	5580.48	5521.74	4229.26	1.43	-0.26	-266.03	63.85	5733.75
FTSE All-Share Consumer Staples (26)	18842.75	-0.55	17598.03	18947.45	18918.69	17994.79	3.98	1.20	20.88	535.70	16587.41
FTSE All-Share Industrials (88)	7361.67	0.48	6875.37	7326.79	7320.32	5464.51	1.64	2.66	22.98	96.33	8329.09
FTSE All-Share Basic Materials (25)	7768.09	1.32	7254.94	7666.65	7684.70	6026.49	6.71	2.41	6.19	365.27	9945.43
FTSE All-Share Energy (14)	6182.02	0.19	5773.64	6170.30	6075.16	3646.54	3.42	1.75	16.70	111.66	7167.33
FTSE All-Share Utilities (10)	8157.65	-0.06	7618.77	8162.39	8225.72	7136.31	4.37	1.67	13.70	237.54	11805.96
FTSE All-Share Software and Computer Services (20)	2441.03	-0.44	2279.78	2451.91	2446.53	2325.04	1.50	0.84	79.90	20.60	3663.86
FTSE All-Share Technology Hardware and Equipment (2)	6927.08	-2.49	6469.49	7103.64	7198.61	4580.30	1.48	1.08	62.36	88.39	8785.96
FTSE All-Share Telecommunications Equipment (2)	667.57	-0.50	623.47	670.90	669.46	686.94	1.35	2.69	27.58	5.80	934.36
FTSE All-Share Telecommunications Service Providers (5)	2772.88	-0.44	2589.71	2785.28	2747.69	2364.39	4.92	0.46	44.23	64.75	3555.32
FTSE All-Share Health Care Providers (3)	8742.17	-0.85	8164.68	8816.70	8780.47	5835.27	0.12	53.81	15.68	6.62	8070.75
FTSE All-Share Medical Equipment and Services (2)	6383.89	-1.08	5962.19	6453.72	6292.07	6351.60	1.99	1.07	46.88	126.98	6009.27
FTSE All-Share Pharmaceuticals and Biotechnology (8)	19389.40	-0.16	18108.57	19419.52	19594.42	17310.17	3.03	0.67	49.49	257.97	15661.57
FTSE All-Share Banks (11)	2982.26	-0.32	2785.26	2991.73	2959.40	2037.31	2.65	5.83	6.48	45.06	2532.83
FTSE All-Share Finance and Credit Services (7)	10102.28	-0.28	9434.94	10130.43	10071.21	9360.77	1.42	1.55	45.42	126.70	13317.85
FTSE All-Share Investment Banking and Brokerage Services (33)	10800.02	0.28	10086.59	10770.06	10728.92	8686.84	3.63	2.40	11.49	287.19	14453.98
FTSE All-Share Closed End Investments (189)	14483.01	-0.33	13526.29	14530.91	14502.70	11735.70	1.97	10.82	4.68	184.34	8826.02
FTSE All-Share Life Insurance (6)	8354.09	0.39	7802.23	8321.37	8258.43	5842.66	3.21	2.27	13.72	267.54	9806.16
FTSE All-Share Nonlife Insurance (7)	3561.01	-0.06	3325.77	3563.18	3501.32	3537.52	4.01	1.69	14.81	125.32	7297.27
FTSE All-Share Real Estate Investment and Services (15)	2975.03	-0.75	2778.51	2997.55	3004.12	2306.69	1.64	2.55	23.87	34.45	8691.92
FTSE All-Share Real Estate Investment Trusts (41)	2926.33	-0.88	2733.02	2952.37	2945.41	2236.24	2.70	0.04	858.53	44.21	4268.74
FTSE All-Share Automobiles and Parts (2)	4427.74	2.02	4135.25	4339.95	4419.74	3148.23	1.07	-8.37	-11.17	10.66	4572.88
FTSE All-Share Consumer Services (3)	2642.20	-0.79	2467.66	2663.26	2582.19	1996.74	0.01	-62.70	-121.54	0.13	3307.05
FTSE All-Share Household Goods and Home Construction (13)	13919.11	0.37	12999.64	13868.45	13967.74	11711.37	5.23	1.67	11.47	421.30	11607.42
FTSE All-Share Leisure Goods (2)	24794.38	-1.30	23156.51	25121.70	25282.25	28829.49	1.57	2.59	24.64	388.85	26433.24
FTSE All-Share Personal Goods (5)	30650.72	-0.61	28625.98	30838.94	30334.72	20741.71	1.33	1.24	60.55	419.78	23487.57
FTSE All-Share Media (11)	9793.27	-0.72	9146.34	9863.84	9805.72	7092.42	1.75	1.04	54.73	177.13	6730.92
FTSE All-Share Retailers (22)	2751.44	-0.85	2569.69	2775.07	2784.31	2119.18	1.24	3.86	20.93	30.94	3483.58
FTSE All-Share Travel and Leisure (33)	8365.49	-1.22	7812.88	8468.96	8261.06	6341.88	0.10	-98.32	-10.41	11.71	8596.96
FTSE All-Share Beverages (6)	29143.70	-0.90	27218.52	29406.97	29344.02	20630.32	1.96	1.52	33.75	353.51	22878.59
FTSE All-Share Food Producers (10)	6604.77	-1.28	6168.47	6690.44	6647.10	6038.75	1.77	2.88	19.59	90.90	6218.67
FTSE All-Share Tobacco (2)	27325.50	-0.55	25520.42	27475.81	27202.72	25705.80	8.55	1.44	8.13	1542.74	23789.66
FTSE All-Share Construction and Materials (15)	8705.69	1.28	8130.61	8595.47	8579.70	6544.72	2.12	0.56	84.29	70.30	10287.19
FTSE All-Share Aerospace and Defense (9)	4711.30	-0.57	4400.08	4738.43	4628.93	3050.36	2.02	8.44	5.87	94.62	5626.54
FTSE All-Share Electronic and Electrical Equipment (10)	14210.77	0.93	13272.03	14079.36	14145.54	10913.95	1.21	2.07	39.78	154.90	13823.41
FTSE All-Share General Industrials (9)	5547.85	0.03	5181.37	5545.93	5525.87	4752.87	2.59	1.05	36.83	121.52	7104.40
FTSE All-Share Industrial Engineering (5)	20876.52	0.96	19497.45	20678.97	20699.47	15587.20	0.92	2.51	43.45	192.50	27584.60
FTSE All-Share Industrial Support Services (32)	12009.82	0.29	11216.47	11975.19	11997.95	9498.61	1.36	1.92	38.37	136.34	13542.29
FTSE All-Share Industrial Transportation (8)	7128.26	1.48	6657.38	7024.42	7142.07	3649.09	1.01	2.93	33.83	61.48	7311.58
FTSE All-Share Industrial Materials (1)	20703.86	-1.19	734.58	20953.91	20303.79	17725.65	1.54	2.64	24.65	318.56	25619.58
FTSE All-Share Industrial Metals and Mining (11)	6331.78	1.37	5913.52	6246.33	6259.11	4755.74	7.57	2.43	5.44	326.35	9082.52
FTSE All-Share Precious Metals and Mining (6)	20718.65	1.69	19350.01	20374.52	20065.21	28141.48	3.93	2.15	11.81	1039.94	14113.82
FTSE All-Share Chemicals (7)	19038.13	0.82	17780.50	18884.13	19148.57	13950.76	1.69	1.98	29.79	261.18	18611.02
FTSE All-Share Oil. Gas and Coal (14)	5999.58	0.19	5603.26	5988.21	5895.88	3538.93	3.42	1.75	16.70	108.38	7213.75
FTSE Sector Indices											
Non Financials (352)	**5000.13**	**-0.06**	**4559.76**	**5003.09**	**4989.52**	**83.37**	**3.21**	**1.49**	**20.96**	**105.03**	**8710.21**

Hourly movements	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	High/day	Low/day
FTSE 100	7305.17	7305.52	7302.32	7302.78	7295.18	7301.17	7302.41	7316.12	7313.32	7316.12	7293.65
FTSE 250	23608.05	23543.15	23557.79	23554.68	23556.29	23550.50	23559.84	23569.32	23579.12	23608.58	23528.56
FTSE SmallCap	7518.38	7515.05	7514.43	7517.31	7516.68	7511.84	7507.63	7513.03	7515.66	7523.33	7506.84
FTSE All-Share	4177.02	4175.14	4174.12	4174.29	4170.88	4173.33	4174.10	4180.71	4179.80	4181.01	4170.15

Time of FTSE 100 Day's high:15:00:00 Day's Low12:01:45 FTSE 100 2010/11 High: 7303.96(05/11/2021) Low: 6407.46(29/01/2021)
Time of FTSE All-Share Day's high:08:18:00 Day's Low12:02:00 FTSE 100 2010/11 High: 4175.97(05/11/2021) Low: 3641.93(29/01/2021)

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FT 30 INDEX

	Nov 08	Nov 05	Nov 04	Nov 03	Nov 02	Yr Ago	High	Low
FT 30	2787.30	2799.60	2774.20	2744.90	2748.00	0.00	2870.10	2450.90
FT 30 Div Yield	-	-	-	-	-	0.00	3.93	2.74
P/E Ratio net	-	-	-	-	-	0.00	19.44	14.26

FT 30 hourly changes

8	9	10	11	12	13	14	15	16	High	Low
2799.6	2788.7	2788.8	2791.2	2791	2792.6	2791.9	2794	2793.2	2799.6	2786.1

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

FX: EFFECTIVE INDICES

	Nov 05	Nov 04	Mnth Ago		Nov 08	Nov 05	Mnth Ago
UK	81.06	81.12	81.47				

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

Oil & Gas Producers	32.60	Real Est Invest & Tr	19.10	Travel & Leisure	9.09
Oil & Gas	31.47	Tech Hardware & Eq	18.96	Basic Materials	8.15
Support Services	31.43	Fixed Line Telecomms	17.77	Mining	5.52
Beverages	27.88	Technology	16.65	Industrial Transport	5.19
Industrial Eng	26.44	Software & Comp Serv	16.42	Financial Services	2.96
Chemicals	26.15	FTSE 250 Index	14.89	Health Care Eq & Srv	0.93
Industrial Metals &	24.28	Gas Water & Multi	14.81	Consumer Goods	0.15
Aerospace & Defense	23.45	NON FINANCIALS Index	14.10	Oil & Gas Producers	31.14
Pharmace & Biotech	23.35	Utilities	14.09	Telecommunications	-0.34
Industrials	23.16	Life Insurance	14.03	Nonlife Insurance	-3.28
Media	21.44	FTSE All{HY-}Share Index	13.59	Household Goods & Ho	-3.93
Health Care	21.34	Financials	13.23	Automobiles & Parts	-4.45
Electronic & Elec Eq	21.19	Food & Drug Retailer	13.15	Tobacco	-5.06
FTSE SmallCap Index	21.00	Consumer Services	13.11	Mobile Telecomms	-6.73
Banks	20.83	FTSE 100 Index	13.00	Food Producers	-7.30
Construct & Material	20.29	Equity Invest Instr	12.24	Personal Goods	-9.41
Real Est Invest & Se	19.11	Electricity	11.98	Leisure Goods	-11.82
		General Retailers	9.12	Oil Equipment & Serv	-29.77

FTSE GLOBAL EQUITY INDEX SERIES

Nov 8 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9379	852.90	0.2	6.5	17.2	1335.81	19.1	1.7
FTSE Global All Cap	9379	852.90	0.2	6.5	17.2	1335.81	19.1	1.7
FTSE Global Large Cap	1799	760.16	0.1	6.7	16.7	1226.90	18.7	1.7
FTSE Global Mid Cap	2302	1084.80	0.4	5.3	18.3	1597.80	20.1	1.7
FTSE Global Small Cap	5278	1192.12	0.6	6.8	18.5	1683.30	20.0	1.4
FTSE All-World	4101	498.35	0.2	6.5	17.0	826.36	18.9	1.7
FTSE World	2660	897.56	0.2	6.8	18.6	1997.46	20.6	1.7
FTSE Global All Cap ex UNITED KINGDOM In	9086	903.77	0.2	6.7	17.4	1389.78	19.2	1.6
FTSE Global All Cap ex USA	7553	610.85	0.0	4.1	8.4	1051.17	10.8	2.4
FTSE Global All Cap ex JAPAN	7986	888.57	0.3	6.7	18.3	1404.28	20.1	1.7
FTSE Global All Cap ex Eurozone	8718	899.29	0.2	6.6	17.4	1378.74	19.2	1.6
FTSE Developed	2207	825.41	0.2	7.0	19.3	1303.03	21.1	1.6
FTSE Developed All Cap	5830	866.00	0.3	7.0	19.3	1347.25	21.1	1.6
FTSE Developed Large Cap	885	773.58	0.2	7.3	19.3	1243.11	21.2	1.6
FTSE Developed Europe Large Cap	237	451.07	0.1	5.7	14.8	865.34	17.8	2.5
FTSE Developed Europe Mid Cap	351	786.77	0.1	4.6	12.7	1313.88	15.0	2.1
FTSE Dev Europe Small Cap	723	1136.57	0.2	5.1	17.9	1823.72	20.1	1.8
FTSE North America Large Cap	255	1034.34	0.3	8.4	24.5	1528.16	26.1	1.3
FTSE North America Mid Cap	413	1311.47	0.6	6.8	23.7	1787.20	25.1	1.4
FTSE North America Small Cap	1337	1392.13	0.9	8.2	21.7	1824.91	22.8	1.1
FTSE North America	668	673.38	0.3	8.1	24.4	1016.62	25.9	1.3
FTSE Developed ex North America	1539	320.12	0.0	4.5	9.2	593.71	11.8	2.4
FTSE Japan Large Cap	172	469.68	-0.5	3.8	3.6	672.50	5.6	2.0
FTSE Japan Mid Cap	338	655.61	-0.5	0.9	1.7	890.89	3.8	2.2
FTSE Global wi JAPAN Small Cap	883	732.72	-0.5	2.3	2.7	1031.74	4.9	2.3
FTSE Japan	510	192.97	-0.5	3.2	3.2	309.34	5.2	2.0
FTSE Asia Pacific Large Cap ex Japan	957	852.81	-0.3	3.0	-2.5	1506.37	-0.6	2.2
FTSE Asia Pacific Mid Cap ex Japan	919	1130.86	-0.4	0.8	10.1	1920.93	12.4	2.6
FTSE Asia Pacific Small Cap ex Japan	2042	716.94	-0.2	3.8	10.3	1187.84	12.4	2.1
FTSE Asia Pacific Ex Japan	1876	674.49	-0.3	2.8	-1.3	1265.87	0.7	2.2
FTSE Emerging All Cap	3549	899.54	-0.3	2.1	1.1	1513.74	3.4	2.4
FTSE Emerging Large Cap	914	846.43	-0.3	2.4	-1.3	1432.66	0.9	2.4
FTSE Emerging Mid Cap	980	1159.52	0.0	0.2	10.7	1958.35	13.7	3.0
FTSE Emerging Small Cap	1655	950.39	-0.2	2.5	11.5	1533.39	14.0	2.3
FTSE Emerging Europe	87	463.70	-0.3	-0.7	25.2	922.02	31.2	4.6
FTSE Latin America All Cap	252	717.49	1.6	-3.6	-12.7	1284.38	-8.8	5.2
FTSE Middle East and Africa All Cap	335	807.48	0.0	4.4	23.6	1432.51	26.9	2.5
FTSE Global wi UNITED KINGDOM All Cap In	293	354.64	0.4	2.0	11.9	698.23	15.3	3.2
FTSE Global wi USA All Cap	1826	1164.98	0.4	8.2	24.0	1659.75	25.4	1.2
FTSE Europe All Cap	1476	541.54	0.1	5.3	14.9	997.85	17.8	2.4
FTSE Eurozone All Cap	661	533.82	0.4	5.8	15.2	976.83	17.7	2.1
FTSE EDHEC-Risk Efficient All-World	4101	549.25	0.3	4.3	16.4	842.52	18.4	2.0
FTSE EDHEC-Risk Efficient Developed Europe	588	420.77	0.0	4.3	12.7	717.38	15.1	2.2
Oil & Gas	137	344.50	0.8	2.8	33.5	668.01	38.5	3.7
Oil & Gas Producers	96	329.96	1.1	1.5	36.6	654.43	41.8	3.8

Nov 8 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	26	253.49	1.0	1.0	33.9	447.96	39.5	4.5
Basic Materials	370	656.11	-0.1	-0.1	7.5	1154.81	11.4	3.8
Chemicals	172	975.42	0.0	0.0	12.1	1672.83	14.3	2.1
Forestry & Paper	21	291.86	0.3	0.3	-7.7	568.67	-5.5	2.9
Industrial Metals & Mining	97	527.99	-1.1	-1.1	12.7	954.54	18.6	5.7
Mining	80	868.20	0.3	0.3	-1.4	1591.92	4.2	6.1
Industrials	757	602.63	0.3	0.3	15.0	941.05	16.6	1.4
Construction & Materials	145	722.83	-0.1	-0.1	17.3	1189.09	19.3	1.8
Aerospace & Defense	35	833.84	3.3	3.3	13.7	1279.43	15.0	1.3
General Industrials	72	285.01	0.5	0.5	12.6	490.25	14.6	2.0
Electronic & Electrical Equipment	143	788.64	0.7	0.7	17.9	1114.94	19.2	1.1
Industrial Engineering	147	1158.12	0.1	0.1	13.0	1802.90	14.7	1.6
Industrial Transportation	126	1084.46	-0.6	-0.6	18.3	1706.06	20.0	1.6
Support Services	89	727.99	-0.5	-0.5	13.2	1067.95	14.3	1.0
Consumer Goods	539	697.80	0.2	0.2	14.2	1146.60	16.1	1.8
Automobiles & Parts	127	840.55	-0.5	-0.5	37.2	1336.27	38.7	0.8
Beverages	68	782.68	0.8	0.8	5.9	1297.72	7.7	2.1
Food Producers	132	770.67	0.0	0.0	7.4	1296.85	9.7	2.2
Household Goods & Home Construction	61	606.39	0.4	0.4	5.3	995.53	7.7	2.4
Leisure Goods	47	320.45	0.0	0.0	-2.9	447.04	-1.9	1.2
Personal Goods	89	1174.12	1.1	1.1	11.4	1774.11	12.8	1.3
Tobacco	15	939.02	0.4	0.4	3.4	2495.79	8.1	6.4
Health Care	338	769.56	-1.1	-1.1	12.2	1204.37	13.9	1.6
Health Care Equipment & Services	129	1618.90	-0.9	-0.9	16.4	1965.93	17.2	0.8
Pharmaceuticals & Biotechnology	209	485.01	-1.2	-1.2	9.1	811.39	11.4	2.2
Consumer Services	453	737.99	0.4	0.4	7.0	1041.56	7.8	0.8
Food & Drug Retailers	69	341.13	0.0	0.0	14.2	529.40	16.8	2.3
General Retailers	157	1338.45	0.0	0.0	5.7	1812.02	6.3	0.6
Media	84	501.27	0.4	0.4	6.8	712.14	7.6	0.8
Travel & Leisure	143	540.98	2.0	2.0	8.6	780.21	9.3	0.8
Telecommunication	88	150.69	0.8	0.8	-2.1	340.89	1.6	4.2
Fixed Line Telecommuniations	35	112.79	0.9	0.9	-3.0	290.48	2.1	5.9
Mobile Telecommunications	53	182.24	0.7	0.7	-1.0	356.95	1.6	3.3
Utilities	198	327.97	0.4	0.4	2.3	740.87	5.2	3.3
Electricity	142	370.00	0.6	0.6	2.5	824.02	5.4	3.3
Gas Water & Multiutilities	56	326.40	-0.1	-0.1	1.8	761.05	4.8	3.4
Financials	872	304.49	0.3	0.3	20.7	566.78	23.6	2.5
Banks	268	235.03	0.1	0.1	27.4	483.23	31.4	3.0
Nonlife Insurance	72	348.57	0.4	0.4	16.5	564.19	20.0	2.9
Life Insurance	55	248.08	0.2	0.2	6.7	458.93	10.0	3.3
Financial Services	215	505.23	0.8	0.8	20.3	753.39	21.8	1.5
Technology	349	667.32	0.2	0.2	28.2	862.08	29.1	0.7
Software & Computer Services	188	1113.21	-0.1	-0.1	32.5	1338.09	33.0	0.4
Technology Hardware & Equipment	161	525.49	0.7	0.7	23.2	727.39	24.6	1.1
Alternative Energy	15	238.06	-2.9	-2.9	-11.4	340.19	-10.9	0.5
Real Estate Investment & Services	162	344.07	-0.4	-0.4	-4.1	650.40	-1.7	2.8
Real Estate Investment Trusts	100	564.51	0.3	0.3	24.2	1274.82	27.2	2.8
FTSE Global Large Cap	1799	760.16	0.1	0.1	16.7	1226.90	18.7	1.7

