FINANCIAL TIMES

THURSDAY 25 JULY 2024

USA $2.50

Has Maga's rise put the Texas miracle at risk?

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Sometimes prison is the price of freedom

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US tech slide deepens after big names fail to hit targets

- Tesla and Alphabet results disappoint
- Investors flee AI to smaller companies

GEORGE STEER — LONDON
JENNIFER HUGHES — NEW YORK

US technology stocks sank sharply yesterday after lacklustre overnight results from index heavyweights Tesla and Alphabet, deepening the recent sell-off in a sector that has driven the bulk of market gains this year.

The Nasdaq Composite was down 2.8 per cent by early afternoon in New York, with Google parent Alphabet 5.1 per cent lower despite narrowly beating analyst revenue forecasts. Advertising revenue from YouTube missed consensus estimates.

Tesla sank 10 per cent after profits fell well short of expectations, leaving the electric-car maker on course for its biggest one-day decline since late January.

The sell-off deepens a recent slump for the formerly high-flying tech sector, as investors flee stocks that had been boosted by the promise of AI in favour of unloved corners of the market, notably smaller companies.

The Nasdaq is down more than 5 per cent from its high on July 11, when lower than forecast US inflation triggered the market rotation.

Alphabet and Tesla's results will "feed concerns" that the broader market has become too reliant on the "Magnificent Seven" of big tech stocks, said Charlie McElligott, an analyst at Nomura. "Risk sentiment remains fragile."

UBS reiterated its "sell" rating on Tesla's stock, warning that the "timeframe and probability of success" of a programme to roll out self-driving "robotaxis" remained unclear.

Elon Musk, Tesla's billionaire chief executive, on Tuesday officially pushed back the launch of the vehicles from August to October. However, he suggested that the project could still take the company's valuation as high as $5tn — about six times its current value.

All the Magnificent Seven were hit yesterday. Chipmaker Nvidia, which has more than doubled this year, was down almost 4 per cent. Facebook parent Meta also slid 4 per cent; Apple and Microsoft fell nearly 3 per cent.

Google's spending plans and outlook were being used as an indicator for the wider trend of backing companies with links to generative AI, said analysts.

"We've got some of the Magnificent Seven digging their heels in, in terms of spending on AI," said Kevin Gordon, a senior investment strategist at Charles Schwab. "And if they're not wildly exceeding [earnings] expectations, that's when you get some profit-taking."

Wall Street's blue-chip S&P 500 fell 1.7 per cent. The Russell 2000 index of smaller companies, which has rallied strongly on hopes of interest rate cuts as soon as September, fell just 0.2 per cent.

JPMorgan analysts said the tech sell-off came as "the macro picture appears to be cracking", with weakening regional activity data and a housing market that continued "to crumble".

US Treasuries rallied as investors sought safe assets and ramped up bets on Federal Reserve interest rate cuts. Two-year yields, which are highly sensitive to rate expectations, fell 0.05 percentage points to 4.39 per cent, the lowest level since February.

Tech groups including Meta, Amazon and Apple report earnings next week.

UK tide turns page 10
Day in markets page 11
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Standard bearer Venezuela opposition leader rallies support as challenge to Maduro mounts

Raul Arbol EDA/AFP via Getty Images

Opposition leader María Corina Machado waves a Venezuelan flag, flanked on her right by the movement's presidential candidate Edmundo González in Maracaibo, Zulia, yesterday.

Machado was banned from running in Sunday's presidential election, despite winning a primary in October, but her proxy, González, is leading the incumbent, Nicolás Maduro, by at least 20 points in opinion polls.

Maduro succeeded Hugo Chávez in 2013 after the hugely popular former president died of cancer. However, he has since overseen an economic disaster, with GDP contracting 75 per cent in the eight years up to 2021. He has also imposed political repression leading to the exodus of millions of Venezuelans. Maduro's 2018 re-election was decried by the west as a sham.

Sunday's election falls on Chávez's birthday but even in his birthplace, Sabaneta, people have lost faith in his "Bolivarian Revolution", which blended a state-led economy with nationalism.

"*Chávismo* may have been born here but it will also die here," said one woman who depends on food aid. "When Chávez was alive things were good, but now they are desperate."

Heartland has had its fill page 4

Briefing

▸ LVMH's slowdown drives fears for luxury retailers
The biggest luxury group has led a sell-off in the sector's stocks after it reported slower than expected sales as shoppers reined in spending on champagne and handbags. Shares in LVMH closed down 4.7 per cent.— PAGE 6

▸ Israel's frailties exposed
Iran-backed militia Hizbollah has released footage of a crucial Israeli military base filmed by one of its drones, highlighting the ease with which it can pierce its air defences. — PAGE 4; KIM GHATTAS, PAGE 17

▸ CrowdStrike in IT pledge
The cyber security company has vowed to implement new checks to avoid a repeat of the global IT outage that paralysed millions of computers as it probes further into what went wrong.— PAGE 6

▸ Scholz plans to run again
Olaf Scholz has said he will seek a second term as the German chancellor, despite dire approval ratings and polls showing that only a third of his party backs him. — REPORT & MOSQUE CLOSED, PAGE 2

▸ Amazon accused in Italy
Financial police have seized €121mn from a Milan-based Amazon unit after the ecommerce giant was accused of tax fraud and labour malpractice in its logistics network in Italy.— PAGE 8

▸ Turkey hands back $5bn
The central bank has given a $5bn deposit back to Saudi Arabia, underscoring Ankara's progress in replenishing its foreign currency stores as part of its economic turnaround effort.— PAGE 4

▸ Deutsche halts buybacks
Shares in Germany's biggest bank have fallen as much as 8 per cent after it ditched plans for share buybacks following a €1bn litigation charge tied to its botched acquisition of Postbank.— PAGE 8

▸ Aston Martin catches up
The luxury-car maker has insisted it has reached a "pivotal moment" in its turnaround plans as it announced lower than expected second-quarter losses and hopes for a strong sales revival.— PAGE 6

Harris taps party's burst of energy for election sprint

'In a matter of hours, it went from a sure-loss election to now looking like an election that can be won', says one Democratic pollster. US vice-president Kamala Harris hit the campaign trail running and is betting on the surge of energy in her party to propel her to victory. Her youth and diversity also promise to draw moderate voters. But with only 104 days left, she faces a tough fight to defeat Donald Trump.

Path to victory ▸ PAGE 3
Edward Luce ▸ PAGE 17

AI falls down a rabbit hole when it runs out of human data to learn from

MICHAEL PEEL — LONDON

The use of computer-generated data to train artificial intelligence models risks causing them to produce nonsensical results, according to research that highlights looming challenges to the emerging technology.

Leading AI companies, including OpenAI and Microsoft, have tested the use of "synthetic" data — information created by AI systems to train large language models — as they reach the limits of human-made material that can improve the cutting-edge technology.

Research published in Nature yesterday suggests the use of such data can lead to the rapid degradation of AI models. One trial using synthetic input text on medieval architecture descended into a discussion of jackrabbits after fewer than 10 generations of output.

The work underlines why AI developers have rushed to snap up caches of human-generated data for training — and raises questions of what will happen once those finite sources are exhausted.

"Synthetic data is amazing if we manage to make it work," said Ilia Shumailov, the lead author. "But . . . our current synthetic data is probably erroneous in some ways. The most surprising thing is how quickly this stuff happens."

The paper explores the tendency of AI models to collapse because of the accumulation and amplification of mistakes from successive generations of training. The speed of the deterioration is related to the severity of shortcomings in the model design, the learning process and the quality of data used.

Shumailov, who carried out the work at Oxford university with colleagues from Cambridge, Imperial College London, Edinburgh and Toronto, said errors "introduced by previous generations — and the models themselves" took AI on a path to collapse, where data descended into gibberish.

In the jackrabbit case, the first input text examined English church towers from the 14th and 15th centuries. Successive generations travelled through basilicas in Rome, digressed into linguistics and, in the ninth iteration, listed lagomorph tail colours.

Mitigation had not proved easy, said Emily Wenger of Duke University, who contributed a companion piece to Nature. "One key implication of model collapse is that there is a first-mover advantage in building generative AI models," she said. "The companies that sourced training data from the pre-AI internet might have models that better represent the real world."

World Markets

STOCK MARKETS

	Jul 24	Prev	%chg
S&P 500	5460.66	5555.74	-1.71
Nasdaq Composite	17502.53	17997.35	-2.75
Dow Jones Ind	40019.39	40358.09	-0.84
FTSEurofirst 300	2030.71	2044.03	-0.65
Euro Stoxx 50	4859.82	4916.80	-1.16
FTSE 100	8153.69	8167.37	-0.17
FTSE All-Share	4468.59	4479.49	-0.24
CAC 40	7513.73	7598.63	-1.12
Xetra Dax	18387.46	18557.70	-0.92
Nikkei	39154.85	39594.39	-1.11
Hang Seng	17311.05	17469.36	-0.91
MSCI World $	3580.87	3584.66	-0.11
MSCI EM $	1086.96	1085.48	0.14
MSCI ACWI $	816.23	816.89	-0.08
FT Wilshire 2500	7155.09	7160.96	-0.08
FT Wilshire 5000	55706.70	55740.40	-0.06

CURRENCIES

Pair	Jul 24	Prev	Pair	Jul 24	Prev
$/€	1.085	1.085	€/$	0.921	0.922
$/£	1.292	1.291	£/$	0.774	0.775
£/€	0.840	0.840	€/£	1.190	1.190
¥/$	153.260	155.995	¥/€	166.340	169.185
¥/£	197.990	201.367	£ index	84.579	84.466
SFr/€	0.959	0.968	SFr/£	1.142	1.152

CRYPTO

	Jul 24	Prev	%chg
Bitcoin ($)	66259.40	66041.17	0.33
Ethereum	3415.33	3451.57	-1.05

COMMODITIES

	Jul 24	Prev	%chg
Oil WTI $	77.82	76.96	1.12
Oil Brent $	81.84	81.01	1.02
Gold $	2403.10	2392.70	0.43

GOVERNMENT BONDS

Yield (%)	Jul 24	Prev	Chg
US 2 yr	4.39	4.49	-0.10
US 10 yr	4.23	4.23	0.00
US 30 yr	4.48	4.45	0.03
UK 2 yr	3.97	4.01	-0.04
UK 10 yr	4.26	4.23	0.03
UK 30 yr	4.66	4.63	0.04
JPN 2 yr	0.37	0.35	0.02
JPN 10 yr	1.07	1.06	0.01
JPN 30 yr	2.20	2.17	0.02
GER 2 yr	2.71	2.77	-0.06
GER 10 yr	2.44	2.44	0.00
GER 30 yr	2.66	2.63	0.03

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Germany

Scholz to seek second term as chancellor

Party members unhappy with leader taking them into next year's election

GUY CHAZAN — BERLIN

Olaf Scholz has said he will seek a second term as Germany's chancellor despite his dire approval ratings and polls showing that only a third of members of his party want him to lead them into the next election.

Scholz was responding to a reporter who asked him if he might follow US President Joe Biden's example and withdraw from the race.

He said at his traditional summer press conference that his Social Democrats were "a highly united party, we are all determined to enter the next election campaign together and to win", adding: "I will run for re-election as chancellor."

Asked if he was pained by the SPD's dire polling, he said: "Poll results that aren't good spur you on to achieve better poll results." Scholz said he was "convinced" that he and his government would succeed in "turning things round" by the time of the next Bundestag election next year.

Scholz presides over a fractious three-party coalition of Social Democrats, Greens and liberals, who have been in near-permanent conflict with each other since taking power in late 2021.

The three have slumped in the polls over the past year, achieving a combined share of just 31 per cent in European elections last month — only slightly ahead of the opposition Christian Democrats, who won 30 per cent.

Most recently, the governing parties clashed over the federal budget for 2025. Agreement involved months of drawn-out negotiations and deepened already grave ideological differences over fiscal policy. Scholz's SPD and the Greens wanted more spending on green policies, infrastructure and security, while the fiscally hawkish liberals insisted the budget comply with Germany's strict constitutional curb on new borrowing, the so-called debt brake.

> 'Poll results that aren't good spur you on to achieve better poll results'
> Olaf Scholz

Scholz's government had been in office for less than three months when Russia launched its full-scale invasion of Ukraine. Ever since, it has had to battle a profound energy crisis as well as high interest rates and inflation. Germany was the worst-performing major economy last year and ministers expect growth of just 0.3 per cent in 2024.

The bad economic news has fuelled the rise of Alternative for Germany, a far-right party expected to win three crucial regional elections in the east German states of Saxony, Thuringia and Brandenburg in September. Many in the SPD fear the party could lose control of Brandenburg, which it has ruled since German reunification in 1990.

Scholz held his press conference two days after a poll showed only a third of SPD members thought he was the right candidate for chancellor in next year's election. Another third backed popular defence minister Boris Pistorius, who has himself denied nurturing any ambition to succeed Scholz as chancellor.

Scholz acknowledged that the SPD needed to communicate more clearly to voters its various legislative achievements, such as increasing the minimum wage, pushing through tax breaks for low and middle earners and guaranteeing the current level of the state pension.

He hinted at the kind of election campaign he would run next year, emphasising the SPD's commitment to strengthening the German armed forces and modernising the economy.

Sport. Russia ban

Putin retaliates over Paris Olympics exclusion

Moscow deploys cyber attack threats and disinformation after holding own competition

ANASTASIA STOGNEI — TBILISI

Banned from the Summer Olympics that were once a national obsession, Russia has prepared its response: a wave of disinformation, cyber attack threats and the staging of its own Games.

The push to retaliate against Moscow's isolation over doping scandals and the invasion of Ukraine underlines the enduring sensitivity of the Olympic Games, which President Vladimir Putin once used as an opportunity to mark the country's progress.

Russia recorded its biggest ever medal haul when hosting the Winter Olympics in Sochi just a decade ago, with Putin attempting to boost his reputation by releasing political prisoners and welcoming everyone "regardless of their sexual orientation".

By contrast, only 15 athletes from Russia will attend the Paris Games, competing under a neutral status.

"Russia's changing attitude towards the Olympics mirrors its broader trajectory," said Dmitry Navosha, co-founder of Sports.ru, a leading sports website. "In 2014, Russia saw itself as part of the western world. Now, it has reverted to a cold war stance — only this time the war isn't just cold."

To compensate for its exclusion from the world's major sporting events, Russia has turned to inventing its own competitions. The Brics Games last month attracted only a few thousand athletes as emerging peers Brazil, India, China and South Africa and dozens of other countries sent small squads. Russia's isolation was powerfully symbolised when synchronised swimmer Alexandr Maltsev, the sole competitor in the freestyle programme, received his gold medal standing alone on the podium.

Many athletes are not taking the local competitions seriously. "It is complete nonsense to compare the Brics Games with the Olympics. The emotions at the Brics Games? None at all," sprinter Kristina Makarenko told Russian media after her victory in the competition.

Spectator interest was limited too. Navosha said Russians' keen interest in global sporting competitions would not change overnight "just because the officials swung in a different direction".

Vladimir Putin with tennis player Elena Vesnina, who has liked pro-war social media content, and synchronised swimmer Alexandr Maltsev, the sole competitor in an event at the Brics Games
FT montage; AFP/Getty

Moscow also postponed its so-called Friendship Games, which were due to be held in September and were billed as Russia's big answer to the Olympics, until next year. The name harks back to the 1984 event that the USSR held during its invasion of Afghanistan, when eight other eastern bloc states joined its Olympics boycott.

Locked out of the Olympics, Moscow has been building up a disinformation campaign about the Paris Games. Microsoft warned Russian influencers were deploying artificial intelligence to "denigrate the reputation of the [International Olympic Committee]" and "creating the expectation of violence" at the tournament. The Kremlin dismissed the report as "absolute slander".

The US state department's diplomatic security service highlighted the risk of potential cyber attacks by Russia during the Games, citing a hacking campaign during the 2018 South Korea Olympics. Moscow now has "10 times more reasons" to attack the Games, it added.

France's interior ministry said on Tuesday that police arrested a Russian citizen after visiting his Paris home. It alleged that the man, who was on the watchlist of intelligence services, was preparing espionage operations or other actions to "destabilise" the Games.

Authorities found an identity card that suggested the man worked for a unit of Russia's Federal Security Service (FSB), Le Monde reported, citing European intelligence officials.

The Russians competing under a neutral flag include seven tennis players, three cyclists, three canoeists, a swimmer and a trampolinist, nearly half of whom train abroad, says the IOC. They are barred from group events or wearing the Russian flag and must not show support for Russian's invasion of Ukraine, including via media statements.

Global Rights Compliance released evidence last week showing more than two-thirds of Russian neutral competitors had broken Olympic rules by publicly supporting the Ukraine war. The Hague-based rights group claimed the IOC, which opted against a blanket ban on Russians competing in Paris, had "ignored" the findings.

> 'Russia has reverted to a cold war stance — only this time the war isn't just cold'

The report highlighted pro-war social media content that was liked by cyclist Alena Ivanchenko and tennis player Elena Vesnina, including posts questioning Ukraine's right to exist and celebrating Russia's "military feats".

France's Élysée Palace said the "very low" number of Russians at the Olympics proved the IOC's assessment had been "carried out thoroughly".

Moscow has gone to great lengths to suggest it is indifferent to the event. In March, Putin "completely agreed" with an athlete's suggestion that without Russia's involvement the Games were mere "provincial competitions".

Russian television will not broadcast the Olympics for the first time in 40 years, arguing they are "not interesting" to Russians. But Navosha said that when Russians competed under a neutral status, such as at the 2018 Winter Olympics in South Korea, the broadcasts had "always been very popular".

Additional reporting by Leila Abboud in Paris and Sara Germano in New York

Islamists

Hamburg's Blue Mosque shut and Shia group banned for extremism

SAM JONES — BERLIN

Germany has shut down one of the country's largest and oldest mosques and ordered a ban on the nationwide Shia Muslim organisation that runs it for religious extremism.

Dozens of police raided Hamburg's Blue Mosque and 53 other properties across Germany yesterday in one of the most significant crackdowns on political Islamism in the country in years.

The interior ministry said it was formally banning the Islamic Centre of Hamburg and its affiliated organisations for preaching "totalitarian rule, aggressive antisemitism and support for the terror group Hizbollah".

Three other mosques, in Berlin, Frankfurt and Munich, have also been raided and closed.

"The [ICH] propagates an Islamist, totalitarian ideology in Germany," said interior minister Nancy Faeser. "This Islamist ideology is directed against human dignity, against women's rights, against an independent judiciary and against our democratic state.

"It is very important to me to make a clear distinction: we are not acting against a religion. We clearly differentiate between Islamists, against whom we take tough action, and the many Muslims who belong to our country and live their faith."

Iran's foreign ministry summoned the German ambassador to Tehran to "condemn the hostile action" and warned about "the consequences of such destructive actions", which it said "exemplify a clear case of Islamophobia," according to the official news agency, IRNA.

Iran conveyed to Germany that the measure could "incite religious and sectarian tensions", the ministry added.

The ICH, which did not respond to a request for comment, has previously denied accusations of extremism.

It was one of the most prominent Shia organisations in Germany, and a founding member of the Central Council of Muslims in Germany.

But the group has come under scrutiny in recent years, with growing calls for it to be shut down as a result of its hardline religious doctrine and links to extremist groups outside Germany.

The Blue Mosque itself has been monitored by German domestic intelligence since 1993, and in 2017 was formally designated by security authorities to be an "instrument" of the Iranian regime.

The attack by Hamas on Israel in October last year has prompted a zero-tolerance clampdown by the German government, which has been at pains to assert its support for Israel and Jewish life in Germany and rebut criticism that it has been idle in tackling domestic religious extremism.

Investigations into the ICH began last November when police searched its properties and confiscated evidence.

Intelligence agencies and police concluded that the organisation was "extremely conspiratorial" and had carefully worked to craft a false image of tolerance while working "intensively and steadfastly" in secret to promote an "Islamic revolution" in Germany, the interior ministry said.

Additional reporting by Najmeh Bozorgmehr

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Italy

Brussels warns Meloni over threat to media freedoms

LAURA DUBOIS — BRUSSELS

Brussels has raised the alarm over press freedom in Italy after Prime Minister Giorgia Meloni's government was accused of interfering with public broadcaster Rai and silencing critics.

Věra Jourová, the European Commission vice-president overseeing values and transparency, warned of a funding squeeze and alleged "intimidation" of journalists after unveiling an annual report on the state of rule of law across the union.

"We have been expressing the need for safeguards for years. But with new incidents reported by stakeholders and budget cuts, this is becoming very urgent," Jourová said yesterday.

Brussels specifically highlighted issues over the independence of Italy's public broadcaster Rai and increasing lawsuits against journalists and said it raised the matter directly with Rome.

Meloni's government has been locked in a confrontation with journalists at the broadcaster, whose union staged a walkout in May over complaints of editorial interference and worsening working conditions.

The union has accused the broadcaster's governing board, which is dominated by government appointees, of seeking to transform the broadcaster into the ruling party's mouthpiece. Critics have started describing Rai as "TeleMeloni".

Jourová said of the situation in Italy: "We express concerns related to the independence and funding of public service media, and we ask authorities to address the situation. What we ask is to ensure that the rules or mechanisms are in place to provide funding and independence for such kind of media."

Meloni has previously rejected claims that she is attempting to control the state broadcaster, arguing that it had long been dominated by the Italian left.

In a radio appearance in May, the premier said: "We are for a more plural system — a system that represents everyone and belongs to the citizens."

Additional reporting by Daria Mosolova

Purchasing managers' index

Struggling German economy drags down Eurozone growth

MARTIN ARNOLD — FRANKFURT

The Eurozone economy has slowed sharply owing to weaker than forecast growth in services and steep falls in manufacturing, particularly in Germany, the results of a closely tracked business survey showed.

A poll of Eurozone purchasing managers signalled business activity almost ground to a halt this month, as its composite index fell to a five-month low of 50.1, leaving it only slightly above the 50 mark that separates growth from contraction.

The results published by S&P Global yesterday were weaker than forecast by a Reuters poll of economists, who had expected a slight rise from 50.9 last month to 51.1.

Analysts warn that trade tensions and political uncertainty are likely to cause a slowdown in second-quarter growth when that data is released next week.

"The weak figures put a question mark over a noticeable economic recovery expected by many forecasters for the second half of the year," said Vincent Stamer, an economist at German lender Commerzbank, adding that the concerns particularly applied in Germany.

The detailed purchasing managers' index results showed a continued divergence between manufacturing and the larger services sector. The reading for services fell from 52.8 to 51.9, while the manufacturing index dropped from 45.8 to 45.6.

The Eurozone economy stagnated for much of last year but returned to growth of 0.3 per cent in the first quarter, as inflation slowed more than wages to boost household purchasing power.

S&P Global said "the economy barely moved in July" as businesses reported a second consecutive month of falling orders, dragging confidence in the next year to a six-month low.

Economists said the weaker growth outlook made the European Central Bank more likely to cut interest rates in September. But sticky inflation in services caused by rapid wage growth is still likely to concern policymakers.

Harris bets on surge of voter enthusiasm as path to victory

US vice-president declares fight for 'freedom' but faces uphill election battle

Centre of attention: Kamala Harris, front left, poses for photographs during her campaign visit to Milwaukee — Kevin Mohatt/Reuters

LAUREN FEDOR AND JAMES POLITI
WASHINGTON

Kamala Harris is betting on a surge of Democratic enthusiasm to propel her campaign for the White House, casting the election as a fight to protect "freedom" in the US from Donald Trump.

Harris hit the campaign trail this week with the wind in her sails, securing her position as the presumptive Democratic nominee for president, raising more than $100mn and signing up almost 60,000 people to volunteer to help get her elected in November, all in a little over 24 hours.

Her main messages to voters are already developing: that she is an agent of generational change, while Trump represents the past; that as a former prosecutor she can take him on as a convicted felon; that on the economy she is a more genuine defender of the middle class; and that she will be a fierce champion for individual liberties against Republican extremism.

"Ours is a fight for the future. And it is a fight for freedom," she said on Tuesday at a packed high school in Milwaukee, Wisconsin, the swing state city where Trump had won the Republican presidential nomination last week. The ecstatic crowd cheered and chanted "we are not going back" — repeating one of the lines from her speech.

Harris is already making the case for the Democrats to retain the presidency more crisply and energetically than Joe Biden, who abruptly stepped down from his re-election fight on Sunday.

But with just over 100 days to go until the election, she faces an uphill battle if she is going to defeat Trump. While few national and swing state opinion polls have been conducted since Harris entered the race, a snap Morning Consult poll on Monday gave Trump a two-point lead — 47 to 45 — over her. A Reuters/Ipsos poll on Tuesday gave Harris a slight edge. The vice-president's nationwide approval ratings hover just under 39 per cent, according to the latest FiveThirtyEight average.

In a call with reporters on Tuesday, Trump said Harris "won't be too tough" to beat, pointing out that her previous presidential campaign in 2020 was unsuccessful, with the then US senator abandoning her primary bid a month before the Iowa caucuses.

But Democrats are optimistic about the promise of a 2024 Harris campaign and are furiously mapping out a path to victory.

"There is a tremendous amount of enthusiasm, energy and interest that, quite frankly, did not exist 72 hours ago," said veteran Democratic pollster Fernand Amandi.

"In a matter of hours it went from a sure-loss election to now looking like an election that can be won."

Democratic operatives see Harris as a trailblazer whose relative youth and diversity will energise important segments of the party's coalition. At 59, she is roughly two decades younger than 81-year-old Biden and 78-year-old Trump.

If elected, Harris would be the first female president in US history. She would also be the first Asian-American president — her mother was an immigrant from India — and only the second Black president after Barack Obama.

Amandi's polling company, which advised both of Obama's successful presidential campaigns, conducted a survey earlier this month, several weeks before Biden dropped out, showing Harris leading Trump by one point in a hypothetical match-up. Amandi said he expected those numbers to improve as Harris's campaign got under way.

"The poll showed a lot of room for growth with a range of voters, whether they be women, Black voters, Hispanic voters and younger voters," he said. "I would anticipate those numbers are going to rise."

> 'In a matter of hours it went from a sure-loss election to looking like an election that can be won'

Trump's own pollster, Tony Fabrizio, said in a memo on Tuesday that he also expected Harris to experience a polling bump in the weeks to come.

Fabrizio said a "Harris honeymoon" would be a "manifestation of the wall-to-wall coverage Harris receives from the [mainstream media]", adding: "The coverage will be largely positive and will certainly energise Democrats and some other parts of their coalition, at least in the short term."

But Democrats insist the enthusiasm surrounding Harris will continue and the grassroots effort to elect her and defeat Trump will help supercharge her three-month sprint of a campaign.

"If you have a great organisation, with enthusiastic volunteers, who are going to do whatever they need to make sure they vote, their family votes, their neighbours vote, that is worth three to five points alone," said longtime Democratic strategist Mary Anne Marsh. "That is the difference between winning and losing."

Marsh and other Democrats are also confident Harris has the potential to win over at least some of the electorate who dislike Biden and Trump. Surveys have shown as many as one in four US voters identify as "double haters", rejecting the current and former president.

While Biden spoke often about Trump as a threat to American democracy, Harris is pitching her argument differently, with the stakes being individual freedoms. Beyoncé's song "Freedom" was blaring on the loudspeakers as she walked on stage in Milwaukee.

She spoke about voting rights and safety from gun violence and made clear she would focus on abortion — a big issue for Democratic voters after three Trump-appointed US Supreme Court justices in 2022 helped to strike down the constitutional right to an abortion.

The Democrats consider Harris an effective messenger on the issue, which helped to secure the party's electoral victories in the 2022 midterms and subsequent special elections.

Democratic strategists say that as Harris energises the Democratic base she must also court the moderate, swing and independent voters who could ultimately decide the election.