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

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change
3I Group PLC	1378	5.50
Abrdn PLC	263.90	8.20
Admiral Group PLC	2900	-2.00
Anglo American PLC	2767	39.50
Antofagasta PLC	1399.5	32.00
Ashtead Group PLC	6386	128.00
Associated British Foods PLC	1858.5	-28.00
Astrazeneca PLC	9331	22.00
Auto Trader Group PLC	609.00	-1.60
Avast PLC	568.60	4.20
Aveva Group PLC	3480	-60.00
Aviva PLC	403.30	-0.70
B&M European Value Retail S.A.	626.00	1.60
Bae Systems PLC	571.60	-2.40
Barclays PLC	192.44	0.06
Barratt Developments PLC	655.60	-0.60
Berkeley Group Holdings (The) PLC	4287	-4.00
Bhp Group PLC	1922.6	14.00
BP PLC	345.25	-0.15
British American Tobacco PLC	2531.5	-12.50
British Land Company PLC	505.40	-12.40
Bt Group PLC	158.45	-1.55
Bunzl PLC	2751	19.00
Burberry Group PLC	1993	-15.00
Coca-Cola Hbc AG	2549	-33.00
Compass Group PLC	1589	-13.00
Crh PLC	3744	70.00
Croda International PLC	9500	106.00
Darktrace PLC	649.50	72.00
Dcc PLC	6286	18.00
Diageo PLC	3746	-32.50
Entain PLC	2011	-37.00
Evraz PLC	612.20	11.20
Experian PLC	3458	-1.00
Ferguson PLC	11440	125.00
Flutter Entertainment PLC	12480	-190.00
Fresnillo PLC	925.80	24.80
Glaxosmithkline PLC	1558.2	-17.80
Glencore PLC	360.45	7.05
Halma PLC	3026	36.00
Hargreaves Lansdown PLC	1504.5	11.50
Hikma Pharmaceuticals PLC	2407	16.00
HSBC Holdings PLC	434.15	-3.10
Imperial Brands PLC	1553.5	-12.00
Informa PLC	534.00	-14.40
Intercontinental Hotels Group PLC	5228	-108.00
Intermediate Capital Group PLC	2293	1.00
International Consolidated Airlines Group S.A.	177.38	-2.78
Intertek Group PLC	5160	78.00
Itv PLC	108.80	-3.20
Jd Sports Fashion PLC	1114	-7.00
Johnson Matthey PLC	2732	14.00
Kingfisher PLC	327.80	-4.70
Land Securities Group PLC	697.60	-10.20
Legal & General Group PLC	292.50	-0.50
Lloyds Banking Group PLC	49.16	0.06
London Stock Exchange Group PLC	7098	-20.00
M&G PLC	200.20	-1.40
Meggitt PLC	745.00	-3.60
Melrose Industries PLC	165.00	-2.55
Mondi PLC	1835.5	8.50
National Grid PLC	951.20	1.20
Natwest Group PLC	217.40	0.60
Next PLC	7988	-134.00
Ocado Group PLC	1701.5	-24.00
Pearson PLC	600.60	5.60
Pershing Square Holdings LTD	3025	5.00
Persimmon PLC	2721	38.00
Phoenix Group Holdings PLC	663.20	1.00
Polymetal International PLC	1394	28.50
Prudential PLC	1489	13.50
Reckitt Benckiser Group PLC	6047	17.00
Relx PLC	2330	-20.00
Rentokil Initial PLC	608.00	-0.60
Rightmove PLC	704.00	1.00
Rio Tinto PLC	4474	49.50
Rolls-Royce Holdings PLC	141.76	-1.18
Royal Dutch Shell PLC	1691.2	8.20
Royal Dutch Shell PLC	1686.2	2.80
Royal Mail PLC	433.50	-4.70
Sage Group PLC	733.20	-11.00
Sainsbury (J) PLC	289.20	4.90
Schroders PLC	3710	43.00
Scottish Mortgage Investment Trust PLC	1514.5	-14.00
Segro PLC	1309	-20.00
Severn Trent PLC	2764	-7.00
Smith & Nephew PLC	1352	-17.00
Smith (Ds) PLC	379.00	-0.80
Smiths Group PLC	1442	7.00
Smurfit Kappa Group PLC	3860	-2.00
Spirax-Sarco Engineering PLC	16430	155.00
Sse PLC	1638	-11.50
St. James's Place PLC	1619	5.50
Standard Chartered PLC	451.90	-6.60
Taylor Wimpey PLC	155.80	0.50
Tesco PLC	274.85	-0.50
Unilever PLC	3880	-20.00
United Utilities Group PLC	1061.5	-3.50
Vodafone Group PLC	110.96	-0.40
Whitbread PLC	3358	-68.00
Wpp PLC	1077	4.50

UK STOCK MARKET TRADING DATA

	Nov 08	Nov 05	Nov 04	Nov 03	Nov 02	Yr Ago
Order Book Turnover (m)	85.21	90.04	90.04	46.80	130.93	105.38
Order Book Bargains	750966.00	894346.00	894346.00	984717.00	854281.00	842763.00
Order Book Shares Traded (m)	1093.00	1365.00	1365.00	1734.00	1305.00	1331.00
Total Equity Turnover (£m)	3895.01	4529.36	4529.36	4609.28	5667.91	5012.99
Total Mkt Bargains	999323.00	1148747.00	1148747.00	1200388.00	1092454.00	1078951.00
Total Shares Traded (m)	4970.00	4351.00	4351.00	5413.00	6485.00	6149.00

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

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

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

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

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Argentex Group	Int	**15.700**	11.800	**4.200**	3.400	**3.000**	2.400	**0.00000**	0.00000	-	**2.000**	1.989
Cake Box Holdings	Int	**16.472**	8.587	**3.699**	1.665	**7.460**	3.450	**0.00000**	1.85000	-	**3.700**	1.850
CyanConnode Holdings	Int	**4.078**	1.499	**1.262L**	1.723L	**0.490L**	0.780L	**0.00000**	0.00000	-	**0.000**	0.000
DX (Group)	Pre	**382.100**	329.300	**10.600**	1.300L	**2.700**	0.300L	**0.00000**	0.00000	-	**0.000**	0.000
Fidelity Special Values	Pre			**329.504**	133.330L	**109.960**	46.780L	**4.50000**	3.70000	Jan 12	**6.670**	5.800
Scottish Mortgage Investment Trust	Int			**2669.102**	6355.847	**188.000**	433.840	**1.52000**	1.45000	Dec 3	**3.490**	3.300
SVM UK Emerging Fund	Int			**1.239**	1.384	**20.670**	23.090	**0.00000**	0.00000	-	**0.000**	0.000

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

UK RECENT EQUITY ISSUES

Issue date	Issue price(p)	Sector	Stock code	Stock	Close price(p)	+/-	High	Low	Mkt Cap (£m)
11/05	1.10	AIM	MRK	Marks Electrical Group PLC	111.00	-0.50	118.00	110.00	11649.3
10/27	7.50		SFTL	Softline Holding PLC	7.20	0.00	7.50	7.08	0.0
10/25	6.25	AIM	AXL	Arrow Exploration Corp	7.25	0.45	7.99	6.50	1519.8
10/19	10.00	AIM	BEN	Bens Creek Group PLC	19.25	-1.30	25.00	9.50	6737.5
10/15	10.00	AIM	LST	Light Science Technologies Holdings PLC	26.00	4.00	32.00	10.00	4527.9
10/11	20.00		TMTA	TMT Acquisition PLC	23.20	0.00	24.00	22.40	638.0
10/08	181.00	AIM	MEX	Tortilla Mexican Grill PLC	187.50	0.00	200.00	185.00	7249.5
10/08	150.00		WPS	WAG Payment Solutions PLC	127.30	0.00	160.45	124.00	87698.4
09/30	10.00		BAY	Bay Capital PLC	19.20	0.60	20.50	15.00	1344.0
09/30	122.00	AIM	MTEC	Made Tech Group PLC	129.00	-1.50	150.00	127.00	19102.1
09/29	228.00	AIM	PEEL	Peel Hunt Ltd	222.00	-2.00	235.00	222.00	27263.2
09/28	10.00	AIM	GROC	GreenRoc Mining PLC	7.95	-0.05	10.95	7.80	884.0
09/28	350.00		PHLL	Petershill Partners PLC	295.00	5.00	359.35	287.00	341225.3

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ	28.35	-0.45	29.64	19.12	2.14	16.98	59897.9
BHPBilltn	36.38	0.29	54.55	35.05	5.69	12.33	79654.87
CmwBkAu	110.13	0.42	110.19	69.80	2.24	23.56	139468.11
CSL	312.10	-2.38	320.42	242.00	0.89	45.28	105544.63
NatAusBk	29.11	0.18	29.45	19.54	2.08	18.92	70903.91
Telstra	3.97	-0.01	4.05	2.80	2.50	25.62	35041.58
Wesfarmers	60.03	-0.30	67.20	46.98	2.73	28.76	50513.89
Westpc	22.84	0.29	27.12	17.70	1.37	19.37	62185.05
Woolworths	39.50	-0.13	42.66	31.24	2.54	32.59	35528.87
Belgium (€)							
AnBshInBv	51.89	-0.56	65.86	46.66	0.99	21.49	104364.98
KBC Grp	84.84	0.16	85.40	43.69	0.52	13.88	40969.73
Brazil (R$)							
Ambev	17.83	-0.07	19.86	13.13	2.99	17.89	50600.44
Bradesco	17.20	-0.01	24.57	16.45	3.25	10.44	15103.13
Cielo	2.40	0.11	4.45	2.17	4.21	7.34	1175.51
ItauHldFin	20.77	0.11	30.15	20.44	3.66	6.74	18566.32
Petrobras	27.32	0.63	32.34	19.59	3.89	3.32	36656.77
Vale	67.04	2.93	120.45	62.34	13.32	3.75	62032.18
Canada (C$)							
Bausch Hlth	34.89	0.06	43.97	21.52	-	-7.93	10048.15
BCE	63.22	-0.05	67.08	52.52	5.33	21.50	46164.57
BkMontrl♦	138.00	-0.31	138.93	81.01	2.96	17.47	71850.35
BkNvaS	82.96	0.08	83.62	56.23	4.30	13.50	81006.18
Brookfield	76.66	0.04	77.51	42.99	0.80	35.45	101031.6
CanadPcR	95.18	-0.29	100.00	82.12	0.79	20.00	51005.82
CanImp	149.29	-0.52	152.87	100.94	3.83	11.68	53661.09
CanNatRs	55.06	0.85	55.15	21.32	3.21	16.22	52118.81
CanNatRy	163.66	-1.78	168.66	125.00	1.43	29.41	93212.06
Enbridge	53.09	-0.80	54.00	35.80	6.11	17.93	86419.01
GtWestLif	38.13	0.06	39.73	27.92	4.53	11.11	28486.13
ImpOil	43.12	0.95	45.49	18.37	2.13	-84.05	24206.4
Manulife	24.85	0.48	27.68	18.71	4.45	6.92	38786.12
Nutrien	85.23	1.91	91.15	51.65	2.61	41.28	39112.94
RylBkC♦	132.09	0.02	134.23	96.17	3.18	12.80	151253.36
Suncor En	33.02	0.05	33.45	15.23	2.51	33.47	38548.38
ThmReut	149.66	2.74	152.03	99.11	1.28	8.79	59332.53
TntoDom	91.59	0.14	92.19	59.10	3.35	11.09	134144.78
TrnCan	63.21	-0.85	68.20	50.61	5.24	30.95	49733.04
China (HK$)							
AgricBkCh	2.64	0.03	3.30	2.54	8.38	3.54	10418.92
Bk China	2.75	0.02	3.17	2.54	8.39	3.57	29524.52
BkofComm	4.79	0.10	5.26	4.00	7.83	3.78	21531.95
BOE Tech	0.87	-	1.21	0.55	-	-73.54	22.22
Ch Cons Cons	4.08	-0.01	4.73	3.21	5.17	2.85	2314.53
Ch Evrbrght	2.73	-	3.54	2.63	9.13	3.83	4443.9
Ch Rail Cons	4.89	0.01	6.03	4.07	5.03	2.52	1303.54
Ch Rail Gp	3.70	0.03	4.70	3.33	5.36	3.15	1998.68
ChConstBk	5.26	0.09	6.74	5.16	7.32	3.97	162361.03
China Vanke	18.22	1.20	35.00	16.84	6.57	4.45	4447.37
ChinaCitic	3.41	0.03	4.29	3.15	8.82	3.13	6515.56
ChinaLife	13.74	0.34	18.86	12.22	5.51	5.40	13126.75
ChinaMBank	63.85	0.40	72.45	45.95	2.32	12.94	37634.69
ChinaMob	48.25	-0.45	59.20	39.00	6.92	7.49	126841.32
ChinaPcIns	24.10	0.45	42.75	20.85	5.84	7.12	8587.31
ChMinsheng	3.07	0.03	5.01	2.56	8.31	3.93	3279.53
ChMrchSecs	17.02	0.25	28.18	16.01	1.91	14.96	19744.69
Chna Utd Coms	4.03	-0.02	5.03	4.01	1.61	20.62	19372.98
ChShenEgy	16.60	0.46	19.36	13.64	12.81	6.26	7198.33
ChShpbldng	4.13	-	5.08	3.78	-	-265.91	14255.76
ChStConEng	4.58	-0.02	5.61	4.38	4.56	3.86	29096.24
ChUnicHK	3.97	-	5.60	3.90	4.39	7.86	15095.1
CNNC Intl	6.55	-0.11	8.31	4.54	1.81	16.40	17412.88
CSR	3.55	-	4.22	2.53	6.05	7.69	1992.24
Daqin	6.24	0.02	7.11	5.80	-	8.34	14500.26
GuosenSec	11.05	0.06	14.67	10.32	2.02	13.53	15245.85
HaitongSecs	6.72	-0.02	7.93	6.36	9.36	5.41	2941.71
Hngzh HikVDT	51.05	-0.43	70.48	43.38	1.52	31.91	64974.88
Huneng Pwr	3.72	-0.09	4.91	2.44	5.70	-44.92	2244.95
IM Baotou Stl	2.68	0.17	4.14	1.12	-	40.75	13269.27
Ind&CmBkCh	4.23	0.04	5.75	4.15	7.26	4.21	47136.98
IndstrlBk	18.07	-0.07	28.07	17.08	4.05	5.85	55401.51
Kweichow	1820.1	0.16	2627.88	1525.5	1.03	48.24	357373.78
Midea	0.54	-0.02	0.85	0.51	-	-3.45	20.87
New Ch Life Ins	22.00	0.45	35.35	20.55	7.51	3.49	2920.91
PetroChina	3.51	0.07	4.20	2.29	5.89	5.35	9508.22
PingAnIns	56.20	2.15	103.60	48.80	4.60	6.38	53737.92
PngAnBnk	17.42	-0.21	25.31	16.69	1.00	11.64	52638.18
Pwr Cons Corp	7.13	-0.11	9.96	3.57	1.26	14.66	12419.88
SaicMtr	23.01	0.28	28.67	18.03	-	10.84	42020.15
ShenwanHong	0.08	0.00	0.11	0.05	-	-13.92	87.88
ShgPdgBk	8.49	-0.04	11.24	8.46	6.87	4.96	38950.9
Sinopec Corp	3.78	0.04	4.69	3.20	5.92	5.56	12381.93
Sinopec Oil	2.11	0.03	2.90	1.78	-	311.76	4475.18
Denmark (kr)							
DanskeBk	109.90	0.45	125.60	90.40	1.83	9.79	14763
MollerMrsk	19635	230.00	21360	10660	1.67	6.97	27250.72
NovoB	737.60	12.10	747.00	411.30	1.24	38.35	203703.94
Finland (€)							
Nokia	5.12	0.10	5.38	2.99	-	-	33675.63
SampoA	45.02	0.02	47.33	33.07	3.79	42.28	28912.05
France (€)							
Airbus Grpe	115.64	1.74	121.00	68.81	-	29.98	105346.82
AirLiquide	150.46	0.52	153.26	124.25	1.84	27.38	82617.88
AXA	25.59	0.09	26.35	15.55	5.61	10.98	71753.77
BNP Parib	59.39	-0.12	60.62	33.00	1.88	9.57	86019.7
ChristianDior	696.00	0.50	728.00	395.20	0.87	32.13	145595.88
Cred Agr	13.22	-0.03	13.49	7.43	6.08	9.65	47378.8
Danone	56.65	-0.70	65.30	48.97	7.16	18.37	45147.37
EDF	12.94	0.11	13.58	9.63	1.63	8.10	47355.23
Engie SA	12.74	0.03	13.87	10.98	4.18	63.40	35949.73
EssilorLuxottica	187.82	-0.04	190.82	111.05	1.19	61.10	96251.71
Hermes Intl	1466.5	7.50	1476.5	815.80	0.31	68.86	179417.47
LOreal	412.25	-0.55	415.60	290.10	0.97	56.21	266430.75
LVMH	707.40	-1.50	718.70	429.55	0.85	37.51	413801.69
Orange	9.60	-0.03	10.87	9.17	7.33	28.95	29588.05
PernodRic	204.40	-0.40	206.10	146.10	1.96	40.77	62032.9
Renault	32.43	-0.12	41.42	22.63	-	-24.64	11112.42
Safran	120.12	-0.24	127.74	99.16	0.36	38.20	59474.59
Sanofi	88.21	-0.25	91.14	74.92	3.64	19.08	129159.93
Sant Gbn	61.60	0.53	64.93	36.22	2.17	14.99	38018.41
Schneider	154.56	1.36	159.30	111.00	1.69	29.57	101924.71
SocGen	29.81	-0.19	30.84	13.65	1.85	8.43	29476.22
Total	43.69	0.87	42.19	24.51	6.66	19.52	127408.73
UnibailR	68.98	-0.73	85.65	34.17	-	-2.31	11079.33
Vinci	94.85	-0.71	96.95	72.62	2.16	24.08	65772.78
Vivendi	10.95	-0.16	11.75	5.04	5.50	10.38	14067.54
Germany (€)							
Allianz	203.15	-0.35	223.50	166.60	4.75	9.72	97066.08
BASF	62.04	-0.04	72.88	49.59	5.34	29.13	66036.71
Bayer	50.01	0.29	57.73	42.52	4.02	-6.46	56937.76
BMW	91.09	-0.76	96.39	63.13	2.10	5.42	63546.99
Continental	102.30	0.42	132.68	89.73	2.95	407.32	23711.73
Daimler	87.23	-0.36	88.24	47.76	2.59	6.92	108150.42
Deut Bank	11.19	0.03	12.56	8.37	-	17.81	26797.22
Deut Tlkm	16.60	-0.23	18.92	14.13	3.63	14.75	95939.46
DeutsPost	55.59	-0.07	61.38	37.92	4.52	15.12	79823.97
E.ON	11.24	-0.02	11.43	8.27	4.28	8.45	33793.59
Fresenius Md	60.50	-0.84	75.08	55.18	4.22	17.66	20534.52
Fresenius SE	39.33	-0.37	47.60	32.94	4.39	12.55	20613.38
HenkelKgaA	71.05	-3.80	86.50	70.40	2.59	19.54	21391.48
Linde	290.40	2.60	291.55	199.35	1.18	55.02	173794.86
MuenchRkv	260.50	1.10	269.30	203.60	3.78	17.23	42294.81
SAP	128.98	-	129.74	95.96	1.44	25.88	183629.98
Siemens	146.16	0.58	151.86	107.08	2.41	23.35	143976.64
Volkswgn	283.80	-16.40	357.40	143.00	1.70	8.03	97053.49
Hong Kong (HK$)							
AIA	86.15	-	109.30	81.00	1.55	19.77	133798.61
BOC Hold	24.75	0.30	29.55	22.20	4.94	11.14	33596.49
Ch OSLnd&Inv	16.68	0.32	21.95	14.52	7.13	3.51	23438.76
ChngKng	48.20	0.40	56.05	37.70	3.68	9.89	22547.85
Citic Ltd	7.23	0.05	10.24	5.20	6.65	2.89	27003.33
Citic Secs	18.84	0.02	22.00	15.22	-	11.37	5510.96
CK Hutchison	52.75	0.80	65.80	50.10	4.32	5.99	25983.08
CNOOC	8.21	0.05	10.60	6.50	5.51	6.42	47061.99
HangSeng♦	148.40	0.70	166.70	125.70	3.65	18.47	36426.34
HK Exc&Clr	466.80	0.80	587.00	365.00	1.72	46.66	75984.27
MTR	43.15	0.20	49.00	39.60	2.81	-146.09	34311.85
SandsCh	18.44	1.32	40.55	14.64	-	-16.43	19160.62
SHK Props♦	99.40	-3.90	126.00	94.00	4.90	10.96	36981.21
Tencent	463.80	-3.60	775.50	412.20	0.33	20.22	571428.64
India (Rs)							
Bhartiartl	709.00	7.90	739.12	444.21	0.27	-41.99	52602.69
HDFC Bk	1600.25	6.32	1725	1315.2	0.40	26.96	119708.97
Hind Unilevr	2431.9	9.05	2859.3	2092.5	1.63	71.33	77191.05
HsngDevFin	2978.55	79.85	3021	2138.2	1.44	27.32	72782.77
ICICI Bk	780.15	-1.55	867.00	460.00	-	27.72	73094.57
Infosys	1737.5	28.80	1848	1078	1.54	36.78	98711.5
ITC	229.80	3.25	265.30	171.65	4.57	20.76	38247.34
L&T	1924.55	15.60	1953.9	962.40	0.41	65.53	36517.17
OilNatGas	154.90	2.85	172.75	67.80	1.10	9.01	26325.11
Reliancelin	2501.95	3.10	2751.35	1830	0.27	34.95	228688.57
SBI NewA	523.25	-7.20	542.30	217.05	0.75	19.09	63085.22
SunPhrmInds	800.00	4.55	851.00	489.00	0.79	32.73	25930.43
Tata Cons	3502.75	-5.90	3989.9	2607.05	0.92	38.78	175036.41
Israel (ILS)							
TevaPha	28.80	0.22	43.90	27.38	-	-2.66	10209.25
Italy (€)							
Enel	7.20	-0.10	9.05	6.55	4.79	29.84	84772.42
ENI	12.68	0.01	12.83	6.47	4.54	-5.00	52991.86
Generali	18.98	-0.13	19.19	12.29	4.35	12.03	34767.81
IntSPaolo	2.49	0.01	2.59	1.59	1.44	12.95	56125.86
Unicred	11.48	-0.04	12.16	6.77	1.05	20.02	29770.01
Japan (¥)							
AstellasPh	1984.5	-8.00	2025	1470	2.12	36.48	32640.27
Bridgestne	5158	31.00	5467	3307	2.81	29.53	32261.23
Canon	2605.5	-10.00	2938	1785.5	3.27	15.50	30700.3
CntJpRwy	17570	430.00	18455	12820	0.74	-21.93	31975.09
Denso	8301	157.00	8513	4929	1.69	21.10	57782.86
EastJpRwy	7337	144.00	8626	5522	1.36	-5.53	24496.58
Fanuc	22630	-125.00	29700	21720	1.30	34.62	40365.83
FastRetail	78510	-1520.00	110500	69230	0.60	53.85	73570.76
Fuji Hvy Ind	2213	-2.00	2363	1943	2.53	16.50	15037.64
Hitachi	7111	100.00	7239	3548	1.48	17.14	60825.29
HondaMtr	3295	-114.00	3677	2731	3.62	5.91	52728.98
JapanTob	2344	-16.00	2387.5	1898	6.07	11.45	41415.26
KDDI	3396	-55.00	3899	2919.5	3.51	11.79	69128.45
Keyence	72460	-1940.00	76210	47150	0.28	76.86	155685.58
MitsbCp	3435	-95.00	3758	2391.5	3.91	15.70	45085.55
MitsubEst	1727.5	1.00	2047.5	1595.5	1.45	16.37	21235.73
MitsubishiEle	1534	-1.50	1817	1342	2.35	13.86	29098.53
MitsuiFud	2677	18.00	2816.5	1840	1.65	17.16	22833.12
MtsUFJFin	638.00	1.20	688.90	425.00	3.95	10.52	76552.06
Mizuho Fin	1547	-1.00	1732.5	1287	2.69	6.70	34703.12
Murata Mfg	8461	-118.00	10835	7520	1.36	19.68	50513.41
Nippon T&T	3224	-12.00	3293	2395	3.11	11.99	111101.57
NipponTT	3224	-12.00	3293	2395	3.11	11.99	111101.57
Nissan Mt	591.20	2.10	664.50	385.30	-	-47.68	22044.16
Nomura	510.40	-5.90	721.00	492.00	6.87	27.45	14580.23
Nppn Stl	1918	-10.00	2381	1068	0.52	10.27	16102.45
Panasonic	1368.5	-9.00	1541	1008	1.46	12.69	29666.65
Seven & I	4987	-53.00	5340	3138	1.95	21.41	39053.73
ShinEtsuCh	20230	-20.00	21480	14750	1.24	26.25	74465.2
Softbank	6161	-48.00	10695	5888	0.72	2.79	93777.27
Sony	13985	-60.00	14245	8850	0.39	14.69	155801.11
SumitomoF	3849	28.00	4354	2932	4.94	8.37	46732.81
Takeda Ph	3246	2.00	4365	3157	5.55	11.84	45372.96
TokioMarine	6001	20.00	6210	4800	3.34	18.72	36977.76
Toyota	2028	-7.00	2100	1396	2.32	9.56	292299.15
Mexico (Mex$)							
AmerMvl	18.56	-0.17	19.90	13.25	2.05	12.12	41162.66
FEMSA UBD	167.32	1.58	180.66	118.13	3.08	61.10	17776.44
WalMrtMex	74.81	-1.48	76.95	52.23	0.80	31.27	64216.23
Netherlands (€)							
ASML Hld	734.80	-2.30	764.40	331.55	0.38	63.71	351973.36
Heineken	96.06	-1.34	103.80	80.84	0.73	48.78	64122.67
ING	13.19	-0.12	13.74	6.03	0.91	10.27	59685.98
Unilever	45.36	-0.20	53.66	43.00	2.40	25.65	158499.19
Norway (Kr)							
DNB	214.00	-1.60	217.90	126.05	3.84	16.46	39004.5
Equinor	231.00	5.05	237.55	116.30	1.48	-115.26	88468.44
Telenor	135.35	-1.40	161.45	131.80	6.67	11.00	22268.2
Qatar (QR)							
QatarNtBk	21.01	0.02	21.01	16.35	2.10	17.40	53297.8
Russia (RUB)							
Gzprm neft	312.24	-40.00	3649	74.00	-	-	103775.68
Lukoil	7227.23	99.45	7554.91	7.45	-	-	70301.68
MmcNrlsNckl	21834.32	155.33	28011.97	343.80	-	-	48508.26
Novatek	1796.48	0.12	13307.81	1060	-	-	76579.65
Rosneft	629.85	4.97	39143.78	116.00	-	-	93715.87
Sberbank	357.00	-4.84	568.52	205.80	-	-	108194.22
Surgutneftegas	34.05	0.75	43.50	29.80	-	-	17078.45
Saudi Arabia (SR)							
AlRajhiBnk	149.40	4.20	149.80	68.50	1.58	29.90	99586.73
Natnlcombnk	66.00	0.20	66.40	40.15	1.19	19.21	52792.95
SaudiBasic	128.40	-1.00	136.60	92.00	2.29	24.77	102706.32
SaudiTelec	116.00	-0.40	139.80	103.40	3.39	21.21	61858.42
Singapore (S$)							
DBS	32.60	0.31	32.60	22.72	2.17	14.33	62153.55
JardnMt US$	59.60	-	68.88	45.84	2.83	90.61	43026.42
OCBC	12.00	0.03	12.77	9.00	2.61	11.40	40086.94
SingTel	2.58	0.04	2.63	2.15	4.03	77.46	31623.59
UOB	27.96	0.37	28.03	20.62	2.74	14.60	34766.13
South Africa (R)							
Firstrand	58.39	-0.90	65.24	40.59	2.52	22.88	21909.76
MTN Grp	169.50	2.50	174.99	58.69	-	40.12	21364.32
Naspers N	2520	-25.86	3888	1262.66	0.22	14.24	73413.51
South Korea (KRW)							
HyundMobis	252000	-500.00	405000	231500	2.05	10.22	20191.76
KoreaElePwr	23750	650.00	30050	20350	5.26	7.22	12887.58
SK Hynix	107500	500.00	150500	85900	1.12	12.25	66151.27
SmsungEl	70600	400.00	96800	59500	4.39	14.42	356254.3
Spain (€)							
BBVA	6.02	-0.01	6.29	2.48	0.98	11.99	46526.58
BcoSantdr	3.24	-0.05	3.51	1.70	-	-6.94	65070.93
CaixaBnk	2.47	-0.03	2.90	1.60	1.09	3.21	23092.06
Iberdrola	10.14	-0.14	12.57	8.59	3.97	20.18	74772.31
Inditex	31.47	-0.80	32.85	22.79	1.81	38.22	113665.76
Repsol	10.83	0.02	11.78	5.72	5.45	-4.46	19170.12
Telefonica	3.76	-0.01	4.22	2.79	10.48	2.30	24564.27
Sweden (SKr)							
AtlasCpcoB	478.10	14.30	518.00	364.20	1.47	35.92	21771.04
Ericsson	95.36	0.36	121.80	91.00	1.81	16.35	34189.71
H & M	163.26	-8.94	229.50	155.80	-	31.16	27828.17
Investor♦	208.25	-0.90	221.60	143.45	1.18	2.06	44276.21
Nordea Bk	108.78	-0.24	114.64	65.76	0.64	13.30	51410.41
SEB	140.15	-0.15	141.60	81.80	2.88	13.80	35490.23
SvnskaHn	101.15	-0.90	108.15	76.04	3.99	12.13	22955.57
Swedbank	190.80	-1.20	196.70	140.70	3.74	10.73	25204.56
Telia Co	34.37	-0.03	39.97	33.45	5.44	-10.99	16400.32
Volvo	205.60	-0.20	240.80	182.00	2.87	13.01	38111.19
Switzerland (SFr)							
ABB	31.87	0.38	34.79	23.64	2.39	80.78	71641.57
CredSuisse	9.47	0.08	13.50	8.71	2.45	121.48	26458.4
Nestle	122.20	-0.98	124.06	95.00	2.18	28.89	385458.15
Novartis	76.06	-0.03	86.92	74.81	3.91	21.47	205446.6
Richemont	123.70	3.40	125.55	67.70	0.79	51.06	70697.32
Roche	365.95	1.65	378.95	293.05	2.41	23.21	281494.3
Swiss Re	91.02	0.20	94.96	71.00	6.39	23.33	31640.23
Swisscom	498.40	-2.40	562.40	456.30	4.28	14.49	28267.46
UBS	16.77	0.03	17.04	11.60	3.93	9.12	67959.83
Zurich Fin	411.00	-1.30	415.10	320.60	4.80	14.19	67705.84
Taiwan (NT$)							
Chunghwa Telecom	111.50	0.50	118.50	108.00	-	25.72	31078.82
Formosa PetChem	102.00	-	117.50	81.30	-	17.20	34912.45
HonHaiPrc	107.50	-	134.50	80.30	3.83	11.38	53547.19
MediaTek	980.00	33.00	1185	662.00	3.70	19.56	56297.05
TaiwanSem	602.00	2.00	679.00	448.50	1.63	29.09	560888.65
Thailand (THB)							
PTT Explor	38.25	1.00	45.00	34.00	2.65	12.76	33051.96
United Arab Emirates (Dhs)							
Emiritestele	26.68	-0.04	26.72	16.64	2.01	25.77	63108.99
United Kingdom (p)							
AscBrFd	1858.5	-28.00	2528	1661	-	36.73	19954.79
AstraZen	9331	22.00	9523	6499.8	2.21	44.91	160270.63
Aviva	403.30	-0.70	429.60	247.40	6.69	13.44	21951.38
Barclays	192.44	0.06	217.63	110.00	0.52	6.21	44535.74
BP	345.25	-0.15	366.40	3.20	4.38	11.15	93324.1
BrAmTob	2531.5	-12.50	2961.5	207.50	8.36	9.38	84012.81
BT	158.45	-1.55	206.00	100.70	-	10.85	21321.87
Compass	1589	-13.00	1721.63	18.06	-	-68.79	35442.11
Diageo	3746	-32.50	3790.5	2633	1.88	33.03	127898.64
GlaxoSmh	1558.2	-17.80	1591	1190.8	5.13	17.97	103929.09
Glencore	360.45	7.05	397.80	3.40	1.21	31.12	70516.5
HSBC	434.15	-3.10	462.55	329.55	2.47	13.33	118057.99
Imperial Brands	1553.5	-12.00	1686	1142	11.95	9.83	20094.53
LlydsBkg	49.16	0.06	51.58	27.37	1.16	7.56	48051.37
Natl Grid	951.20	1.20	983.70	805.40	5.15	20.54	43301.74
Natwest Group	217.40	0.60	235.07	124.43	1.38	14.40	35281.48
Prudential	1489	13.50	1598.5	1043.07	0.79	20.69	52248.88
ReckittB	6047	17.00	7972	4905.16	2.89	-26.17	57753.34
RELX	2330	-20.00	2375	1484.8	2.02	33.67	61135.03
RioTinto	4474	49.50	6876.26	4398.5	7.52	5.36	81382.91
RollsRoyce	141.76	-1.18	148.45	67.32	-	3.10	3575.75
RylDShlA	1686.2	2.80	1795.2	16.51	2.87	32.81	105131.9
StandCh	451.90	-6.60	533.20	363.30	1.44	16.13	20205.55
Tesco	274.85	-0.50	317.55	2.74	4.47	36.45	30520.86
Unilever	3900.5	-12.50	4593	3713	3.58	20.43	134521.76
Vodafone	110.96	-0.40	157.52	1.56	6.91	342.47	40141.14
WPP	1077	4.50	1090	11.00	2.23	27.36	18493.78
United States of America ($)							
21stC Fox A	40.63	-0.85	44.80	25.33	1.11	11.46	13139.91
3M	180.91	-0.89	208.95	161.57	3.20	18.23	104681.45
AbbottLb♦	126.05	1.68	129.70	105.36	1.26	36.17	223463.63
Abbvie	115.96	-1.22	121.53	91.71	4.20	31.92	204921.67
Accenture♦	367.39	-1.08	372.12	231.07	0.89	43.02	241272.95
Adobe	663.48	0.76	677.76	420.78	-	55.73	316081.87
AEP	83.68	-1.36	94.21	74.80	3.43	18.17	41861.03
Aetna	-	-	-	-	-	-	-
Aflac	56.91	0.16	57.66	36.65	2.10	7.01	38168.54
AirProd	311.66	2.35	327.89	245.75	1.79	36.07	69007.85
Alexion	182.50	3.05	187.45	99.91	-	59.43	40336.01
Allstate	116.55	-0.61	140.00	90.42	2.27	4.98	34461.67
Alphabet	2985.35	8.31	3012.3	1694	-	33.00	898842.99
Altria	45.16	-0.04	52.59	37.07	7.48	18.78	83281.69
Amazon	3512.82	-6.17	3773.08	2881	-	62.30	1779034.39
AmerAir	22.13	0.31	26.09	11.28	-	-2.21	14326.26
AmerExp♦	179.68	2.99	189.03	96.27	0.94	21.28	142743.74
AmerIntGrp	58.88	-0.08	62.54	32.76	2.13	12.60	50354.32
AmerTower	277.41	-0.42	303.72	197.50	1.72	56.97	126260.74
Amgen	211.84	-1.93	276.69	200.47	3.11	21.93	120293.84
Anthem	424.92	2.86	439.90	286.04	0.96	25.34	103134.93
Aon Cp	293.27	4.74	326.25	184.67	0.63	32.79	66204.87
Apple	150.41	-0.87	157.26	112.59	0.55	29.92	2486305.57
Aptiv	172.25	-2.78	180.81	103.57	-	49.15	46594.93
ArcherDan	64.19	-0.30	69.30	47.75	2.23	15.95	35863.09
AT&T	24.92	-0.19	33.88	24.54	8.20	-81.87	177893.1
AutomData	227.16	-2.44	230.20	159.31	1.60	38.12	96025.83
Avago Tech	561.02	2.10	563.89	360.36	2.44	42.60	230924.97
BakerHu	24.82	0.02	27.66	15.36	2.85	47.69	20558.91
BankAm	47.59	0.62	48.69	24.23	1.49	16.16	400423.2
Baxter	78.38	0.34	88.32	73.12	1.27	36.62	39180.47
BectonDick	243.42	-0.29	267.37	226.15	1.32	39.17	69907.83
BerkshHat	436961.94	2961.94	445000	311917	-	6.62	272430.91
Biogen	272.11	-6.58	468.55	223.25	-	21.54	39970.24
BkNYMeln	59.17	0.35	60.52	34.92	2.06	15.57	51073.99
BlackRock	965.20	10.09	967.94	645.12	1.58	27.65	146898.62
Boeing	224.14	-0.32	278.57	154.52	-	-14.75	131380.09
Booking Holdings	2629	10.03	2687.29	1701.09	-	265.40	107948.32
BrisMySq	59.16	-0.30	69.75	56.11	3.19	-26.78	131449.13
CapOne	156.17	1.30	177.95	77.12	0.63	6.32	69669.59
CardinalHlth	49.88	0.34	62.96	47.15	3.84	24.43	14153.79
Carnival	24.74	-0.05	31.52	13.66	-	-3.02	24092.52
Caterpillar	213.45	7.57	246.69	160.76	1.89	27.31	116857.78
CharlesSch	81.81	0.66	84.49	40.98	0.86	35.16	147834.98
Charter Comms	690.69	1.37	825.62	585.45	-	36.47	126963.24
Chevron Corp	115.40	0.66	115.99	70.83	4.43	62.66	223173.44
Chubb	191.82	-1.37	197.62	136.77	1.61	10.80	84159.11
Cigna	217.81	3.69	272.81	190.88	0.90	9.81	74078.82
Cisco	56.72	-0.36	60.27	37.08	2.51	23.26	239208.89
Citigroup	68.75	1.76	80.29	42.50	2.91	7.18	139331.35
CME Grp	220.00	-1.71	230.89	149.30	1.56	41.89	79009.73
Coca-Cola	56.30	-0.55	57.56	48.11	2.89	30.66	242726.06
Cognizant	80.16	0.25	82.73	66.19	1.13	25.92	42131.87
ColgtPlm♦	77.10	-0.74	86.41	74.01	2.25	24.54	65034.89
Comcast	53.71	-0.19	61.80	43.95	1.75	20.41	246007.53
ConocPhil♦	76.59	1.14	77.98	28.78	2.19	69.19	102553.6
Corning	38.28	-0.06	46.82	34.39	2.36	35.77	32292.35
Costco	504.12	-9.00	520.21	307.00	0.55	49.66	222732.22
CrownCstl	178.85	-1.28	204.62	146.15	2.85	70.07	77298.32
CSX	35.41	-	36.45	27.70	1.00	24.54	78507.73
CVS	93.83	0.05	96.57	63.02	2.09	17.50	123815.7
Danaher	297.33	5.25	333.96	211.22	0.26	40.93	212465.14
Deere	363.96	8.76	400.34	245.96	0.89	21.63	112848.43
Delta	45.30	1.01	52.28	31.03	-	-4.40	28992.63
Devon Energy	44.24	0.66	44.79	9.73	0.98	214.59	29950.48
DiscFinServ	117.00	0.53	135.69	67.38	1.48	7.62	35037.81
Disney	176.44	0.81	203.02	124.61	-	289.87	320613.63
DominRes	74.34	-2.19	86.95	67.85	3.74	26.20	60102.95
DukeEner	100.83	-0.86	108.38	85.56	3.76	26.95	77568.46
DuPont	79.89	-0.51	87.27	59.42	1.47	41.10	41787
Eaton	173.25	1.95	174.81	109.25	1.69	37.63	69087.43
eBay	74.46	-1.11	81.19	45.36	0.90	23.12	48403.16
Ecolab	230.51	-0.17	231.55	196.71	0.81	64.15	65945.97
Emerson	98.37	0.44	105.99	69.56	2.01	25.63	58805.59
EOG Res	97.11	1.99	97.85	34.04	1.55	30.62	56698.66
EquityResTP	84.00	-0.46	88.08	51.14	2.82	46.84	31454.42
Exelon	52.99	-1.16	54.70	38.00	2.83	54.51	51810.46
ExxonMb	65.92	0.90	66.38	32.62	5.18	-21.59	279055.3
Facebook	340.51	-0.62	384.33	244.61	-	25.73	811711.91
Fedex	247.53	4.76	319.90	216.34	1.11	13.35	65756.36
FordMtr	19.82	0.53	20.42	7.75	-	23.75	77762.13
Franklin	35.57	0.09	38.27	19.22	3.77	15.14	18085.15
GenDyn♦	202.07	1.07	210.21	138.14	2.23	17.81	56486.93
GenElectric	109.06	0.32	115.32	63.68	0.29	-462.86	119966
GenMills	62.17	-0.49	64.65	53.96	3.23	16.73	37652.87
GenMotors	59.38	0.86	64.30	37.01	-	6.99	86209.46
GileadSci	65.76	-0.56	73.34	56.56	4.15	16.34	82450.51
GoldmSchs	412.41	5.33	426.16	200.42	1.19	7.68	139022.38
Halliburton	25.07	0.38	26.75	12.27	0.70	141.86	22324.82
HCA Hold	247.70	-0.57	263.92	136.35	0.38	17.29	79299.15
Hew-Pack	32.10	0.15	36.00	18.69	2.30	10.22	36995.85
HiltonWwde	151.57	-0.27	154.40	92.28	-	-152.88	42240.44
HomeDep	368.16	-0.24	375.15	246.59	1.67	26.56	388540.86
Honywell	224.96	-1.10	236.86	182.88	1.61	32.55	155312.22
Humana	455.23	1.80	475.44	370.22	0.57	24.48	58499.18
IBM	124.19	0.58	152.84	113.39	5.16	21.73	111310.05
IllinoisTool	233.46	-0.61	242.07	192.89	1.92	28.28	73532.39
Illumina	398.28	-9.89	555.77	292.65	-	77.71	58424.01
Intcntl Exch	135.52	-0.56	139.79	96.14	0.91	27.61	76318.79
Intel♦	51.38	0.46	68.49	44.55	2.59	11.63	208428.38
Intuit	615.17	0.18	631.56	337.72	0.37	83.42	167997.96
John&John	162.20	-1.23	179.92	139.65	2.49	24.84	426988.6
JohnsonCn	74.46	-0.18	76.83	43.25	1.40	32.83	53028.66
JPMrgnCh	169.92	1.87	172.96	102.39	2.08	11.55	507747.36
Kimb-Clark	131.05	-1.18	144.44	128.25	3.31	22.74	44132.67
KinderM	16.93	-0.02	19.29	11.45	6.13	22.69	38372.2
Kraft Heinz	37.36	-0.48	44.95	29.54	4.20	21.62	45705.74
Kroger	41.64	-0.68	47.99	30.35	1.69	28.27	30965.11
L Brands	79.92	-0.15	-	-	-	-	-
LasVegasSd	42.07	-0.57	66.77	35.59	-	-23.04	32141.05
LibertyGbl	28.82	0.38	30.58	19.36	-	1.60	5088.8
Lilly (E)	260.36	-4.64	275.87	138.61	1.20	39.88	249691.87
Linde	335.78	3.79	337.90	240.80	1.18	54.90	173400.59
Lockheed	337.91	-1.99	396.99	319.81	2.96	13.39	93571.47
Lowes	233.60	-1.94	239.27	146.72	1.09	24.66	161752.28
Lyondell	93.51	0.54	118.02	72.04	4.49	7.80	31278.86
Marathon Ptl	66.45	0.64	68.78	31.29	3.43	-29.95	42405.34
Marsh&M♦	163.30	1.85	171.13	106.95	1.12	34.30	82449.41
MasterCard♦	348.34	-0.45	401.50	310.09	0.47	49.28	340965.23
McDonald's	253.28	-1.43	257.53	202.73	1.98	28.07	189149.22
McKesson	221.88	0.19	227.81	168.88	0.74	-8.10	34319.19
Medtronic	122.75	-0.23	135.89	103.00	1.88	44.00	164964.24
Merck	81.38	-0.24	91.40	68.38	3.09	33.83	205990.62
Metlife	64.10	0.59	67.68	40.08	2.85	13.14	54922.84
Microsoft	334.91	-1.15	338.79	208.16	0.64	42.38	2514469.9
Mnstr Bvrg	91.18	-0.45	99.89	80.51	-	32.25	48223.81
MondelezInt	61.60	-0.66	65.60	52.91	2.01	20.78	86105.55
Monsanto	9.76	0.01	10.00	9.51	-	-	244.00
MorganStly	100.95	1.08	105.95	51.51	1.36	13.63	184188.44
Netflix	649.58	3.86	690.97	463.41	-	68.56	287730.67
NextEraE	84.17	-1.37	87.69	68.33	1.71	53.58	165085.02
Nike	170.60	-6.91	179.10	125.44	0.60	50.23	217998.26
NorfolkS	284.12	0.22	296.06	222.60	1.33	26.85	70168.51
Northrop	380.97	-3.40	408.03	282.88	1.51	13.24	57794.58
NXP	225.48	1.23	228.72	139.94	0.82	62.24	59782.61
Occid Pet	34.66	1.24	35.75	9.94	0.11	-6.38	32364.83
Oracle	94.60	-0.36	98.95	55.56	1.17	20.47	259018.04
Pepsico	161.71	-4.29	166.43	128.32	2.51	27.82	223588.81
Perrigo	47.20	0.83	50.90	38.20	1.93	-19.08	6311.34
Pfizer♦	48.03	-0.58	51.86	33.36	3.15	22.44	269289.24
Phillips66	78.46	0.69	94.34	46.19	4.50	-20.54	34364.65
PhilMorris	93.62	-0.68	106.51	70.13	5.03	16.82	145910.23
PNCFin	207.26	0.16	217.60	114.14	2.18	16.02	88056.14
PPG Inds	163.51	0.42	182.97	132.10	1.30	26.10	38817.41
ProctGmbl	144.16	-1.88	147.23	121.54	2.21	26.70	348859.68
Prudntl	111.39	0.47	115.52	63.05	3.97	6.24	43996.54
PublStor	324.13	1.25	340.95	212.22	2.42	45.41	56796.73
Qualcomm	163.69	0.66	168.55	122.17	1.58	20.84	184642.32
Raytheon	90.46	-0.72	92.32	57.24	2.10	54.52	136402.65
Regen Pharm	616.48	4.94	686.62	441.00	-	11.30	64796
S&P Global	458.33	-0.96	476.17	303.50	0.62	45.96	110698.53
Salesforce	308.86	1.61	311.40	201.51	-	127.67	302373.94
Schlmbrg	34.23	0.72	36.87	15.14	1.43	47.75	47861.37
Sempra Energy	125.30	-2.05	144.93	114.66	3.36	18.47	40011.84
Shrwin-Will	321.61	2.58	323.82	218.06	0.61	41.05	84680.7
SimonProp	168.23	-2.27	171.01	61.64	3.85	37.50	55282.26
SouthCpr	61.73	2.33	83.29	53.29	3.50	17.42	47719.99
Starbucks	115.11	-1.80	126.32	89.78	1.50	48.85	135726.2
StateSt	96.37	0.70	100.69	62.00	2.12	15.63	33103.4
Stryker	275.64	-0.52	281.16	208.92	0.88	51.42	103943.42
Sychrony Fin	49.58	0.39	52.49	26.65	1.74	9.03	28245.68
T-MobileUS	120.47	-2.20	150.20	114.69	-	38.47	150342.5
Target	252.42	-1.85	267.06	154.75	1.05	20.62	123190.33
TE Connect	157.66	-1.14	160.46	104.40	1.21	31.67	51711.99
Tesla Mtrs	1185.32	-36.77	1243.49	396.03	-	625.56	1173481.6
TexasInst♦	192.68	-0.72	202.26	151.02	2.02	27.37	177884.1
TheTrvelers	158.47	-0.13	163.29	126.57	2.11	10.93	39231.01
ThrmoFshr	618.24	1.44	643.52	433.52	0.15	29.17	243227.3
TJX Cos	69.72	-1.48	76.16	53.53	0.73	34.53	83841.03
Truist Financial Corp	64.62	0.33	65.42	42.81	2.73	17.19	86903.9
UnionPac	238.49	-0.34	243.91	189.04	1.64	27.67	155524.8
UPS B	207.90	-0.32	220.24	154.76	1.92	30.65	181411.41
USBancorp	60.69	-0.01	63.01	38.90	2.72	13.26	89972.96
UtdHlthcre	458.99	4.18	465.76	320.35	1.11	30.93	433732.56
ValeroEngy	77.99	0.07	84.95	37.98	4.93	-23.64	31884.14
Verizon	52.07	-0.17	61.95	50.86	4.73	10.98	215575.84
VertexPharm	191.50	-1.35	242.99	176.36	-	25.73	49680.54
VF Cp	73.99	-0.05	90.79	65.34	2.59	37.49	29030.44
ViacomCBS	35.76	-0.58	101.97	28.78	2.64	7.13	21663.89
Visa Inc	219.33	2.66	252.67	192.81	0.56	45.13	371063.84
Walgreen	49.83	-0.37	57.05	37.02	3.58	20.17	43133.46
WalMartSto	148.82	-1.41	153.66	126.28	1.43	42.85	414984.24
WellsFargo	51.03	0.59	52.57	21.84	0.77	13.88	209550.13
Williams Cos	28.60	0.04	29.89	18.26	5.56	30.66	34746.36
Yum!Brnds	126.51	-0.17	135.77	99.13	1.51	29.62	37402.54
Venezuela (VEF)							
Bco de Vnzla	0.50	-0.01	594.00	0.02	195.98	-	417.05
Bco Provncl	7.00	0.05	798000	72000	-	-15.71	172.62
Mrcntl Srvcs	6.01	-	601.00	0.75	0.03	2.46	82.82