"She's got to focus on the middle. That's where the election will be won or lost," said Matt Bennett of Third Way, a centre-left group in Washington.

Edward Luce see Opinion

Republicans. **Federal revenues**

Trump pledge on tips woos lower-paid

Proposal to end gratuities tax seeks to win over some 6mn workers in services industry

TAYLOR NICOLE ROGERS — NEW YORK

One of the more novel proposals in Donald Trump's economic plan sprang from a conversation between the Republican presidential candidate and a server at a restaurant in Nevada.

The waitress complained that tax officials were "after [her] all the time on tips, tips, tips", Trump told a rapturous audience at the Republican National Convention in Milwaukee on Thursday night. "I said, 'Let me just ask you a question, would you be happy if you had no tax on tips?' She said, 'What a great idea," Trump continued. "No tax on tips!" the crowd chanted back at the former president.

The idea, first floated in a campaign speech last month, has become a go-to slogan for Republican campaigners in a bid to win the support of workers in the services industry.

How would it work?

Eliminating federal taxes on gratuities would "significantly reduce tax liability" for 6mn workers who earn tips — including restaurant servers, baristas, taxi drivers, bartenders and hair stylists, said Andrew Lautz of the Bipartisan Policy Center.

Across the US, tips can range in amount from a dollar or two for a cup of coffee to a 15 to 20 per cent — or higher — gratuity for sit-down meals. Tipped workers reported earning an average of $6,000 in gratuities apiece in 2018, the last year for which Internal Revenue Service data is available.

Employees receiving $20 or more a month in tips are required to report those to their employers and tax authorities. Those tips are subject to both federal payroll and income taxes under the current tax code.

Only Congress could eliminate one or both of those taxes, and Trump has not provided details of how his plan would work.

One bill introduced by Republican lawmakers proposes to exempt tips from only federal income tax. Employers would still be required to withhold payroll taxes on them, and they would still be subject to applicable state taxes.

How would it help workers?

Minimum wage laws allow tipped workers to be paid as little as $2.13 an hour with the expectation that tips will bring their total earnings up to at least the threshold of $7.25 for other workers. Eliminating taxes on tips would presumably leave more cash in their pockets, allowing tipped workers to take a tax cut equal to their tipped income.

Donald Trump: waitress in Nevada complained to him about tip taxes

Workers' advocates say service staff have struggled to make ends meet since 2020, when many lost their jobs during Covid lockdowns. Workers were in short supply when restaurants and bars reopened in 2021, prompting large rises, signing-on bonuses and other perks.

Conditions largely remained the same however, frustrating workers, according to Ben Reynolds, a union organiser with independent labour union Restaurant Workers United, which represents employees in four states.

Wage growth for leisure and hospitality jobs peaked last year at a 12-month moving average of 7.2 per cent in January 2023, above the average of 6.3 per cent for workers overall.

Tax policy experts point out that exempting tip income would not help most low-wage workers, although it would present opportunities for people to game the system by asking to be paid in tips rather than with a traditional salary. Out of the lowest-paid quartile of wage earners in the US — those earning less than $17.66 hourly — only 5 per cent receive tips, according to an analysis by Yale University's Budget Lab.

"Working in a grocery store you make the same total compensation [as a server], but all of their income is subject to taxation because they don't receive tips," said Lautz. "There's a fairness concern there."

What would it cost?

Cutting taxes on gratuities would have a "relatively small impact on the big picture" because tipped workers were a small portion of the US tax base, said Erica York, senior economist at the Tax Foundation, a right-leaning think-tank. Yale's Budget Lab estimates that tipped workers comprise just 2.5 per cent of the US labour force.

An estimate by the Committee for a Responsible Federal Budget found that it would reduce federal revenues by a minimum of $150bn to $250bn over 10 years, but that figure could rise if more workers started getting paid in tips.

The proposal would still add to the government's projected $22tn deficit over the next decade, York warned. It also comes ahead of a legislative battle over the expiration of Trump's 2017 Tax Cuts and Jobs Act that could result in new reductions that further reduce federal revenues.

What are the political considerations?

Tipped workers are a crucial voting bloc in Nevada, one of seven swing states that will decide the presidential election, and cutting taxes has long been at the core of Republicans' pitch to voters.

But the idea has also gained bipartisan traction. Nevada's senators, Jacky Rosen and Catherine Cortez Masto, are the first Democrats to support the proposal. They said it would give economic relief to middle-class families.

Trump's campaign has asked supporters to appeal to service workers by writing a message beside the tip line on their receipts until election day: "Vote for Trump for no tax on tips!"

Media influence

Former kingmaker Murdoch pushed to Republican sidelines

DANIEL THOMAS — LONDON
CHRISTOPHER GRIMES — LOS ANGELES

Generations of politicians have been willing to fly thousands of miles for an audience with Rupert Murdoch. But last week, it was Murdoch, 93, who travelled to Milwaukee to witness Donald Trump accept the Republican party's nomination for president, watching from a box in the arena.

Murdoch watchers say the media baron had not been to a US political convention in decades, if ever. Some saw it as a conciliatory gesture to a man Murdoch has known for decades but never viewed as the best presidential material.

Others, including former executives, saw a more fundamental shift: Murdoch's diminished influence, not just over a Republican party wholly remade in Trump's image, but across his conservative media empire.

David Folkenflik, author of *Murdoch's World*, said the mogul's appearance in Milwaukee was an act of "obeisance" to a politician who remains a huge draw to Murdoch's Fox News network. "What we're really talking about here is Murdoch making peace with Trump as still the defining figure of the Republican party — and therefore his audience."

Murdoch may control the most profitable, powerful media voice on the American right. But nothing seemed to go his way in Milwaukee. Trump selected JD Vance as his running mate on the first day of the convention — a pro-regulation, anti-Wall Street senator opposed by Murdoch, who preferred North Dakota governor Doug Burgum.

The Trump family then appeared to revel in ignoring his advice. "There was a time where if you wanted to survive in the Republican party, you had to bend the knee to him or to others," Donald Trump Jr told a side event at the convention. "I don't think that's the case any more." Fox declined to comment.

Murdoch watched the main speakers seated in the convention hall among the Maga faithful while a man he fired last year — the firebrand former Fox News commentator Tucker Carlson, who now has his own YouTube channel — took a seat alongside the former president.

Murdoch, who has met US presidents going back to John F Kennedy, is not a man for the fringes. Over the past 40 years, the press baron has been a powerbroker in the White House, Downing Street and Canberra, offering support and access to his Fox News outlets in the US and an influential stable of print publications in Britain and Australia.

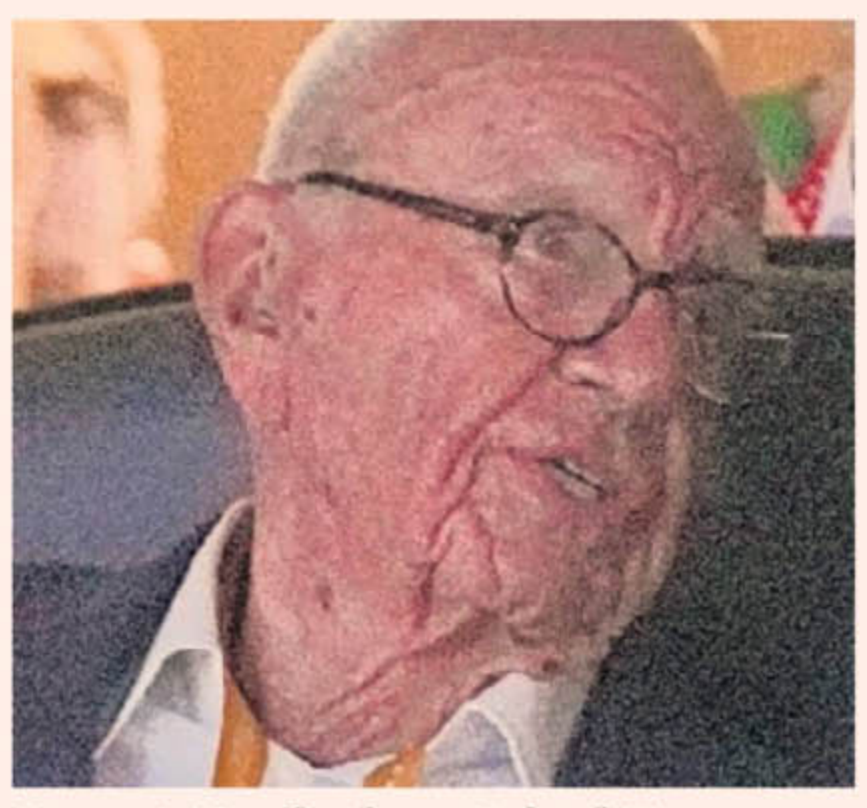
Geordie Greig, editor-in-chief of The Independent and who has worked for Murdoch, said his "influence and reach" "has been unsurpassed in the last 100 years".

Murdoch, who married his fifth wife Elena Zhukova in June, is said by company insiders to have loosened his grip on the day-to-day operations of his news empire. In September last year, Murdoch said he would stand down as chair of both Fox and News Corp, leaving his eldest son, Lachlan, in charge.

Lachlan is now taking on a much more hands-on role in decisions that his father once controlled. "Rupert is definitely involved and interested in politics," said one company executive. "But he has handed over to Lachlan."

Trump has arguably posed much bigger challenges — and opportunities — for Murdoch than any other politician.

Starting in the 1970s, Trump was a tabloid gold mine for Murdoch's New York Post. Murdoch was said to be reluctant to back his bid for the presidency in 2016; those qualms eased as Trump provided stellar ratings for Fox. But the network's support of Trump also cost it dearly: last year it agreed to pay nearly $800mn to settle a lawsuit brought by voting technology group Dominion, which accused Fox News of defamation after it aired false claims of election fraud in 2020.



Rupert Murdoch: watched Trump from a box in the convention arena

The trial revealed caustic private messages about Trump between Fox executives, including an email from Murdoch urging them to "make Trump a non person" after the January 6 2021 riot in Washington.

The Post had a dismissive mention on its front page of Trump's 2022 decision to run again for the presidency — "Florida man makes announcement" — while headlining the full news story: "Been There, Don That".

Even if Trump is not Murdoch's first choice, media analysts say Fox needs the Republican nominee, who carries overwhelming audience support. Fox News scored its highest weekend ratings ever following the July 13 assassination attempt on Trump, attracting 6.9mn viewers — the most of any TV network. Its convention coverage drove the best ratings since the 2020 election.

Any strains between Trump and Murdoch have also been exaggerated, others say, pointing to a podcast released this month in which the former president said: "I speak with Rupert Murdoch a lot. He's as sharp as a tack."

Russian sanctions

EU moves to ease US fears over $50bn Ukraine loan

PAOLA TAMMA, LAURA DUBOIS AND HENRY FOY — BRUSSELS

The EU is considering indefinitely extending its sanctions on Moscow's state assets, in a move that would soothe the US concern over plans to use the proceeds of Russian central bank funds to back a $50bn loan to Ukraine.

Ambassadors from the 27 member states were due to meet yesterday to discuss a European Commission proposal for the "open-ended immobilisation of the Central Bank of Russia assets", according to a document seen by the Financial Times.

The move, which would apply to the European share of the €260bn worth of central bank assets immobilised outside Russia, would "provide G7 partners with the highest degree of predictability" regarding the repayment of a $50bn loan that leaders of the grouping of advanced economies signed off last month. The plan is to repay the loans with profits arising from the assets.

At present, sanctions are repeatedly applied every six months, creating concern among the EU's allies that the loan will not be fully repaid.

The lack of such predictability has been a stumbling block in achieving a sign-off on the loan from the US, which wants stronger assurances from Europe that it will keep the €190bn-worth of assets in Belgium's central securities depository Euroclear frozen until the loan is repaid or Russia agrees to reparations to cover the cost of borrowing.

Former president Donald Trump, the Republican candidate in November's US elections, has called into question continuing aid to Ukraine, spurring G7 allies to maximise support to the war-torn country before the year's end.

The European Commission declined to comment.

G7 leaders agreed in June to issue Ukraine with a loan of up to $50bn that would be repaid from the future stream of profits arising from Russian central bank assets frozen under sanctions. Those held in Euroclear are expected to generate about €3bn in profits a year.

While a second option — to prolong the rollover of sanctions from six months to up to three years — is also mentioned in the document, officials acknowledge that only the first is likely to meet with Washington's approval.

"Option one is the only option. It's difficult but it's the only route that gives certainty and is feasible," a person involved in the negotiations said.

Both options would require unanimous approval from EU27 countries.

Middle East

Hizbollah drone reveals Israel defence flaws

Militants able to capture detailed images of air base close to Lebanon border

MEHUL SRIVASTAVA — LONDON
RAYA JALABI — BEIRUT

Hizbollah has released detailed footage of a key Israeli military base filmed by one of its drones, highlighting the ease with which Iran-backed militias can enter Israel's sophisticated air defences.

The video, released on Hizbollah's Telegram channel, showed the Ramat David air base, about 50km south of the Lebanon border, including footage claimed to have been shot on Tuesday.

The footage included images of an Iron Dome launcher and close-ups of helicopters and fighter jets, including Apaches and Panthers, and heavy transport planes. It also claimed to be able to identify the office and name of the base commanders, although the Financial Times was not able to verify this.

The ease with which a Hizbollah drone appeared to loiter over an Israeli military base underlined the concerns about Israel's air defences, which have traditionally focused on stopping rockets and missiles fired by its regional foes.

But this technology appears to be struggling against the cheaper drones Iran has been known to provide to its militias in the region. Tehran supports a network of militant groups, including Hizbollah and Hamas, which it refers to as the "axis of resistance".

The latest incident is the third time in recent months that a foreign unmanned aerial vehicle has spent significant time in northern Israeli air space. A drone flown by Houthi rebels in Yemen last week went more than 12 hours through Egyptian airspace into Israel and exploded near the US Consulate in Tel Aviv, killing a civilian. The Israel Defense Forces said at the time it had misidentified the drone as not a threat.

The IDF said of the latest drone activity: "The video released by Hizbollah was filmed by an unmanned aerial vehicle for photography purposes only. The activity of the base was not affected." It said its air force had hit hundreds of Hizbollah "aerial array" targets, a reference to the unmanned vehicles the militants and others including Iran have used in months of growing conflict since Hamas's October 7 attack on Israel.

Israel's famed multi-layered air defences, including its Iron Dome system, have allowed the country to maintain a relative sense of normality against thousands of rockets fired during nine months of war ignited by the Hamas cross-border raid.

But some smaller and lighter drones — Hizbollah called the one that shot the recent footage a "Hoopoe" — have been able to get around Israel's air defences.

The accuracy of such drones seems unaffected by Israel's jamming of the commercial GPS signal, which covers most of its north and much of southern Lebanon. Israel extended this since last week's Houthi attack, scrambling the GPS signal as far south as Tel Aviv.

One Israeli intelligence official said the country was allowing some surveillance drones to fly over its airspace to train radar operators and algorithms on their movement patterns, a process that can take weeks. Any drones seen as lethal were shot down immediately, he said. But at least three Israeli troops have been killed and dozens injured in drone attacks in recent months, including one on June 30 on a base in northern Israel.

Venezuela. Presidential election

Chávez heartland has had its fill of his revolution

The cradle of 'Chávismo' turns against successor Maduro amid economic woes and repression

JOE DANIELS — SABANETA

A mural of Hugo Chávez in Sabaneta, where Vicmary Jaimes, right top, said his revolution would die, but Ligia de Romero, bottom, said it was 'better the devil you know'
Juan Barreto/AFP/Getty

> 'I was a *Chavista* to my core, but Maduro, it's time to go. I'll be voting for González to end this misery'

"Cradle of the revolution!" cries a sun-bleached sign welcoming visitors to Sabaneta, a town on the Venezuelan plains that was the birthplace of Hugo Chávez.

Yet for all the fawning memorials to the late populist president, Sabaneta has begun to turn. Even here, Venezuelans say his so-called Bolivarian Revolution, which blends a state-led economy with nationalism, has become a failure.

"*Chávismo* may have been born here, but it will also die here, if it hasn't already," said Vicmary Jaimes, a mother who sells toys in the central square. She depends on government food aid, but says that the supplies "are not fit for a dog" and arrive rotten or worm-infested. "When Chávez was alive things were good, but now they are desperate."

Since Nicolás Maduro succeeded Chávez in 2013 after he died of cancer, Venezuela has been blighted by economic disaster, with GDP contracting 75 per cent in the eight years up to 2021, political repression and the exodus of millions. Maduro's 2018 re-election was decried by the west as a sham.

Venezuelans will vote in a closely watched presidential election on Sunday, Chávez's birthday, with Maduro, an authoritarian lacking his mentor's charisma, trailing by at least 20 per cent in polls. The main opposition candidate, retired diplomat Edmundo González, is standing in the place of María Corina Machado, a fiery former lawmaker who in January was banned from running after winning a primary in October.

Chávez, a former military officer who led a failed coup in 1992, won the presidency in 1998 and swiftly consolidated power in office, rewriting the constitution and taking control of the courts and armed forces. High oil prices underwrote heavy social spending while loyalists were given jobs at PDVSA, the state-owned oil major, and other nationalised businesses. He expanded influence over broadcast media, relegating independent publications to online only.

Once considered *Chávismo*'s stronghold, Sabaneta today faces problems typical to much of Venezuela. Nearby fuel stations often run empty, and long outages of power and water are common. Rubbish, uncollected in three months, piles up. Humberto Delgado, a former mayor and opposition activist, estimates that 4,000 people, about 20 per cent of the population in 2011, have left the town to seek work elsewhere.

At a square with a statue of the departed leftist leader, fist raised aloft, and with a dedication from Russian President Vladimir Putin, a few men pass around a bottle of cheap rum.

"I was a *Chavista* to my core, but Maduro, it's time to go," said Manuel as he took a swig. "I've never voted in my life, but I'll be voting for González to end this misery," said Luis, an agricultural worker. Neither gave a surname.

Chávez still looms large over Sabaneta, where murals of his visage abound. One shows him in a baseball kit. Another has him in a wide-brimmed hat worn by workers in nearby plantations. Many have the former paratrooper, known to his disciples as the eternal *comandante*, in military uniform and his trademark red beret. The single-storey house where he was raised by his grandmother is now a museum. Locals who knew Chávez in his youth describe a rambunctious lad. For hours, he would play *chapita*, a version of baseball.

Examples of Chávez's legacy of abandoned projects sit just outside the town, where a cattle ranch was expropriated to make way for a bovine genetic-engineering facility that operated briefly but is now closed. Nearby, a sugar mill has machinery rusting by the roadside.

Few observers expect the National Electoral Council (CNE) to recognise an opposition victory on Sunday. Rafael Simón Jiménez, a former lawmaker and childhood friend of Chávez who once sat on the CNE, said that a possible outcome was that Maduro would claim victory amid allegations of fraud, leaving the dispute to be settled leading up to the January 10 start of the new term. "If there is one word that sums up this electoral process, it is 'uncertainty'," he said.

Maduro received a warning in 2021, when the opposition candidate Freddy Superlano appeared to narrowly beat Chávez's brother Argenis in the gubernatorial election in Barinas, the state that includes Sabaneta. The government-stuffed supreme court retroactively disqualified his candidacy and declared the election too close to call, ordering a repeat of the vote in 2022.

Standing in Superlano's stead, Sergio Garrido won by a wider margin of 44,000 votes against the government candidate, this time against Jorge Arreaza, then foreign minister and Chávez's son-in-law. Garrido said that since taking office, the national government had withheld funds from his administration. Yet his advice was to show restraint.

"It is imperative that the opposition sticks to the electoral path and avoids resorting to violence on the streets, just as we did," he said. Garrido added that unless the opposition turnout was high, the government may be able to claim a narrow victory, adding: "Maduro has the machinery to mobilise voters."

Outside Barinas city at a military checkpoint, a government-run bus half full with supporters hooted its horn on the way to a Maduro rally. "Go for it, Nico!" read a flag. One driver headed in the opposite direction jeered.

Ahead of Maduro's arrival on a stage erected in a poor part of Barinas, Jenny Ramírez, a public sector worker, said: "This is Chávez's home state and no matter what the opposition try, we'll win here." Hours later, Maduro told the crowd that the "fascist" opposition "wants to ignite a civil war".

In Sabaneta, retiree Ligia de Romero noted that the government had faltered there since Chávez's death, yet: "Before Chávez, the poorest of this country were ignored and he came along and changed everything. Maduro isn't ideal but . . . it's better the devil you know."

Foreign currency reserves

Turkey returns $5bn Saudi deposit in show of confidence

ADAM SAMSON — ANKARA
AHMED AL OMRAN — JEDDAH

Turkey's central bank has handed back a $5bn deposit to Saudi Arabia, underscoring Ankara's progress in replenishing its foreign currency stores as part of its economic turnaround effort.

The deposit agreement Turkey forged with the Saudi Fund for Development in March 2023 was terminated by mutual agreement, the Turkish central bank said yesterday.

The move to unwind the agreement is the latest sign of how Turkish president Recep Tayyip Erdoğan's pivot to more conventional policies following his re-election in May 2023 is steadying the economy.

"Turkey is on the right track and is moving towards its goals with sure steps," Erdoğan said, pointing to the recent decision by Moody's Ratings to increase Turkey's junk-level credit rating two notches.

Policymakers, led by finance minister Mehmet Şimşek, have made it a priority since the new economic programme was put into action a year ago to refill Turkey's foreign currency coffers, which were depleted in recent years.

Erdoğan's previous insistence on holding interest rates at ultra-low levels despite scorching inflation had sent Turks rushing into dollars. The low rates combined with huge pre-election giveaways also ignited runaway demand for imported goods, sharply widening the current account deficit.

The race into dollars and yawning current account deficit severely eroded the central bank's foreign currency reserves and were widely seen by local and foreign investors as a significant economic vulnerability. The $5bn Saudi injection was seen as a show of confidence that Ankara would eventually turn around its economy.

A series of interest rate rises that began in June 2023, which have brought the central bank's main interest rate from 8.5 per cent to 50 per cent, has lifted the rates Turks can earn from holding lira. That has prompted local savers to begin swapping some of their dollar holdings to the local currency.

At the same time, a strong influx of dollars and euros from international tourists and a moderation in consumer demand for imported goods has helped reduce the current account deficit, relieving pressure on the central bank's reserves.

Foreign investors have also been warming to Turkey's markets, pumping about $12.5bn into local government debt since last June.

"Our reserves have strengthened as a result of increased foreign resource inflows, reverse dollarisation and decreasing external financing needs with our [economic] programme," Şimşek said.

Net foreign assets, a proxy for foreign exchange reserves, have recovered to about $38bn from minus $21bn after the May 2023 election, according to Financial Times calculations, based on official data.

The removal of the Saudi deposit is not expected to affect the net figure since it sat both in the bank's gross reserves and liabilities, according to Haluk Bürümcekçi, an Istanbul-based economist.

Foreign aid

UN criticises 'shamefully' high hunger levels

SUSANNAH SAVAGE — LONDON

Levels of hunger are set to remain "shamefully" high, according to UN officials in a report that predicts almost 600mn people will be undernourished by 2030.

The report, published yesterday, came as senior UN officials called on donor governments to rethink prioritising national interests over foreign aid.

While the 582mn figure is lower than current levels, it is a long way off the target of eradicating hunger by 2030, set by the 191 member states under the UN's sustainable development goals in 2015.

Half of the number will be in Africa, according to the UN food, agriculture and health agencies, which produced the report. Most of the rest of people unable to consume enough calories for a healthy lifestyle live in Asia.

UN estimates also show official assistance to developing countries is going down. Only about a quarter of that assistance — $77bn — went to improving food security and nutrition in 2021, the most recent year for which there is data.

Alvaro Lario, president of the UN's International Fund of Agricultural Development (IFAD), said foreign aid and multilateralism were being put "more and more into question" as national interests came to the fore.

"That clearly diverts the focus on trying to address and join forces on tackling a global issue, which is food insecurity," Lario told the Financial Times.

> 'There is a co-ordination failure. There is a lot of inefficiencies in the way resources are being used'

Rates of hunger jumped in the wake of the Covid-19 pandemic and Russia's full-scale invasion of Ukraine and have since failed to come back down as UN agencies expected. Last year, between 713mn and 757mn people were facing hunger, according to the UN report.

The number of people without enough to eat has declined in Latin America and the Caribbean and is relatively unchanged in Asia, but is continuing to rise in Africa, according to the report. There, one in five faced hunger last year. Overall, a higher portion of people are undernourished today than 10 years ago, according to UN estimates. This leaves the world on course to have a projected 582mn people chronically undernourished by the end of the decade.

Before the pandemic struck, the projection for 2030 was for 451.8mn people to be undernourished.

However, UN officials believe the goal of zero hunger by 2030 could have been achieved with more funding from donor governments and better co-ordination.

"Not only the donors, but our agencies should feel ashamed because it's not only the money, it's also how we implement it," said Maximo Torero, chief economist at the UN's Food and Agriculture Organization. "There is a co-ordination failure. There is a lot of inefficiencies in the way the resources are being used."

Often foreign aid focused on emergency assistance, but more funds needed to go to agriculture — "the root causes" of food insecurity, said Lario. "In five years, unless we invest now, we'll be in the same situation," he said.

National security

US warns tech start-ups on foreign investment

STEFANIA PALMA — WASHINGTON
TABBY KINDER AND GEORGE HAMMOND
SAN FRANCISCO

The US National Counterintelligence and Security Center has warned technology start-ups that foreign adversaries, including China, are using investments to acquire sensitive data and threaten national security.

The warning comes as Silicon Valley companies have stepped up screening of staff and potential recruits in recent months due to the threat of Chinese espionage, and in some cases have been ordered by their American investors to turn away capital linked to China.

The NCSC yesterday shared a bulletin with US companies warning that "foreign threat actors" might use private investment such as venture capital and private equity to exploit tech start-ups in ways that could threaten economic and national security.

They "face risks when seeking potential foreign investment to expand their firms", said Michael Casey, NCSC director. "Unfortunately, our adversaries continue to exploit early-stage investments in US start-ups to take their sensitive data. These actions threaten US economic and national security and can directly lead to the failure of these companies."

The bulletin said hostile foreign groups might prey on struggling start-ups by taking advantage of their need for cash to gain access to intellectual property and could steal proprietary data "under the guise of due diligence before investing".

Rapid advances in artificial intelligence over the past 18 months have led to greater concerns from industry and the US government about attempts by Chinese security services in particular to steal the technology.

The Chinese embassy in Washington did not immediately respond to a request for comment.

The NCSC bulletin, which was developed with the Office of the Director of National Intelligence's unit for economic security and emerging technology, the Air Force Office of Special Investigations and the Naval Criminal Investigative Service, said the threat was not only from Beijing. But it did stress that Chinese venture capital investment had focused on US emerging tech sectors such as AI — a Chinese government priority.

The memo singled out IDG Capital, a China-based investment firm designated as a Chinese military company by the US Department of Defence, which had invested in more than 1,600 businesses, including in the US.

The bulletin warned of the strategies used by foreign actors to shield their ownership and intent, including channelling investments via intermediaries in the US or abroad and designing investments to avoid scrutiny from the Committee on Foreign Investment in the United States, an inter-agency panel that vets inbound investment.

Foreign actors could also target start-ups with contracts with the US government, threatening national security, according to the bulletin. The NCSC warned that these schemes could lead to the collapse of start-ups if foreign investors obtained proprietary data and used it to compete against US businesses.
Additional reporting by Demetri Sevastopulo

Natural sparkle Lab-grown diamonds' sliding retail profitability raises the prospect of a resurgence for mined gems ➔ COMPANIES

Companies & Markets

LVMH leads luxury sell-off as China sales fears mount

- Investors see end of record growth
- Prada, Kering and Hermès lower

ADRIENNE KLASA — PARIS

LVMH led a sell-off in luxury stocks yesterday after the business reported slower than expected sales from shoppers reining in spending on champagne and handbags.