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	169.50	167.00	2.50	1.50	32.52	23.7	20.33
Qualcomm	163.69	163.03	0.66	0.40	28.88	21.4	29.39
SaicMtr	23.01	22.73	0.28	1.23	2.73	13.5	20.60
SimonProp	168.23	170.50	-2.27	-1.33	18.87	12.6	27.44
DuPont	79.89	80.40	-0.51	-0.63	8.66	12.2	13.49
Delta	45.30	44.29	1.01	2.28	4.88	12.1	4.36
AmerAir	22.13	21.82	0.31	1.40	2.36	11.9	10.05
UnibailR	68.98	69.71	-0.73	-1.05	6.74	10.8	11.28
FordMtr	19.82	19.29	0.53	2.74	1.76	10.4	31.05
Pfizer	48.03	48.61	-0.58	-1.19	4.39	10.1	13.14
NXP	225.48	224.25	1.23	0.55	20.35	9.9	18.70
BT	158.45	160.00	-1.55	-0.97	13.45	9.3	8.27
Hitachi	7111.00	7011.00	100.00	1.43	557.00	8.5	13.30
Richemont	123.70	120.30	3.40	2.83	9.35	8.2	22.23
MediaTek	980.00	947.00	33.00	3.48	67.00	7.3	7.57
Carnival	24.74	24.79	-0.05	-0.20	1.67	7.2	3.80
Cielo	2.40	2.29	0.11	4.80	0.16	7.1	-9.09
GenMotors	59.38	58.52	0.86	1.48	3.89	7.0	1.33
Mnstr Bvrg	91.18	91.63	-0.45	-0.49	5.72	6.7	2.18
McKesson	221.88	221.69	0.19	0.09	13.80	6.6	10.90

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 %
ShenwanHong	0.08	0.08	0.00	-3.70	-0.01	-13.3	-12.36
Pwr Cons Corp	7.13	7.24	-0.11	-1.52	-1.08	-13.2	-15.82
Gzprm neft	312.24	352.24	-40.00	-11.35	-38.76	-11.0	-14.07
Westpc	22.84	22.55	0.29	1.29	-2.83	-11.0	-12.19
PngAnBnk	17.42	17.64	-0.22	-1.25	-2.08	-10.7	-2.84
StandCh	451.90	458.50	-6.60	-1.44	-53.90	-10.7	-6.01
Huneng Pwr	3.72	3.81	-0.09	-2.36	-0.31	-7.7	-8.82
Merck	81.38	81.61	-0.24	-0.29	-6.47	-7.4	1.04
Citic Ltd	7.23	7.18	0.05	0.70	-0.57	-7.3	-10.62
Vale	67.04	64.11	2.93	4.57	-5.28	-7.3	-15.95
Nomura	510.40	516.30	-5.90	-1.14	-39.60	-7.2	-6.77
PetroChina	3.51	3.44	0.07	2.03	-0.25	-6.6	-13.12
Sinopec Oil	2.11	2.08	0.03	1.44	-0.15	-6.6	-16.60
TrnCan	63.21	64.05	-0.85	-1.32	-4.20	-6.2	1.79
CredSuisse	9.47	9.40	0.08	0.83	-0.60	-5.9	-0.50
Allstate	116.55	117.16	-0.61	-0.52	-6.96	-5.6	-8.18
Surgutneftegas	34.05	33.30	0.75	2.25	-1.85	-5.2	-8.63
ShgPdgBk	8.49	8.53	-0.04	-0.47	-0.45	-5.0	-5.67
Citic Secs	18.84	18.82	0.02	0.11	-0.98	-4.9	-4.37
MitsbCp	3435.00	3530.00	-95.00	-2.69	-177.00	-4.9	-1.26

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

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

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

BONDS: GLOBAL INVESTMENT GRADE

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

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

INTEREST RATES: OFFICIAL

Nov 08	Rate	Current	Since	Last	Mnth Ago	Year Ago
US	Fed Funds	0.00-0.25	15-03-2020	1.00-1.25	1.50-1.75	1.25-1.50
US	Prime	4.75	30-10-2019	5.25	5.25	4.25
US	Discount	2.65	30-09-2019	2.75	2.75	1.75
Euro	Repo	0.00	16-03-2016	0.00	0.00	0.00
UK	Repo	0.10	19-03-2020	0.25	0.75	0.25
Japan	O'night Call	0.00-0.10	01-02-2016	0.00	0.00--0.10	0.00--0.10
Switzerland	Libor Target	-1.25-0.25	15-01-2015	-0.75--0.25	-1.25--0.25	-1.25--0.25

INTEREST RATES: MARKET

Nov 08 (Libor: Nov 05)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	0.07263	0.004	-0.853	-0.001	0.08863	0.14275	0.22088	0.35750
Euro Libor	-0.58400	0.003	-0.159	-0.004	-0.57686	-0.56571	-0.54671	-0.48029
£ Libor	0.04313	-0.003	-0.181	-0.093	0.05200	0.10125	0.27088	0.57025
Swiss Fr Libor				0.001	-0.79400	-0.77580	-0.71800	-0.57000
Yen Libor				0.001	-0.06750	-0.08400	-0.06300	0.05867
Euro Euribor				0.000	-0.56700	-0.56700	-0.53600	-0.49500
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.000	0.17000	0.21000	0.28000	
Euro CDs				-0.010	-0.54000	-0.59000	-0.52000	

Nov 08	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	-0.74	-0.44	-0.71	-0.41	-0.69	-0.39	-0.74	-0.44	-0.67	-0.37	-0.64	-0.34
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	0.11	0.31	0.04	0.24	0.07	0.27	0.11	0.31	0.18	0.38	0.25	0.45
Japanese Yen	-0.10	0.00	-0.10	0.00	-0.10	0.10	-0.10	0.10	-0.15	0.15	-0.15	0.15

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

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change
Crude Oil†	Nov	81.54	0.14
Brent Crude Oil‡		83.57	0.92
RBOB Gasoline†	Nov	2.33	0.01
Heating Oil†		-	-
Natural Gas†	Nov	5.42	-0.21
Ethanol♦		-	-
Uranium†		-	-
Carbon Emissions‡		-	-
Diesel†		-	-
Base Metals (♠ LME 3 Months)			
Aluminium		2607.50	52.50
Aluminium Alloy		2500.00	80.00
Copper		9625.50	121.50
Lead		2354.00	-1.00
Nickel		19605.00	170.00
Tin		37305.00	65.00
Zinc		3274.50	53.00
Precious Metals (PM London Fix)			
Gold		1779.30	1.30
Silver (US cents)		2423.00	27.50
Platinum		1043.00	0.00
Palladium		2026.00	-32.00
Bulk Commodities			
Iron Ore		128.50	-8.45
GlobalCOAL RB Index		232.50	6.00
Baltic Dry Index		2718.00	3.00

Agricultural & Cattle Futures		Price*	Change
Corn♦	Dec	550.75	-2.00
Wheat♦	Dec	766.50	-1.25
Soybeans♦	Jan	1199.50	-4.50
Soybeans Meal♦	Dec	330.80	-1.70
Cocoa (ICE Liffe)✠	Dec	1639.00	-10.00
Cocoa (ICE US)♥	Dec	2391.00	-10.00
Coffee(Robusta)✠	Nov	2217.00	-13.00
Coffee (Arabica)♥	Dec	204.00	0.40
White Sugar✠		510.40	2.10
Sugar 11♥		20.00	0.02
Cotton♥	Dec	117.63	0.54
Orange Juice♥	Jan	118.60	-1.10
Palm Oil♣		-	-
Live Cattle♣	Dec	131.70	0.00
Feeder Cattle♣	May	134.88	-
Lean Hogs♣	Dec	76.53	0.00

	Nov 05	% Chg Month	% Chg Year
S&P GSCI Spt	583.99	1.20	66.99
DJ UBS Spot	103.16	0.48	41.60
TR/CC CRB TR	249.80	-0.33	57.90
LEBA EUA Carbon	58.91	-1.98	129.94
LEBA UK Power	1048.00	-37.43	-39.60

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

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($)	337.72	0.30	-0.12	-1.12	-0.12	-1.12
Corporates(€)	242.53	0.22	-0.27	-0.67	-0.79	0.52
Eurozone Sov(€)	256.19	0.37	0.17	-2.77	-0.98	-2.45
Gilts(£)	353.31	0.25	0.75	-6.83	-3.27	-6.36
Global Inflation-Lkd	321.80	0.95	1.88	2.32	-2.02	6.61
Markit iBoxx £ Non-Gilts	381.09	0.24	-0.08	-3.50	-2.29	-0.88
Overall ($)	278.94	0.26	-0.08	-2.01	-0.08	-2.01
Overall(£)	357.04	0.25	0.52	-5.93	-3.01	-4.89
Overall(€)	248.14	0.33	0.02	-2.29	-0.94	-1.81
Treasuries ($)	255.43	0.24	-0.01	-2.64	-0.01	-2.64
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	809.91	-0.26	-	-	9.51	34.73
Eurozone Govt Bond	110.04	-0.19	-	-	-0.34	-0.64

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	258.35	-1.41	4.00	-0.97	274.80	239.25
Europe 5Y	50.48	-0.07	1.49	-0.63	54.10	48.54
Japan 5Y	48.08	0.00	0.22	-0.08	52.84	46.63
Senior Financials 5Y	57.48	-0.57	2.07	-0.37	61.49	54.89
Markit CDX						
Emerging Markets 5Y	176.35	-3.17	-10.11	-7.08	189.47	168.20
Nth Amer High Yld 5Y	287.43	-5.54	-17.47	-20.72	314.83	287.43
Nth Amer Inv Grade 5Y	49.43	-0.89	-2.90	-4.45	54.95	49.43

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

BONDS: INDEX-LINKED

	Price Oct 22	Yield Oct 22	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	127.10	-0.926	-	0.15	5.25	-	-
Fr 2.10%' 23	107.74	-2.178	-	0.48	18.05	-	-
Swe 1.00%' 25	121.54	-1.957	-	0.16	34.98	-	-
UK 1.875%' 22	108.35	-5.511	-	0.33	15.74	-	-
UK 2.50%' 24	367.09	-3.793	-	0.75	6.82	-	-
UK 2.00%' 35	310.00	-2.800	-	3.42	9.08	-	-
US 0.625%' 23	105.22	-2.811	-	0.74	47.03	-	-
US 3.625%' 28	134.04	-1.381	-	0.62	16.78	-	-