Shares in the biggest luxury group closed down 4.7 per cent to €659.4 a share, taking its market value to €339bn and marking a decline this year of 8.8 per cent.

Other luxury stocks dropped as investors worried about demand from Chinese consumers and the outlook for a sector that is slowing after several years of record growth.

Hermès fell 2.1 per cent and Brunello Cucinelli fell 1.9 per cent. Richemont, owner of Cartier, closed down 1.7 per cent and Prada slid 5.5 per cent.

> There was 'no miracle with the bellwether and the sector is likely to remain out of favour near-term'

Gucci and Saint Laurent owner Kering closed down 4.5 per cent before it warned that its operating income could fall by as much as 30 per cent in the second half of the year.

Revenues at LVMH, owner of Louis Vuitton, Dior and Tiffany, grew 1 per cent on an organic basis to €20.98bn in the three months to June, below consensus expectations for a 3 per cent rise.

Sales in Asia excluding Japan, which is dominated by China, fell 14 per cent in the second quarter, exacerbating concerns about luxury demand in the second-largest economy, although wealthy Chinese shoppers continue to travel to shop, notably to Japan.

"We face easier comps in the second half of the year, which hopefully will result in stronger growth," said finance boss Jean-Jacques Guiony, noting that spending growth by Chinese customers shopping globally, while slightly slower than in the first quarter, was "holding up quite well. Against this backdrop, we remain vigilant, but we also take comfort in the strengths of our brands, our business model, our regional balance and our financial strengths".

LVMH is viewed as a sector bellwether because of its size and the fact that its more than 75 groups span segments from watches and bags to travel.

As the industry has slowed over the past year, LVMH has remained in the middle of the pack as companies in difficulty such as Kering and Burberry lag behind while brands such as Hermès and Brunello Cucinelli pull ahead, benefiting from wealthier client bases.

"LVMH [has] slowed down amid luxury demand moderation," said Luca Solca at Bernstein. Factors in the operating profit fall were foreign exchange and investment in retail. "This shouldn't be an insurmountable problem, given the minimal size of the miss and the significant pullback the LVMH share price has suffered" since the start of the year.

Sales at the company's fashion and leather goods unit slowed to 1 per cent on an organic basis in the second quarter. Operating profits fell 6 per cent.

There was "no miracle with the luxury bellwether" and "the sector is likely to remain out of favour near-term", wrote Thomas Chauvet at Citi.

Kering was a laggard compared with LVMH even during the pandemic and its performance has only worsened. Yesterday it said sales at Gucci had fallen further as a turnaround under a new designer, and management changes, had so far failed to gain traction.

Second-quarter sales fell 11 per cent to €4.5bn, below expectations, as those at Gucci fell 19 per cent on a like-for-like basis, including "a continuing marked decrease in Asia-Pacific", Kering said.

Ready to roll Aston Martin chief hails 'pivotal moment' in turnaround despite revenue drop

Aston Martin's Valkyrie hypercar. The group is gearing up to launch its latest Vanquish model — John Keeble/Getty Images

ROBERT WRIGHT — LONDON

Luxury-car maker Aston Martin insisted yesterday it had reached a "pivotal moment" in its turnaround plans when it announced lower than expected second-quarter losses.

Executive chair Lawrence Stroll also reiterated guidance pointing to a strong sales revival in the second half after product launches, including a new version of the Vanquish sports car.

Shares in the UK-based company rose 6.5 per cent yesterday to 159.7p.

Stroll said Aston Martin was entering the second half of 2024 "on track". "We remain confident in delivering our product transformation, which will support volume growth and sustainable positive free cash flow generation later this year," he said.

Stroll was speaking after the company announced pre-tax losses for the three months to June 30 that deepened 15 per cent to £77.9mn compared with the same quarter last year, on revenue down 12 per cent, to £335mn. Total vehicles sold in the quarter declined 38 per cent, to 1,053.

However, the carmaker insisted the losses reflected a planned wind-down of sales of older models and reiterated guidance that performance in the second half would significantly improve.

The company said a new version of the range-topping Vanquish model would launch in September. It would also start deliveries of a limited-edition version of its Valiant supercar during the fourth quarter.

Challenged about whether the results marked a true turnaround for Aston Martin, which has been wrestling with high debt levels and an ageing set of products, Stroll said: "This is the pivotal moment."

He added that he had always said the process would be complete when the company had an all-new product portfolio — a moment reached with the launch of the new Vanquish.

The outlook for the second half of the year included projections for enhanced profitability and earnings before interest, tax, depreciation and amortisation driven by "high single-digit percentage wholesale volume growth".

Net debt at the end of the quarter was £1.19bn, only marginally higher than the £1.15bn at the end of the first quarter.

Aston Martin also reiterated its medium-term outlook for the period up to the 2027 and 2028 financial years, including a target for annual revenues of £2.5bn.

Aston Martin has yet to launch its first electric vehicle. Yesterday it told reporters that it expected to benefit from a derogation from the UK's planned ban on sales of new internal combustion engine cars from 2030, allowing sales to continue to 2035.

CrowdStrike plans tighter controls to avoid IT chaos

CAMILLA HODGSON — LONDON

CrowdStrike has vowed to implement new checks to avoid a repeat of the global IT outage that hit millions of computers last week, as the cyber security company outlined the initial findings of its inquiry into what went wrong.

Texas-based CrowdStrike said yesterday that the measures would include improvements to its internal testing, as the group seeks to prevent the kind of widespread disruption that hit industries from airlines to retailers caused by its faulty software update.

Microsoft has estimated that about 8.5mn Windows devices, which amounted to less than 1 per cent of all Windows machines, were hit by the faulty update, which grounded planes, interrupted hospital appointments and took broadcasters off air globally.

CrowdStrike said it also planned to introduce "a staggered deployment strategy" for future updates to reduce the risk of large numbers of computers and servers being affected by an error at once.

In the wake of the chaos, CrowdStrike's chief executive George Kurtz was summoned by the US subcommittee on cyber security and infrastructure protection to explain its role in what lawmakers said "some have claimed to be the largest IT outage in history".

CrowdStrike, one of the world's largest cyber security vendors, said it was "actively in contact with relevant congressional committees".

The company last week blamed an update to its Falcon software for a bug that triggered a "blue screen of death" error on millions of computers.

CrowdStrike said yesterday in its preliminary review that the "undetected error" in the software had been missed due to a "bug" in its "content validator", which is supposed to check for problems. That bug meant that the faulty update "passed validation despite containing problematic content data", CrowdStrike said.

It took about 90 minutes for millions of machines to be affected by the faulty update, which began to be rolled out on Friday, before CrowdStrike discovered the problem and took action to prevent more computers being hit.

The incident has raised questions about the risks of the interconnected nature of global IT systems and the potential for an error to have outsized consequences.

Italy is tying itself in knots over gender quotas for boardrooms

INSIDE BUSINESS
EUROPE

Amy Kazmin

Giorgia Meloni, Italy's first female prime minister, is proof that a talented, determined woman can rise to the top in a society known for its traditional machismo.

Yet the battle over a new board for Cassa Depositi e Prestiti, the state-owned lender and strategic investor, demonstrates how unthinking patriarchy still dominates much of Italian public life.

Gearing up to appoint a new board for the institution, whose tentacles stretch across the economy, Meloni's government put forward a nominee list consisting almost entirely of men, despite CdP's internal requirement that 40 per cent of the board be women.

But the government had a solution. It wanted CdP's shareholders — namely, the finance ministry, which holds 82.7 per cent of CdP's equity — to amend its articles of association to lower the quota for women.

That sat poorly with other stakeholders — Italy's banking foundations — and several shareholder meetings ended in deadlock.

Once leaked to the media, the stalemate triggered an outcry from opposition politicians and networks of professional women over what they saw as an attempt to turn back the clock on women's progress.

"A female prime minister is not enough if power remains in the hands of men," Raffaella Paita, a senator for the small, centrist Italia Viva party, wrote on X, lamenting the government's "medieval choices".

In an open letter, 80 Italian women with board experience called the government plan "a negative signal regarding equal opportunities and protection of the under-represented gender". The signatories said "the reason behind the reduction of gender quotas is not, and cannot be, the lack of possible female candidates".

Italy has made strides in diversifying the boards of its biggest companies, prodded by a 2011 law that required listed companies and state enterprises to increase female board representation gradually.

The pink quota, as it is known in Italy, was set at 20 per cent, then at 33 per cent. In 2020 the law was amended to extend what were initially conceived as temporary quotas for another nine years, while raising the quota to 40 per cent.

> The Cassa Depositi e Prestiti board wrangle shows how unthinking patriarchy still dominates much of public life

According to headhunter Egon Zehnder's biennial global board diversity tracker, Italy is one of four countries — the others are Norway, France and New Zealand — in which women account for more than 40 per cent of board members of the country's biggest companies. That is up from 7 per cent when the law was adopted.

Yet in realms where women's inclusion is not legally mandated, Italian public life remains deeply male-dominated. Female chief executives — or even chief financial officers — at large Italian companies are few and far between. None of Italy's most influential newspapers has ever had a female editor-in-chief.

Prizes continue to be awarded by all-male juries, or juries with one or two token women. All-male panels are still common at conferences, though often moderated by female television personalities.

In this milieu, the effort to reduce women's presence on the board of CdP — through which the government exercises influence over Italy's largest companies — triggered fears that Meloni's government was reverting to Italy's traditional patriarchal ways.

"We have made progress, but that can never be taken for granted. There is always a risk that you go backwards," said Paola Profeta, dean for diversity, inclusion and sustainability at Milan's Bocconi university. "We had the idea that you put in quotas, people get accustomed to us and nobody will try to go back to the previous equilibrium. But that is not the case."

A compromise was found. CdP's board was expanded from nine to 11 members, which allowed the coalition to give its favoured male candidates board positions while respecting the 40 per cent female quota.

But the episode has left a bitter residue: evidence to many that female quotas are still required.

"Nobody wants quotas," said Azzurra Rinaldi, director of the school of gender economics at Rome Unitelma Sapienza university. "Women would like to be appointed because they are good professionals. But all the data shows us the same thing: when you don't have quotas, the process of transformation takes longer. It's just a patriarchal system that protects itself."

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Banks

Deutsche falls after buybacks halted

German lender focuses on 'building capital' following €1.3bn Postbank charge

OLAF STORBECK — FRANKFURT

Deutsche Bank has ditched plans for more share buybacks this year after taking a more than €1bn litigation charge tied to its botched acquisition of German retail lender Postbank.

Shares in Germany's largest lender fell more than 8 per cent yesterday after chief financial officer James von Moltke said the bank would focus on "building excess capital" over the rest of the year.

Deutsche Bank disclosed €1.55bn of litigation costs in the second quarter, €1.3bn of which stemmed from a lawsuit the bank faces over its purchase of Postbank. The charges pushed the bank to a net loss of €143mn in the three months to the end of June, its first quarterly loss in almost four years.

Despite halting buybacks for the remainder of the year, chief executive Christian Sewing sought to reassure shareholders that it would stick to its promise of paying out a total of €8bn through a mix in dividends and buybacks between 2021 and 2025.

Alongside disclosing the litigation costs, Deutsche Bank also raised its provision for credit losses this year, saying it had been too optimistic about how quickly the commercial property market would recover.

For the second quarter, its provision for credit losses rose by almost a fifth to €476mn, bigger than even the gloomiest forecast. Von Moltke said that this total could still reach €525mn.

Sewing sought to reassure that it would stick to its target for payouts of €8bn between 2021 and 2025

While this may be "a little bit worse than we anticipated", the total level of provisions was still not "dramatic", he insisted.

The decision to halt buybacks this year also overshadowed signs that the bank's ambition to ride the global rebound in dealmaking is paying off.

Revenues from advising companies on deals, as well as on raising new debt and equity, climbed to €585mn in the second quarter from €291mn a year earlier, Deutsche Bank said yesterday.

The increase vindicates the bank's attempt over the past 18 months to reboot its corporate finance advisory business and reduce its reliance on bond trading.

Pre-tax profits at the investment bank rose by a quarter to €746mn, short of analysts' expectations. The bank's trading revenues fell 3 per cent in the quarter from a year earlier.

Analysts and investors were expecting a better performance from the investment bank after Wall Street rivals had reported their best quarter in more than two years. The bank's common equity tier one ratio — a key measure of its balance sheet strength — stood at 13.5 per cent of risk-weighted assets, up 10 basis points compared with the first quarter of the year.

Technology

Italy seizes €121mn from Amazon over labour and tax allegations

AMY KAZMIN AND GIULIANA RICOZZI
ROME

Italian financial police have seized €121mn from a Milan-based Amazon unit after the ecommerce giant was accused of tax fraud and labour malpractices in its logistics network.

In an order authorising the seizure, the Milan prosecutor's office said on Tuesday that Amazon Italia Transport had established a "complex tax fraud" by disguising the nature of its relationship with the couriers in its delivery network.

Amazon is the latest in a series of big logistics companies to come under scrutiny from Italian authorities for its tax compliance and labour practices. The Milan prosecutors' office has conducted similar investigations into global delivery groups DHL and United Parcel Services, which have also had cash seized.

In the order authorising the cash seizure, the prosecutor said the Amazon couriers were formally employed by autonomous subcontractors that were "systematically omitting" to pay mandatory VAT as well as social security and welfare contributions. But, it said, Amazon Italia Transport, a unit of Amazon Europe, had exercised "the specific powers of employers" over the workers, including "organising the activities of individual couriers, managing their operations, controlling their work and providing the computer and IT equipment necessary to perform the services".

Amazon and its partners comply with all applicable laws and adhere to 'the highest standards', it said

The order added that the establishment of "a complex, fraudulent pyramid structure", involving formally autonomous labour suppliers and various intermediaries, allowed Amazon to circumvent tax and other labour-relating payments. The cash seized as a preventive measure relates to the value of the alleged malpractices from 2017 to 2022, the order said.

Amazon has denied any wrongdoing. "We comply with all applicable laws and regulations where we operate, and require companies who work with us to do the same," it stated.

The company and its partners adhere to "the highest standards" and suppliers are required to follow a code of conduct. Amazon added that it would "help the relevant authorities with their inquiries".

Amazon has long come under scrutiny for its treatment of workers. This month, a ballot at a UK warehouse failed to gain a majority for union recognition.

In its order, the prosecutor said Amazon's relationship with the couriers appeared to violate Italy's labour laws. Behind the formal contracts and invoices between Amazon Italia and companies supplying workers for last-mile deliveries, "we discovered the existence of a single economic entity, directed, managed and organised in every point of view by Amazon Italia Transport", the order said.

Amazon Italia Transport "exercises direct powers over the individual couriers who were formally employed" by independent manpower suppliers, and such suppliers had "no operational autonomy", the order said.

Media. France

Regulator pulls licence for Bolloré TV station

Tycoon's C8 hit after fines for failures while rival Křetínský's channel clears launch hurdle

ADRIENNE KLASA — PARIS

France's broadcast regulator has refused to renew a licence for an entertainment channel owned by conservative billionaire Vincent Bolloré, the first time it has done so for a free-to-air TV station.

The channel, C8, had attracted €7.6mn in fines for breaching broadcasting standards, for reasons including promoting conspiracy theories and fake news, as well as for not respecting pluralism.

Taken with a move yesterday to provisionally grant a licence to Czech billionaire Daniel Křetínský to launch a channel, the decisions shake up the French media landscape, which is dominated by billionaire owners who buy outlets as signifiers of power and tools of influence.

The channel being launched by Křetínský, an avowed Francophile, is called RéelsTVs and will focus on debates, documentaries and entertainment. A final authorisation will only be granted after the approved broadcaster and the regulator have finished negotiating a contract, a process that starts in September.

There are political implications to the decision by the regulator, Arcom, since Bolloré's media outlets tend to be rightwing, especially his TV news channel CNews, which is often compared with the US's Fox News.

Although C8 has been stripped of its licence, other Bolloré-owned channels including Canal+, Canal+ Sport and CNews have had theirs renewed.

Far-right leader Marine Le Pen criticised the regulator's move in a social media post.

"For those in power, a diversity of opinions is unacceptable. So bit by bit they will sideline all TV channels and radio that do not convey the same messages as public broadcasters," which she said had leftwing bias.

The decision not to renew C8's licence comes after the network became France's most sanctioned TV channel, garnering €7.6mn in fines for failures to adhere to the regulator's broadcasting standards.

Most are related to incidents on controversial populist star Cyril Hanouna's *Touche Pas a Mon Poste!* (Don't Touch My TV Channel!) — a rowdy infotainment show with a few million daily viewers, which critics have accused of promoting the far right.

C8 TV host Cyril Hanouna and, below, a poster decrying rightwing media in Paris — Raphael Lafargue/ABACA/Reuters; Laure Boyer/Hans Lucas/AFP

In one notable incident, Hanouna, who started his career as a comedian and was one of the first to invite members of the *gilets jaunes* protest movement on air in 2018, clashed with an MP from the far-left France Insoumise party in 2022, calling the politician a "shit" and a "loser" after he insulted Bolloré.

Arcom hit the channel with a €3.5mn fine over the incident for reputational harm to the guest, as well as failure to control the content it broadcasts.

A devout catholic, Bolloré has put his ideological mark on his media assets often by replacing top editorial staff, tactics used at CNews, the weekly Journal du Dimanche and Europe 1 radio.

Bolloré's Canal+ Group, which owns C8 and is preparing to list in London as early as the end of the year, declined to comment. Arcom declined to comment on the reasons for its C8 decision.

The licence renewals pertain to what are known as TNT channels in France, which operate alongside traditional broadcasters such as TF1 and M6.

Free-to-air channels account for 90 per cent of France's TV viewership, according to Arcom.

Other billionaires who own media outlets include LVMH owner Bernard Arnault and telecoms tycoon Xavier Niel. Shipping magnate Rodolphe Saadé is the newest billionaire entrant to media after having bought La Tribune newspaper and the news channel BFMTV from indebted French-Israeli telecoms tycoon Patrick Drahi.

Arnault owns newspapers Les Echos and Le Parisien, and is buying celebrity magazine Paris Match from Bolloré. Niel has a large stake in national daily Le Monde that he has placed in a trust.

Bolloré has built a business empire spanning media and industry that he is in the process of reconfiguring by selling assets. He is now planning the break-up of his media holding, Vivendi.

Křetínský's venture into TV caps an acquisition spree in which the businessman, who built his fortune in energy, has bought the UK's Royal Mail, French book publisher Editis and French food retailer Casino.

His media group CMI, which will run RéelsTV, owns French magazines including Marianne and Elle.

€7.6mn
Fines amassed by Bollore's channel C8 for breaches of broadcasting rules

90%
Share of TV viewership enjoyed by free-to-air channels in France

Pharmaceuticals

GSK, Pfizer and Moderna face RSV vaccine sales slump after US limits recommended use

IAN JOHNSTON — LONDON
OLIVER BARNES — NEW YORK

GSK, Pfizer and Moderna together face an almost threefold reduction in adult respiratory syncytial virus vaccine sales in the US, according to new forecasts, after a health committee narrowed its recommendation for the drug's use.

The US market for RSV in elderly adults could shrink from $4.7bn a year by 2030 to $1.7bn, according to new analysis by data provider Airfinity, after a US Centers for Disease Control and Prevention committee restricted its endorsement to older patients and those most at risk, and opted not to recommend booster vaccines for adults.

GSK, Pfizer and Moderna have all recently launched vaccines for the cold-like condition that typically strikes in winter, which older adults and young children are particularly vulnerable to.

The CDC's Advisory Committee on Immunization Practices in June recommended routine vaccinations for the over-75s and those aged 60 to 74 at increased risk of contracting severe RSV, compared with previous guidance that all adults aged over 60 should be able to receive a vaccine after consulting a doctor. The committee also delayed a decision on whether to expand the vaccine to at-risk 50 to 59-year-olds.

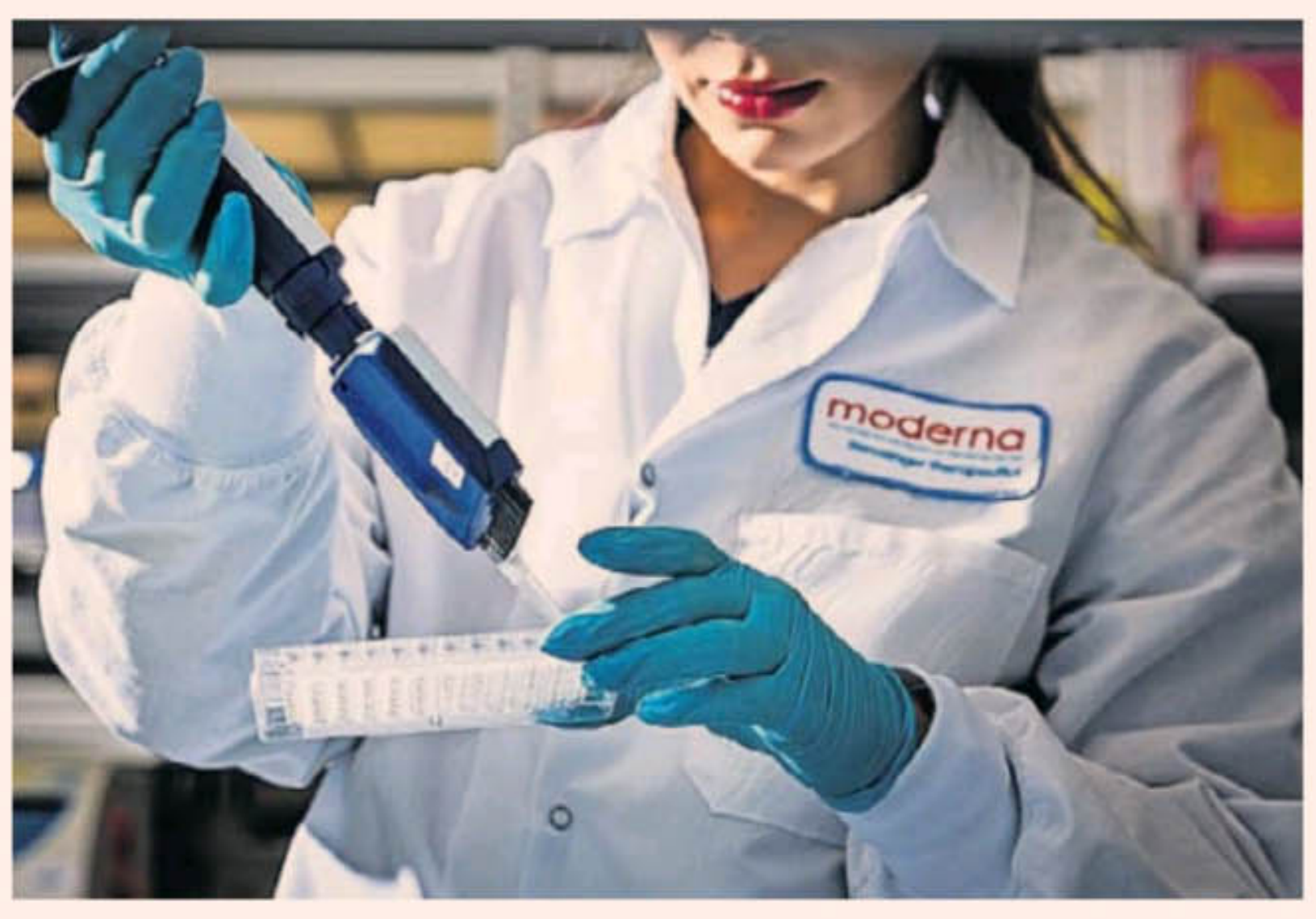
While CDC recommendations can be revised as more data on the vaccines becomes available, Airfinity expects RSV sales for elderly Americans to fall from a forecast $3.7bn to $2.2bn in 2024, according to the data shared with the Financial Times.

The recommendations "will likely stunt revenue growth in the US market unless new data can support [the case for] booster shots," said Isabella Huettner, Airfinity's lead analyst of the RSV market.

GSK's Arexvy was the world's first approved RSV vaccine, receiving backing from the US Food and Drug Administration in 2023, shortly before Pfizer's Abrysvo treatment, which can also be given to pregnant women. Infants can receive Beyfortus, an antibody treatment developed by AstraZeneca and Sanofi.

Analysts consider Arexvy's US rollout to have been a success, with the company quickly taking two-thirds of RSV vaccine sales in the US and earning blockbuster status within nine months by making more than $1bn in revenue. The company has forecast that Arexvy annual sales will peak above $3bn.

GSK had bet on an expansion of the jab's use to at-risk over-50s to lift sales, but the ACIP delay has amounted to $300mn in lost revenue this year, according to Airfinity. GSK, which reports second-quarter results next week, did not comment on the figures.



GSK, Pfizer and Moderna have all recently launched vaccines for the cold-like condition. The RSV jab was Moderna's second approved product — Adam Glanzman/Bloomberg

ACIP said it needed more data to recommend wider use of RSV vaccines after a small number of clinical trial participants developed Guillain-Barré syndrome, a rare condition affecting the immune system.

The ACIP decision in June surprised markets, leading to a 6 per cent drop in GSK's share price. The RSV jab was Moderna's second approved product. Shares in the biotech fell after data showed that protection from its recently approved mRNA-based vaccine waned more quickly than rival jabs by GSK and Pfizer.

Calling the decision "a blow" to Pfizer and GSK, Citi analyst Peter Verdult noted that the ACIP decisions were "largely driven by cost-effectiveness". Arexvy's list price is $280 per dose, compared with $295 for Abrysvo.

If manufacturers were to reduce list prices, then it was "likely" the RSV vaccination would be considered more cost effective, he added.

The companies should see further growth from increasing international sales, with the launch of RSV vaccines in Europe and Canada. But GSK suffered a further setback in June when the UK chose to use Pfizer's Abrysvo jab for pregnant women and those over the age of 75 in this winter's rollout.

Airfinity's previous estimates of $4.7bn in sales per year had assumed an annual booster shot. If booster shots every two years were recommended, annual revenue for RSV vaccines would reach $6.6bn by 2030.

GSK said: "We have an extensive ongoing development plan for Arexvy and continue to see this exceptional vaccine as a significant long-term growth opportunity for GSK."

Pfizer said it remained "well positioned in this competitive marketplace". "The decision by the CDC's ACIP . . . reinforces the importance of protecting adults over the age of 60 at increased risk for severe RSV disease," said the New York-based drugmaker. Moderna declined to comment.

Forecasters cut natural diamonds some slack

Biggest miner De Beers backs projections of rough-stone revival as profitability of retailers selling lab-grown gems flags

HARRY DEMPSEY — LONDON
CHRIS KAY — MUMBAI

Hard facts: sales of diamond jewellery that uses stones from mines are on course to shrink 5% this year to $69.9bn, though the segment is still 84% of the market
Lam Yik/Bloomberg

Diamond jewellery market

Global diamond jewellery market ($bn)

Source: Paul Zimnisky • * Lab-grown diamond

De Beers forecast

Underlying diamond jewellery demand ($bn)

Source: De Beers

Rough vs lab-grown

Price per one-carat stone ($'000)

Source: Paul Zimnisky

The market for rough diamonds for jewellery is suffering one of its worst downturns as consumers switch to factory-made stones because of the plunge in prices.

But the direction of the $83.5bn market might be set to turn, with some forecasting a recovery in rough or natural stones as lab-grown prices have fallen too far.

They believe that the sliding prices of mass-produced factory diamonds will spark a profitability crisis for retailers that will prompt them to promote stones dug out of the ground.