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

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	1.89	-	-	Netherlands	-0.36	-	-
Austria	0.19	-	-	New Zealand	2.53	-	-
Canada	-	-	-	Norway	-	-	-
Denmark	-1.67	-	-	Portugal	-0.16	-	-
Finland	0.00	-	-	Spain	-1.29	-	-
Germany	-	-	-	Sweden	-1.77	-	-
Ireland	-	-	-	Switzerland	-	-	-
Italy	0.89	-	-	United Kingdom	-	-	-
Japan	0.21	-	-	United States	-	-	-

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

VOLATILITY INDICES

	Nov 08	Day Chng	Prev	52 wk high	52 wk low
VIX	17.36	0.88	16.48	37.51	14.10
VXD	15.84	1.19	14.65	45.68	2.67
VXN	21.92	0.35	21.57	40.53	18.01
VDAX	16.54	0.47	16.07	93.30	-

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

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia	11/22	2.25	102.04	0.29	-0.03	0.14	0.25	0.19
	05/32	1.25	93.91	1.89	-0.04	0.04	0.36	1.01
Austria	05/34	2.40	127.33	0.19	-0.01	0.01	0.03	0.44
	02/47	1.50	124.57	0.47	-0.03	0.00	-0.08	0.45
Belgium	10/23	0.20	101.73	-0.67	0.00	-0.01	0.02	0.06
Canada	-	-	-	-	-	-	-	-
	03/24	2.25	102.58	1.12	0.01	0.01	0.50	0.82
Denmark	11/22	0.25	100.91	-0.63	-0.02	-0.02	-0.03	0.03
	11/30	0.10	117.40	-1.67	0.03	0.23	0.03	-0.33
Finland	04/23	1.50	103.21	-0.70	0.01	-0.02	0.03	0.05
	04/31	0.75	107.06	0.00	-0.01	0.00	0.05	0.42
France	05/23	1.75	103.78	-0.66	0.00	-0.02	0.01	0.09
	05/27	1.00	107.13	-0.27	0.00	0.00	0.08	0.31
Germany	-	-	-	-	-	-	-	-
	08/23	2.00	104.90	-0.73	0.01	-0.02	0.02	0.10
	08/27	0.50	105.53	-0.44	0.00	-0.01	0.09	0.33
	08/50	0.00	96.59	0.12	-0.03	-0.01	-0.14	0.34
Greece	02/27	4.30	117.99	0.82	-0.02	0.22	0.43	-0.16
Ireland	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	03/24	3.40	109.52	-0.59	-0.01	0.00	0.04	0.05
Italy	05/24	1.85	105.07	-0.15	-0.01	0.04	0.14	-0.02
	11/25	2.50	109.65	0.10	-0.02	0.05	0.16	0.01
	05/31	6.00	146.36	0.89	-0.04	0.10	0.17	0.16
	03/48	3.45	135.66	1.75	-0.04	0.08	0.05	0.24
Japan	04/23	0.05	99.94	0.10	-0.01	0.00	0.01	0.02
	09/27	0.10	101.01	-0.07	0.00	-0.02	0.01	0.00
	09/34	1.40	115.15	0.21	0.00	-0.02	0.02	-0.02
	12/49	0.40	93.30	0.66	-0.01	-0.01	0.03	0.05
Netherlands	07/23	1.75	104.21	-0.72	0.01	-0.02	0.02	0.05
	07/27	0.75	106.42	-0.36	0.01	-0.01	0.09	0.30
New Zealand	04/27	4.50	110.98	2.34	-0.01	0.05	0.71	2.14
	05/31	1.50	91.32	2.53	-0.02	-0.02	0.51	1.98
	05/31	1.50	91.32	2.53	-0.02	-0.02	0.51	1.98
Norway	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Portugal	10/23	4.95	111.14	-0.65	-0.05	0.02	0.04	-0.11
	04/27	4.13	123.41	-0.16	-0.03	0.06	0.18	0.12
Spain	10/23	4.40	109.90	-0.54	-0.01	0.01	0.02	-0.01
	11/30	1.00	122.17	-1.29	0.03	0.29	0.11	-0.63
Sweden	11/23	1.50	103.33	-0.14	0.00	0.06	0.15	0.23
	06/26	0.13	120.18	-1.86	0.04	0.10	0.11	-0.57
	06/30	0.13	120.46	-1.77	0.03	0.05	-0.07	-0.34
Switzerland	-	-	-	-	-	-	-	-
	02/23	4.00	106.08	-0.75	0.00	-0.03	0.02	0.06
United Kingdom	-	-	-	-	-	-	-	-
	07/23	0.75	100.31	0.57	0.03	0.08	0.29	0.64
	07/27	1.25	102.39	0.82	0.03	0.12	0.17	0.75
	07/47	1.50	105.91	1.23	0.04	0.07	-0.16	0.39
United States	03/23	0.50	100.27	0.30	0.01	-0.01	0.14	0.12
	03/27	0.63	96.75	1.25	0.03	0.04	0.22	0.67
	04/32	3.38	147.24	-	-	-	-	-
	02/50	0.25	116.38	-	-	-	-	-

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

GILTS: UK CASH MARKET

Nov 08	Price £	Red Yield	Change in Yield Day	Week	Month	Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
Tr 1.75pc '22	101.24	0.25	13.64	-28.57	-10.71	-933.33	105.30	101.06	29.68
Tr 0.75pc '23	100.73	0.32	6.67	-42.86	-8.57	-1700.00	101.08	99.96	33.73
Tr 0.125pc '24	99.38	0.41	5.13	-41.43	-12.77	-2150.00	100.39	98.67	34.12
Tr 2pc '25	105.94	0.43	2.38	-40.28	-21.82	-816.67	121.61	99.56	38.33
Tr 0.125pc '26	98.54	0.47	2.17	-38.16	-24.19	1466.67	100.39	97.21	33.89
Tr 1.25pc '27	103.90	0.55	1.85	-33.73	-23.61	587.50	107.70	102.14	39.34
Tr 0.875pc '29	101.31	0.70	1.45	-26.32	-23.91	204.35	105.64	98.61	41.87
Tr 4.25pc '32	134.02	0.88	2.33	-19.27	-20.00	120.00	143.44	130.03	38.71
Tr 4.25pc '36	143.72	0.97	0.00	-14.91	-23.02	61.67	153.53	137.65	30.41
Tr 4.5pc '42	165.42	1.04	0.97	-12.61	-25.71	31.65	175.43	154.49	27.21
Tr 3.75pc '52	172.93	0.99	-1.00	-13.16	-30.28	17.86	182.28	155.15	24.10
Tr 4pc '60	199.76	0.91	0.00	-11.65	-32.09	12.35	209.30	175.55	24.12

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

GILTS: UK FTSE ACTUARIES INDICES

Price Indices Fixed Coupon	Nov 08	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	86.98	-0.04	2465.58	0.50	-0.80	0.42
2 5 - 10 Years	178.85	-0.11	3704.12	2.06	-2.30	0.70
3 10 - 15 Years	211.97	-0.11	4715.08	3.83	-2.65	0.95
4 5 - 15 Years	186.34	-0.11	3956.38	2.67	-2.24	0.81
5 Over 15 Years	377.53	0.12	6310.60	10.78	0.05	0.97
7 All stocks	184.55	0.01	4021.61	5.41	-0.92	0.91

Index Linked	Nov 08	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	315.80	0.07	1.12	3.73	2633.54	1.12	5.03
2 Over 5 years	912.37	-0.28	8.95	11.76	6917.51	8.95	12.16
3 5-15 years	543.41	0.14	4.33	5.61	4355.85	4.33	6.42
4 Over 15 years	1218.83	-0.42	10.57	13.91	8986.31	10.57	14.16
5 All stocks	805.57	-0.25	8.10	10.81	6224.52	8.10	11.31

Yield Indices	Nov 08	Nov 05	Yr ago		Nov 08	Nov 05	Yr ago
5 Yrs	0.52	0.50	0.03	20 Yrs	1.07	1.07	0.93
10 Yrs	0.85	0.84	0.43	45 Yrs	0.82	0.83	0.89
15 Yrs	1.02	1.02	0.76				

Real yield	inflation 0% Nov 08	Dur yrs	Previous	Yr ago	inflation 5% Nov 08	Dur yrs	Previous	Yr ago
Up to 5 yrs	-3.82	2.48	-3.79	-2.65	-4.19	2.48	-4.16	-3.01
Over 5 yrs	-2.55	24.01	-2.56	-2.18	-2.56	24.06	-2.58	-2.20
5-15 yrs	-3.14	9.11	-3.12	-2.71	-3.23	9.11	-3.22	-2.80
Over 15 yrs	-2.49	28.53	-2.50	-2.12	-2.50	28.54	-2.51	-2.13
All stocks	-2.56	21.91	-2.57	-2.19	-2.58	21.98	-2.59	-2.21

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

All data provided by Morningstar unless otherwise noted. All elements listed are indicative and believed accurate at the time of publication. No offer is made by Morningstar, its suppliers, or the FT. Neither the FT, nor Morningstar's suppliers, warrant or guarantee that the information is reliable or complete. Neither the FT nor Morningstar's suppliers accept responsibility and will not be liable for any loss arising from the use of the listed information. For all queries e-mail ft.reader.enquiries@morningstar.com

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ARTS

Pop's pandemic success story

Early last year the British band were little known, now their hit 'Heat Waves' has 806m streams on Spotify alone. How did it all happen? They talk to Michael Hann

'I was told this record was going to flop,' says Dave Bayley (front right), Glass Animals' singer and producer — Meredith Truax

When Glass Animals first let people outside the group hear their song "Heat Waves", it didn't seem the kind of track that might imprint itself on the world. It was ninth in their set at the Mod Club Theatre in Toronto on March 1 of last year — a song recorded for the group's third album, *Dreamland*, but not yet released. The crowd that day weren't all that fussed. Then, a few days later, concern over the spread of Covid ended the British band's North American tour early, they flew back to the UK, and pop's most surprising pandemic success story began.

It didn't start off as a success story. First, the release of *Dreamland* was postponed. "I was told that this record was going to absolutely flop," says Dave Bayley, Glass Animals' singer, songwriter and producer, sitting on a park bench near his home in east London. "I was just really upset and trying to recognise the inevitable failure and just be OK with it."

Dreamland, an album about nostalgia and community, was to emerge into a world where communities had ceased to function, and Bayley was terrified he had hit the wrong note at precisely the wrong time. "I got quite depressed for about two weeks and just locked myself in my room with my pants and cereal."

When *Dreamland* finally emerged in August 2020, it entered the UK charts at number two. That is not as big a hit as it may sound — it is possible to score a high chart placing these days if your family buy a few copies; the real business is in streaming. And it was streaming that changed everything, specifically the streaming of "Heat Waves".

On its initial release as a single in summer 2020, no one paid much attention to the song: a funny, melancholy thing, almost etiolated in its glassy sadness, coated in effects. But then, as Bayley puts it, "It started trickling its way up. It found a little pocket in loads of different places . . . This amazing creative writing community really picked it up and ran with it. And there was *Fifa* [the song was featured in the bestselling football game] and that was a big thing . . . all of a sudden this song seemed to be doing things, and everywhere it got a little bite and made a little bit of a wave."

"Heat Waves" became the very essence of a viral hit, soundtracking TikToks the world over. And it just didn't stop. As of now, it has chalked up 806m streams on Spotify alone and is still fourth in the platform's weekly worldwide chart, adding another 30m streams per week.

Bayley is astonished. "It's still up there? I honestly don't know why . . . I thought it was a bit too sad to make it on to the radio: it's quite moody, it's a weird tempo, it's got weird chords. It's got more chords than any pop song I've heard on the radio. And I didn't think it had a poppy vocal line. It's bonkers."

The problem, of course, was that as "Heat Waves" was blowing up all over the world, Bayley and his bandmates were stuck at home. "I was watching it from the house just over there, inside my four walls. In that position, you want to go and play some shows. You want to see the physical actualisation of those numbers you're being sent. It's very, very strange — you feel a bit like a spectator. Almost like you're watching a rollercoaster and you're not really on it."

It was only at the end of this summer, when Glass Animals returned to the US to tour, that Bayley was able to experience the effects of the song's success. "I immediately felt like I was on that bit of the rollercoaster pummelling downwards, and I just broke, I cried."

Still, though, Bayley insists he is not a pop star. Nor does he look like one, with his round glasses and earnest manner. He doesn't thrive in the limelight, he says. What he wanted to be, since his teens, was a producer, and he learned how to be one watching YouTube videos of UK artists such as Benga and Four Tet making music.

What he is, more than anything, is an enthusiast — in love with the possibilities that pop music opens up. It was, perhaps, a role forced on him when his scientist parents transplanted him from Texas to Oxford as a child, and he sought solace in the companionship of other music-obsessed kids ("Your teens is when music hits the hardest").

"I love me a pop star," he says, "but I don't think I want to be one. I like spending time — this is going to sound very lame — with my dog and my mum, and writing songs. I don't feel the need to come out of The Ivy with Rita Ora and Harry Styles, as lovely as I'm sure they are. I spend all my time thinking about music." He laughs as he contemplates all the money that will one day roll in from "Heat Waves". "But speak to me again in a year and I might be a real arsehole."

Tour of UK and Ireland continues to November 26, glassanimals.com

Football fans invade the classical concert hall

Turnage delights crowd with tribute to Arsenal at the Barbican; Wigmore Hall celebrates Watkins. By Richard Fairman

Concert halls do not often ring to chanting as if the audience is at a football match, as the Barbican did last week. With tongue in cheek, life-long Arsenal fan Mark-Anthony Turnage has written a score depicting his team's league-clinching win over Liverpool in 1989 and a film of the match was shown to go with it.

This new work must have received as much advance publicity as anything in the classical diary this year, and not only in the usual media outlets. A capacity audience turned up, many in Arsenal shirts, and cheered along with the original crowd in the film.

Turnage says that writing *Up for Grabs* (the title a quote from the TV commentary as the last-minute goal went in the net) was "the most fun I have had in my life". It certainly felt like that at the premiere of his 25-minute orchestral score.

He took the decision early on not to write music to accompany the entire match. Instead, a film of highlights is synched to a relatively abstract score, though Turnage does allow himself some pictorial amusement, such as the contrabassoon thumbing its nose at a missed shot. A jazz trio is added to the mix, though it only makes a passing impact.

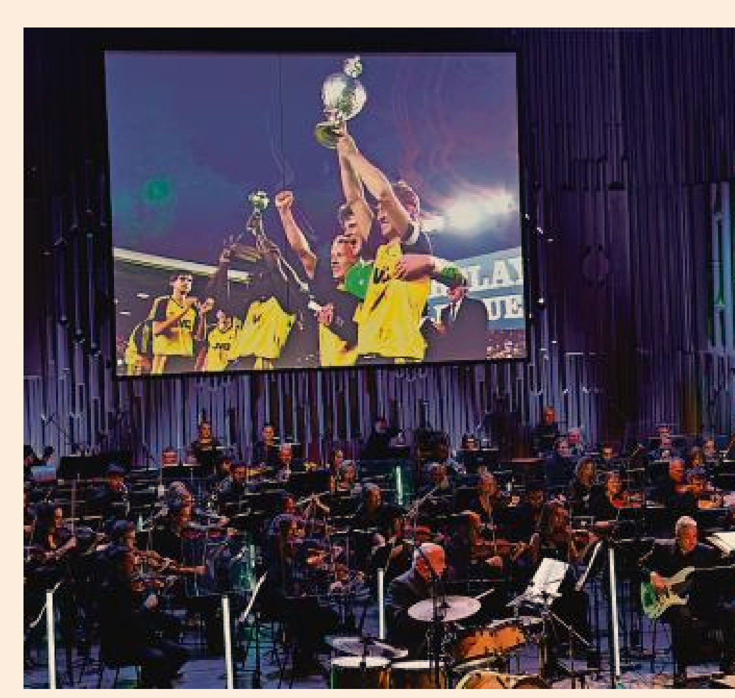
The piece has rhythmic drive to burn and plenty of orchestral colour, as always with Turnage, but it could do with stronger musical ideas in the foreground. If one listens without the film the music alone does not stand up so well, but a successful future could still be in store. Debussy's ballet *Jeux* involves a tennis match. *Up for Grabs* could surely make a good score for dance.

Backed up by the noisy audience, the BBC Symphony Orchestra and conductor Ryan Bancroft gave the work a rollicking performance, and with sharper ensemble than their Shostakovich and Stravinsky earlier. The concert was broadcast live and can be heard on BBC Sounds. ★★★☆☆

An evening devoted to the music of Huw Watkins at Wigmore Hall was a less raucous affair. The first half included *Echo* (2017), a short song cycle by Watkins, beautifully written for the voice, its emotions lyrically probed by soprano Ruby Hughes with Watkins himself at the piano.

The main event, though, was his 45-minute chamber opera *In the Locked Room* (2012), based on a short story by Thomas Hardy. Although it was performed in concert here, the opera wove a palpable spell. Among other haunted-house operas, the locked room of Britten's *Owen Wingrave* casts a particularly long shadow, both for its story and even some musical details. Watkins's opera is a gentler one than that, rooted in a wife's romantic obsession with a mysterious poet, and the downside is that the score is content to create a spooky atmosphere without ratcheting up much tension.

A fine quartet of singers — Ruby Hughes, Jess Dandy, James Gilchrist and Hank Neven — played the four individuals caught in the mystery's web. A small instrumental ensemble from the Britten Sinfonia under Andrew Gourlay kept a shiver going lightly down the spine. ★★★☆☆

barbican.org.uk; wigmore-hall.org.uk

'Up for Grabs' combines Mark-Anthony Turnage's twin loves of music and football — BBC/TomHoward

An exultant return for Giselle

BALLET

Giselle
Royal Opera House, London
★★★★★

Louise Levene

Balletomanes are not like normal people (the clue's in the name). Where straight theatregoers relish the prospect of new work, the ballet crowd like a story they can hum. Diehard fans will think nothing of seeing a work they already know backwards three or four times in a season, either to overdose on a favourite dancer or to play Top Trumps between debuts and cast changes.

The Royal Ballet's latest 17-show run of *Giselle* — a work it has danced since 1934 — kicked off on Thursday with a performance by Natalia Osipova and Reece Clarke that reminded the packed house exactly why we keep coming back for more.

Peter Wright's 1985 production scrubs up beautifully once again thanks to John Macfarlane's easel-worthy backcloths and a well-drilled corps of ghostly *wilis* led by Mayara Magri with truly terrifying force. There were some rough edges in the ill-matched peasant *pas de six* but strong support from Elizabeth McGorian (as the heroine's fearful mama) and Lukas B Brændsrød as the jealous old flame who triggers the tragedy.

Osipova's first exchanges with her mysterious aristocratic suitor might be scenes from romantic comedy (the *mise en scène* — cottage door upstage right, loveseat downstage left — is a straight steal from 1789's *La Fille Mal Gardée*). Her blithe, expansive *jétés*, flirty *ronds de jambe* and rapturous pirouettes show us a girl with no inkling of the unhappy ending in store but little by little her happiness evaporates as her lover's perfidy is made plain.

As the forgiving ghost of Act II, her richly detailed reading is again underpinned by her phenomenal technique: the ferocious leaps and turns, the unwavering balances, the dauntless tick of the leg into freeze-frame arabesque all embody her determination to save her lover's soul. Boris Gruzin's tempi are unnervingly glacial in places but this gives us more time to admire her languorous phrasing and slo-mo *développés*.

Reece Clarke as Albrecht and Natalia Osipova as Giselle — Alice Pennefather

In January 2021 Reece Clarke was a last minute partner for Osipova in John Cranko's *Onegin* — the acid test of ballet partnering — but Thursday night proved that the 26-year-old Scottish first soloist is much more than a safe pair of hands. His height (6ft 3), good looks and instinctive air of entitlement mark him out as an aristocrat among the bustling peasantry but Clarke doesn't merely stand about shooting his cuffs (as Albrechts so often do). His clear, unhurried mime is all but audible and his manners are carefully calibrated, the ardour and hauteur of the opening flirtations congealing into despair and self-loathing during Osipova's heart-rending mad scene.

Clarke's dancing has never looked better but, like Osipova, he takes care to put technique at the service of character. The airy leaps in Act I were the perfect expression of what August Bournonville called "manly *joie de vivre*". In Act II the vengeful *wilis* come close to dancing him to death — those off-kilter *tours en l'air* show us a man on the brink — but Giselle urges him to unleash an exultant sequence of tireless *entrechats six*. No wonder we keep coming back.

To December 3, roh.org.uk

FT BIG READ. TRAVEL

After losing $6tn during the Covid-19 crisis, the industry — from hotel groups to airlines — must prepare for a precarious future with fewer business travellers and pressure to act on climate change.

By Alice Hancock and Philip Georgiadis

Travel sector braces for the post-pandemic world

Peter Kern watched the collapse of the Twin Towers from his office window in New York's Tribeca neighbourhood. "I saw the fallout from the first building, watched the plane hit the second building, and then watched again as they both fell. It's an image you never forget," he says.

In the immediate aftermath of 9/11, friends and colleagues of Kern, who then worked at consultancy Alpine Capital, moved out of New York and warned that they would never travel again.

"Everyone was, like, 'Oh my God, it's the end of the world, no one will ever get on a plane again or ever come back to New York again.' And then two years later [there was] the biggest boom time in New York for real estate [that lasted] for the next 20 years, plus everyone got back on planes and [airlines] had the biggest numbers that they've ever had."

Covid-19 has been described as the greatest ever crisis for the travel industry, as indeed was 9/11. But Kern, now chief executive of Expedia, one of the world's largest travel booking companies, applies the same logic to the recovery of travel after the terror attacks to the Covid-19 pandemic: "I tend to think things will be the same."

Over the past 18 months, the travel industry has been all but shuttered during successive lockdowns, only opening up briefly before rising infection rates forced authorities to close borders again. Companies have had to load up on debt or turn to governments for handouts.

Tui, Europe's largest tour operator, has received €4.3bn in loans from the German state bank KfW since the onset of the pandemic, while US airlines have had more than $60bn in government aid. Even the stronger travel companies have had to raise cash, fire staff and shrink operations. Expedia reduced its global headcount by 3,000 people to about 19,000. British Airways cut its workforce by nearly a third. Hilton, traditionally seen as one of the strongest hotel groups by analysts, has cut 2,100 jobs and issued $4.4bn in bonds.

The crisis has been felt unevenly across the world.

Vibrant domestic travel markets in the US and China have periodically returned to near-normal levels, while a digital travel pass that made border checks smoother helped continental Europe's summer season. Strict border rules stifled travel into and out of the UK, while in large parts of Asia-Pacific there has been almost no international tourism for 18 months.

Successful vaccination schemes, however, means that most countries are now loosening restrictions, and businesses can begin to inch back to profitability. Even Australia, one of the first countries to introduce mandatory hotel quarantine for arrivals, has started to welcome vaccinated international travellers without requiring an isolation period.

"The recovery has really taken shape in the last few months as people have [become] comfortable and can do more in destinations," says Dan Wasiolek, an analyst at Morningstar. "People had to get comfortable with flying again [after 9/11]. There was that pure aspect [of fear] in the same way there was that pure aspect of health this time."

For an industry that has lost more than $6tn in the pandemic, according to the World Travel & Tourism Council, the next critical stage in that recovery came yesterday with the full reopening of the transatlantic flight path for travellers from 33 countries including the UK and most European nations.

Only a select number of approved business travellers and US residents have so far been able to traverse the Atlantic during the pandemic and the resumption heralds the return of the most lucrative air routes in the world, worth $9bn a year in revenues to US and UK carriers before the pandemic.

To celebrate, British Airways and Virgin, two airlines that are heavily reliant on transatlantic travel, briefly set aside their rivalries and took off simultaneously on flights from Heathrow airport to New York yesterday. But beyond the hoopla from the travel industry over pent-up demand and future bookings, fundamental questions over the speed and shape of its recovery are proving difficult to shift.

Passengers prepare for a Virgin flight from Heathrow to New York yesterday, above left. The travel industry hopes that net zero pledges will pacify climate change activists, above right
FT montage; Getty Images; Dreamstime

> 'It's all well and good not travelling . . . until Goldman Sachs loses three IPO deals to Morgan Stanley because their bankers were on Zoom calls and Morgan Stanley was out [there]'

The near future for the industry looks fragile amid volatile border rules and spikes in Covid cases, acute staff shortages, rising costs and growing concerns about its environmental impact. Technology can perhaps help to offset some of these areas, say industry experts, but many predict that overall revenues will not be back to pre-pandemic levels until mid-decade at least.

Among travel executives, analysts and investors there is a more urgent question: how much will travel change?

"In our mind, the world is totally different because of the pandemic," says Brian Chesky, chief executive of Airbnb, the accommodation booking platform. He describes it as "one of the biggest changes to daily living since World War Two . . . This to me is a revolution, I don't think travel is going back to where it was because I don't think the world is going back to where it was."

Come fly with me

In the 24 hours after the White House's announcement that the US would reopen its borders, bookings for flights between the US and UK jumped 140 per cent compared to the week before, according to the travel distribution company Travelport. Yet totals for US-bound flight bookings for December are still only 18 per cent up on December 2020 and are 71 per cent lower than December 2019.

Passengers entering the US will still need to prove they are fully vaccinated and have recently tested negative for Covid-19, underlining how travel is still far from normal even as the industry begins to recover. Executives fear that these types of testing rules will suppress the recovery, and are pushing for vaccinated people to be able to travel without any checks or tests.

John Holland-Kaye, chief executive of London's Heathrow airport, expects a "reasonably steady" recovery but warns that travellers need to "get used to flying again" and expensive testing rules will hold customers back.

According to the UN World Tourism Organization recovery tracker, air reservations between January and October 2021 languished 86 per cent lower than the same period in 2019, while in July international arrivals were only a third of what they had been in the same month in 2019. Nearly half of the travel executives the tourism body surveyed in June thought the industry would not recover to pre-pandemic levels until 2024 at least.

Travel has always been a volatile industry exposed to external shocks, including economic cycles, oil price rises and geopolitical instability. But it has also proven to be highly resilient: airlines have gone bankrupt, merged and struggled for profitability over the decades, yet the number of people travelling has grown exponentially.

In the years after the 9/11 attacks, successive terror threats and increased airport security triggered anxiety among travellers and a fall-off in traffic.

Yet, by the mid-2000s the sector was back to robust health. It hit another significant dip after the 2008 financial crash, but was transporting 1.5bn passengers, more than at any time in history, before the pandemic struck, according to the UNWTO. The numbers were bolstered by growing middle classes in the developing world.

"The trouble is [that] when our industry suffers a shock, it tends to suffer a much bigger shock than other industries. But we are agile and things are coming back," says Julia Simpson, president of the World Travel & Tourism Council. "We are seeing light at the end of the tunnel and things are beginning to bounce back because people ultimately really, really want to travel."

Kern frames the recovery in blunter terms: "If a place opens up, people are going there. If it stays closed, people aren't going there. There's no magic."

Business travel with a difference

Airbnb laid off 1,900 of its 7,500 staff in May 2020 before completing a blockbuster stock market listing in December that valued the company at $86bn. In the post-pandemic world it is operating on the assumption that video conferencing and homeworking are here to stay and that travellers are changing their approach to trips, extending business jaunts into holidays and choosing to work from more exotic locations.

"We believe in a world where people have new found flexibility they haven't had before," Chesky says.

He, and others in the hotel industry such as Marriott boss Tony Capuano, believe that this will drive people to take longer trips where they combine leisure and work and that business meetings will largely move online. It hinges on remote working leading to a new form of travel where employers organise off-site meetings in hotels to bring employees from disparate locations together.

Chesky says that Airbnb, which on Thursday reported that stays of 28 days or more were its fastest-growing area, will go from being a short-term rental business to a "travel and living" company that hosts people for months at a time. It is upgrading its website and app to encourage longer stays and more hosts to sign up.

140%
Surge in transatlantic flight bookings in the 24 hours after the US announced borders would reopen

71%
Fewer US-bound flight bookings for this December compared to December 2019

$60bn
Of government aid was received by US airlines since the start of the pandemic

$400m
Committed by IAG, the owner of British Airways, for investment in sustainable aviation fuels over the next 20 years

Some companies, including Procter & Gamble, Ford and PwC, have said that they will make remote working a permanent option for staff. Others such as Lloyds Banking Group and S&P Global have announced plans to cut carbon emissions by reducing business travel.

The belief that we are set to witness a permanent drop in business travel — an industry overall worth $1.4tn in 2019 and a major driver of profit for long-haul airlines like British Airways — is not shared across the industry.

Kern says that while executives may not "take the red eye for the one-day meeting", he thinks it is "largely going to come back". Chris Nassetta, chief executive of Hilton, which reported a recovery of short-stay business travel to 75 per cent of pre-Covid levels in the three months to the end of September, says "it's all well and good not travelling . . . until Goldman Sachs loses three IPO deals to Morgan Stanley because their bankers were on Zoom calls and Morgan Stanley was out [there]."

Holland-Kaye of Heathrow says that he has been "surprised by how strong the business market has been coming back", while British Airways has seen demand for corporate travel pick up since the US said it would reopen its borders. "The front end of the plane is the busiest, that's good news for airlines because that is the most profitable segment," he says. "But I think the mix that we have been used to, about a third business, a third leisure and a third visiting friends and relatives, I think that is probably where we will end up."

Long term the environmental damage of travel will prove a bigger hurdle to overcome than even the ravages of the pandemic, say many in the industry. With climate figuring in people's travel decisions as much as cost, location and service in the future.

"If you prioritise the concerns of travellers," says Vassilis Kikilias, the Greek tourism minister, "the first one is safety and security and right after that it [will be] sustainability for many years. Travellers want to see a readiness and a sensitivity in regards to [the] climate."

Impact of climate change

Expedia and its rival Booking.com are working on ways to show customers the environmental impact of their booking in the same way that websites show the star rating of hotels, while Google's flight search tool now shows the carbon emissions of journeys alongside the price.

Ahead of the COP26 climate summit, flight operators and travel companies unveiled a blizzard of pledges and net zero commitments in an attempt to neuter arguments that we should fly less or that governments should introduce carbon taxes to control demand.

BA's owner has promised to invest $400m in sustainable aviation fuels over the next 20 years to help the industry hit a 2050 net zero target, while even proudly penny-pinching Ryanair has opened a sustainable aviation research centre.

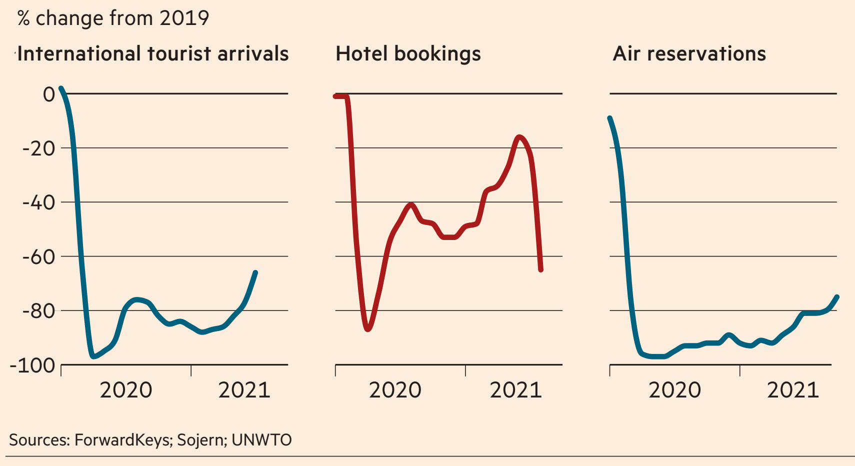
Cruise lines such as Royal Caribbean and MSC have announced plans for hybrid-powered ships and carbon offsets.

The industry hopes these promises of technological investment will be enough to ensure the sector's continuing growth. Even though some European countries are discouraging domestic flights, including France which has banned many internal flights, Robert Courts, the UK aviation minister, says that "flying isn't the problem, emissions are the problem" and that technology will eventually allow "guilt free flying".

Courts was speaking in the week that the UK government surprised many by halving the tax on air passengers for domestic flights just days before the opening of COP26 in Glasgow.

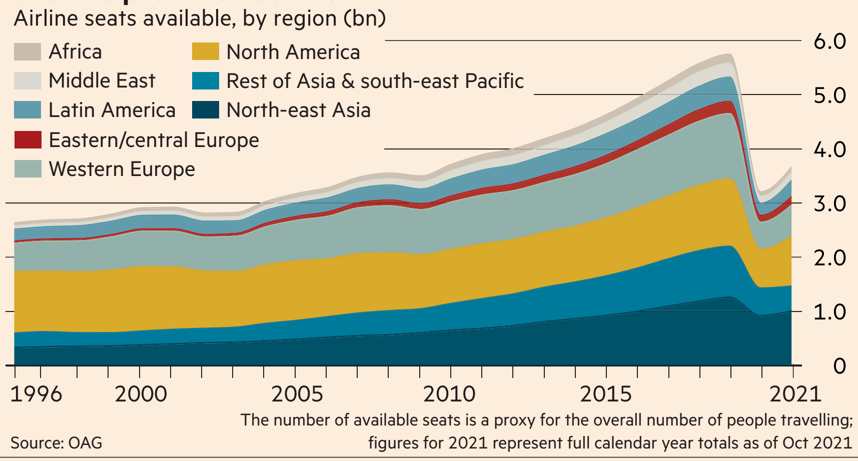
Ever the optimist, Ryanair's chief executive Michael O'Leary believes that neither the pandemic nor climate change will have "any lasting impact" on flying: "The idea that post-Covid people will never travel again, or post-COP people will stop flying or flight shaming? [It's] never going to happen."

The global tourism industry is still hampered by the pandemic



Sources: ForwardKeys; Sojern; UNWTO

Asia is largely responsible for the growing demand for flights over the past two decades
Airline seats available, by region (bn)



Source: OAG
The number of available seats is a proxy for the overall number of people travelling; figures for 2021 represent full calendar year totals as of Oct 2021

FINANCIAL TIMES

'Without fear and without favour'

TUESDAY 9 NOVEMBER 2021

Ethiopia risks becoming a new Yugoslavia

Age-old issues over ethnic identity and autonomy must be settled

The UN Security Council has finally woken up to the tragedy unfolding in Ethiopia, Africa's second most populous country. On Friday, it called for an immediate ceasefire and an end to "inflammatory hate speech", after China and Russia dropped their opposition to issuing a statement.

Unfortunately, neither Abiy Ahmed, the increasingly isolated prime minister, nor the Tigray People's Liberation Front, which ran the country until 2018, are likely to heed the call. For both, anything short of total victory could spell their end.

Abiy, the 2019 recipient of what now looks like one of the most unfortunate awards in the history of the Nobel Peace Prize, has staked his future on crushing the TPLF. His government has made disastrous miscalculations in seeking to destroy what he insists is a terrorist organisation.

Not only did Abiy underestimate the fighting capacity of the TPLF, which controlled the army when it ran the country for 27 years until 2018. He has also cobbled together a mishmash of undisciplined forces, including armed militia from Tigray's neighbour, Amhara, and soldiers from Eritrea who have committed some of the worst atrocities of the war.

Crimes, including mass rape and civilian massacres, have probably been committed by all sides, including the TPLF, as a recent report indicates. But as head of state, Abiy bears responsibility for dispatching forces that are so obviously out of control.

After unleashing the whirlwind last November, the prime minister looks increasingly likely to be levelled by his own tempest. The year-long conflict — which has cost thousands of lives, pushed 400,000 people towards famine and 2m more from their homes — has reached a yet-more perilous stage.

After looking like it was losing, the TPLF has staged a dramatic comeback. It is now within roughly 200 miles of Addis Ababa, raising fervent speculation that it intends to push on to the capital.

The city's authorities have told citizens to arm themselves. Unlike in 1991, when Tigrayan forces overthrew the Marxist Derg and marched into Addis triumphant, few this time will welcome them as conquering heroes. Any hint that the TPLF is back in charge after almost three decades in power risks nationwide rebellion, particularly in Amhara, a bitter regional rival of Tigray.

Abiy has poured oil on the fire. On the first anniversary of the conflict, he spoke of digging a pit and said: "We will bury this enemy with our blood and bones." Even in the midst of war, such remarks are unconscionable, particularly in a conflict with such a strong ethnic element.

The government insists it is targeting the TPLF and not Tigrayans. But the distinction is foggy. Authorities have told citizens to hunt for the enemy within. In an atmosphere in which hate speech has proliferated, Tigrayans in Addis say they are being rounded up.

A ceasefire built around a transitional government may be the only way out of this corpse strewn cul-de-sac. Abiy, though his party won a landslide in flawed elections last June, has lost all credibility to lead such a process.

Any interim government would have, as a matter of urgency, to try to settle the issue that has eaten away at Ethiopia at least since the fall of Emperor Haile Selassie in 1974. That is how to reconcile the claims for autonomy by different ethnic nationalities within the structure of an Ethiopian state. Abiy's attempt to resolve that issue has gone irreparably wrong. The next must succeed if Ethiopia is to avoid the fate of Yugoslavia.

UK should not suspend Northern Ireland deal

Triggering Article 16 puts Britain's economy and reputation at risk

In the tortuous negotiations over Brexit, Boris Johnson's government believes it has learned one big truth: hardball tactics with the EU work. It is convinced it extracted concessions by threatening a no-deal exit in late 2019, and again last year by preparing to override parts of the withdrawal agreement it signed months earlier. With talks on reforming the post-Brexit protocol on trade with Northern Ireland seemingly stuck, Downing Street is indicating it is ready to trigger a clause that would suspend key parts of that accord. Forceful negotiating tactics are one thing. Carrying out the threat would be a grave mistake.

Like any "safeguards clause", Article 16 of the protocol exists to be used, by both sides, if applying the agreement leads to "serious economic, societal or environmental difficulties" or reduces trade. Corrective steps can be taken unilaterally, but must be restricted purely to what is needed to remedy the situation. With two buses set alight by masked men in the past week, a Northern Irish first minister forced to resign in the summer, and trade being crimped, Downing Street argues the threshold to pull the alarm cord has been met.

But the article is supposed to apply to unforeseen issues. There may be truth in Britain's argument that the EU has applied the protocol in overly legalistic fashion and, until last month, was slow to offer compromises. Much of what the UK objects to about how the protocol is working, however, was entirely foreseeable. It flowed directly from the hardline Brexit Johnson's government insisted upon. Unless all of the UK stayed in a customs union with the EU, Northern Ireland had to remain in the EU's single market for goods, to prevent a destabilising "hard" trade border being created with the Republic.

Downing Street set out in a July paper five desired changes to the protocol — including removing the right of the European Court of Justice to settle disputes — that amounted to a rewrite of key elements. If the UK used Article 16 not in a narrow, limited way but to try to force these changes, that would fall well outside the clause's purpose. It would be tantamount to one party using the safeguards clause to unravel the deal and compel a renegotiation.

Britain would almost certainly lose ensuing EU legal action, on those grounds. But that would take time. The UK government hopes it could, meanwhile, establish facts and allow it to demonstrate that its preferred approach — involving, in essence, no border in the Irish Sea but in-market surveillance — is workable. That would entail two unacceptable risks.

First, since maintaining the integrity of its single market is an EU article of faith, it is not inconceivable — as Ireland's foreign minister Simon Coveney has warned — that the EU might respond by setting aside the post-Brexit Trade and Cooperation Agreement with the UK. That would need 12 months to take effect. But it would create a new potential "no deal" cliff-edge — just as supply bottlenecks, labour shortages and rising energy costs are creating a cost of living crisis. Damage to the economy, and the government's political fortunes, could be severe.

Secondly, it would torpedo the UK's credibility as a reliable partner as it seeks trade deals across the world. Negotiated solutions exist to the Northern Ireland frictions, similar to the EU's veterinary and dispute resolution agreements with Switzerland. Downing Street has played chicken twice on Brexit and thinks Brussels swerved. It should not assume it will happen a third time. And in a head-on collision with a much heavier vehicle, there is little doubt who would come off worse.

Letters

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BoE is downplaying the disinflation scenario

Andrew Bailey, the Bank of England governor, is happy to tell the nation that "interest rates will need to rise and they will rise" ("Bank of England head insists interest rates will rise in the coming months", Report, FT.com, November 5). Rather than revisit the now familiar discussion about the merits of communicating about monetary policy in this way versus publishing a path for interest rates, it is probably more productive to debate why Bailey is so convinced that interest rates need to rise given his assessment of the shocks hitting the economy.

The BoE argues that the world economy is experiencing transitory cost pressures that — in the BoE's view — will lead to "a one-off increase in consumer prices rather than persistently higher inflation rates". Perhaps. But one could also argue that a transitory increase in the level of costs should lead to a transitory, not permanent, increase in the level of prices.