"We are getting to a pivot point where the profitability of retailers selling lab-grown is a lot less than it was in the previous three to five years," said Paul Zimnisky, an industry analyst. "This could be a catalyst to returning to natural diamonds. Retailers aren't loyal to lab-grown or natural diamonds, they're loyal to making money."

De Beers, the biggest diamond miner, which flagged last week that it would cut production further to cope with difficult conditions, backs this view. It expects the market share of lab-grown diamonds to fall 20 per cent from $13bn to $10bn by 2030, with prices dropping as consumers start to view them as cheap fashion jewellery rather than precious stones.

De Beers, which draws on research it commissioned to the Boston Consulting Group, also estimates that the US jewellery market for mined or rough diamonds will expand from $43bn last year to $54bn by 2030.

The diamond market has been turned on its head by the fall in prices for factory-made stones.

Lab-grown diamond prices cost a fifth of what they did in 2016 at $1,015 per one-carat stone, analysis by Zimnisky shows. Some five man-made stones can be bought for the price of one natural diamond, which has fallen almost 30 per cent to $5,000 per one-carat since the start of 2022, one of its biggest market collapses in the past 25 years.

Lab-grown diamonds are forecast to surge to $13.6bn of jewellery sales — 16 per cent of the market — this year, up 12 per cent on last year as mass manufacturing has driven costs down, according to Zimnisky.

In contrast, diamond jewellery that uses stones from mines, from Botswana to Russia, is on course to shrink 5 per cent this year to $69.9bn, although it is still 84 per cent of the market.

"The investor presentations by the mining companies show the upward curve of demand and decline of supply but the truth is with lab-grown [stones] taking a chunk of the market, it has changed the economics of diamond mining," said Avi Krawitz, a diamond sector analyst.

Some of the biggest casualties of the rise of the mass-produced factory stone are diamond miners, the largest of which by value is De Beers. Challenges in the diamond market pushed its owner Anglo American, the FTSE 100 diversified mining group, to announce plans in May to sell or list the company within 18 months as part of its defence against a failed £39bn takeover bid by rival BHP.

Following De Beers in size is Russia's Alrosa, which has responded to the problems in the gemstone market by diversifying. In June it bought a gold mine from Moscow-based Polyus.

The winners in the newly shaped industry have been the largest producers of factory-made diamonds from China and India as well as consumers who until now could not afford to buy the precious stones.

The market is also suffering because of a slowdown in spending in China, depressing revenues at De Beers by 30 per cent year on year and prompting a warning from chief executive Al Cook in June that a recovery could be slow and "U-shaped".

The tumbling profit margins in lab-grown diamonds have led De Beers to suspend its production for jewellery sales, as well as reducing output of mined diamonds by 15 per cent in the second quarter.

Its subsidiary, Element Six, which produces synthetic stones, is focusing solely on high-tech applications such as diamond wafers for semiconductors with the aim of doubling revenues by the end of the decade.

One country where the strains are increasing for manufacturers of synthetic stones is India, home of diamond polishing and cutting.

Protests by 600 workers at lab-grown diamond producer Bhanderi in Surat turned violent in June over three months of unpaid wages.

Bhanderi did not respond to a request for comment.

Even though staff were eventually paid, Bhavesh Tank, vice-president of the Diamond Workers Union Gujarat, declared that a "recession" was savaging the factory diamond industry as oversupply had hit turnover. "Diamonds once sold at $500 per carat. Today nobody is ready to buy them at $40 per carat," he said.

In an effort to re-establish natural diamonds' allure, De Beers is embarking on a marketing drive with jewellers such as Chow Tai Fook and Signet, which put labels on lab-grown stones warning that they will depreciate as soon as they leave the store.

The industry leader plans to sell $10,000 machines to retailers to put on shop floors to help consumers identify whether a stone was dug out of the ground or created in a factory.

"Our challenge in the natural diamond space is to drive marketing around what differentiates us from lab-grown diamonds, which is that our products are rare, billions of years old and enduring," said Richard Duffy, chief executive of London-listed Petra Diamonds, one of the struggling smaller miners.

Others said that value preservation still mattered for some consumers, which could help the natural diamond market recover. "Indians prioritise products that offer long-term value rather than mere adornments," said Ajesh Mehta of the Gem & Jewellery Export Promotion Council.

But turning the tide in favour of natural diamonds could prove challenging.

Alexander Lacik, chief executive of Pandora, the largest jewellery retailer by volume, which has decided to sell lab-grown diamonds only, thinks that miners overestimate retailers' ability to influence consumers when an identical product is available at a fraction of the price.

"This is an incredibly internal view that all of a sudden the retail industry could impose a product choice on consumers," he said. "Ultimately the consumer will vote with their wallet . . . They don't buy based on the margin of the retailers. When you buy a car, do you pick one because it has a higher or lower margin for the dealer?"

> 'Our products are rare, billions of years old and enduring'
>
> Richard Duffy, CEO, Petra

Airlines

IAG's deal for Air Europa hits Brussels snag

JAVIER ESPINOZA — BRUSSELS
PHILIP GEORGIADIS — LONDON

IAG's takeover of Spain's Air Europa is close to unravelling after EU officials signalled that the group had not done enough to ease concerns over the impact of the deal.

Remedies offered — including handing around half of Air Europa's slots to rivals — were not enough to clear the proposed merger, officials told IAG and Air Europa on Monday, according to people with knowledge of the matter.

The meeting took place just weeks before an August 20 deadline for the EU executive to decide on whether to block the deal. The chances of the takeover being blocked were "very high", the people said.

It is rare for Brussels to block deals on competition concerns, with most transactions either getting cleared unconditionally or with remedies. Between 2014 and 2023, the European Commission blocked just nine mergers, according to White & Case, the law firm.

With the decision not yet finalised, the companies could offer more last-minute remedies, fight any ruling to block the deal in court, or walk away from the deal, the people said.

It is the second time that IAG, which owns five airlines including British Airways and Iberia, has tried to buy Air Europa, after abandoning an earlier effort at the height of the pandemic. IAG agreed in February last year to buy the 80 per cent of Air Europa it did not already own for about €400mn.

The Spanish carrier would bring new access to the South Atlantic market

A deal would give IAG new access to the South Atlantic market, and help build Madrid into a European hub.

But throughout the probe, EU officials warned that the deal risked undermining competition and could lead to fewer choices for consumers and higher prices. The FT first reported on the problems facing the deal in February.

Since then, IAG officials have consistently said they still hoped the deal would pass, and offered remedies including transferring about half of Air Europa's landing slots to other airlines. They have taken heart from the EU's decision earlier this month to clear Lufthansa's acquisition of 41 per cent of Ita, formerly Alitalia, subject to disposal of some slots and routes.

Airline bosses believe the European industry needs to consolidate further, as it faces Gulf airlines to its east and US carriers to its west.

IAG and the European Commission declined to comment.

Additional reporting by Paola Tamma in Brussels

Equities. Raised exposure

Investors hail 'turning of tide' for previously unloved UK stocks

Departure lounge: a steady exodus of companies from the London Stock Exchange has fuelled angst about the future of the City — Geoff Smith/Alamy Stock Photo

BlackRock, Allianz and Ruffer are betting political stability will boost London share prices

ALAN LIVSEY AND EMMA DUNKLEY
LONDON

Big investors are positioning themselves for "a turning of the tide" for London's unloved stock market, hoping that an improving economy, lower interest rates and political stability will finally boost cheap British shares.

International asset managers including BlackRock and Allianz have joined UK fund houses such as Ruffer and Rathbones in raising their exposure to UK-listed stocks in recent months.

After years of disappointing performance compared with European and US markets, investors now see UK valuations as attractive.

According to flow data from Bank of America, its institutional customers have since May switched from being net sellers of UK equities to net buyers — reversing a long-standing industry trend.

Figures from Morningstar show three consecutive months of inflows into mid-sized UK stocks — a sector closely tied to the fortunes of the UK economy — the first inflows since November 2022.

"The narrative surrounding the UK has experienced a notable shift," said Rebecca Maclean, an investment director at Abrdn.

She pointed to falling inflation and optimism that Labour's landslide victory in this month's general election would lead to a period of stable government.

"Early indications suggest a turning of the tide for UK equity flows," she added.

The shift in sentiment comes after a bruising eight years for UK shares since the 2016 EU referendum.

Institutional and retail investors have largely shied away since then and a steady exodus of companies from the London Stock Exchange has fuelled angst about the future of the City.

Bargain-hunting investors drawn by those cheap valuations have largely been disappointed.

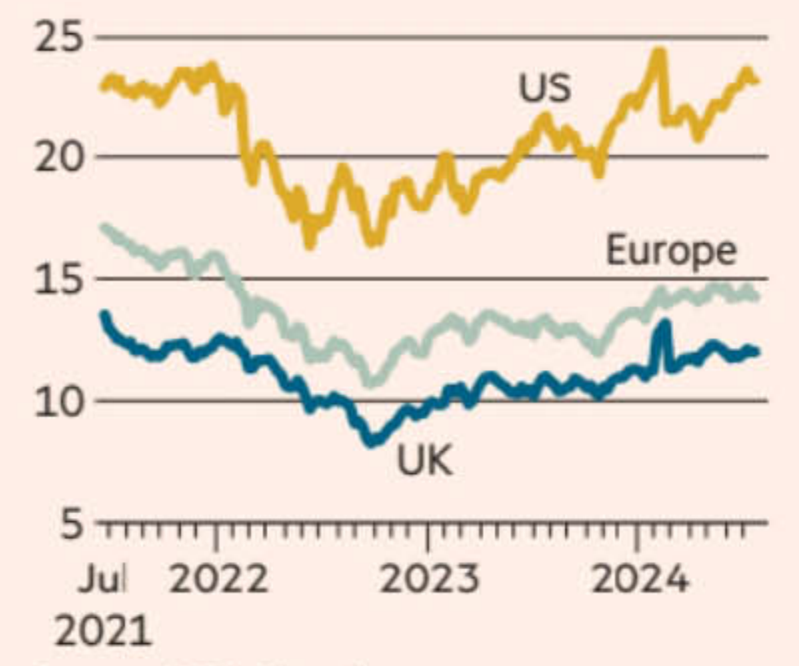
The FTSE 100 benchmark index has returned 30 per cent over the past five years compared with 45 per cent for the continent-wide Stoxx Europe 600 and 94 per cent for Wall Street's S&P 500.

But London's stock market could be in the early stages of a revival.

Vivendi, the French media conglomerate, announced plans this week to list its French TV business Canal+ on the LSE. Chinese fast fashion company Shein is tipped to follow later this year.

UK equities look relatively cheap

Forward price/earnings ratios



Sources: MSCI; Bloomberg

London-based Ruffer has doubled its exposure to UK stocks from 5 per cent to nearly 10 per cent of its portfolio over the past few months.

"In the UK, valuations are attractive, there's more political stability with a new government — it's an interesting place to be," said Ruffer fund manager Alexander Chartres.

BlackRock, the largest fund manager globally with $10.6tn under management, moved to an overweight position on UK stocks early this month.

"Although the UK equity valuation was clearly attractive, we lacked a catalyst to go overweight," said Vivek Paul, UK chief investment strategist for the BlackRock Investment Institute. "The potential for a more stable political environment provides this."

Paul contrasted the clear outcome of the UK vote with political turmoil in France after recent parliamentary elections.

James Thomson, manager of the £4bn Rathbone Global Opportunities fund, said he now had his largest holding of UK equities — 6 per cent — since 2016.

He said he favoured the UK market because it was "no longer an outlier politically or economically, with inflation back to target. Sterling is the strongest G10 currency this year and on the cusp of a following wind from a string of rate cuts".

Some global equity portfolio managers had already decided that the UK was simply too cheap to ignore months before the election.

'The view of the UK as the sick man of Europe has not been proven'

Bermuda-based Alec Cutler began buying British stocks for his $5bn Orbis Global Balanced Fund 18 months ago and now has 10 per cent of his money in the UK market.

"It feels like a value nirvana for an equity investor," he said.

He holds Rolls-Royce, one of the top-performing stocks on the FTSE 100, as well as smaller companies such as Keller, a construction group, which has risen 67 per cent year to date.

The renewed interest from investors is yet to show up in a meaningful rally for the London market, partly because optimism around the UK has boosted sterling.

A stronger currency acts as a drag on the profits of the multinational companies that dominate the FTSE 100.

Meanwhile, retail investors continue to sell out of UK equity funds, withdrawing nearly £1.8bn in May — a record monthly amount.

Since 2016 about £54bn has been pulled out by individual investors, according to data from the Investment Association, a trade body.

Still, fund managers argue that the negativity that has surrounded London's market leaves it primed for a period of catch-up with overseas markets — even if there is no full-blown renaissance.

"The [view of the] UK as the sick man of Europe has not been proven," said Simon Gergel, UK chief investment officer at Allianz Global Investors.

See Lex

Equities

BNP Paribas share traders boost profits amid volatility

SARAH WHITE — PARIS

BNP Paribas' revenues from equities trading surged in the second quarter as volatility surrounding elections in Europe and an interest rate cut by the European Central Bank drove client demand.

The equities boom surpassed even a bounce seen across Wall Street with the French bank's trading revenues in this area increasing 57.5 per cent versus the April-to-June period a year ago.

Overall, BNP Paribas' net profit in the period rose 1.6 per cent to €3.4bn, a record for a second quarter and surpassing estimates by Refinitiv and those compiled by the bank.

The improved earnings come after investor jitters surrounding a French legislative election ending in July that battered banks' share price, including that of BNP Paribas.

Seen as a proxy for the economy, its stock sank more than 10 per cent in the days after President Emmanuel Macron dismissed parliament on June 9 when his centrist party was trounced by the far right in European elections.

The shares have largely recovered — despite the legislative vote delivering a hung parliament — but are up only 3.3 per cent this year compared with a 21 per cent jump for the Stoxx Europe 600 bank index.

'There are green shoots on the horizon with inflation tapering off and the ECB is moving on rates'

Spain's Santander is now nipping at BNP's heels as the Eurozone's biggest bank by market value.

The volatility had its perks, however, at a time when BNP — traditionally a strong debt bank — is capitalising on several years of investment in its equities division.

This has included building up a prime brokerage business — a unit that serves hedge funds — by taking over teams and clients from Deutsche Bank as it retreated and, on a lesser scale, Credit Suisse's former clients.

Elsewhere in BNP Paribas' corporate and investment bank, earnings from global banking or advising on debt underwriting and deals were solid, up just over 5 per cent, though the combined fee revenue at the top five US investment banks rose 40 per cent.

BNP is cutting €1bn of costs this year across its businesses and is still restructuring a personal finance unit that it said should post better results by year end.

Across Europe, the months ahead will be testing as banks adjust to a world of interest rate cuts.

BNP Paribas finance chief Lars Machenil said he was cautiously optimistic, adding: "I see this optimism that there are green shoots on the horizon with inflation tapering off and the ECB is moving on rates."

Projects given a helping hand through green tech 'valley of death'

MORAL MONEY

Simon Mundy

On the sun-baked Mediterranean island of Sardinia, a trailblazing energy storage project from Italian start-up Energy Dome is passing through what entrepreneurs and investors commonly refer to as the "valley of death".

The phrase has long been used to refer to the stage of a business's development where it is making significant investments but substantial revenue has not yet started to roll in.

That's a scary enough prospect for an asset-light software start-up. It has become a still more fearsome one for young companies developing technology to help decarbonise the world's energy and industrial sectors.

But funding from the European Investment Bank and Breakthrough Energy Ventures — the clean tech investment vehicle set up by Microsoft co-founder Bill Gates — may help Energy Dome get through the valley alive.

The lifeline is a product of a partnership launched in 2021 between the EIB and Breakthrough Energy Catalyst, a unit of BEV focused specifically on funding capital projects by climate tech start-ups.

Energy Dome is one of a growing number of young companies developing grid-level energy storage, which will help ensure stable electricity supply as generation shifts towards intermittent solar and wind power.

Its model works by pressurising carbon dioxide using electricity and later allowing the gas to depressurise within its closed system, powering a turbine in the process.

By converting electricity to another form of energy and then back again, it functions much like a lithium-ion battery — but with superior efficiency and lower cost, said Claudio Spadacini, Energy Dome's chief executive.

There are many venture capital firms willing to fork out a few million dollars to bet on an exciting concept and this capital is generally sufficient to prove that concept at a small scale.

But those venture firms are often unwilling to take the risk of funding a climate tech company's first working plant — "first of a kind" in industry jargon — which will often cost several tens of millions of dollars or more to build.

At the same time, these investments are generally too small to be suitable for big infrastructure investment outfits, such as Canada's Brookfield and Australia's Macquarie, whose fund sizes can run into the tens of billions of dollars. This is where initiatives like the EIB-BE Catalyst partnership come in.

Energy Dome is one of two companies to have won funding through the partnership so far. Under a deal announced last December, it has been promised a grant of up to €35mn from BE Catalyst, with a further €25mn in debt from the EIB.

The EIB loan will be repaid in full with a small interest payment after five years, with no principal or interest payments in the meantime.

At that point, the EIB will also have the option to take an equity stake in Energy Dome at a low price that's fixed at the outset.

This "venture debt" structure enables the EIB to earn a healthy return if the start-up succeeds without "cash-strapping the company in the valley of death", said Alessandro Izzo, the EIB's head of equity, growth capital and project finance.

Now that it has got a path towards a full-scale working plant, Spadacini said, Energy Dome has been able to open early conversations with infrastructure funds interested in the potential to finance its future growth, which could provide capital on much more attractive terms than most other funding sources.

"As a business, you dream of deploying technology with infrastructure capital, which is one of the cheapest forms of capital out there," Spadacini said.

"But infrastructure funds are reluctant to invest until a technology is fully demonstrated — not only technically but also in terms of project development," he added.

Since it was set up in 2021 with committed capital of about $1bn, BE Catalyst has backed six climate tech start-ups with a mix of grant and equity funding.

It was a pretty modest tally, conceded Mario Fernandez, who leads the initiative. "The reality is, we are hard pressed to find well-structured projects."

Part of the problem, he noted, is that many start-ups lack the financial and business skills needed to structure these early projects in a form that will attract big-ticket investors.

To address this, BE Catalyst — as well as providing funding — works with businesses to help them structure their business plans and subsequent financing rounds in ways that will appeal to later-stage investment funds.

"The valley of death is not only financial," said Eric Trusiewicz, chief executive of California-based Rondo Energy. "It's also somewhere start-ups struggle to scale into becoming grown-ups."

Rondo, a start-up using thermal batteries to provide low-carbon industrial heat, last month became the second company to secure funding through the EIB-BE Catalyst partnership, with the former providing €35mn in venture debt, and the latter a €40mn grant.

Rondo is using these funds to develop not one but three plants, in Germany, Denmark and a third as yet undisclosed European country.

Trusiewicz thinks the dearth of investors willing to back these sorts of capital outlays by start-ups is a reflection of a venture and growth funding ecosystem that is still heavily geared towards software and digital services companies.

'Climate tech is a unique space in which a majority of things you're doing affect the physical world'

"Climate tech is a pretty unique space in which the vast majority of things you're doing are affecting the physical world and attacking infrastructure problems that are measured in the multiple trillions of investment," he said. "So it's very different than the digital venture world — where things have close to no variable cost besides customer acquisition cost."

BEV is not the only investment group to have turned its attention to this area of financing.

Just Climate, launched by Al Gore's Generation Investment Management in 2021, has raised $1.5bn to invest in "growth-stage, asset-heavy" companies that can help to decarbonise heavily emitting industries.

Microsoft's $1bn Climate Innovation Fund has helped fund plants by start-ups including low-carbon steel ventures Boston Metal and H2 Green Steel.

Climate Investment, a $1.1bn fund backed by large oil and gas companies, has a mandate to fund climate tech companies from early stage to project development.

The US government has also been providing more support for this kind of funding under Joe Biden's presidency through the Loan Programs Office now led by veteran clean energy investor Jigar Shah, and the $25bn Office of Clean Energy Demonstrations.

The EU has its own big investment vehicles — notably the €95.5bn Horizon Europe fund and the Innovation Fund, which deploys revenues from the European emissions trading scheme — that the EIB is able to draw on for its financing alongside BE Catalyst.

Izzo said the partnership is intended to act like an "icebreaker", clearing a path for more private sector investors.

"We want to show that these deals are actually doable and, with a bit more specialist, risk-taking appetite, things can happen," he added. "And that sends a signal to the private capital markets to actually go and invest in these asset classes."

A version of this article first appeared in the Moral Money newsletter. Sign up at ft.com/newsletters

The day in the markets

What you need to know

- **German two-year government bond yields fall to lowest level since February**
- **Treasury yields also decline and dollar slips against other major currencies**
- **Global equities tumble, led lower by US techs and French luxury goods groups**

Global bond yields fell to their lowest levels in six months yesterday as traders upped their bets that major central banks will cut interest rates multiple times before the end of the year.

Yields on two-year German government bonds, which are sensitive to interest rate moves, fell 5 basis points to 2.71 per cent — their lowest level since February — after data showed that the Eurozone economy slowed sharply in July due to weaker than forecast growth in services and deeper declines in manufacturing.

Investors responded to Europe's monthly S&P Global survey by slightly increasing their bets on interest rate cuts from the European Central Bank later this year.

Markets are almost certain that the central bank will twice lower rates by a quarter percentage point.

Yields on two-year Treasuries also fell 5bp to 4.39 per cent, their lowest level since February, while the dollar fell 0.2 per cent against a basket of six other major currencies.

The Treasury market moves came after overall US business activity growth rose to its fastest for 27 months in July.

However, the headline figure masked a bifurcation between expansion in the services sector and contracting manufacturing activity. The US Federal Reserve is widely expected to make its first rate cut in September.

"Growth has become worryingly skewed with manufacturing slipping back into contraction as the service sector gains further strength," said Chris Williamson, chief business economist at S&P Global Market Intelligence.

Global equity indices tumbled with French luxury goods groups and US technology companies selling off sharply following a flurry of underwhelming corporate results.

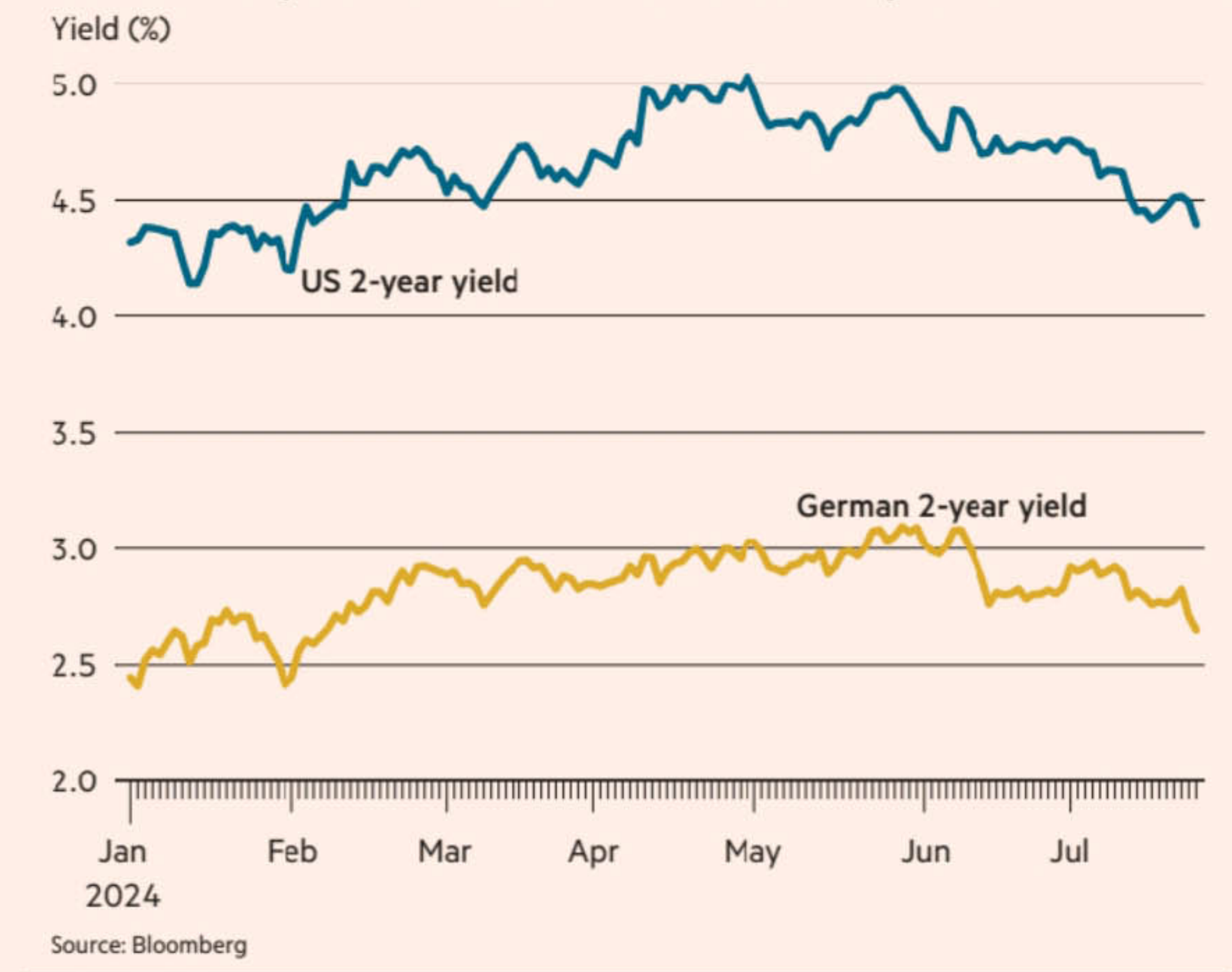
The Cac 40 in Paris slumped 1.1 per cent with high-end goods groups leading declines after revenues at industry bellwether LVMH grew slower than expected in the second quarter.

The region-wide Stoxx Europe 600 fell 0.7 per cent, Frankfurt's Xetra Dax slid 1 per cent and London's FTSE 100 edged 0.2 per cent lower.

US tech stocks fell sharply after Tesla and Alphabet reported results late on Tuesday that sent shares in both groups lower.

Wall Street's S&P 500 and the tech-heavy Nasdaq Composite were 1.7 per cent and 2.9 per cent lower, respectively, by midday in New York. **George Steer**

Global bond yields fall to lowest levels in nearly six months



Source: Bloomberg

Markets update

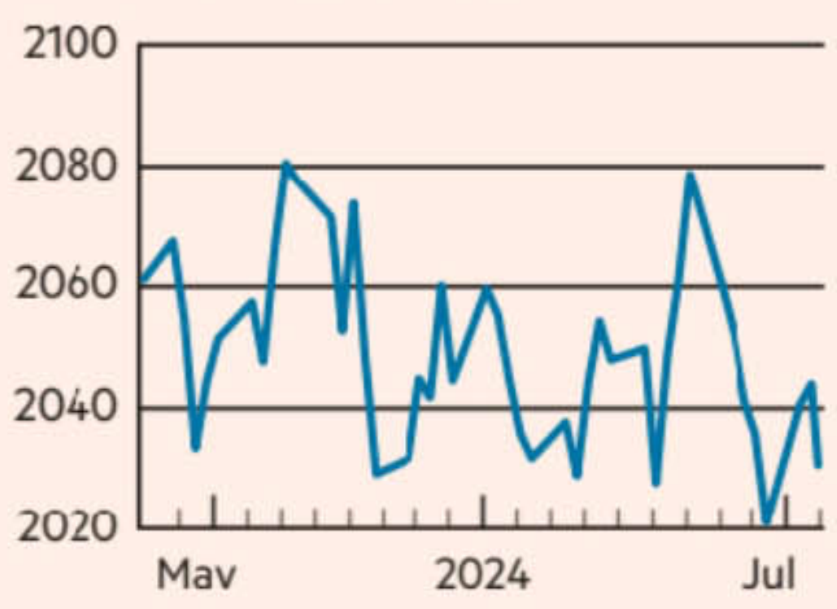
	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	5460.66	2030.71	39154.85	8153.69	2901.95	126698.18
% change on day	-1.71	-0.65	-1.11	-0.17	-0.46	0.09
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	104.303	1.085	153.260	1.292	7.276	5.619
% change on day	-0.141	0.000	-1.753	0.077	0.030	0.927
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	4.225	2.440	1.073	4.259	2.176	11.699
Basis point change on day	-0.050	0.000	1.440	3.200	0.400	2.600
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	531.21	81.84	77.82	2403.10	29.06	3900.30
% change on day	-1.13	1.02	1.12	0.43	-0.03	-0.67

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.