When the bottlenecks ease, supply chains recover and costs fall back, then the prices of numerous consumption goods will fall back too.

The BoE concedes that this disinflationary scenario might play out in the case of wholesale gas, where prices have risen sharply in recent months, but the point applies more broadly.

If the BoE is right that this is a transitory global cost shock then inflation could fall back further and faster than the BoE expects and rates may not need to rise much after all.

Richard Barwell
Head of Macro Research and Investment Strategy Team, BNP Paribas Asset Management, London EC2, UK

Baillie Gifford boss should reconsider China strategy

In his interview with the FT, Baillie Gifford's James Anderson (Report, November 6) doubled down on the importance of deepening western investment in China. However, he fails to properly account for the risks — both to the investor bottom line and the firm's reputation as a leader in environmental, social and governance investing.

From the crackdown in Hong Kong to the treatment of Jack Ma, politics always trumps economics in China. The latest crackdown on private businesses is a strategic move before the March 2022 National People's Congress, where Xi Jinping is expected to be confirmed as lifetime chairman. Baillie Gifford's analysts may be good at finding alpha, but how many understand the drivers of Communist party politics in Zhongnanhai? The way they were blindsided by the crackdown on the education sector raises questions about whether investor funds are really safe in their hands.

It was also striking that there was nothing in his remarks about ESG. As Dame Helena Morrissey pointed out a couple of weeks ago, Baillie Gifford's deep investment in China is "hard to reconcile" with the firm's commitment in their governance and sustainability guidelines that they expect all the firms they invest in to comply with the UN Guiding Principles for Business and Human Rights.

How do their ties with firms such as BGI Genomics or Chinese tech firms that helped to develop the Xinjiang surveillance state square with this? Before doubling down on China, perhaps Anderson should consider this.

Dennis Kwok
Senior fellow, Harvard Kennedy School Cambridge, MA, US
Member, Hong Kong's Legislative Council 2012 to 2020

Johnny Patterson
Policy Director, Hong Kong Watch London SW15, UK

Hogarth review does more than celebrate the painter

I want to congratulate Jackie Wullschläger for her article on Hogarth ("A brake on Hogarth's progress", Life & Arts, November 6). It manages to focus (wonderfully) on the painter, while also undermining the curator by ridiculous quotes that speak for themselves.

Jon Elster
Robert K Merton Professor of Social Science, Columbia University New York, NY, US

Auditing for climate issues can assist the Paris goals

In "Green transition may depend on auditors" (Opinion, November 5) Gillian Tett rightly spotlights the International Sustainability Standards Board and auditors' roles, but misses a significant piece of the puzzle.

International accounting and auditing standards already require publicly listed companies to consider material climate-related matters in financial statements (and likewise auditors in the audit reports).

However, in our recent study of 107 carbon-intensive companies, we found that over 70 per cent (and 80 per cent of their auditors) did not appear to consider these issues in the 2020 audited financial statements.

Notably, US multinationals (and their auditors) provided considerably less evidence than their overseas peers.

The financial effects of transition policies, regulations, demand shifts and emissions targets can reduce assets' useful lives, long-term commodity prices and expected growth rates, leading to asset impairments and/or accelerated decommissioning obligations. Inventory may become obsolete, receivables unrecoverable, long-term contracts unprofitable.

Overstated profits and assets and understated liabilities will merely encourage investments in non-sustainable business activities.

Sustainability reporting only partly addresses this. We risk a serious loss of investor capital which will limit our ability to achieve the Paris goals unless we account for the material financial effects of decarbonisation today.

Barbara Davidson
Senior Analyst, Climate Disclosure and Accountancy, Carbon Tracker Initiative London SE1, UK

'Follow the science' applies to nuclear power too

At COP26, the director general of the International Atomic Energy Authority, Rafael Mariano Grossi, was asked on stage if anybody died from the effects of radiation arising from the Fukushima Daiichi accident. When he responded "no", there was incredulous laughter from members of the audience. His interviewer, Gillian Tett, chair of the FT's US editorial board, appeared dubious and added that there was some scope for disagreement on this point.

Science always allows scope for disagreement, but the strength of evidence behind Grossi's claim is as strong as that for the claim that carbon dioxide leads to global warming, which almost no attendee of COP26 would dispute.

Nathaniel Read
Department of Engineering University of Cambridge Cambridge, UK

Night storage heaters are no longer primitive devices

The Johnson government seems to have been persuaded that heat pumps are our principal, or perhaps only, recourse for electric domestic heating in order to replace gas boilers ("Households in line to gain £5,000 grant for electric heat pumps", Report, October 19).

In many situations night storage heaters are likely to be a preferable alternative, charged from cheap off-peak electricity and having the advantage for the energy companies of temporally distributed load. Modern units have high storage capacity, excellent insulation and computer control allowing heat output throughout the day, including into the late evening. The high heat capacity allows programming to deliver mainly very comfortably warm air.

These units should not be compared with the primitive devices installed in earlier years. Capital cost is, perhaps, one-fifth to one-third of a heat pump installation and can be incremental, avoiding the dauntingly high initial cost of a heat pump system, including modifications to the radiator circuit necessary to utilise the relatively lower temperature of the circulation.

In the worst case where there is a shortage of capital, a single room can be heated efficiently; one comfortable room would be much better than nothing. Suitable properties include old people's small houses and above all high-rise apartments.

JM Davidson
Pencaitland, East Lothian, UK

Tesla stock rise may be justified by fundamentals

Is Tesla's stellar stock performance a distorting force in financial markets, as Robin Wigglesworth says ("Tesla's market heft presents quandary for US growth funds", Report, November 6)?

He doesn't mention that the soaring price is, quite possibly, justified by fundamentals. He reports that 90 per cent of US mutual funds failed to beat their benchmark in October, but might that be due to their poor judgment and unwillingness to depart too far from the index, rather than a distortion?

Herbert Diess, chief executive of Volkswagen, recently pointed out to his management team that Tesla takes 10 person-hours to build a car where his company is still trying to get as low as 20 — little wonder that Tesla production has seen growth of over 120 per cent for much of this year ("Not so fast: Union throws spanner into VW's plan to cut jobs and catch Tesla on efficiency", Report, November 5).

Financial markets, including crypto markets, are processors of information from everyone involved in them — the signals they give are imperfect, but it is a perilous investment strategy to dismiss as distortions price movements that don't fit your own worldview.

Giles Keating
Director, Bitcoin Suisse, London W8, UK

Renovating buildings will help reduce energy bills

Stepping up building energy renovations offers a solution to the issue of soaring energy bills, yet this is overlooked by decision makers ("£330bn bill to make UK homes energy efficient", Report, November 6).

Today, with existing technologies, it is possible to reduce buildings' energy needs for heating and cooling by 60 per cent. Still, the average renovation rate of the EU's building stock remains under 1 per cent per year.

With over 34m people living in energy poverty, we are playing with fire. Energy efficiency is a rational, cost-effective and systemic solution for the energy price surge. It is the unspoken solution in the long run to decarbonise our economies in a just way. What are we waiting for?

Monica Frassoni
President, European Alliance to Save Energy, Brussels, Belgium

Why is bacon off the FT breakfast menu?

"When you wake up in the morning Pooh", said Piglet, "What's the first thing you say to yourself?"

"What's for breakfast?", said Pooh.

Bacon is an integral ingredient of the pre and post-Brexit breakfast ("Consumers crunched as price of breakfast foods hits 10-year high", Report, October 30). Apart from the traditional "rashers", back bacon, streaky bacon, black and white pudding, and the all important sausages all rely on the venerable pig.

The unforgivable omission from the FT breakfast indicator of the world-wide recognised commodity, pork belly, is noted. Over the past 12 months, the price of that commodity has significantly increased, and consequently increased the cost of our breakfast.

Not all stick with the free range, gluten free, corn-fed breakfast.

Cormac Meehan
Bundoran, County Donegal, Ireland

Thailand is open — for those who conquer its travel pass

Bangkok Notebook

by John Reed

After sealing its borders to most visitors in March 2020, Thailand has reopened to people from 63 countries who test negative for Covid-19 and are fully vaccinated.

"Thai people are so friendly, so welcoming and of course the food is just amazing," the actor Russell Crowe gushed on Twitter, when he visited the kingdom last month ahead of restrictions being lifted on November 1. It's a popular view: in 2019, Thailand hosted a record nearly 40m visitors and Bangkok was the world's most visited city, according to one international survey, before the pandemic brought the party to a halt.

The government is betting that after nearly two years of confinement, travellers are itching to return to the country's beaches, bazaars and nightclubs. But first they must successfully navigate the Thailand Pass — an online registration system that many complain features an excruciating user interface. "An epic failure in system design," opined one commenter in an online forum used by people struggling with the system.

The platform was meant to ensure immediate approval for people with vaccine certificates, hotel bookings, proof of insurance, and other paperwork sorted. Instead, many users have run into glitches including insuperable error messages, problems uploading PDFs, and delays that put them in danger of missing their flights.

On the "Thailand Reopening" Facebook page, which has more than 13,000 members, users have been trading tips for converting PDFs into JPEGs and Thai dates into western ones (the year 2021 is 2564 here), and clearing other hurdles of the Thailand Pass. The process has been, to borrow the slogan of the struggling national airline Thai Airways, anything but "Smooth as Silk".

"It's a great idea, but without perfect tech backing it up, you really need a person to help in a jam," said Nikki, a US-based applicant waiting for clearance who asked for her surname not to be used. "Thai Pass doesn't have that, which can feel hopeless and frustrating."

I myself got a first-hand taste of this last month when I went on holiday to the US, then applied for a Certificate of Entry, a precursor to the Thailand Pass. After painstakingly uploading my paperwork, the system rejected my application on an erroneous technicality and blocked me from the site. (A helpful Thai diplomat saved the day by offering to upload my documents herself, then cheerfully overrode the computer's "no".)

Whiny *farangs* (westerners) complaining about bad service are a part of the landscape in Thailand, with its large and often entitled expat community. But Thais living overseas have their own complaints. "The system doesn't offer any contact number, and it doesn't provide an appeal procedure," said one Singapore-based Thai professional who goes by the pseudonym Ta. "It doesn't tell us what to do if we miss our flights because of the Thailand Pass, and this is particularly annoying as it is now mandatory that we pay everything in advance."

The bugs are a bad look for a country seeking to reinvent itself as "Thailand 4.0" — the government plan to harness digital technology to achieve economic take-off in sectors ranging from farming to start-ups. Tourism, which generated about a fifth of GDP pre-pandemic, is central to the country's recovery. Yet rather than the cheap and cheerful product for which Thailand is famous, officials want to raise its game, including through a 10-year visa scheme targeting wealthy professionals and retirees, a demographic who are likely to demand top-notch service.

Thailand's foreign ministry has acknowledged the "technical difficulties encountered" by users of the pass and said improvements were under way. The statement, however, had distinct overtones of blaming the customer; among other things, it took applicants to task for filling out online forms or uploading vaccination documents incorrectly, forcing officials to check documents manually. Some were admonished for registering multiple times "leading to confusion in the construction process".

The blandishments are cold comfort for those like Ta, who is yet to reunite with his family. "I am still waiting for the outcome of my Thailand Pass application," he said. "And praying."

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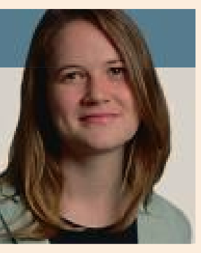
Opinion

Covid retirees show uneven impact of work-from-home revolution

EMPLOYMENT

Sarah O'Connor



Where have all the workers gone? Homeward-bound migrants aren't the only ones who are leaving labour shortages in a number of countries in their wake. An army of older workers has headed for the exit too. These "Covid retirees" are bucking a trend. One of the most important employment stories of the past two decades has been the rise in the proportion of older people still participating in the labour market. Much will depend on whether the pandemic reverses, temporarily disrupts or in the long-run even accelerates that phenomenon.

There have been slightly more than 3m "excess retirements" prompted by Covid in the US, according to calculations by the Federal Reserve Bank of St Louis published last month. This accounts for more than half the 5.25m people who left the labour market from the start of the pandemic to the second quarter of 2021.

In the UK, the Institute for Employment Studies estimates there are roughly 310,000 fewer older people (especially older women) in the labour market than one would have expected if pre-crisis trends had continued. Some have become too ill to work while others have retired.

Which older workers are leaving the workforce and why? It is a mixed and incomplete picture. In the US, both college and non-college educated over-65s have retired in greater numbers since the pandemic, according to the Schwartz Center for Economic Policy Analysis. But between the ages of 55 and 64, workers without college degrees were more likely to retire than before Covid, while those with college degrees were less likely to do so. Part of the story is that some Americans were prompted to retire early because of job losses and health risks which fell most heavily on those without degrees.

Tony Wilson of the IES says the UK data suggest some older women in jobs like cleaning and hospitality, which were badly hit by the pandemic, have now left the labour market. Because older people are most at risk from the virus, they may also be more likely to have given up work. In contrast, others may have chosen to retire early because their nest eggs have grown, especially in the US.

> An army of older employees are quitting, bucking the trend of rising labour participation

This is an unexpected twist in a long-running story. For the past two decades, older people have been the driving force behind rising labour force participation rates in many developed countries. In the eurozone, for example, 98 per cent of the increase in the overall labour supply between 2000 and 2019 came from those aged between 55 and 74. Two decades ago, 20 per cent of the male population in the eurozone left the labour market when they were between the ages of 55 and 59. On the eve of the pandemic, that number was just 7 per cent. The participation rate of women aged between 55 and 59 years, meanwhile, had reached the participation rate of those aged between 45 and 49 years two decades ago.

People have been working longer for a range of reasons, from increased life expectancy to more flexible job options. Policymakers anxious about the affordability of their pension systems have been pushing people in the same direction. Reforms in recent decades in OECD countries include increases in the statutory retirement age and less generous early retirement schemes.

Could Covid prove a turning point? Wilson believes the pandemic will leave "a permanent scar for a cohort of older women who left the labour market, but participation will kick on and start rising again". Indeed, one legacy of the pandemic has been to normalise working from home, which might make it easier for older people to work for longer.

Survey data from the UK's Office for National Statistics shows those who have been working from home in the pandemic are more likely to say they are planning to retire later compared with those who were not. One of the main reasons people drop out of the labour market is poor health, and those with a longstanding illness or disability who work from home are now more likely to say they plan to retire later.

There's only one problem: the people for whom the WFH revolution would be most helpful are those least likely to have access to it. People who work in low-paid or physically demanding sectors are six times more likely to leave work before the state pension age because of ill health than those working in the professions. Yet the older workers who switched to WFH during Covid were predominantly in managerial or professional positions and less likely to live in deprived neighbourhoods.

The pandemic hasn't put an end to the trend of people working later in life. But it might just make their future more unequal.

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West's waning support of peace deal is bad for Bosnia

EUROPE

Tony Barber

The UN Security Council last week extended for one year the mandate of an EU-led peacekeeping force in Bosnia and Herzegovina. In that unhappy, divided country tensions have risen so rapidly that the council's unanimous vote might seem a welcome example of co-operation among western countries, Russia and China.

It is nothing of the sort. It is a defeat for western diplomacy and another nail in the coffin of the Dayton peace settlement that ended the 1992-95 Bosnian war, Europe's most violent conflict since the second world war. It demonstrates that western governments lack the political will to stand up for their values and assert their authority even in a troubled part of Europe where the US, the EU and Nato have generally held the upper hand since the mid-1990s.

Bosnia and Herzegovina is not the only example. In Georgia, Moldova and Ukraine, three countries spread across the unstable borderlands between the west and Russia, the US and Europeans find it difficult to shape events. In effect, the trio are dismembered states, their notional territorial unity rendered meaningless by Russian-backed breakaway regions.

Is Bosnia and Herzegovina, whose politics and institutions have been frozen along ethnic lines since the 1990s, doomed to go down the same road? Outright war is unlikely. More insidious are threats of secession from the Bosnian Serbs — who, along with Bosniaks and Bosnian Croats, are one of the state's three communities.

> It signals to secessionists the US and EU are losing interest in enforcement of the 1995 Dayton settlement

The Security Council vote is a bad omen because, in return for Russian and Chinese acquiescence, western powers agreed to exclude from the UN resolution any reference to the Sarajevo-based Office of the High Representative. This superficially small detail was a significant departure from the west's long-held diplomatic position. It is a concession for which they may pay a heavy price.

The high representative's office matters because it is charged with upholding the Dayton accord and protecting Bosnia's unity against extreme nationalists and secessionists. The holder of the office, who has invariably been a European, enforces civilian aspects of the peace settlement. The first high representatives performed their duties with vigour, dismissing some 140 Bosnian officials, including ministers, judges, civil servants and elected politicians deemed a threat to Dayton.

It cannot but damage the high representative's political authority that western governments no longer feel the need to insist on a reference to the office in a vital UN resolution. It signals to Bosnian Serb secessionists that the west is losing interest in rigorous enforcement of the 1995 settlement. Bosnian Serb leaders, ever on the lookout to destroy Dayton, want the high representative's office abolished. So does Russia.

Christian Schmidt, a former German government minister, took up the role of high representative in August. But neither the Bosnian Serbs nor Russia recognise his appointment. In his first report, Schmidt warned that Bosnia and Herzegovina was facing "the greatest existential threat of the postwar period" and that recent Bosnian Serb actions were "tantamount to secession without proclaiming it".

But the west's once robust defence of Dayton is giving way to exhaustion with the quarrelsome nationalisms of Bosnia and Herzegovina. Western diplomats are even toying with electoral reforms that would consolidate the power of ethnically based political parties.

Dayton was an ambiguous settlement. It ended three years of horrendous violence and held out the promise of reconciliation. But it also helped entrench local political elites who share the spoils of power along ethnic lines. Far from calming tensions, the west's complicity in the dismal politics of ethnic partition will simply store up trouble for the future.

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Isolated China is a concern for us all

GLOBAL AFFAIRS

Gideon Rachman

The most important invited guest at COP26 did not show up. As president of China, Xi Jinping leads a country that emits more carbon dioxide than the US and the EU combined. But, unlike other world leaders, Xi did not give a speech to the climate summit. Instead he submitted a written statement of less than 500 words for the conference website.

Xi's dismissive attitude to the climate talks was not so much Middle Kingdom as middle finger. But the Chinese leader's refusal to travel to Glasgow for COP26 — or to the G20 summit in Rome, before it — is part of a broader pattern of national self-isolation.

In response to the Covid-19 pandemic, China has installed one of the world's strictest systems of border controls and quarantines. Foreigners or Chinese citizens entering the country must go into strict quarantine for a minimum of two weeks. Extra controls apply if they enter Beijing, where the leadership resides.

This system has in effect made it impossible for foreigners to visit China without staying for several months, or for most Chinese people to travel abroad. Xi himself has not left China for almost two years. The last foreign leader he met in person was the president of Pakistan in Beijing in March 2020. Xi's forthcoming summit with President Joe Biden will be held by video.

When much of the globe was in lockdown, the extreme nature of China's measures seemed less remarkable. But as most of the world returns to something close to normality, China's self-isolation is increasingly anomalous.

The effects on international business are already apparent. China continues to trade and invest with the outside world. But business ties are fraying. Foreign chambers of commerce in China report that international executives are leaving the country and not being replaced. Hong Kong's role as a global business centre has taken a battering.

China's leadership may actually welcome some of these developments. Yu Jie, a fellow at Chatham House in London, argues that the pandemic has allowed Xi to accelerate down a path where he was already heading — towards national self-reliance. That policy began well before the pandemic, with the "Made in China 2025" campaign, which promoted domestic technology and production.

With Covid-19, however, an emphasis on economic self-sufficiency has become a much broader inward turn — with dangerous implications for China and the world. China's extraordinary rise over the past 40 years was triggered by Deng Xiaoping's embrace of "reform and opening" in the 1980s. Deng saw that the isolation of Mao Zedong's Cultural Revolution had led to poverty and backwardness. He was humble enough to realise that China could learn from the outside world.

The current mood in China is very different. Rana Mitter, professor of Chinese history at Oxford, points to a danger that "closed borders will lead to closed minds". After 40 years of rapid growth, China is self-confident.

The Chinese media portray the west, and the US in particular, as in inexorable decline. The Chinese government believes that the country is well ahead in some key technologies of the future, such as green tech and artificial intelligence. Beijing may believe that the world now needs China more than China needs the world.