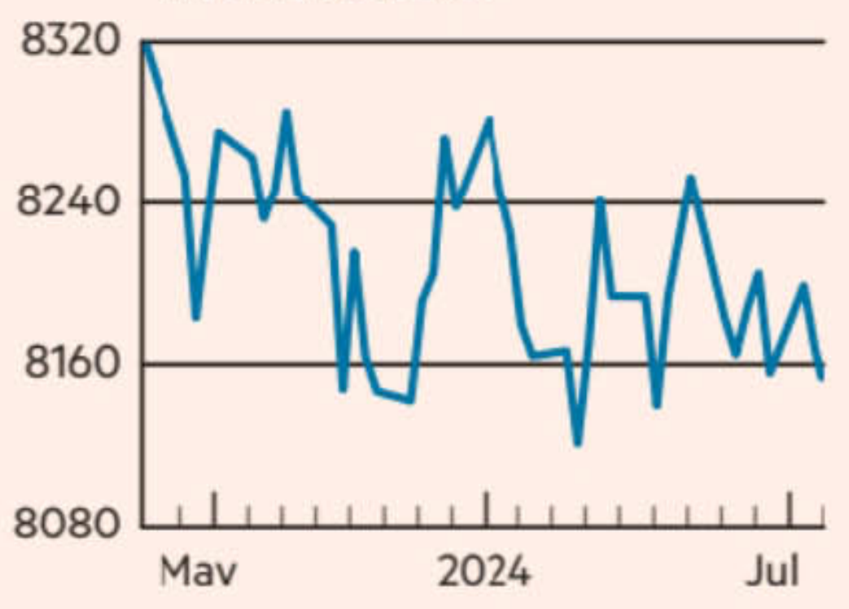
Main equity markets

S&P 500 index

Eurofirst 300 index



FTSE 100 index



Biggest movers

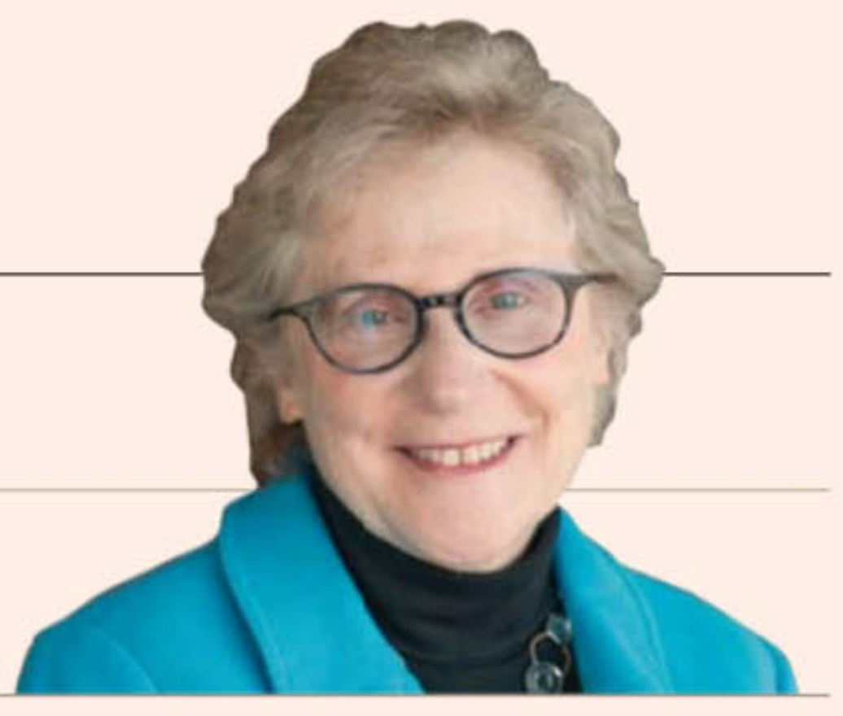
%	US		Eurozone		UK	
Ups	Enphase Energy	14.64	Edenred	4.30	Endeavour Mining	4.03
	Costar	8.93	Santander	3.03	Informa	3.68
	Seagate Technology Holdings	5.70	Sodexo	2.56	Easyjet	3.04
	At&t	5.13	Bureau Veritas	2.37	Intertek	2.92
	Te Connectivity Ltd	5.09	Casino Guichard	2.07	Vistry	2.73
Downs	Lamb Weston Holdings	-26.11	Deutsche Bank	-7.21	Rolls-royce Holdings	-3.50
	Tesla	-10.48	Saipem	-4.92	Scottish Mortgage Investment Trust	-2.94
	Roper	-8.01	Christian Dior	-4.86	Pershing Square Holdings Ltd	-2.76
	Super Micro Computer	-7.02	Kering	-4.78	Schroders	-2.58
	Fortive	-6.68	Lvmh	-4.55	Intermediate Capital	-2.12

Prices taken at 17:00 GMT

Based on the constituents of the FTSE Eurofirst 300 Eurozone

All data provided by Morningstar unless otherwise noted.

Unwinding Biden's economic legacy is fraught with risks



Abby Joseph Cohen

Markets Insight

There is much riding on the upcoming US presidential elections for investors. As Joe Biden prepares to leave the White House, he leaves an admirable economic legacy that has underpinned a strong investing environment.

Under Biden, 15mn jobs were added to the US economy, the current 4 per cent unemployment rate is the lowest in decades and GDP in absolute terms is at the highest level ever.

So, too, are corporate profits and share prices, which have risen around 45 per cent since Biden's inauguration.

The dollar has been strong against all major currencies. Inflation at around 3 per cent is well below its post-pandemic peak. The average household is enjoying gains in inflation-adjusted disposable income, which bodes well for growth.

That environment may now be at risk in the coming presidential election if Donald Trump returns to power.

Potential changes fall into three main categories — Biden's legislative achievements, policies related to trade and other foreign engagement, and those linked to regulation and the staffing of government functions.

The conduct of monetary policy may also be altered. Under Biden, the US Federal Reserve tightened policy to lower inflation without political pressure. Would Trump try to interfere in policy if re-elected as he has sought to in the past? And the next president can choose a successor to chair Jay Powell when his term expires in May 2026.

On the legislative front, Biden and House Speaker Nancy Pelosi successfully pushed bipartisan legislation aimed at supporting long-term investment and competitiveness in the US.

Let's consider three measures now at risk. First is the act that finally tackled public infrastructure shortfalls. Such long-tailed investment in roads, bridges and water systems had been repeatedly deferred and there was little advance planning to meet the increasing challenges from climate change.

Second, the Biden team passed the Chips Act, which provides funding for the technology sector and is lessening US dependence on foreign supply in critical categories.

The third major legislative success was the Inflation Reduction Act, which has been a major boost to the development of greener energy. This is critical not only for the environment but also because the US electrical grid will not meet future demand unless renewable energy sources are used and the underlying infrastructure is upgraded.

> The Fed tightened policy to lower inflation without political pressure. Would Trump try to interfere?

The interconnection between trade and foreign policies should also be high on the radar of investors. New tariffs have been introduced but in a less confrontational way than under Trump, targeting dumping and national security.

Trump intends to make aggressive use of tariffs that goes even beyond that of his first presidential term. He has called for them on almost all imports, including from countries that are allies and friendly trade partners. And Trump favours a weaker dollar. Most economists agree that the net effect would be slower growth and higher inflation in the US and other countries.

There would be diminished demand for the Treasury securities needed to finance the national debt, causing upward pressure on interest rates.

Another risk to the economy from a second Trump term would be immigration. The US economy has long prospered from its attraction to immigrants at both ends of the education and economic spectrum.

Sectors such as agriculture and hospitality are currently sounding the alarm on worker shortages. Two-thirds of working PhDs in engineering and medicine in the US are immigrants.

Failure to reform the system and to encourage legal immigration will slow economic growth and be inflationary. Trump actively torpedoed comprehensive bipartisan immigration legislation earlier this year.

Trump also favours dramatic shifts in government regulation and agency staffing that could eliminate thousands of non-partisan civil service positions. These would include scientists and other technical experts in federal agencies who work on policy details.

The recent US Supreme Court decision to reverse the so-called Chevron deference — which allowed technical experts in agencies to set specific rules — would push further in the same direction, handing more power to political appointees.

History has shown that thoughtful regulation, not deregulation, is most closely associated with sustainable economic growth — yet another reminder that elections have consequences.

Abby Joseph Cohen is professor of business at Columbia Business School

Fixed income

Moody's piles pressure on Thames Water after utility's credit rating slashed to junk

ROBERT SMITH, GILL PLIMMER
AND JOSEPHINE CUMBO

Thames Water has had its credit rating slashed to "junk" status by Moody's, threatening to put the troubled UK utility in breach of its licence and piling more pressure on its £16.5bn debt pile.

US credit rating agency Moody's yesterday downgraded Thames two notches to Ba2 — putting it below investment-grade and into so-called "junk" territory — citing the water company's "weakening liquidity position" and the potential for covenant breaches on its debt.

The water utility needs to maintain two investment grade ratings in order to comply with its licence, unless water regulator Ofwat makes an exception and allows a degree of leniency.

Rating agency S&P said earlier this month that it could also downgrade the utility's safest class of bonds, which have the lowest investment grade rating.

Thames Water said it had alerted Ofwat "to the possibility of potential credit rating downgrades in April 2024 and continues to work with Ofwat to maintain the ongoing financial resilience of the business".

The ratings downgrade could also raise the cost of borrowing for the company, which provides water and sewage services to about 16mn households and is seeking to avoid being taken over by the government's special administration regime — a form of temporary renationalisation.

> Thames Water said it had alerted Ofwat 'to the possibility of potential downgrades in April 2024'

The Sar could be triggered if the company is unable to repay its debts or is found to be in breach of its main duties to provide efficient water supply and sewerage systems.

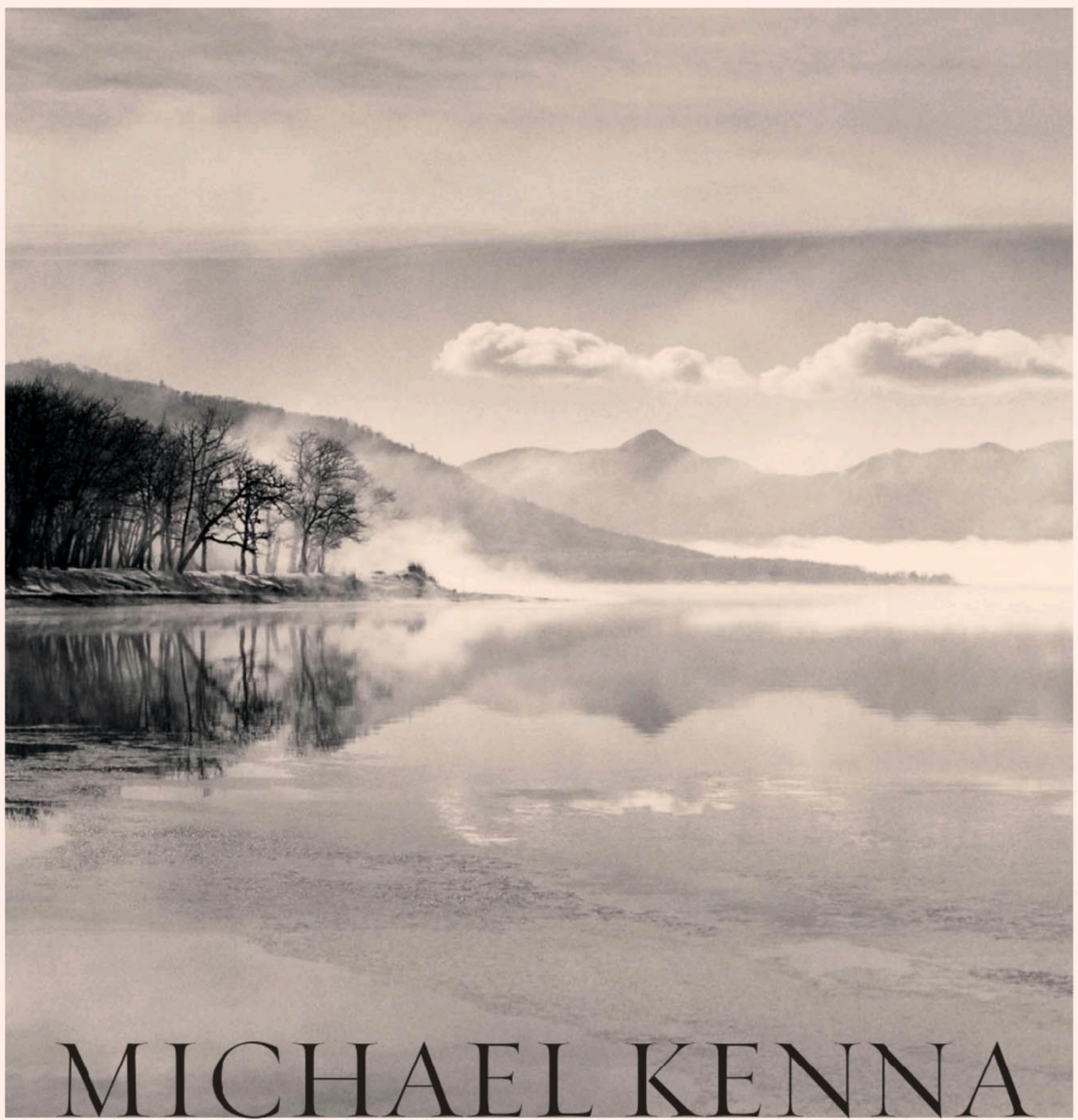
The company said it had enough cash to last until next May but needed to raise £750mn in equity from investors by then and a further £2.5bn by 2030.

Thames Water's shareholders — which include pension funds Omers of Canada, Britain's USS universities scheme and several sovereign-wealth funds — in April declared the business was "uninvestable" and backtracked on a commitment to invest a further £500mn.

While Thames Water is seeking new investors, it could struggle to attract fresh capital due to limitations Ofwat placed on potential bill rises for consumers.

In a draft ruling earlier this month, Ofwat proposed water bill increases of around a fifth, far short of the average 33 per cent requested by UK water companies.

Moody's yesterday noted that, without a fresh equity injection, Thames Water "forecasts a breach in its trigger event financial ratios" — meaning it will have to seek approval from bondholders to borrow more money.



MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
-1.71%	-2.75%	-0.84%	-0.17%	-0.65%	-1.11%	-0.91%	-1.13%	No change	0.077%	-1.753%	No change	1.16%	0.43%

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	1608943.56	1635674.16
Australia	All Ordinaries	8205.50	8208.60
	S&P/ASX 200	7963.70	7971.10
	S&P/ASX 200 Res	5479.00	5470.30
Austria	ATX	3678.79	3665.90
Belgium	BEL 20	4047.18	4038.15
	BEL Mid	10683.90	10735.53
Brazil	IBovespa	126698.18	126589.84
Canada	S&P/TSX 60	1360.93	1361.06
	S&P/TSX Comp	22816.06	22813.75
	S&P/TSX Div Net & Min	1962.09	1964.58
Chile	S&P/CLX IGPA Gen	33056.52	33113.23
China	FTSE A200	9120.74	9163.60
	FTSE B35	9000.71	8988.96
	Shanghai A	3042.10	3056.13
	Shanghai B	230.79	230.94
	Shanghai Comp	2901.95	2915.37
	Shenzhen A	1616.99	1638.62
	Shenzhen B	1120.51	1127.32
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1614.41	1618.36
Denmark	OMXC Copenahgen 20	2712.33	2742.07
Egypt	EGX 30	29195.24	28992.34
Estonia	OMX Tallinn	1744.37	1742.16
Finland	OMX Helsinki General	9714.78	9818.94
France	CAC 40	7513.73	7598.63
	SBF 120	5694.26	5752.82
Germany	M-DAX	25059.42	25298.47
	TecDAX	3317.80	3343.80
	XETRA Dax	18387.46	18557.70
Greece	Athens Gen	1466.73	1480.23
	FTSE/ASE 20	3576.24	3619.14
Hong Kong	Hang Seng	17311.05	17469.36
	HS China Enterprise	6142.32	6194.69
	HSCC Red Chip	3671.99	3671.09
Hungary	Bux	73164.07	73622.19
India	BSE Sensex	80148.88	80429.04
	Nifty 500	22921.45	22865.20
Indonesia	Jakarta Comp	7262.76	7313.86
Ireland	ISEQ Overall	9349.85	9406.60
Israel	Tel Aviv 125	2069.46	2039.83
Italy	FTSE Italia All-Share	36694.48	36381.64
	FTSE Italia Mid Cap	48037.75	48443.20
	FTSE MIB	34471.65	34337.75
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	39154.85	39594.39
	S&P Topix 150	2480.58	2514.35
	Topix	2793.12	2833.39
Jordan	Amman SE	2408.60	2397.75
Kenya	NSE 20	1688.79	1691.61
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	913.47	924.93
Lithuania	OMX Vilnius	996.34	999.52
Luxembourg	LuxX	1360.41	1359.14
Malaysia	FTSE Bursa KLCI	1621.14	1629.68
Mexico	IPC	53806.10	53707.74
Morocco	MASI	13602.92	13509.34
Netherlands	AEX	903.46	914.97
	AEX All Share	1205.66	1222.27
New Zealand	NZX 50	12530.99	12425.58
Nigeria	SE All Share	97343.42	98255.72
Norway	Oslo All Share	1664.60	1671.78
Pakistan	KSE 100	79397.01	78987.09
Philippines	Manila Comp	6753.12	6712.05
Poland	Wig	84467.51	84908.55
Portugal	PSI 20	6898.32	6854.32
	PSI General	4727.30	4684.32
Romania	BET Index	18715.59	18696.86
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	12105.54	12174.76
Singapore	FTSE Straits Times	3460.32	3461.16
Slovakia	SAX	307.51	307.51
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	80595.14	80706.44
	FTSE/JSE Res 20	61076.32	60442.06
	FTSE/JSE Top 40	73596.11	73652.16
South Korea	Kospi	2758.71	2774.29
	Kospi 200	378.66	381.65
Spain	IBEX 35	11210.10	11212.70
Sri Lanka	CSE All Share	11701.54	11597.19
Sweden	OMX Stockholm 30	2570.37	2596.43
	OMX Stockholm AS	993.57	1001.86
Switzerland	SMI Index	12203.17	12278.82
Taiwan	Weighted Pr	16915.54	16942.30
Thailand	Bangkok SET	1298.08	1301.54
Turkey	BIST 100	11055.69	11089.53
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2861.90	2839.40
	FTSE 100	8153.69	8167.37
	FTSE 4Good UK	7403.61	7409.81
	FTSE All Share	4468.59	4479.49
	FTSE techMARK 100	6905.63	6948.13
USA	DJ Composite	12796.34	12843.87
	DJ Industrial	40019.39	40358.09
	DJ Transport	15640.07	15655.82
	DJ Utilities	966.94	951.83
	Nasdaq 100	19196.22	19754.34
	Nasdaq Cmp	17502.53	17997.35
	NYSE Comp	18422.95	18518.34
	S&P 500	5460.66	5555.74
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	86350.53	84814.26
Vietnam	VNI	1238.47	1231.81
Cross-Border	DJ Global Titans ($)	662.07	677.77
	Euro Stoxx 50 (Eur)	4859.82	4916.80
	Euronext 100 ID	1482.37	1494.50
	FTSE 4Good Global ($)	14117.09	14390.59
	FTSE All World ($)	531.21	537.30
	FTSE E300	2030.71	2044.03
	FTSE Eurotop 100	4040.76	4069.96
	FTSE Global 100 ($)	3793.73	3880.64
	FTSE Gold Min ($)	2245.92	2239.51
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3844.76	3845.20
	FTSE World ($)	975.45	988.74
	FTSEurofirst 100 (Eur)	5443.75	5491.89
	FTSEurofirst 80 (Eur)	6522.10	6596.80
	MSCI ACWI Fr ($)	815.23	816.89
	MSCI All World ($)	3580.87	3584.66
	MSCI Europe (Eur)	2065.58	2064.09
	MSCI Pacific ($)	3124.60	3109.86
	S&P Euro (Eur)	2119.21	2141.14
	S&P Europe 350 (Eur)	2080.50	2093.02
	S&P Global 1200 ($)	3892.42	3943.58
	Stoxx 50 (Eur)	4440.05	4473.80

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

STOCK MARKET: BIGGEST MOVERS

AMERICA

ACTIVE STOCKS	stock traded m's	close price	Day's change
Tesla	216.4	220.57	-25.81
Nvidia	128.3	116.86	-5.73
Apple	50.8	218.03	-6.98
Alphabet	39.5	172.57	-9.22
Microsoft	33.1	431.53	-13.22
Advanced Micro Devices	30.6	147.88	-6.12
Meta Platforms	29.9	467.92	-20.77
Amazon.com	27.1	181.96	-4.45
Alphabet	25.3	174.39	-9.21
Super Micro Computer	20.6	728.22	-55.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Enphase Energy	118.81	15.17	14.64
Costar	81.52	6.58	8.93
Seagate Technology Holdings	111.30	6.00	5.70
At&t	19.15	0.94	5.13
Te Connectivity Ltd	159.11	7.71	5.09
Downs			
Lamb Weston Holdings	58.09	-20.53	-26.11
Tesla	220.57	-25.81	-10.48
Roper	528.30	-45.98	-8.01
Super Micro Computer	728.22	-55.00	-7.02
Fortive	71.56	-5.12	-6.68

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Ascential	168.9	562.00	115.20
Unilever	152.8	4397.00	-48.00
Shell	144.7	2764.00	17.00
Rio Tinto	116.5	4937.50	65.50
Astrazeneca	105.5	12214.00	24.00
Barclays	95.7	228.40	-2.10
Reckitt Benckiser	92.1	4493.00	85.00
Rolls-royce Holdings	82.5	443.90	-16.10
Bp	81.5	453.05	2.40
Hsbc Holdings	80.1	663.00	-3.10

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Ascential	562.00	115.20	25.78
Aston Martin Lagonda Global Holdings	159.70	9.70	6.47
Endeavour Mining	1806.00	70.00	4.03
Hochschild Mining	183.80	6.80	3.84
Informa	878.20	31.20	3.68
Downs			
Ti Fluid Systems	127.40	-8.60	-6.32
Ocado	411.10	-19.70	-4.57
Allianz Technology Trust	369.00	-14.50	-3.78
Breedon	394.50	-15.50	-3.78
Cmc Markets	299.50	-11.50	-3.70

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Unicredit	588.5	39.10	0.08
Lvmh	391.0	660.10	-31.50
Roche Gs	335.7	285.09	0.21
Novartis N	316.5	100.34	0.08
Nestle N	267.0	97.53	-0.73
Asml Holding	266.1	832.70	-28.20
Intesa Sanpaolo	265.2	3.72	-0.02
Sartander	219.6	4.71	0.14
Sap Se O.n.	211.5	194.32	-2.42
Stellantis	173.0	18.26	-0.12

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Sartander	4.71	0.14	3.03
Dsv A/s	165.36	4.15	2.58
Iberdrola	11.97	0.18	1.53
Orange	10.20	0.13	1.24
Umg	28.50	0.28	0.99
Downs			
Kering	299.85	-15.05	-4.78
Lvmh	660.10	-31.50	-4.55
Volvo, Ab Ser. B	23.16	-0.90	-3.74
Volvo, Ab Ser. A	23.59	-0.91	-3.70
Asml Holding	832.70	-28.20	-3.28

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Disco	2244.8	48800.00	-880.00
Lasertec	1436.9	27960.00	-490.00
Honda Motor Co.,	1285.1	1630.00	-44.00
Nidec	1057.5	7200.00	413.00
Tokyo Electron	1027.7	30480.00	-290.00
Toyota Motor	826.9	3100.00	-9.00
Mitsubishi Heavy Industries,	786.6	1850.00	-14.50
Mitsubishi Ufj Fin	664.7	1743.00	-26.00
Sumitomo Mitsui Fin	497.0	10905.00	-195.00
Softbank .	466.3	10335.00	-45.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Nidec	7200.00	413.00	6.09
Chugai Pharmaceutical Co.,	6162.00	151.00	2.51
Screen Holdings Co Ltd	13350.00	240.00	1.83
Hoya	18735.00	245.00	1.33
Aozora Bank,	2490.00	20.00	0.81
Downs			
Mitsubishi Motors	433.30	-34.60	-7.39
Isuzu Motors	2095.00	-120.50	-5.44
Kawasaki Kisen Kaisha,	2284.00	-111.50	-4.65
Kansai Electric Power Co	2589.00	-126.00	-4.64
Kawasaki Heavy Industries,	5807.00	-275.00	-4.46

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Jul 24 price(p)	%Chg week	%Chg ytd
Winners			
Frasers	868.50	5.7	-4.6
Marks And Spencer	325.70	5.7	19.6
Compass	2294.00	4.9	6.9
Jd Sports Fashion	121.40	4.1	-26.8
Rentokil Initial	473.70	3.9	7.5
Centrica	143.05	3.7	1.7
British American Tobacco	2576.00	3.2	12.2
Smith (ds)	455.80	3.1	48.3
Reckitt Benckiser	4493.00	3.1	-17.1
Vistry	1353.00	3.0	47.5
Informa	878.20	3.0	12.4
Intertek	4796.00	2.8	13.0
Losers			
Easyjet	440.70	-9.4	-13.6
Int Consolidated Airlines S.a.	163.30	-6.1	5.4
Glencore	433.35	-5.5	-8.2
Prudential	684.60	-4.5	-22.8
Beazley	653.00	-4.5	25.1
Burberry	704.60	-4.2	-50.2
Londonmetric Property	193.90	-4.2	1.3
Dcc	5275.00	-4.1	8.7
Intercontinental Hotels	8076.00	-3.8	13.9
Fresnillo	607.00	-3.7	2.1
Land Securities	620.00	-3.6	-12.0
Airtel Africa	115.00	-3.5	-11.7

FTSE 250	Jul 24 price(p)	%Chg week	%Chg ytd
Winners			
Ascential	562.00	54.6	13.3
Ocado	411.10	15.0	-45.8
Dunelm	1205.00	9.0	9.8
Aston Martin Lagonda Global Holdings	159.70	6.8	-29.2
Aj Bell	424.00	6.8	35.5
Volution	523.00	5.3	20.6
Osb	504.00	4.6	8.5
Greencore	181.80	3.9	88.5
Watches Of Switzerland	417.00	3.6	-41.1
Travis Perkins	943.00	3.6	13.8
Bridgepoint	259.80	3.1	-5.1
Hill & Smith	2195.00	3.1	15.0
Losers			
Wizz Air Holdings	1977.00	-11.9	-10.6
Tbc Bank	2855.00	-6.5	0.9
Mony	222.00	-5.9	-20.8
Ip	39.85	-5.9	-30.8
British Land	388.80	-5.9	-2.7
Ninety One	165.20	-5.8	-10.0
Molten Ventures	343.00	-5.8	23.6
Ti Fluid Systems	127.40	-5.3	-10.7
Wetherspoon (J.d.)	730.00	-5.2	-9.9
Big Yellow	1164.00	-4.9	-4.7
Primary Health Properties	91.10	-4.8	-12.2
Ssp	173.50	-4.7	-26.1

FTSE SmallCap	Jul 24 price(p)	%Chg week	%Chg ytd
Winners			
Ferrexpo	59.40	11.2	-34.2
Vanquis Banking	53.50	11.2	-58.6
Ceres Power Holdings	206.20	9.9	12.8
Marston's	39.10	9.7	15.7
Card Factory	109.80	9.4	1.9
Pensionbee	167.00	8.1	70.4
Pharos Energy	26.20	6.9	23.0
Xaar	150.00	6.8	28.8
De La Rue	102.50	6.5	18.8
Oryx Int Growth Fund Ltd	1390.00	5.3	17.8
Palace Capital	232.00	5.0	4.5
Triple Point Social Housing Reit	59.60	4.6	-5.7
Losers			
Evoke	61.25	-29.0	-35.9
Gulf Marine Services	15.80	-12.0	9.0
Cab Payments Holdings	102.00	-9.7	23.2
Capita	19.18	-9.1	-12.8
Manchester & London Investment Trust	680.00	-8.4	26.9
Trifast	69.00	-8.0	-21.9
Capital	90.60	-7.6	0.7
Augmentum Fintech	110.00	-6.8	-0.9
Xp Power	1400.00	-6.3	3.5
Cls Holdings	88.20	-6.2	-13.5
Vpc Specialty Lending Investments	43.20	-6.1	-34.7
Seraphim Space Investment Trust	57.00	-5.9	65.7

Industry Sectors	Jul 24 price(p)	%Chg week	%Chg ytd
Winners			
General Retailers	4024.28	5.1	7.1
Tobacco	29651.87	2.3	13.1
Gas Water & Multiutilities index	5993.78	1.5	-2.4
Household Goods	14261.17	1.5	8.8
Software & Computer Services	2475.21	0.9	2.4
General Industrials	7526.85	0.8	10.8
Electricity	11115.92	0.5	0.8
General Financial	14952.83	0.5	2.2
Media	12420.10	0.5	11.6
Support Services	11242.49	0.5	6.5
Food & Drug Retailers	4230.83	0.3	5.5
Construction & Materials	11533.40	0.2	23.8
Losers			
Travel & Leisure	7377.92	-4.3	-1.7
Industrial Metals	6348.11	-3.7	-7.0
Industrial Engineering	13135.01	-3.0	-8.1
Real Estate Investment Trusts	2307.71	-2.3	-3.6
Industrial Transportation	3961.70	-2.3	-0.2
Personal Goods	11685.45	-1.9	-45.9
Automobiles & Parts	1069.90	-1.9	-32.4
Real Estate & Investment Servic	2353.47	-1.7	1.8
Mining	11090.20	-1.5	11.7
Electronic & Electrical Equip.	10392.09	-1.5	4.3
Life Insurance	5641.27	-1.5	-9.5
Nonlife Insurance	3604.24	-1.3	7.8

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

CURRENCIES

Jul 24	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	927.4958	1.2436	1006.7032	2.1349	1198.1911	2.5333
Australia	Australian Dollar	1.5137	0.0021	1.6429	0.0035	1.9554	0.0042
Bahrain	Bahrainin Dinar	0.3770	-	0.4091	0.0003	0.4870	0.0004
Bolivia	Bolivian Boliviano	6.9100	-	7.5001	0.0059	8.9267	0.0069
Brazil	Brazilian Real	5.6186	0.0516	6.0985	0.0607	7.2585	0.0722
Canada	Canadian Dollar	1.3790	0.0018	1.4967	0.0031	1.7814	0.0037
Chile	Chilean Peso	948.8000	1.7500	1029.8269	2.7022	1225.7131	3.2083
China	Chinese Yuan	7.2764	0.0022	7.8978	0.0086	9.4001	0.0101
Colombia	Colombian Peso	4050.8600	45.9150	4396.8007	53.2294	5233.1307	63.3232
Costa Rica	Costa Rican Colon	526.5400	-1.7850	571.5061	-1.4897	680.2139	-1.7773
Czech Republic	Czech Koruna	23.4237	-0.0068	25.4240	0.0125	30.2600	0.0147
Denmark	Danish Krone	6.8754	-0.0039	7.4625	0.0015	8.8820	0.0018
Egypt	Egyptian Pound	48.3417	0.0092	52.4700	0.0510	62.4505	0.0602
Hong Kong	Hong Kong Dollar	7.8093	0.0012	8.4762	0.0079	10.0885	0.0094
Hungary	Hungarian Forint	362.7695	2.4588	393.7497	2.9741	468.6460	3.5369
India	Indian Rupee	83.7163	0.0175	90.8656	0.0899	108.1494	0.1064
Indonesia	Indonesian Rupiah	16215.0000	5.0000	17599.7775	19.1837	20947.4533	22.6612
Israel	Israeli Shekel	3.6488	0.0211	3.9604	0.0260	4.7137	0.0309
Japan	Japanese Yen	153.2600	-2.7350	166.3483	-2.8364	197.9899	-3.3771
..One Month		153.2593	-2.7365	166.3478	-2.8374	197.9890	-3.3790
..Three Month		153.2579	-2.7392	166.3467	-2.8395	197.9873	-3.3824
..One Year		153.2529	-2.7495	166.3431	-2.8469	197.9890	-3.3874
Kenya	Kenyan Shilling	133.0000	0.5000	144.3581	0.6550	171.8169	0.7785
Kuwait	Kuwaiti Dinar	0.3057	-0.0002	0.3318	0.0001	0.3949	0.0001
Malaysia	Malaysian Ringgit	4.6725	0.0005	5.0715	0.0045	6.0362	0.0053
Mexico	Mexican Peso	18.4180	0.3195	19.9909	0.3621	23.7934	0.4309
New Zealand	New Zealand Dollar	1.6815	0.0015	1.8251	0.0031	2.1723	0.0037
Nigeria	Nigerian Naira	1590.0000	15.0000	1725.7849	17.6160	2054.0515	20.9539
Norway	Norwegian Krone	11.0199	-0.0211	11.9610	-0.0135	14.2361	-0.0162
Pakistan	Pakistani Rupee	278.5000	0.1000	302.2837	0.3445	359.7819	0.4077
Peru	Peruvian Nuevo Sol	3.7576	0.0009	4.0785	0.0042	4.8543	0.0049
Philippines	Philippine Peso	58.4500	-	63.4416	0.0495	75.5090	0.0585
Poland	Polish Zloty	3.9575	0.0109	4.2955	0.0152	5.1125	0.0181
Romania	Romanian Leu	4.5792	-0.0058	4.9702	-0.0024	5.9156	-0.0029
Russia	Russian Ruble	86.1950	-0.9800	93.5560	-0.9898	111.3515	-1.1788
Saudi Arabia	Saudi Riyal	3.7514	0.0002	4.0718	0.0034	4.8463	0.0040
Singapore	Singapore Dollar	1.3416	-0.0046	1.4562	-0.0039	1.7332	-0.0046
South Africa	South African Rand	18.3100	-0.0988	19.8737	-0.0916	23.6539	-0.1092
South Korea	South Korean Won	1383.9000	-2.2500	1502.0841	-1.2673	1787.7999	-1.5198
Sweden	Swedish Krona	10.7642	-0.0089	11.6835	-0.0005	13.9058	-0.0007
Switzerland	Swiss Franc	0.8839	-0.0085	0.9593	-0.0085	1.1418	-0.0101
Taiwan	New Taiwan Dollar	32.8385	-	35.6429	0.0278	42.4226	0.0329
Thailand	Thai Baht	36.1600	-0.0550	39.2480	-0.0290	46.7135	-0.0348
Tunisia	Tunisian Dinar	3.1035	-0.0062	3.3685	-0.0041	4.0092	-0.0050
Turkey	Turkish Lira	32.8473	0.0333	35.6524	0.0639	42.4339	0.0758
United Arab Emirates	UAE Dirham	3.6730	-	3.9867	0.0031	4.7450	0.0037
United Kingdom	Pound Sterling	0.7741	-0.0006	0.8402	0.0000	-	-
..One Month		0.7741	-0.0006	0.8401	0.0000	-	-
..Three Month		0.7742	-0.0006	0.8399	0.0000	-	-
..One Year		0.7741	-0.0006	0.8388	0.0000	-	-
United States	United States Dollar	-	-	1.0854	0.0008	1.2919	0.0010
..One Month		-	-	1.0852	-0.2055	1.2919	0.0010
..Three Month		-	-	1.0849	-0.2055	1.2919	0.0010
..One Year		-	-	1.0836	-0.2055	1.2919	0.0010
Vietnam	Vietnamese Dong	25360.0000	-5.0000	27525.7641	16.0532	32761.5353	18.8795
European Union	Euro	0.9213	-0.0007	-	-	1.1902	0.0000
..One Month		0.9212	-0.0007	-	-	1.1901	0.0000
..Three Month		0.9208	-0.0007	-	-	1.1899	0.0000
..One Year		0.9196	-0.0007	-	-	1.1889	0.0000

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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	£ Strlg Jul 24	Day's chge%	Euro Index	£ Strlg Jul 23	£ Strlg Jul 22	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	8153.69	-0.17	7564.76	8167.37	8198.78	7678.59	3.75	1.99	13.40	172.52	8906.05
FTSE 250 (250)	20950.64	-0.67	19437.58	21091.49	21138.68	19144.98	3.24	1.64	18.82	367.47	18389.14
FTSE 250 ex Inv Co (167)	22020.00	-0.53	20429.52	22137.25	22208.74	19886.38	3.33	1.43	20.94	400.19	19759.90
FTSE 350 (350)	4511.22	-0.24	4185.38	4522.00	4538.36	4230.40	3.68	1.95	13.97	93.11	9766.30
FTSE 350 ex Investment Trusts (264)	4451.25	-0.18	4129.74	4459.31	4476.40	4180.26	3.74	1.90	14.08	93.50	4984.97
FTSE 350 Higher Yield (127)	3819.66	-0.07	3543.77	3822.17	3852.63	3587.38	5.26	1.82	10.44	108.75	9557.19
FTSE 350 Lower Yield (223)	4759.65	-0.42	4415.87	4779.49	4775.50	4452.72	2.04	2.29	21.40	59.16	6073.57
FTSE SmallCap (215)	6857.71	-0.47	6362.38	6889.87	6897.76	6222.93	4.10	0.60	40.71	135.79	12226.84
FTSE SmallCap ex Inv Co (111)	5874.53	-0.30	5450.59	5892.49	5898.51	5119.30	4.24	0.00	-25229.01	117.29	10892.45
FTSE All-Share (565)	4468.59	-0.24	4145.83	4479.49	4495.46	4187.55	3.68	1.92	14.17	92.15	9768.35
FTSE All-Share ex Inv Co (375)	4373.98	-0.18	4058.05	4381.96	4398.62	4104.35	3.74	1.88	14.23	91.81	4973.22
FTSE All-Share ex Multinationals (511)	1220.65	-0.53	939.47	1227.15	1228.23	1095.23	3.72	1.93	13.92	25.52	2772.93
FTSE Fledgling (55)	12156.70	-0.51	11278.63	12219.45	12215.12	10650.06	2.19	-5.20	-8.79	154.69	27597.79
FTSE Fledgling ex Inv Co (23)	19015.39	-1.34	17641.92	19274.45	19360.23	15222.54	2.41	-4.76	-8.71	260.86	41868.30
FTSE All-Small (270)	4768.04	-0.47	4423.65	4790.48	4795.73	4320.30	4.04	0.50	49.99	93.02	10897.72
FTSE All-Small ex Inv Co (134)	4431.81	-0.32	4111.70	4446.22	4451.15	3849.46	4.19	-0.07	-346.40	87.75	10401.99
FTSE AIM All-Share (629)	776.64	-0.45	720.55	780.17	783.24	763.60	2.11	1.44	33.05	7.92	940.68
FTSE All-Share Technology (16	2604.77	-0.02	2318.40	2605.22	2567.33	2202.76	1.59	1.91	32.85	28.55	3884.47
FTSE All-Share Telecommunications (6)	1305.98	-0.24	1162.38	1309.14	1314.48	1311.49	8.00	0.68	18.37	39.55	2245.70
FTSE All-Share Health Care (10)	15694.60	0.21	13969.12	15661.50	15758.02	14349.44	2.32	1.74	24.79	227.10	15122.81
FTSE All-Share Financials (256	5323.83	-0.76	4738.52	5364.59	5368.96	4836.04	4.36	1.55	14.80	145.99	6392.40
FTSE All-Share Real Estate (49	843.80	-0.93	785.66	851.71	860.89	802.74	4.33	-0.41	-55.80	22.29	957.92
FTSE All-Share Consumer Discretionary (75)	5630.16	-0.14	5011.17	5637.85	5600.14	5156.09	2.41	1.72	24.11	82.09	6204.48
FTSE All-Share Consumer Staples (25)	17856.62	-0.30	15893.44	17909.72	17984.32	18573.31	4.40	2.22	10.24	406.33	17572.53
FTSE All-Share Industrials (84)	8429.09	-1.11	7502.39	8524.07	8501.23	7032.42	1.82	2.67	20.54	97.34	10110.27
FTSE All-Share Basic Materials (21)	7544.73	0.92	6715.26	7475.79	7606.31	8009.63	5.01	1.96	10.20	173.91	11173.84
FTSE All-Share Energy (15)	9238.92	0.61	8223.18	9182.95	9332.75	8684.83	4.30	2.98	7.82	199.44	11982.58
FTSE All-Share Utilities (8)	8969.45	0.30	7983.34	8942.29	8930.08	8954.49	5.29	2.03	9.32	229.94	14779.25
FTSE All-Share Software and Computer Services (15)	2829.80	-0.01	2518.69	2830.14	2810.78	2389.16	1.57	1.97	32.35	30.56	4463.00
FTSE All-Share Technology Hardware and Equipment (1)	3750.06	-0.66	3337.77	3774.97	3737.60	3792.42	4.52	-0.57	-39.07	115.87	5183.70
FTSE All-Share Telecommunications Equipment (1)	392.53	0.69	349.38	389.85	389.63	379.35	3.56	0.61	46.06	0.00	582.28
FTSE All-Share Telecommunications Service Providers (5)	2027.42	-0.28	1804.52	2033.02	2041.65	2038.54	8.15	0.68	17.99	63.62	3185.97
FTSE All-Share Health Care Providers (1)	12242.10	0.41	10896.19	12191.72	12166.53	10881.87	1.07	2.57	36.37	105.80	11497.45
FTSE All-Share Medical Equipment and Services (2)	5690.11	0.14	5064.53	5682.20	5656.05	5775.95	2.50	1.23	32.53	89.91	5738.68
FTSE All-Share Pharmaceuticals and Biotechnology (7)	22505.10	0.21	20030.86	22456.92	22608.09	20462.30	2.32	1.76	24.47	324.61	19529.20
FTSE All-Share Banks (12)	4246.13	-0.42	3779.31	4263.94	4265.27	3712.33	5.78	1.24	14.00	160.83	4172.44
FTSE All-Share Finance and Credit Services (8)	12824.38	-0.14	11414.45	12842.36	12817.31	11289.50	1.64	1.41	43.47	151.05	17807.33
FTSE All-Share Investment Banking and Brokerage Services (34)	11047.65	-1.64	9833.24	11232.47	11252.62	9454.75	3.99	2.01	12.47	243.31	16826.60
FTSE All-Share Closed End Investments (190)	12356.12	-1.14	10997.68	12498.63	12499.72	11352.05	2.86	2.63	13.30	186.36	8106.42
FTSE All-Share Life Insurance (6)	5742.22	-0.69	5110.91	5781.90	5832.70	6675.59	5.92	0.98	17.24	227.70	7671.96
FTSE All-Share Nonlife Insurance (6)	4072.19	-0.45	3624.49	4090.76	4072.38	3481.53	2.95	1.87	18.15	70.77	9039.69
FTSE All-Share Real Estate Investment and Services (10)	2277.55	-0.59	2027.15	2291.11	2300.69	2139.53	2.28	0.42	104.70	28.86	7077.41
FTSE All-Share Real Estate Investment Trusts (39)	2071.77	-0.99	1843.99	2092.49	2117.58	1975.35	4.71	-0.49	-43.53	60.11	3412.22
FTSE All-Share Automobiles and Parts (3)	1075.38	-0.77	957.15	1083.74	1112.56	1917.73	4.57	-0.29	-76.27	30.64	1160.45
FTSE All-Share Consumer Services (1)	3781.43	0.17	3365.70	3774.84	3611.65	3504.50	1.93	1.99	26.00	72.89	4985.13
FTSE All-Share Household Goods and Home Construction (11)	11836.36	1.27	10535.06	11688.04	11675.71	9267.15	3.66	1.78	15.33	179.47	11502.12
FTSE All-Share Leisure Goods (2)	28104.81	-0.17	25014.93	28153.75	28477.98	30471.14	4.14	1.11	21.72	632.01	33610.27
FTSE All-Share Personal Goods (3)	10016.52	-1.54	8915.29	10172.77	10179.79	26557.18	6.47	1.75	8.82	416.92	8382.65
FTSE All-Share Media (10)	12763.47	-0.21	11360.24	12790.63	12793.44	10087.53	2.23	1.48	30.28	191.40	9356.46
FTSE All-Share Retailers (21)	2519.85	-0.11	2242.82	2522.72	2523.30	2298.17	2.76	2.28	15.91	42.43	3434.90
FTSE All-Share Travel and Leisure (24)	7246.00	-1.06	6449.37	7323.94	7296.25	7403.29	1.47	1.54	44.26	42.99	7600.11
FTSE All-Share Beverages (5)	20724.55	0.05	18446.43	20715.48	20784.67	26758.83	3.18	1.47	21.44	290.17	17251.66
FTSE All-Share Food Producers (9)	8235.95	0.10	7330.48	8227.53	8254.85	6973.69	2.22	2.83	15.92	99.15	8311.82
FTSE All-Share Tobacco (2)	29651.92	-0.60	26391.95	29831.82	29873.30	29409.38	8.54	3.15	3.72	1266.34	32211.23
FTSE All-Share Construction and Materials (16)	12136.14	-1.12	10801.88	12274.03	12259.93	9625.23	2.95	2.26	14.99	225.93	15638.40
FTSE All-Share Aerospace and Defense (8)	11231.96	-2.13	9997.10	11475.91	11296.98	6706.33	1.18	4.32	19.63	80.80	14051.27
FTSE All-Share Electronic and Electrical Equipment (11)	12171.37	-1.29	10833.24	12329.82	12337.75	11526.23	1.57	2.44	26.19	115.53	12376.14
FTSE All-Share General Industrials (7)	6058.81	0.07	5392.70	6054.79	6068.13	4978.96	2.95	1.78	18.97	100.96	8452.26
FTSE All-Share Industrial Engineering (6)	14362.65	0.00	12783.61	14362.39	14426.46	15698.43	2.20	2.04	22.25	207.17	19962.49
FTSE All-Share Industrial Support Services (28)	10860.75	-0.67	9666.71	10933.60	10997.89	10293.48	1.97	1.67	30.28	166.85	12984.35
FTSE All-Share Industrial Transportation (8)	6016.23	-0.90	5354.80	6070.61	6076.15	6048.10	1.71	5.03	11.66	22.56	6435.66
FTSE All-Share Industrial Materials (1)	24904.65	3.75	842.11	24004.48	24004.48	17228.21	1.44	2.71	25.59	245.05	32441.64
FTSE All-Share Industrial Metals and Mining (8)	6837.83	0.92	6086.07	6775.69	6904.36	7206.43	5.28	2.01	9.43	160.90	11464.92
FTSE All-Share Precious Metals and Mining (5)	10547.50	2.97	9387.89	10243.26	10287.30	9834.32	2.51	1.13	35.13	135.28	7798.00
FTSE All-Share Chemicals (7)	9211.03	-0.22	8198.35	9231.50	9295.83	11403.67	3.29	1.27	23.88	213.20	9700.28
FTSE All-Share Oil, Gas and Coal (14)	8975.78	0.61	7988.97	8921.09	9067.29	8431.24	4.30	2.98	7.80	193.94	12073.42
FTSE Sector Indices											
Non Financials (309)	**5350.78**	**-0.07**	**4964.30**	**5354.66**	**5378.62**	**5064.67**	**3.46**	**2.07**	**13.97**	**98.62**	**10243.83**

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	8346.75	8346.27	8341.27	8359.65	8345.95	8336.98	8331.93	8356.28	8354.92	8365.15	8326.83
FTSE 250	20434.41	20439.13	20429.32	20430.92	20434.39	20407.98	20379.30	20419.95	20447.74	20491.99	20378.45
FTSE SmallCap	6630.05	6633.65	6631.83	6633.16	6641.41	6635.72	6632.59	6632.47	6639.74	6647.90	6624.73
FTSE All-Share	4538.91	4538.92	4536.30	4544.82	4538.74	4533.75	4530.53	4542.93	4543.24	4547.23	4528.35

Time of FTSE 100 Day's high:14:14:00 Day's Low12:51:45 FTSE 100 2010/11 High: 8313.67(07/05/2024) Low: 7446.29(17/01/2024)
Time of FTSE All-Share Day's high:14:14:00 Day's Low12:52:00 FTSE 100 2010/11 High: 4522.99(07/05/2024) Low: 4072.19(17/01/2024)

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UK RIGHTS OFFERS

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

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

FT 30 INDEX

	May 08	May 07	May 06	May 03	May 02	Yr Ago	High	Low
FT 30	2861.90	2839.40	2813.00	2788.60	2775.30	0.00	2857.50	2639.70
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
2839.4	2850	2849	2853.9	2850.2	2848.9	2845.9	2856.8	2857.3	2861.9	2839.4

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

FT WILSHIRE 5000 INDEX SERIES

	Jul 23		Jul 23
FT Wilshire 5000	55706.70	FT Wilshire Mid Cap	6413.42
FT Wilshire 2500	7155.09	FT Wilshire Small Cap	6053.89
FT Wilshire Mega Cap	7492.63	FT Wilshire Micro Cap	5440.13
FT Wilshire Large Cap	7310.54		

Source: Wilshire. Wilshire Advisors LLC (Wilshire) is an investment advisor registered with the SEC. Further information is available at https://www.wilshire.com/solutions/indexes . Wilshire® is a registered service mark. Copyright ©2024 Wilshire. All rights reserved.

FTSE GLOBAL EQUITY INDEX SERIES

Jul 23 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	10044	906.53	0.0	2.2	11.5	1506.52	12.9	1.9
FTSE Global Large Cap	2034	837.54	0.0	1.7	13.6	1434.68	15.0	1.8
FTSE Global Mid Cap	2252	1058.27	-0.2	3.3	5.4	1656.90	6.8	2.2
FTSE Global Small Cap	5758	1114.17	0.3	4.3	6.5	1661.88	7.8	1.8
FTSE All-World	4286	537.30	-0.1	1.9	12.1	945.84	13.5	1.9
FTSE World	2589	988.74	0.0	2.0	12.4	2334.54	13.8	1.8
FTSE Global All Cap ex UNITED KINGDOM In	9772	960.67	0.0	2.2	11.7	1564.24	13.0	1.8
FTSE Global All Cap ex USA	8315	580.76	0.0	2.1	5.5	1089.28	7.6	2.9
FTSE Global All Cap ex JAPAN	8613	948.23	-0.1	1.9	11.8	1589.46	13.1	1.9
FTSE Global All Cap ex Eurozone	9413	962.70	0.0	2.2	12.1	1561.85	13.3	1.8
FTSE Developed	2070	909.74	-0.1	2.2	12.6	1519.56	13.9	1.8
FTSE Developed All Cap	5623	938.94	0.0	2.4	12.1	1544.88	13.4	1.8
FTSE Developed Large Cap	758	877.03	0.0	1.9	14.2	1490.38	15.5	1.7
FTSE Developed Europe Large Cap	197	470.68	-0.1	1.4	6.3	989.43	9.0	3.1
FTSE Developed Europe Mid Cap	329	686.64	-0.4	2.7	3.4	1249.38	6.0	3.1
FTSE Dev Europe Small Cap	730	935.63	-0.6	3.4	4.6	1635.31	7.2	3.1
FTSE North America Large Cap	212	1230.11	-0.1	1.6	17.8	1896.14	18.7	1.2
FTSE North America Mid Cap	414	1326.77	-0.3	3.5	6.8	1900.87	7.8	1.8
FTSE North America Small Cap	1269	1356.90	0.4	5.8	8.6	1855.60	9.4	1.4
FTSE North America	625	777.05	-0.1	1.9	15.7	1225.72	16.6	1.4
FTSE Developed ex North America	1444	315.97	0.1	2.7	5.4	638.47	7.6	2.9
FTSE Japan Large Cap	164	484.79	0.7	6.5	10.0	739.53	11.2	1.9
FTSE Japan Mid Cap	338	598.24	0.9	6.4	2.5	870.93	3.8	2.4
FTSE Global wi JAPAN Small Cap	923	668.03	1.3	3.6	0.5	1013.64	2.0	2.6
FTSE Japan	502	194.57	0.7	6.5	8.5	332.64	9.8	2.0
FTSE Asia Pacific Large Cap ex Japan	1254	753.58	0.2	-0.2	7.2	1443.61	9.1	2.6
FTSE Asia Pacific Mid Cap ex Japan	877	1112.77	0.2	0.2	4.0	2046.58	5.5	2.6
FTSE Asia Pacific Small Cap ex Japan	2551	618.64	0.3	-1.8	2.3	1100.85	3.7	2.2
FTSE Asia Pacific Ex Japan	2131	602.64	0.2	-0.1	6.9	1226.42	8.8	2.6
FTSE Emerging All Cap	4415	800.54	0.0	-0.3	6.6	1471.69	8.7	2.8
FTSE Emerging Large Cap	1276	734.04	0.1	-0.2	8.0	1358.72	10.1	2.8
FTSE Emerging Mid Cap	940	1175.01	-0.1	0.3	1.4	2169.14	3.3	3.0
FTSE Emerging Small Cap	2199	887.41	0.0	-1.7	2.2	1550.40	3.9	2.5
FTSE Emerging Europe	166	169.34	-0.4	4.4	20.9	380.80	24.4	2.8
FTSE Latin America All Cap	248	727.01	-1.3	2.1	-17.0	1601.64	-14.1	7.4
FTSE Middle East and Africa All Cap	325	743.22	0.1	4.0	1.4	1446.70	3.8	3.6
FTSE Global wi UNITED KINGDOM All Cap In	272	374.47	-0.3	2.2	7.3	814.77	9.6	3.6
FTSE Global wi USA All Cap	1729	1329.41	-0.1	2.2	15.4	1974.73	16.3	1.3
FTSE Europe All Cap	1469	528.97	-0.2	1.8	5.8	1066.92	8.5	3.1
FTSE Eurozone All Cap	631	520.56	-0.1	2.2	5.1	1043.19	7.9	3.1
FTSE EDHEC-Risk Efficient All-World	4286	551.22	-0.2	2.3	6.5	906.81	8.0	2.3
FTSE EDHEC-Risk Efficient Developed Europe	525	375.49	-0.3	2.3	3.4	700.98	6.1	3.3
Oil & Gas	139	430.90	-1.4	1.3	5.5	946.76	7.8	4.1
Oil & Gas Producers	89	435.28	-1.6	0.8	5.3	984.09	7.6	4.2
Oil Equipment & Services	25	300.66	-0.9	5.6	6.9	599.79	9.5	4.4