Pandemic control has also become closely entangled with the political legitimacy of Xi and the Communist party. The official death toll in China is under 5,000, compared with 750,000 deaths in the US. The Xi government argues that while the US prates about human rights, the Chinese Communist party has actually protected its people. But China's zero-Covid policies now risk becoming a trap. As the outside world transitions towards living with low levels of the disease, contact with foreigners may look even more dangerous to China — leading to a renewed emphasis on restricting interaction with the outside world.

> Xi's dismissive attitude to the climate talks was not so much Middle Kingdom as middle finger

Even relaxing internal controls in China is difficult, since the Delta variant has led to small outbreaks of the disease in two-thirds of China's provinces. Suppressing these outbreaks encourages the worst control-freak tendencies of the Communist party, which uses technology to monitor citizens ever more closely. In one episode, more than 30,000 people were locked inside Disneyland Shanghai and tested, after the discovery of a single case of Covid.

These kind of draconian policies are now causing some public debate in China. But controls are unlikely to be relaxed any time soon. This week the Communist party is holding a meeting that is preparing the ground for Xi to extend his period in power at a vital party congress in November 2022. The Chinese will not want to take any political risks before then. After the congress, China will be heading into winter when the disease can spike. As a result, many experts think that China's zero-Covid policy — and the sealed borders that go with it — will extend well into 2023.

By that stage, China will have been in self-imposed isolation for more than three years. The Chinese and world economies are likely to suffer as a result, and so will global co-operation.

Yet the biggest and most intangible effect may be on the Chinese people. It is much easier to believe that foreigners are dangerous and decadent if you never meet them. When China eventually opens up, the world may encounter a much changed country.

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The Paterson saga shows Westminster is in need of serious repair

Martin Bell

So "sleaze", best defined as the use of public position for private gain, is back in British politics, an unwelcome guest returning after not so long a holiday.

My personal connection with sleaze was accidental. In 1996 I was coming to the end of a long career as a BBC foreign correspondent and war reporter when it emerged that a Conservative MP, Neil Hamilton, was accused of receiving cash in brown envelopes as payment for alleged activities in parliament on behalf of Mohamed Al-Fayed, then the owner of Harrods. The House of Commons authorities had investigated him, but not yet published their report, when a general election was called. The main opposition parties, Labour and the Liberal Democrats, hit upon the idea of standing down their candidates in favour of an independent from outside politics and acceptable to both. I was that independent.

It was a tall order. Hamilton was defending a majority of nearly 16,000 in one of the safest Conservative seats in England. My friends in the press assured me that I was bound to lose and I tended to believe them. The campaign was — how to put it? — vigorous in the extreme. To my surprise, I won with a majority of 11,000. And I sat in the House of Commons, as its only independent member, for the next four years.

It was a perch that included a seat on the Standards Committee, which investigates complaints against MPs who are accused of breaking the rules — typically, by receiving payment for their parliamentary activities. It gave me an insight into the practice of politics and illuminated a system that — then as now — seemed in need of serious repair.

Is the House of Commons institutionally corrupt? In general I do not believe so. But does it have the potential for corruption? Yes it has, and that is what I saw on the Standards Committee — and we have been witnessing more recently.

The House of Commons is an assembly of 650 of some of the most ambitious people in the country. They tend not to see themselves as others see them. To stay out of trouble, I devised what I called "the Knutsford Guardian test", named after the principal newspaper in my constituency. Whatever I did, whatever I said inside or outside the House, whatever causes I supported, even where I went on holiday, I would ask: how would it look on the front page of that newspaper?

> We have a peculiarly British form of corruption, which is the sale of honours to finance political parties

As for lobbying, it is an integral part of politics. As an MP I pressured the government on behalf of the salt industry, because I had a salt mine in the constituency; and on behalf of the pharmaceutical industry, because AstraZeneca's research facility was also in the constituency. Lobbying becomes corruption only when money changes hands.

In the case of Owen Paterson, the MP for North Shropshire, money did change hands — more than £500,000 of it. The cross-party Standards Committee concluded that he had egregiously broken the rules and recommended a thirty-day suspension from the House. Then something extraordinary happened, which had never occurred during my time as an MP. The government tried to come to Paterson's rescue and block his suspension. It was an ill-judged and inept intervention which showed the House of Commons at its very worst. The government eventually changed course under pressure from an outraged press and public, and Paterson duly resigned.

In my view, the resignation of Paterson makes the case for adopting a cross-party anti-sleaze candidate in the forthcoming North Shropshire by-election less compelling. But I am convinced that, just as the sleaze scandals of the 1990s did in Tatton and beyond, this affair will resonate with the electorate, in a way that the Conservatives' other setbacks have not.

The present disciplinary system is by no means perfect, but better by far than the "fill your boots, boys" era that preceded it. If it is to be changed, that must be done by cross-party consensus and not unilaterally by the party of government — an impudence that should never have been attempted. A tightening of the rules must include an absolute ban on MPs lobbying for or even advising any company or organisation.

We also have a peculiarly British form of corruption, much in the news lately, which is the sale of honours to finance political parties. The award of these baubles has become so outrageous that they might as well publish a rate card for it: so much for a peerage, so much for a knighthood and so much for a humble MBE.

The present scandals will have served some purpose if they result in a renewed and necessary drive against corruption.

The writer was MP for Tatton from 1997-2001

Lex.

Twitter: @FTLex

Tesla/Elon Musk: taxing thoughts

When Tesla, a decade ago, granted Elon Musk a package of stock options tied to the value of the nascent electric-car maker, its market capitalisation was a measly $3.2bn.

Tesla's value has appreciated so much— almost 400 times to $1.2tn — that his pending federal and California tax bills triggered by those options could amount to $15bn.

No wonder Musk asked for advice. He polled his tens of millions of Twitter followers over whether he should sell a tenth of his holdings to pay his taxes. They said sell.

Though that tax bill equates to less than a day's trading in Tesla, markets still fear the selling pressure. His tax situation follows on from national debates on whether the super-rich should pay levies on their growing stock market fortunes.

He has plenty to sell. The 2012 stock award for Musk offered him 5 per cent of the company's shares if a series of thresholds were met. Almost every one of the criteria was met. The exercise price on the 2012 option package is just $6.24. In 2018, Tesla granted Musk the chance to earn another 12 per cent of the carmaker based on new operating and valuation thresholds. The strike price on those options was $70. Today's shares now trade about $1,200.

Some worried that Musk simply used social media as a cover for timely profit-taking. Tesla shares have soared nearly 70 per cent this year. But the chief executive himself recently acknowledged that he would need to sell shares earned from the 2012 grant, before the options expired in 2022, to pay any taxes owed.

California in the first quarter of 2021 generated nearly $60bn in tax revenue. That figure was nearly a quarter higher than in 2019, as the state benefited from rising tech stock valuations. Musk could pay $3bn in state taxes as well as $12bn in federal taxes. Shares he directly owns, not including the options, are worth roughly $200bn making him easily the richest man in the world. Affordability is not the issue.

That does not mean that he will dig into his pocket soon. Notably, more than half his shares have also been pledged as collateral for personal loans, a way for the super-rich to avoid the tax payments from liquidating shares. Yet the thought that Musk might even pay a modest amount of his huge bill would provide a small victory for those alarmed by America's wealth polarisation.

SoftBank: dread of winter

Winter has arrived early for SoftBank. The Japanese tech investor is "in the middle of a blizzard", according to founder Masayoshi Son. It looks a bleaker picture from the rainbows he pointed to just six months ago.

SoftBank has promised unhappy investors that it will repurchase almost 15 per cent of its shares or ¥1tn ($8.8bn) over the next 12 months. This is a victory for tough US hedge fund Elliott Management.

Yesterday, SoftBank posted a net loss of ¥397bn compared with a profit of ¥628bn a year earlier in its second quarter to September. A record valuation loss at its Vision Fund unit gets most of the blame.

Chinese regulatory risk is high. The shares have fallen 40 per cent over six months. The value of the biggest holdings, such as Chinese tech groups Alibaba and Didi, have dropped. More than a third of net asset value still comes from Chinese companies.

The irrepressible Son says he can see green shoots. Of the more than 300 companies it has invested in, some will be winners. Indeed, investment gains of Vision Fund remain positive over a horizon of four years.

Recently, however, any meaningful turnround in the stock price has resulted from buybacks. SoftBank's market value is at a 50 per cent discount to net asset value. If that gap widens, Son risks further frustrating investors. For Son, buybacks are a win-win. They boost the share price as well as Son's ownership of the company; as of June, this was more than 30 per cent, which is up nearly half from the previous year.

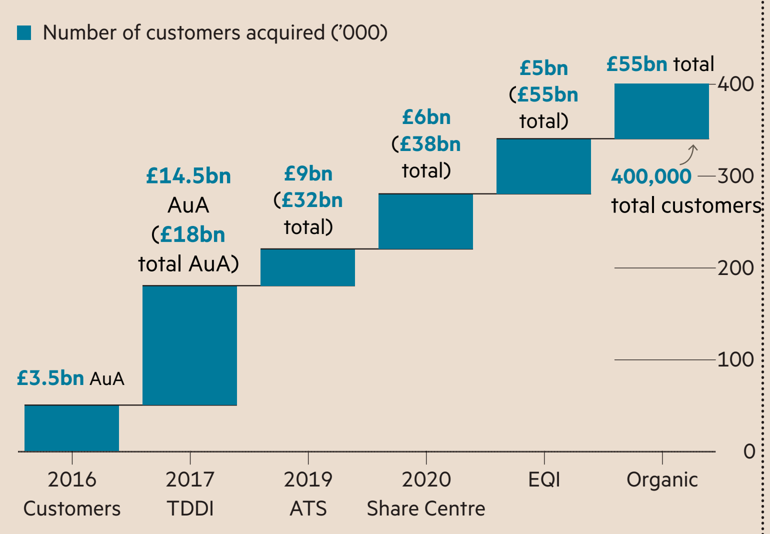
But the amount this year is dwarfed by last year's total of $23bn. It is clear that SoftBank cannot keep up the pace of share repurchases seen over the past two years. Son's blizzard analogy is unfortunate. An expedition leader may be able to quell a mutiny by distributing extra rations. But this act of generosity will not give his followers any greater confidence that he has full grasp of his bearings.

Abrdn/Interactive Investor: sound investment

Interactive Investor has grown rapidly, driven by a string of acquisitions. Now the online investment platform itself is on the block, with Abrdn closing in on a £1.5bn deal. That would value the platform not far off its peers. Shares in listed rivals have fallen since the lockdown boom in online trading.

Interactive Investor's tale of growth

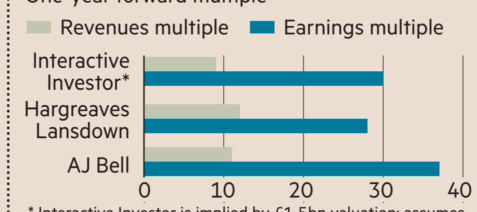
Customers and assets under administration gained by acquisition



FT graphic Source: Interactive Investor

Platform valuations

One-year forward multiple

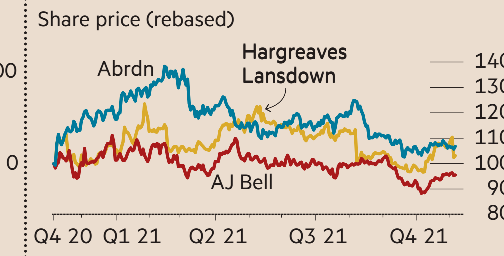


* Interactive Investor is implied by £1.5bn valuation; assumes revenue run rate £165m and pro-forma earnings £50m

Source: Numis

Sector's shares have lost momentum

Share price (rebased)



Source: Refinitiv

Shareholders were quick to welcome Abrdn's proposed £1.5bn acquisition of fund supermarket Interactive Investor. Investment platforms play to the trend for middle-class Britons to manage savings for themselves online. Shareholders will hope this is easier to integrate than Standard Life's 2017 value-destroying takeover of Aberdeen Asset Management. The shares rose 3.2 per cent yesterday.

The tough act that everyone wants to follow is Hargreaves Lansdown. This pioneer of online execution-only broking has expanded its client base by more than half since 2017.

Interactive Investor has itself increased its customer base eight-fold since 2016 via a series of acquisitions and boasts £55bn of assets under administration. Better, Abrdn will not pay over the odds.

The price of £1.5bn was at the lower end of what Interactive Investor had been hoping to achieve via an IPO, and its valuation sits in line with peers. At 30 times broker Numis's estimates, it is valued at a shade above mature Hargreaves Lansdown and is much cheaper than third-ranked AJ Bell. Abrdn had surplus cash after profitably selling down previous holdings in the life insurance and asset management arms of HDFC in India in recent years.

This trade sale should appeal to shareholders, led by buyout firm JC Flowers. The deal offers a quick, clean exit compared with an IPO. Customers of Interactive Investors might not share that view. It offers independence from big money managers. Abrdn promises not to push its own products. But history suggests that financial institutions are not optimal owners. Witness the shambles that followed Barclays' overhaul of its Smart Investor platform.

Well-capitalised rivals offer more competition than ever. Growth has tapered off since lockdowns turned homebound workers into day traders. Hargreaves Lansdown signalled as much with a year-on-year 12 per cent drop in first-quarter dealing volumes.

Since the Standard Life/Aberdeen deal, Abrdn has a non-standard name and a new boss, Stephen Bird. This looks like a smart buy at a decent price — now it falls to him to execute.

Google/CME: search and deploy

A tech giant offering top-quality online technology and equity capital does not drop in on an exchanges business every day. But CME, the Chicago-based futures exchange, said yesterday that it would move its trading system technology to Google's cloud and sell the search group a $1bn stake.

CME hopes to benefit from the tech juggernaut's expertise in analytics and machine learning. The decade-long agreement is sealed with a chunk of convertible preferred stock. Yet using that kind of buying power beyond Silicon Valley even in a small deal like this should elicit scrutiny about Google's power and reach.

Google saw an opportunity. Its cloud infrastructure business trails those of Amazon Web Services and Microsoft.

But given its market capitalisation of $1.9tn and a cash balance of nearly $150bn, a partnership with the CME looks a canny gambit.

CME is the world's largest bourse by market capitalisation with an equity value of $79bn. The exchange sector is highly concentrated. The biggest beasts in the jungle include ICE, London Stock Exchange Group, Deutsche Börse and Nasdaq.

The latest computing advances from the tech titans could create further efficiencies. However, exchanges are also highly regulated and vulnerable to benign tech snafus that turn into calamitous loss of service.

Not much difference exists among cloud providers Amazon, Microsoft and Google. However, Amazon's share is just above half while Google is under 20 per cent with Microsoft in between.

Google does not usually accept bronze medals. Its shareholders will not mind spending a $1bn for a toehold in a key Wall Street business.

No one expects Google to buy CME outright. But the tech giant's obvious interest in securities trading, the highest value form of data generation, should make regulators and investment banks wary.

For Silicon Valley, Wall Street could be the final frontier.

JD Sports: making a meal of a deal

Adam Smith wrote that when businesspeople meet, the likely outcome is a conspiracy against the public and higher prices. If the Scottish economist was right, Sunday Times reports of a car park meeting between JD Sports' executive chair Peter Cowgill and Barry Bown, who runs Footasylum, might raise eyebrows.

JD, which denies any wrongdoing, acquired Footasylum in 2019. The UK's Competition and Markets Authority blocked the deal in May last year; appeals followed. After a second probe last week, the watchdog ordered JD, which is valued at £11.5bn, to sell off the small sportswear retailer.

This demand followed a rebuke about discussing strategy while appeals were under way.

Smith and the antitrust textbooks may cavil. But this is an outsized to-do over a £90m deal for a target with a 5 per cent market share. If the CMA has an issue with shoes and pricing power, it would be better off delving into suppliers such as Nike and Adidas.

Capital markets rightly shrugged off the hoo-ha. Shares barely moved. Even if JD is forced to unwind the Footasylum purchase, that will barely dent the £8bn of sales that it is expected to generate this year.

Indeed, Footasylum would bring little to JD, aka the King of Trainers. Sales at Footasylum fell 7 per cent last year, despite people buying trainers as much as ever. Its Achilles heel was a failure to migrate sufficient buyers from store customers to online buyers.

Online sales, though up by almost half in the pandemic year, failed to make up for the loss of store footfall.

The CMA pointed to the risk that all shoppers would be worse off without the competition that JD exerted on the company. But when added to the roughly one-quarter share of JD, its rival Sports Direct might well disagree.

JD must now decide whether to appeal for a third time. The extra cost and effort of this seems a waste given the CMA's stubborn stance on competition for competition's sake.

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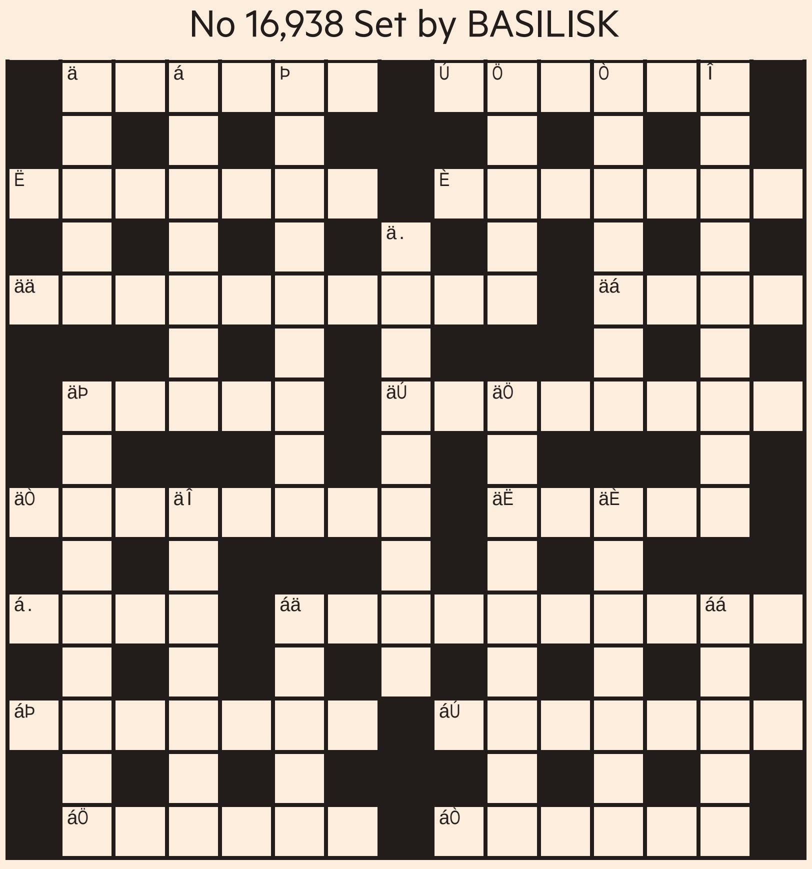
CROSSWORD

No 16,938 Set by BASILISK



ACROSS

1 Force part of NHS to take over hospital (6)
4 Lock account before one renders characters on screen (7)
8 Method introduced by leader displays progress (7)
9 Popular protest movement that can't be controlled (7)
11 Skilled campaigner gets artist working (10)
12 What dancer wears is a draw for the audience (4)
13 10% being equal to 150% of 10 is somewhat antithetical (5)
14 Flattened earth in derelict land that's been excavated (8)
16 Obstacle course includes game (8)
18 Those at forefront of technology and science knew Steve Jobs (5)
20 Neglected child mainly lived life inside (4)
21 Queen perhaps saw rule broken and creates beastly row (10)
23 Philosophical Society's initially dealing with subject taking Plato's lead (7)
24 Hound old lady moving with difficulty (7)
25 Fire shot with gun on board ship (7)
26 Cheap and nasty shot contains rum (6)

DOWN

1 Newspaper backing article and taking action (5)
2 Produce a new sketch of revolutionary vessel (7)
3 Leg pulled out of cast here? (5,4)
5 Opening in which tenor follows leading musical character (5)
6 High point of jumper following jumper? (7)
7 Lazy and having no time for work (9)
10 Two octaves support note in prime position (9)
13 Looked like dishes to chew with fork (4,5)
15 Consequences of following US subject (9)
17 Removal of uncertainty can empty lending banks (7)
19 Ripped off by fat criminal in Slough (7)
21 Fly out of terminal in aeroplane? (5)
22 Superior description of *Room at the Top*? (5)

JOTTER PAD

Solution 16,937