Jul 23 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Basic Materials	424	613.26	-0.7	-0.4	-4.0	1194.45	-2.3	3.2
Chemicals	208	816.31	-0.3	0.9	-3.1	1511.96	-1.7	2.5
Forestry & Paper	13	256.86	-1.9	-2.4	-2.5	551.71	-0.8	3.7
Industrial Metals & Mining	114	529.73	-1.4	-3.3	-8.5	1077.48	-6.8	3.9
Mining	84	948.58	-0.7	-0.6	-2.5	1983.85	-0.5	3.9
Industrials	847	627.79	0.0	3.0	9.1	1035.96	10.3	1.7
Construction & Materials	161	773.27	0.6	6.2	7.3	1349.23	8.7	1.8
Aerospace & Defense	38	1157.53	1.7	1.0	11.0	1852.81	12.0	1.3
General Industrials	73	344.42	1.0	3.9	17.2	532.87	18.7	1.8
Electronic & Electrical Equipment	173	769.76	0.2	1.4	13.9	1135.78	15.0	1.3
Industrial Engineering	171	1282.29	-0.8	1.4	8.6	2112.26	9.9	1.7
Industrial Transportation	138	969.14	-1.8	2.9	-2.8	1560.87	-1.2	2.7
Support Services	88	641.44	-0.7	4.2	8.1	979.28	9.0	1.3
Consumer Goods	569	597.07	-0.6	4.0	0.8	1049.24	2.5	2.4
Automobiles & Parts	140	628.52	-0.9	11.6	2.3	1061.30	4.1	1.9
Beverages	73	726.76	-0.5	0.5	-2.9	1287.97	-1.5	2.7
Food Producers	132	671.97	-0.6	2.0	-3.7	1214.25	-1.7	2.8
Household Goods & Home Construction	59	640.59	-0.7	2.9	9.0	1126.26	10.8	2.3
Leisure Goods	54	281.82	0.0	5.8	1.2	408.32	2.0	1.3
Personal Goods	100	923.98	-0.7	-3.4	-3.8	1468.55	-2.7	2.0
Tobacco	11	1051.82	1.0	8.0	15.9	3354.47	19.9	6.1
Health Care	345	814.74	0.0	2.2	9.2	1339.30	10.5	1.7
Health Care Equipment & Services	132	1479.38	0.2	2.4	4.5	1847.70	5.1	1.0
Pharmaceuticals & Biotechnology	214	568.45	-0.2	2.0	12.4	1013.25	14.1	2.1
Consumer Services	431	687.90	0.2	-0.5	8.5	1002.57	9.3	1.1
Food & Drug Retailers	63	307.93	-0.5	0.5	-2.8	510.85	-1.2	2.5
General Retailers	140	1306.13	0.6	0.0	14.3	1814.03	14.9	0.8
Media	73	396.79	-0.5	-1.7	8.8	582.94	9.7	1.2
Travel & Leisure	143	514.66	-0.3	-1.6	-3.2	768.61	-2.4	1.5
Telecommunication	73	139.72	-0.5	2.7	4.9	355.36	8.0	4.2
Fixed Line Telecommuniations	23	100.55	-0.8	2.4	0.0	299.47	3.7	5.4
Mobile Telecommunications	50	172.03	-0.3	2.9	7.4	373.30	10.2	3.6
Utilities	214	344.43	-0.4	2.3	7.6	856.25	10.0	3.5
Electricity	155	395.10	-0.5	1.5	9.9	962.97	12.1	3.2
Gas Water & Multiutilities	58	328.50	-0.2	4.0	2.1	854.83	5.0	4.2
Financials	852	322.20	0.1	4.8	10.8	556.41	13.2	3.0
Banks	272	250.71	0.3	6.4	14.6	582.31	18.1	4.1
Nonlife Insurance	71	481.75	0.2	2.5	16.7	847.93	19.3	2.6
Life Insurance	50	233.97	0.0	2.8	4.7	482.43	7.4	3.9
Financial Services	223	562.06	-0.1	3.6	10.3	878.11	11.3	1.4
Technology	386	875.97	0.2	0.3	26.0	1159.93	26.6	0.7
Software & Computer Services	183	1219.50	0.3	0.6	16.4	1490.04	16.8	0.5
Technology Hardware & Equipment	203	839.70	0.1	0.0	36.1	1202.11	36.8	0.8
Alternative Energy	24	125.04	0.1	-5.2	1.1	180.53	1.4	0.4
Real Estate Investment & Services	138	246.40	-0.3	4.3	-3.9	503.00	-2.1	2.7
Real Estate Investment Trusts	101	466.31	-0.3	6.0	0.5	1170.04	2.7	3.9

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 SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Industrial Transport	30.10	Nonlife Insurance	7.28	Health Care Eq & Srv	2.74
Aerospace & Defense	24.93	FTSE SmallCap Index	6.73	Travel & Leisure	1.47
Construct & Material	23.44	Telecommunications	6.49	Electricity	0.82
Oil Equipment & Serv	18.87	FTSE 250 Index	6.41	Food & Drug Retailer	0.74
Banks	16.91	Leisure Goods	6.24	Industrial Transport	32.39
Tobacco	13.20	FTSE All{HY-}Share Index	5.59	Technology	-1.28
Fixed Line Telecomms	12.80	FTSE 100 Index	5.44	Utilities	-1.49
Media	12.19	Consumer Services	5.43	Software & Comp Serv	-2.10
Pharmace & Biotech	11.27	Equity Invest Instr	4.67	Gas Water & Multi	-2.19
Personal Goods	11.18	NON FINANCIALS Index	4.58	Industrial Eng	-2.44
Industrials	11.16	General Retailers	4.50	Real Est Invest & Tr	-4.30
Health Care	10.81	Support Services	4.35	Household Goods & Ho	-6.02
Food Producers	9.73	Oil & Gas	4.18	Mining	-6.38
Tech Hardware & Eq	9.53	Oil & Gas Producers	4.07	Basic Materials	-6.63
Financial Services	8.56	Electronic & Elec Eq	3.63	Beverages	-8.23
Industrial Metals &	8.34	Consumer Goods	3.26	Life Insurance	-9.62
Financials	7.62	Mobile Telecomms	3.22	Chemicals	-11.13
		Real Est Invest & Se	3.17	Automobiles & Parts	-32.64

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	3012	-59.00	International Consolidated Airlines Group S.A.	163.30	-1.60
Admiral Group PLC	2628	1.00	Intertek Group PLC	4796	136.00
Airtel Africa PLC	115.00	0.40	Jd Sports Fashion PLC	121.40	1.55
Anglo American PLC	2222	37.50	Kingfisher PLC	277.50	0.40
Antofagasta PLC	1946	33.00	Land Securities Group PLC	620.00	-13.00
Ashtead Group PLC	5242	-56.00	Legal & General Group PLC	227.20	-2.70
Associated British Foods PLC	2457	-7.00	Lloyds Banking Group PLC	59.66	0.14
Astrazeneca PLC	12214	24.00	London Stock Exchange Group PLC	9436	-18.00
Auto Trader Group PLC	806.60	3.00	Londonmetric Property PLC	193.90	-3.10
Aviva PLC	484.00	-3.90	M&G PLC	202.70	-2.60
B&M European Value Retail S.A.	455.10	-8.90	Marks And Spencer Group PLC	325.70	0.10
Bae Systems PLC	1259.5	-12.50	Melrose Industries PLC	556.20	-6.80
Barclays PLC	228.40	-2.10	Mondi PLC	1554	-19.50
Barratt Developments PLC	506.60	11.00	National Grid PLC	955.60	6.60
Beazley PLC	653.00	-9.00	Natwest Group PLC	337.50	-2.50
Berkeley Group Holdings (The) PLC	4968	54.00	Next PLC	8740	-32.00
BP PLC	453.05	2.40	Pearson PLC	1025	0.50
British American Tobacco PLC	2576	-9.00	Pershing Square Holdings LTD	4094	-116.00
Bt Group PLC	139.75	-0.20	Persimmon PLC	1522	20.00
Bunzl PLC	3248	-2.00	Phoenix Group Holdings PLC	533.00	0.50
Burberry Group PLC	704.60	-14.80	Prudential PLC	684.60	-2.80
Centrica PLC	143.05	1.35	Reckitt Benckiser Group PLC	4493	85.00
Coca-Cola Hbc AG	2794	8.00	Relx PLC	3482	-30.00
Compass Group PLC	2294	4.00	Rentokil Initial PLC	473.70	-5.00
Convatec Group PLC	247.40	-3.60	Rightmove PLC	571.60	-2.00
Croda International PLC	4059	4.00	Rio Tinto PLC	4937.5	65.50
Darktrace PLC	586.40	0.20	Rolls-Royce Holdings PLC	443.90	-16.10
Dcc PLC	5275	-25.00	Sage Group PLC	1040.5	-19.00
Diageo PLC	2496.5	0.50	Sainsbury (J) PLC	273.60	0.80
Diploma PLC	4266	-38.00	Schroders PLC	377.60	-10.00
Easyjet PLC	440.70	13.00	Scottish Mortgage Investment Trust PLC	852.60	-25.80
Endeavour Mining PLC	1806	70.00	Segro PLC	901.20	-4.20
Entain PLC	645.20	-13.60	Severn Trent PLC	2487	-13.00
Experian PLC	3495	-50.00	Shell PLC	2764	17.00
F&C Investment Trust PLC	1032	-8.00	Smith & Nephew PLC	1111.5	9.00
Frasers Group PLC	868.50	-5.00	Smith (Ds) PLC	455.80	9.80
Fresnillo PLC	607.00	7.00	Smiths Group PLC	1735	1.00
Glaxosmithkline PLC	1510	0.50	Spirax-Sarco Engineering PLC	8630	20.00
Glencore PLC	433.35	-0.05	Sse PLC	1848.5	-5.50
Haleon PLC	339.70	2.40	Standard Chartered PLC	721.40	-3.20
Halma PLC	2565	-51.00	Taylor Wimpey PLC	156.60	0.60
Hargreaves Lansdown PLC	1096	-9.00	Tesco PLC	327.20	1.30
Hikma Pharmaceuticals PLC	1860	5.00	Unilever PLC	4397	-48.00
Howden Joinery Group PLC	947.50	12.50	Unite Group PLC	922.00	-2.00
HSBC Holdings PLC	663.00	-3.10	United Utilities Group PLC	1006	-1.00
Imi PLC	1820	-21.00	Vistry Group PLC	1353	36.00
Imperial Brands PLC	2086	-28.00	Vodafone Group PLC	70.44	-0.14
Informa PLC	878.20	31.20	Weir Group PLC	1913	2.00
Intercontinental Hotels Group PLC	8076	-152.00	Whitbread PLC	2849	-20.00
Intermediate Capital Group PLC	2120	-46.00	Wpp PLC	741.40	-8.80

UK STOCK MARKET TRADING DATA

	Jul 24	Jul 23	Jul 22	Jul 19	Jul 18	Yr Ago
Order Book Turnover (m)	284.55	467.28	17.08	17.08	17.08	24.29
Order Book Bargains	488243.00	481823.00	509228.00	509228.00	509228.00	558709.00
Order Book Shares Traded (m)	1743.00	3356.00	2182.00	2182.00	2182.00	1413.00
Total Equity Turnover (£m)	7395.76	8563.71	7061.94	7061.94	7061.94	6787.47
Total Mkt Bargains	946944.00	930202.00	1508030.00	1508030.00	1508030.00	1565468.00
Total Shares Traded (m)	7314.00	9175.00	6583.00	6583.00	6583.00	7051.00

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

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

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UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Aston Martin Lagonda Global Holdings	Int	**603.000**	677.400	**216.700L**	142.200L	**25.300L**	20.300L	**0.00000**	0.00000	-	**0.000**	0.000
BlackRock Throgmorton Trust	Int			**104.901**	0.715	**111.410**	0.710	**3.75000**	3.30000	Aug 27	**15.137**	11.800
Breedon Group	Int	**764.600**	742.700	**46.500**	56.500	**10.000**	13.000	**0.00000**	4.00000	-	**9.448**	11.000
Centaur Media	Int	**16.473**	17.851	**1.528**	1.632	**0.700**	1.300	**0.00000**	0.60000	-	**1.193**	1.200
Everest Global	Int	**0.496**	1.434	**2.229**	0.379	**2.890**	1.150	**0.00000**	0.00000	-	**0.000**	0.000
FRP Advisory Group	Pre	**128.200**	104.000	**29.900**	15.600	**9.350**	5.580	**0.00000**	2.05000	-	**0.900**	2.900
Greencoat UK Wind	Int			**19.090**	65.486			**0.00000**	2.19000	-	**3.411**	4.120
Herald Investment Trust	Int			**134.391**	8.299L	**244.100**	14.090L	**0.00000**	0.00000	-	**0.000**	0.000
Informa	Int	**1695.300**	1520.500	**237.400**	314.600	**10.900**	18.000	**0.00000**	5.80000	-	**12.134**	12.600
LendInvest	Pre	**73.100**	81.100	**27.300L**	14.300	**14.500L**	8.300	**0.00000**	3.20000	-	**0.000**	4.500
Nichols	Int	**83.976**	85.546	**11.803**	11.153	**24.290**	23.310	**0.00000**	12.60000	-	**0.068**	27.900
Primary Health Properties	Int			**4.500**	38.800	**0.300**	3.000	**1.72500**	1.67500	May 17	**3.391**	3.300
Reckitt Benckiser Group	Int	**7167.000**	7446.000	**1518.000**	1638.000	**161.300**	173.200	**0.00000**	76.60000	-	**115.270**	186.900
UNITE Group	Int	**150.000**	139.100	**283.900**	112.200	**64.600**	27.900	**12.40000**	11.80000	Nov 1	**35.872**	33.500

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

UK RECENT EQUITY ISSUES

Issue date	Issue price(p)	Sector	Stock code	Stock	Close price(p)	+/-	High	Low	Mkt Cap (£m)
06/18	132.00	AIM	AOTI	AOTI Inc	134.00	-1.00	138.00	132.00	14252.1

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ Bank	29.49	-0.22	30.23	23.90	5.99	12.94	58626.31
BHP Group	41.56	0.10	50.84	41.02	6.37	18.60	139247.15
CmwBkAu	132.78	-0.36	134.25	96.15	3.55	22.04	146808.39
CSL	310.39	-1.76	313.55	228.65	1.18	39.75	99095.45
NatAusBk	37.59	0.23	38.08	27.45	4.49	16.89	76779.57
Telstra	3.90	0.02	4.32	3.39	4.56	21.17	29770.44
Wesfarmers	72.30	0.11	72.78	48.36	2.77	31.24	54174
Westpac Bank	28.53	0.21	28.65	20.41	5.03	15.77	65263.99
Woolworths	34.62	-0.28	39.44	30.12	3.14	2757.72	27939.83
Belgium (€)							
AnBshInBv	55.68	-0.12	62.16	49.17	1.41	25.36	108613.7
KBC Grp	70.90	0.80	71.70	48.78	5.74	9.79	32113.69
Brazil (R$)							
Ambev	11.86	0.08	15.45	10.98	7.07	11.28	33261.74
Bradesco	11.40	0.01	15.77	10.87	5.69	8.56	10814.97
Cielo	5.74	-0.01	5.76	3.24	8.70	6.30	2775.5
ItauHldFin	29.41	0.17	31.02	22.46	4.93	7.47	25953.43
Petrobras	41.03	0.54	44.77	32.25	12.66	4.15	54348.3
Vale	60.45	0.22	78.55	59.36	10.40	5.81	48834.32
Canada (C$)							
Bausch Hlth	8.21	-2.22	15.43	5.45	-	-4.70	2151.3
BCE	45.82	0.48	59.22	42.58	8.87	22.78	30313.51
BkMontrl	119.96	-0.57	133.95	102.67	5.14	13.89	63454.15
BkNvaS◆	63.67	0.11	70.40	55.20	6.90	10.23	56769.34
Brookfield	58.88	11.29	63.88	41.28	0.65	73.96	69948.82
CanadPcR◆	112.59	-0.39	123.37	94.45	0.70	25.85	76183.26
CanImp◆	69.92	0.12	70.19	47.44	5.23	10.21	47817.65
CanNatRs	48.15	0.34	56.50	38.74	4.17	13.67	74301.36
CanNatRy	158.52	-6.83	181.34	143.13	2.11	18.05	72700.15
Enbridge	50.71	0.46	52.34	42.75	7.35	18.36	80072.91
GtWesLif	41.34	0.21	45.05	37.06	5.33	11.31	27941.55
ImpOil	96.62	1.07	101.63	67.28	2.26	10.79	37544.91
Manulife	35.97	-0.03	37.46	23.69	4.33	14.81	46541.42
Nutrien	69.01	0.66	92.48	64.89	4.35	28.62	24756.85
RylBkC	152.67	0.42	154.59	107.92	3.70	13.50	156669.51
SHOP	83.22	-3.15	123.20	63.16	-	-368.83	73054.22
Suncor En	53.14	0.66	56.69	39.05	4.18	8.44	49380.37
ThmReut	225.27	-2.16	242.92	163.01	1.24	28.33	73459.42
TntoDom◆	79.86	-0.02	87.10	73.67	5.13	12.92	101196.19
TrnCan◆	57.44	0.38	57.73	43.70	6.80	21.04	43216.43
China (HK$)							
AgricBkCh	3.53	0.07	3.85	2.50	6.88	4.50	13894.87
Bk China◆	3.45	-0.01	3.99	2.60	7.47	4.28	36942.65
BkofComm	5.81	0.08	6.33	4.23	7.17	4.53	26048.13
BOE Tech	0.53	0.02	0.87	0.40	5.73	6.62	13.50
Ch Coms Cons◆	4.58	0.10	5.07	3.16	5.52	2.78	2591.35
Ch Evrbrght	2.42	-	2.64	2.13	8.78	3.59	3929.01
Ch Rail Cons	5.09	0.07	5.96	4.06	6.05	2.65	1353.31
Ch Rail Gp	3.85	0.06	5.32	3.06	5.70	2.73	2074.24
ChConstBk◆	5.50	0.02	5.95	4.01	7.85	3.80	169323.51
China Vanke	4.14	-0.30	11.46	3.63	17.99	4.28	1169.76
ChinaCitic	4.66	0.06	5.23	3.39	7.90	3.60	8880.48
ChinaLife◆	10.72	-0.14	14.18	8.19	5.09	14.48	10214.65
ChinaMBank	33.35	-0.40	39.60	24.20	5.80	5.39	19605.67
ChinaMob	75.50	-0.05	79.00	60.90	6.23	10.99	198577.81
ChinaPcIns	20.15	-0.10	23.30	12.72	5.62	6.42	7161
ChMinsheng	2.79	-	3.20	2.43	8.64	3.61	2972.59
ChMrchSecs	14.45	-	15.91	12.62	1.32	15.09	14739.14
Chna Utd Coms	4.79	0.05	5.61	3.90	2.63	17.36	20384.38
ChShenFgy◆	33.75	0.60	40.70	21.45	8.81	10.66	14596.7
ChShpbldng	5.34	0.10	5.44	3.81	-	-167.08	16733.96
ChStConEng	5.59	0.15	6.25	4.54	4.65	4.14	31743.98
ChUncHK	7.46	-0.01	7.76	4.45	4.74	10.96	29229.47
CNNC Intl	12.20	0.48	12.20	6.87	1.43	21.20	31660.66
CSR	5.09	0.17	5.25	3.10	4.41	10.71	2849.02
Daqin	7.00	0.04	7.82	6.71	7.06	10.46	16898.88
GuosenSec	8.12	-	10.90	7.42	3.42	16.43	10198.4
HaitongSecs	3.47	-0.01	5.70	3.37	6.79	-78.53	1515.01
Hngzh HikVDT	29.32	-0.26	37.75	28.86	2.46	18.59	36702.16
Hunng Pwr◆	4.89	0.09	5.95	3.22	-	8.85	2943.29
IM Baotou Stl	1.42	-	1.97	1.36	-	206.93	6146.66
In&CmBkCh◆	4.39	0.05	4.88	3.35	7.67	4.10	48791.27
IndstrlBk	16.83	-0.11	18.45	13.95	7.27	5.09	48050.12
Kweichow	1440.02	-14.98	1935	1410.1	1.85	22.52	248605.11
Midea	0.30	-	0.40	0.26	-	-1.21	11.57
New Ch Life Ins	14.58	-0.12	23.45	12.46	8.26	6.14	1930.68
PetroChina◆	7.08	0.04	8.60	4.73	6.84	7.20	19128.47
PingAnIns◆	33.95	-0.30	57.45	29.55	8.19	6.62	32377.45
PngAnBnk	10.13	-0.05	12.53	8.96	2.90	4.35	27015.82
Pwr Cons Corp	5.29	0.03	6.08	4.45	2.34	7.52	9503.13
SaicMtr	14.49	-0.20	15.77	12.92	2.40	11.54	23050.7
ShenwanHong	0.06	-	0.14	0.05	-	-3.66	71.68
ShgPdgBk	8.55	-0.04	9.07	6.36	3.85	7.98	34489.69
Sinopec Corp◆	4.94	0.15	5.43	3.64	7.95	8.35	15395.36
Sinopec Oil	1.77	-0.01	2.27	1.60	-	53.80	3300.75
Denmark (kr)							
DanskeBk	212.70	-0.10	216.70	152.00	6.94	8.29	26673.07
MollerMrsk	10785	45.00	14430	8412	4.86	14.34	9525.53
NovoB	902.40	-19.90	1033.2	525.10	1.06	44.52	444959.39
Finland (€)							
Nokia	3.40	-0.01	3.80	2.70	3.59	22.31	20743.22
SampoA	39.54	-0.26	41.80	34.86	4.63	16.68	21526.87
France (€)							
Airbus Grpe	130.60	-1.60	172.78	120.28	1.40	25.88	112308.7
AirLiquide	165.60	-0.68	179.47	137.60	1.84	27.35	103913.37
AXA	32.11	-0.32	35.19	26.76	5.41	10.92	79166.82
BNP Parib	64.08	-0.61	73.08	52.82	6.19	10.40	78650.57
ChristianDior	618.00	-30.50	832.50	600.50	2.09	17.15	121080.24
Cred Agr	13.99	-0.06	15.93	10.85	7.64	6.33	45931.11
Danone	58.20	-0.36	63.80	50.59	3.54	41.49	42927.58
EDF	12.00	-	12.05	7.27	2.41	-2.31	53889.44
Engie SA	14.26	0.05	16.64	13.07	10.13	15.89	37692.83
EssilorLuxottica	195.60	-1.45	212.40	155.68	1.70	37.33	97090.54
Hermes Intl	2039	-43.00	2436	1641	0.66	48.08	233638.73
LOreal	398.25	-6.45	461.85	372.00	1.55	33.52	231140.56
LVMH	659.40	-32.20	886.40	644.00	1.96	21.08	357957.54
Orange	10.21	0.13	11.41	9.19	6.98	-	29464.12
PernodRic	125.00	-1.95	204.90	123.50	3.88	15.08	34370.35
Renault	47.55	-0.46	54.54	31.32	0.54	5.77	15262.44
Safran	200.50	-5.10	218.90	141.28	0.69	24.09	92981.52
Sanofi	93.57	0.78	104.32	80.60	3.87	25.47	128840.76
Sant Gbn	77.04	-1.32	82.76	46.87	2.68	14.28	42144.54
Schneider	226.05	-3.35	239.00	134.38	1.44	31.00	141216.62
SocGen	24.02	-0.04	27.95	20.23	7.20	13.71	20934.72
Total	62.46	0.33	70.11	52.82	4.83	7.48	162548.37
UnibailR	71.86	0.20	82.16	41.66	-	-5.94	10869.95
Vinci	105.50	-0.90	120.62	97.44	3.96	12.51	67391.11
Vivendi	10.75	0.07	11.17	7.99	2.40	24.82	12017.13
Germany (€)							
Allianz	259.70	-2.90	280.00	210.35	4.47	11.38	110417.03
BASF	44.80	0.05	54.93	40.25	7.72	1467.46	43399.68
Bayer	26.98	0.01	53.80	24.96	9.05	-8.36	28764.04
BMW	89.10	-0.92	115.35	86.54	9.71	5.22	58218.4
Continental	57.16	-0.04	78.40	51.58	2.67	15.60	12408.66
Deut Bank	14.38	-1.30	17.01	9.44	2.12	4.96	31129.05
Deut Tlkm	24.02	-0.13	24.41	18.50	-	26.82	130003.41
DeutsPost	44.73	0.54	45.03	29.68	4.18	14.57	60466.66
E.ON	12.68	0.06	13.48	10.43	4.09	27.09	36352.1
Fresenius Med	37.34	0.82	48.89	30.16	3.05	22.21	11891.7
Fresenius SE	31.46	0.12	31.50	23.93	2.98	41.48	19070.98
HenkelKgaA	73.60	-0.80	75.80	58.36	2.56	22.80	20753.89
Linde	409.80	-3.00	437.60	338.60	1.20	33.77	213803.18
Mercedes-Benz	63.46	-0.51	77.45	55.08	8.34	4.94	73689.79
MuenchRkv	450.50	-1.50	473.60	335.30	2.62	10.92	66729.15
SAP	193.82	-2.92	196.98	118.52	1.08	94.30	258442.98
Siemens	171.44	-2.18	188.88	119.48	2.79	18.70	148864.67
Volkswgn	110.20	-0.60	152.55	105.95	8.03	3.61	35295.99
Hong Kong (HK$)							
AIA	51.60	-2.10	78.85	45.25	3.05	19.76	73626.21
BOC Hold	23.35	0.05	26.10	17.86	6.24	7.44	31612.82
Ch OSLnd&Inv	12.62	-0.06	19.24	10.10	6.16	4.83	17687.15
ChngKng	29.80	-0.05	45.60	29.00	7.75	6.05	13355.97
Citic Ltd	7.21	-0.03	8.90	6.53	9.10	3.26	26857.88
Citic Secs	11.30	-0.10	18.02	10.66	4.84	8.12	3791.23
CK Hutchison	40.95	-0.10	49.00	35.35	7.03	6.58	20083.8
CNOOC	20.60	0.25	23.90	11.88	6.66	6.75	117588.15
HangSeng	101.80	0.70	120.20	78.05	5.28	11.20	24674.57
HK Exc&Clr	232.80	-3.00	336.00	212.20	3.57	24.54	37794.99
MTR	25.60	0.30	35.22	22.30	5.19	20.21	20405.84
SandsCh	15.50	-	31.45	15.34	-	22.88	16063.82
SHK Props	68.75	-0.90	99.60	65.30	7.30	7.97	25510.93
Tencent	363.20	-3.00	401.00	260.20	0.67	27.38	433505.87
India (Rs)							
Bhartiartl	1455.2	-10.50	1536.25	847.05	0.28	110.75	105765.38
HDFC Bk	1604.05	-14.35	1794	1363.55	1.21	16.44	145775.88
Hind Unilevr	2717.05	-49.30	2811.3	2172.05	1.51	60.51	76257.09
ICICI Bk	1223	-3.75	1257.8	899.00	0.67	20.17	102812.56
Infosys	1833.95	-2.95	1844	1324.25	1.98	30.45	90957.41
ITC◆	494.05	1.85	510.65	399.35	2.63	29.50	73744.15
L&T	3519.45	-18.60	3919.9	2553	0.70	37.91	57798.93
OilNatGas	319.55	5.40	333.30	168.90	3.29	7.96	48019.68
RelianceIn	2991.4	15.60	3217.6	2220.3	0.31	28.32	241760.08
SBI NewA	852.00	-11.90	912.00	543.20	1.36	11.04	90827.92
SunPhrmInds	1619.45	17.85	1638.85	1068.35	0.79	39.54	46413.98
Tata Cons	4306.25	3.90	4361.7	3311	1.22	33.33	186109.5
Israel (ILS)							
TevaPha	61.98	0.46	64.94	30.02	-	-39.81	19350.58
Italy (€)							
Enel	6.63	0.05	6.93	5.47	6.37	14.48	73172.44
ENI	14.06	0.03	15.83	13.38	6.73	12.91	50116.53
Generali	23.49	-0.14	24.98	17.98	5.09	9.65	40013.98
IntSPaolo	3.73	-0.02	3.77	2.31	6.39	8.13	73919.37
Unicred	39.10	0.08	39.33	20.44	2.60	7.51	69471.83
Japan (¥)							
AstellasPh	1660	6.00	2270	1426	4.31	568.43	19600.95
Bridgestne	6039	-109.00	7058	5474	3.65	11.49	28122.3
Canon	4432	-3.00	4703	3422	3.19	15.33	38570.01
CntJpRwy	3428	-69.00	4027	3218	0.90	8.56	23038.24
Denso	2429.5	-55.50	2993.5	2075.5	2.34	22.35	49962.49
EastJpRwy	2730.5	-63.50	3108.33	2505	1.41	13.22	20210.84
Fanuc	4248	-22.00	4799	3603	2.45	26.37	27590.62
FastRetail	40980	-340.00	48040	31140	0.87	35.54	85088.71
Fuji Hvy Ind	3029	-112.00	3614	2399.5	2.76	6.05	14899.96
Hitachi	3398	-53.00	3892	1712.2	5.03	3.61	102799.56
HondaMtr	1630	-44.00	1959.5	1386	3.31	7.76	56155.55
JapanTob	4435	-56.00	4622	3060	4.82	14.82	57875.5
KDDI	4573	-39.00	5080	4059	3.37	12.85	65400.71
Keyence	68990	-330.00	77400	52080	0.45	43.71	109479.96
MitsbCp	3230	-31.00	3775	2182.33	2.36	13.54	88074.06
MitsubEst	1175.05	-7.91	1199.24	972.54	-	-	-
MitsubishiEle	2661.5	-30.00	2942.5	1651.5	1.90	19.51	36697.67
MitsuiFud	818.76	-12.36	1071.91	732.82	-	-	-
MitUFJFin	1743	-26.00	1849.5	1053	2.44	13.54	140314.69
Mizuho Fin	3404	-70.00	3571	2223	3.19	12.27	56398.31
Murata Mfg	3578	-18.00	3816	2461	1.54	28.47	46472.75
Nippon TT	158.50	-2.20	192.90	144.00	3.41	10.26	93646.23
Nissan Mt	521.40	-18.20	712.50	518.00	3.17	4.27	13300.26
Nomura	932.00	-30.50	1021	526.20	2.36	22.87	19238.16
Nppn Stl	3270	-50.00	3847	3040	5.56	4.99	20824.16
Panasonic	1240	-31.00	1808	1240	2.89	5.24	19858.46
Seven & I	1765	-32.00	2244.5	1720.67	2.20	19.35	29995.05
ShnEtsuCh	6458	-149.00	6926	4190	1.60	24.07	84346.37
Softbank	10335	-45.00	12180	5639	0.47	-24.51	99128.29
Sony	14185	-165.00	15485	11535	0.62	18.63	115566.16
SumitomoF	10905	-195.00	11350	6177	2.63	15.82	93737.55
Takeda Ph	4245	-47.00	4873	3900	4.78	34.20	44065.04
TokioMarine	6007	-110.00	6679	2960.5	2.12	16.50	77527.37
Toyota	3100	-9.00	3891	2263.5	2.31	8.46	319486.32
Mexico (Mex$)							
AmerMvl	16.40	0.11	20.25	15.66	-	17.00	41116.45
FEMSA UBD	208.41	-3.67	245.00	181.43	1.73	29.79	23785.1
WalMrtMex	63.00	-0.50	73.50	59.28	2.01	18.20	59676.37
Netherlands (€)							
ASML Hld	831.60	-29.30	1021.8	534.40	0.74	45.25	360672.22
Heineken	89.08	-0.58	99.30	81.54	2.22	21.12	55692.17
ING	17.03	-0.06	17.24	11.43	4.42	8.05	61060.87
Unilever	52.40	-0.48	53.90	42.97	2.82	23.62	168857.58
Norway (Kr)							
DNB	220.00	-1.80	224.40	192.00	5.90	8.53	29796.7
Equinor	288.00	-0.75	382.85	256.70	4.72	7.86	72988.05
Telenor	128.50	0.50	131.80	105.25	7.60	22.99	15955.95
Qatar (QR)							
QatarNtBk	15.10	0.05	17.15	12.83	4.40	7.52	38305.41
Saudi Arabia (SR)							
AlRajhiBnk	83.70	-0.60	91.60	63.10	2.81	20.42	89251.44
Natnlcombnk	37.50	-0.40	44.35	30.90	3.95	11.32	59980.8
SaudiBasic	77.80	-0.70	91.00	73.40	4.47	200.31	62220.09
SaudiTelec	38.85	-0.15	45.95	35.00	4.21	14.08	51783.45
Singapore (S$)							
DBS	36.74	-0.01	38.55	28.19	4.83	8.99	77886.54
JardnMt US$	35.83	-0.17	50.06	33.72	6.22	14.92	10414.31
OCBC	15.11	-0.05	15.38	12.17	5.38	9.12	50672.05
SingTel	3.07	0.05	3.10	2.25	3.36	15.33	37764
UOB	32.88	0.02	33.33	26.82	5.02	9.58	41033.98
South Africa (R)							
Firstrand	78.13	-1.29	80.00	58.90	4.99	11.37	23936.08
MTN Grp	76.75	0.27	142.99	72.92	4.36	33.92	7898.29
Naspers N	3468.7	-19.47	4084.54	2673.3	-	8.16	33774.67
South Korea (KRW)							
HyundMobis	224500	2000	270000	198300	2.11	5.63	15085.92
KoreaElePwr	19350	30.00	25450	16030	-	17.24	8976.08
SK Hynix	208500	3500	248500	111300	0.61	-29.58	109681.69
SmsungEl	82000	-1900.00	88800	65800	1.85	26.90	353726.57
Spain (€)							
BBVA	10.10	-0.10	11.28	6.69	1.61	7.30	63180.19
BcoSantdr	4.71	0.14	4.93	3.33	3.04	6.89	80818.06
CaixaBnk	5.53	-0.02	5.60	3.49	7.21	8.63	43656.5
Iberdrola◆	11.97	0.18	12.53	9.88	4.40	12.86	83452.98
Inditex	45.07	-0.66	47.68	32.32	2.18	25.10	152463.31
Repsol	13.24	-0.03	16.22	12.88	5.76	5.42	18357.06
Telefonica	4.12	0.00	4.48	3.49	7.41	-25.31	25356.06
Sweden (SKr)							
AtlasCpcoB	160.55	-2.65	178.45	119.10	1.47	26.52	23280.75
Ericsson	71.00	-0.72	74.24	48.53	3.91	-9.04	20358.34
H & M	164.65	-1.45	195.10	137.10	4.19	26.76	21661.41
Investor	296.65	-3.35	301.95	197.88	1.53	5.48	50210.66
Nordea Bk	123.85	-1.00	134.30	114.90	8.83	7.23	40334.34
SEB	159.90	-3.00	164.15	120.70	5.47	8.53	31430.25
SvnskaHn	106.30	-0.70	125.95	89.68	6.30	7.38	19205.32
Swedbank	224.20	-0.80	233.80	173.95	6.96	7.02	23577.75
Telia Co	31.16	0.02	31.25	20.98	4.96	-252.34	11382.59
Volvo	270.60	-10.50	321.10	213.40	2.85	10.48	39932.31
Switzerland (SFr)							
ABB	48.37	-1.02	52.46	29.13	1.80	27.44	101824.9
CredSuisse	0.82	0.01	5.86	0.66	11.88	-0.31	3611.19
Nestle	93.56	-0.70	108.48	89.52	3.36	20.78	277340.28
Novartis	96.26	0.08	100.96	81.63	3.53	24.20	238505.07
Richemont	133.40	-2.35	151.10	102.95	1.77	19.55	81137.58
Roche	273.50	0.20	281.00	212.90	3.70	17.96	217402.16
Swiss Re	107.30	0.15	117.20	83.10	5.34	11.42	38544.39
Swisscom	532.00	-1.00	565.80	486.80	4.15	15.93	31180.22
UBS	26.85	-0.56	28.73	18.37	2.09	3.04	92957.06
Zurich Fin	474.60	-0.30	492.90	401.70	5.04	17.82	78588.49
Taiwan (NT$)							
Chunghwa Telecom◆	121.50	1.00	128.00	115.00	4.06	24.50	28702.01
Formosa PetChem	65.10	-0.80	85.40	63.50	1.77	26.31	18884.55
HonHaiPrc◆	231.50	9.00	234.50	94.00	2.76	17.91	85076.5
MediaTek◆	1275	50.00	1500	654.00	8.27	21.13	62096.74
TaiwanSem	979.00	40.00	1080	516.00	1.31	27.81	773148.13
Thailand (THB)							
PTT	31.75	-0.25	36.50	31.25	6.38	7.93	25079.45
United Arab Emirates (Dhs)							
Emirtestele	24.30	0.70	38.98	11.60	2.95	22.59	57535.64
United Kingdom (p)							
Anglo American	2222	37.50	2813	1630	4.56	123.16	38395.23
AscBrFd	2457	-7.00	2765	1907.5	1.93	15.89	23676.12
AstraZen	12214	24.00	12704	9461	1.87	38.10	244612.63
Aviva	434.00	-3.90	501.40	366.00	6.57	13.01	16738.49
Barclays	228.40	-2.10	234.30	128.12	3.50	8.82	43508.38
BP	453.05	2.40	562.30	424.63	4.82	6.73	96677.6
BrAmTob	2576	-9.00	2742	2233	8.96	-3.98	73825.69
BT	139.75	-0.20	145.95	101.70	5.51	7.39	17969.93
Compass	2294	4.00	2332	1940.5	1.88	29.31	50391.95
Diageo	2406.5	0.50	3500	2452	3.13	17.02	71699.16
GlaxoSmh	1510	0.50	1823.5	1330.19	3.84	13.88	80857.5
Glencore	433.35	-0.05	506.72	365.31	8.07	16.25	68302.76
HSBC	663.00	-3.10	725.20	572.90	7.35	7.22	158608.02
Imperial Brands	2086	-28.00	2128	19.68	6.80	8.32	23029.3
Jardine Mathes.	52.50	-	49.18	34.29	3.61	26.02	18166.19
LlydsBkg	59.66	0.14	59.99	39.42	4.22	8.52	48099.25
LSE Group	9436	-18.00	11080.2	7784	1.18	68.32	64762.19
Natl Grid	955.60	6.60	1052.85	645.00	5.48	17.42	60315.34
Natwest Group	337.50	-2.50	340.60	168.00	5.04	7.26	36215.55
Prudential	684.60	-2.80	1102.5	670.80	2.24	14.10	24249.16
ReckittB	4493	85.00	6006	4102.64	4.16	19.76	40514.63
RELX	3482	-30.00	3675	2462	1.61	37.00	83721.59
RioTinto	4337.5	65.50	5910	4509.5	6.43	10.21	79896.64
RollsRoyce	443.90	-16.10	488.50	152.18	-	15.47	48771.76
Shell PLC	2764	17.00	2961	2289	3.70	12.79	225150.31
StandCh	721.40	-3.20	796.00	571.00	2.96	8.15	23781.28
Tesco	327.20	1.30	327.80	217.53	3.33	16.66	29275.59
Unilever	4397	-48.00	4545	3680.5	3.41	19.82	141692.13
Vodafone◆	70.44	-0.14	82.56	62.71	10.92	18.56	24190.13
WPP	741.40	-8.80	865.43	7.24	5.31	73.41	10330.2
United States of America ($)							
21stC Fox A	37.15	0.08	37.95	28.29	1.43	11.46	8586.07
3M	104.61	-0.12	106.04	71.35	5.88	-8.04	57887.12
AbbottLb	106.04	2.12	121.64	89.67	2.01	32.30	184470.76
Abbvie	175.20	2.05	182.89	135.85	3.42	63.56	309380.04
Accenture	330.23	-0.10	387.51	278.69	1.49	29.32	221900.32
Activision Bli	94.42	-0.05	94.57	70.94	-	36.73	74289.5
Adobe	534.62	-11.39	638.25	433.97	-	50.00	237050.51
Advanced Micro	147.88	-6.12	227.30	93.12	-	209.58	239028.42
AEP	95.12	1.48	95.12	69.38	3.68	17.32	50139.82
Aflac	94.59	0.27	95.43	71.97	1.90	10.18	53748.16
AirProd◆	259.93	3.93	307.71	212.24	2.76	22.98	57783.97
Allstate	173.39	-0.22	179.93	104.29	2.12	37.10	45758.96
Alphabet	172.57	-0.22	191.75	120.21	-	25.88	1013690.28
Altria	49.14	0.02	49.92	39.07	8.07	10.05	84404.16
Amazon	181.96	-4.45	201.20	118.35	-	49.84	1893589.92
AmerAir	10.30	-0.18	17.32	10.26	-	14.19	6757.66
AmerExpr◆	243.01	-3.89	253.73	140.91	1.05	19.57	172758.64
AmerIntGrp	76.33	-0.55	80.83	57.02	1.93	11.16	50657.78
AmerTower	211.14	1.62	219.10	154.58	2.37	46.71	98597.11
Amgen	335.12	1.88	338.98	228.21	2.64	46.81	179769.99
Amphenol Corp	62.30	-3.96	70.84	39.34	0.71	37.26	37417.63
Analog Devices	226.89	-3.44	244.14	154.99	1.59	51.38	112584.16
Aon Cp	297.96	-0.47	344.63	268.06	0.84	22.78	64785.67
Apple	218.03	-6.98	237.23	164.08	0.45	33.16	3343289.9
Applied Materi.	209.34	-10.31	255.89	129.21	0.63	23.32	173328.25
Aptiv	68.76	0.17	113.14	65.13	-	6.32	18707.01
ArcherDan	62.48	0.20	87.30	51.49	3.03	10.60	30892.47
AT&T	19.15	0.94	19.33	13.89	5.93	10.07	137272.81
Autodesk	242.04	-4.19	279.53	192.01	-	51.00	52161.68
AutomData	247.60	-0.75	256.84	205.53	2.19	27.05	101340.53
AutoZone	2930.57	-20.96	3256.37	2375.35	-	19.80	49549.89
Avago Tech	155.34	-8.43	185.16	79.51	12.44	5.69	72308.96
BakerHu	35.23	-0.42	37.58	28.32	2.32	19.25	35159.46
Bank of NY	64.33	0.70	65.91	39.66	2.59	15.77	48106.99
BankAm	42.65	0.24	44.44	24.96	2.25	14.38	333499.69
Baxter	35.45	0.18	49.23	31.01	3.35	-444.26	18062.07
BectonDick	236.20	1.87	287.32	218.75	1.61	49.46	68263.33
BerkshHat	648845.69	-2734.31	741971.4	502000	-	9.64	365001.01
Biogen	226.99	2.70	280.42	189.44	-	27.75	33049.04
BlackRock	843.71	-0.98	851.88	596.18	2.44	20.97	125375.29
Boeing	183.09	-3.39	267.54	159.70	-	-50.57	112396.06
Booking Holdings	3836.91	-82.29	4144.32	2733.04	0.23	28.26	130176.91
Bristol-Myers	44.11	1.13	65.38	39.35	5.43	-13.91	89405.25
Broadcom	155.34	-8.43	185.16	79.51	12.44	5.69	72308.96
Cadence Design	271.72	-11.27	328.99	217.77	-	69.19	74022.78
CapOne	148.62	3.12	153.35	88.23	1.65	11.38	56505.32
CardinalHlth	96.18	0.34	116.04	85.12	2.13	41.62	23426.27
Carnival	18.65	-0.42	19.74	10.84	-	57.07	20933.78
Caterpillar	340.37	-3.80	382.01	223.76	1.53	15.04	166458.91
Centene Corp	65.50	0.61	81.42	60.83	-	12.63	34954.47
CharlesSch	65.95	0.81	79.49	48.66	1.55	26.98	117211.7
Charter Comms	313.24	-6.80	458.30	236.08	-	9.92	45115.96
Chevron Corp	154.63	0.54	171.70	139.62	3.96	13.43	285603.01
Chipotle Mexic.	51.53	-1.02	69.26	35.37	-	1.08	1415.37
Chubb	261.32	-1.93	275.41	195.36	1.35	11.36	106111.87
Cigna	337.90	1.73	365.71	253.95	1.54	27.13	95988.6
Cintas Corp	760.38	4.34	773.78	474.74	0.70	51.38	77150.63
Cisco	46.78	0.42	58.19	44.95	3.38	14.02	188467.96
Citigroup	64.23	-0.43	67.81	38.17	3.34	18.31	122514.85
CME Grp	198.95	1.51	223.80	188.36	4.99	22.16	71560.52
Coca-Cola	65.17	0.21	66.04	51.55	2.93	25.59	280727.91
Cognizant	73.46	-0.43	80.09	62.14	1.63	17.23	36524.23
ColgtPlm	96.60	0.05	99.63	67.62	2.03	29.99	79254.61
Comcast	38.10	-0.42	47.46	36.43	3.17	9.88	149110.75
ConocPhil	111.44	0.61	135.18	105.77	3.29	12.34	130332.87
Constellation	245.92	-0.07	274.87	227.50	1.48	25.64	44803.85
Corning	44.00	-0.07	46.39	25.26	2.60	59.75	37686.96
Corteva	54.69	0.30	58.76	43.22	1.18	54.02	38117.62
Corteva	54.69	0.30	58.76	43.22	1.18	54.02	38117.62
Costco	834.93	-17.18	896.07	530.56	0.50	53.50	370153.71
CrownCstl	105.84	1.55	119.50	84.72	6.05	32.34	45989.94
CSX	33.34	-0.30	40.12	29.03	1.38	17.82	65177.27
CVS	58.21	0.24	83.25	52.77	4.36	9.99	73068.98
Danaher◆	266.65	2.47	272.98	182.09	0.40	47.84	197504.07
Deere◆	373.05	1.53	450.00	345.94	1.45	10.72	102801.51
Delta	43.64	0.03	53.86	30.60	0.70	5.47	28166.1
Devon Energy	46.11	0.15	55.09	40.47	5.37	8.59	29141.52
Digital Realty	154.38	-0.71	162.58	113.94	3.23	41.70	48232.42
DiscFinServ	141.46	1.86	147.61	79.04	2.02	15.70	35473.86
Disney◆	90.06	-0.88	123.74	78.73	0.34	95.72	164183.25
Dollar General	116.74	-3.67	173.47	101.09	2.09	16.49	25669.4
DominRes	52.04	1.32	54.74	39.18	5.25	22.03	43584.17
DukeEner	108.53	1.41	108.59	83.06	3.84	18.99	83760.05
DuPont	80.47	0.29	82.63	61.14	1.86	85.53	33644.86
Eaton	307.51	-14.43	345.19	191.82	1.17	35.50	122940.58
eBay	53.78	0.54	55.69	37.17	1.94	10.50	26997.56
Ecolab	247.23	0.51	247.40	156.72	0.91	44.77	70601.42
Edwards Lifesc.	86.81	-0.25	96.12	60.57	-	36.59	52308.69
Elevance	507.96	5.54	555.36	431.38	1.22	18.74	117788.75
Eli Lilly	857.80	-20.49	966.10	446.56	0.56	123.54	815257.74
Emerson	115.93	-1.70	119.53	83.10	1.84	33.74	66320.69
EOG Res◆	125.64	0.74	139.67	108.94	2.76	9.71	72206.64
Equinix	801.25	-1.72	914.93	677.80	1.96	78.59	76043.47
EquityResTP	71.15	0.29	71.40	52.57	3.83	29.74	27005.24
Exelon	36.39	0.52	43.53	33.35	4.10	15.27	36385.91
ExxonMb	114.89	1.48	123.75	95.77	3.31	13.77	453012.06
Fedex	299.08	-1.73	313.84	224.69	1.68	16.90	73064.69
Fidelity NIS	75.37	0.27	78.73	46.91	2.61	102.36	41924.67
Fiserv	-	-	-	-	-	-	-
FordMtr	13.81	-0.03	14.85	9.63	4.44	13.92	54136.1
Franklin	23.25	0.04	30.32	21.57	5.37	13.14	12231.62
GenDyn◆	282.45	-12.01	302.75	213.47	1.95	22.53	77494.14
GenElectric	166.96	-5.04	180.36	105.53	0.15	42.96	182754.98
GenMills	65.07	1.08	77.63	60.33	3.63	14.61	36318.54
GenMotors	46.27	-0.12	50.50	26.30	0.86	5.52	52786.42
GileadSci	72.54	1.37	87.87	62.07	4.26	197.04	90374.19
GoldmSchs	493.44	1.29	509.48	289.36	2.16	21.29	159114.78
Halliburton	33.25	-0.24	43.85	32.60	2.00	11.29	29436.27
HCA Hold	340.74	0.57	348.00	215.96	0.74	16.62	89244.61
Hew-Pack	37.81	0.10	39.52	25.22	2.94	12.38	36994.45
Hiltn Worldwi	216.90	-3.77	229.03	146.00	0.28	46.11	54233.74
HiltonWwde	216.90	-3.77	229.03	146.00	0.28	46.11	54233.74
HomeDep	355.64	-3.98	396.87	274.26	2.38	23.20	352657.67
Honywell	215.61	-1.77	220.79	174.88	2.00	24.43	140402.11
HumanaInc◆	385.93	0.06	530.54	298.61	0.94	23.24	46504.21
IBM	183.71	-0.39	199.18	135.87	3.70	20.37	168756.5
IDEXX Laborato.	475.38	4.97	583.39	372.50	-	45.04	39260.36
IllinoisTool	240.80	-2.26	271.15	217.50	2.34	23.22	71854.72
Illumina	116.45	0.85	190.15	86.50	-	-13.97	18550.49
Intcntl Exch	148.05	-0.52	150.00	104.49	1.18	33.28	84919.2
Intel	32.21	-0.75	51.28	29.73	2.33	79.45	137096.69
Intuit	622.99	-14.11	676.62	473.56	0.58	55.81	174154.99
John&John	155.44	3.09	175.97	143.13	3.13	22.59	374094.21
JohnsonCn	68.72	-0.41	74.23	47.90	2.11	22.69	46291.62
JPMrgnCh◆	210.75	0.42	217.56	135.19	2.06	12.44	605109.05
Kimb-Clark	138.35	2.47	145.62	116.32	3.52	24.82	46583.83
KinderM	21.32	-0.30	21.86	15.89	5.42	19.13	47318.94
KLA Corp	773.19	-34.47	896.32	440.15	0.73	39.58	104101.73
Kraft Heinz	33.10	0.30	38.96	30.68	4.94	14.13	40187.2
Kroger	53.93	0.09	58.34	42.10	2.07	17.96	38926.18
LasVegasSd	40.50	-0.63	60.47	40.46	1.52	19.13	30174.41
LibertyGbl	18.85	-0.17	19.80	15.01	-	-2.79	3244.38
Lily (E)	857.80	-20.49	966.10	446.56	0.56	123.54	815257.74
Linde	445.83	-1.58	477.71	361.02	1.20	33.85	214299.91
Lockheed	510.56	9.27	513.08	393.77	2.46	18.27	122501.62
Lowes◆	235.54	-1.62	262.49	181.85	1.93	18.28	134219
Lyondell	96.37	0.29	107.02	88.46	5.31	14.54	31378.59
Marathon Ptl	166.42	2.45	221.11	126.22	1.94	8.09	58634.84
Marsh&M	217.41	-1.63	221.71	184.02	1.61	26.98	106912.65
MasterCard	429.63	-12.09	490.00	359.77	0.54	35.84	396320.8
McDonalds	250.41	-3.64	302.39	243.53	2.52	21.38	180465.89
McKesson	585.53	-0.21	612.17	395.30	0.42	25.57	76081.45
Medtronic	80.06	0.66	91.00	68.84	3.48	25.05	102658.52
Merck	125.31	0.93	134.63	99.14	2.45	136.14	317373.29
Meta	467.92	-20.77	542.81	274.38	0.11	26.33	1025421.52
Metlife	75.44	0.25	76.90	57.91	2.82	25.53	53647.15
Microsoft	431.63	-13.22	468.35	309.45	0.68	36.57	3208006.15
Mnstr Bvrg	49.74	-0.58	61.23	47.13	-	30.78	51810.35
MondelezInt	66.30	0.29	77.20	60.75	2.56	20.65	88925.4
Monsanto	10.07	0.02	11.13	9.56	-	51.84	251.75
MorganStly	103.19	-0.31	109.11	69.42	3.30	18.35	167700.54
Netflix	643.53	0.77	697.49	344.73	-	43.61	276180.3
NextEraE	74.32	2.21	80.47	47.15	2.64	19.86	152692.86
Nike	71.89	-1.51	123.39	71.24	2.02	20.70	87091.97
NorfolkS	223.67	-0.62	263.66	183.09	2.47	35.22	50529.06
Northrop	441.64	-0.66	496.89	414.56	1.73	30.09	65358.29
NXP	260.16	-2.15	296.08	167.21	1.59	23.51	66517.41
Occid Pet	60.52	0.11	71.19	55.12	1.28	17.10	53654.82
Oracle	140.63	-2.48	146.59	99.26	1.16	36.33	387556.59
Pepsico	167.01	0.73	192.38	155.83	3.10	24.59	229393.46
Perrigo	27.70	-0.15	40.28	24.82	4.03	2713.19	3764.20
Pfizer	29.61	0.11	37.80	25.20	5.61	78.96	167759.48
Phillips66	138.00	0.93	174.08	105.56	3.11	10.37	58505.39
PhilMorris	110.18	0.62	111.36	87.23	4.80	21.04	171273.31
PNCFin	179.83	1.21	180.97	109.40	3.50	14.76	71555.65
PPG Inds	126.51	-0.21	151.19	120.33	2.08	20.86	29514.78
ProctGmbl	167.08	0.46	170.92	141.45	2.30	26.70	394331.4
Prudntl	124.63	0.20	128.53	87.95	4.14	20.55	44740.38
PublStor	301.01	-0.97	314.93	233.18	4.08	26.73	52894
Qualcomm	182.74	-10.61	230.63	104.33	1.79	23.83	203937.84
Raytheon	104.95	-0.02	108.65	68.56	2.30	40.40	139531.66
Regen Pharm	1059.87	4.30	1106.16	721.51	-	30.60	114406.34
S&P Global	486.93	-8.64	498.15	340.49	0.76	53.38	152358.83
Salesforce	252.09	-3.97	318.72	193.68	-	59.17	244275.21
Schlmbrg	48.34	-0.71	62.12	42.61	2.17	15.76	69094.33
Sempra Energy	79.21	1.48	79.46	63.75	3.10	17.14	50127.71
Shrwin-Will	337.28	-7.22	348.37	232.06	0.77	35.16	85517.02
SimonProp	154.08	-2.74	158.50	102.11	5.04	19.19	50220.19
SouthCpr	105.20	-0.50	129.79	68.22	3.66	34.19	81327.94
Starbucks	74.29	-1.97	107.66	71.55	3.03	20.01	84148.28
StateSt	84.11	0.30	86.24	62.78	3.28	15.95	25338.88
Stryker◆	339.50	-2.23	361.41	249.98	0.93	37.90	129332.45
Sychrony Fin	50.61	-0.20	52.67	27.30	1.98	7.09	20002.42
T-MobileUS	175.36	-1.20	185.42	131.47	0.76	23.33	205496.36
Target	146.76	-3.51	181.86	102.93	3.08	15.95	67896.54
TE Connect	159.11	7.71	159.98	115.00	1.52	14.18	48724.02
Tesla Mtrs	220.57	-25.81	278.98	138.80	-	55.16	703441
TexasInstr	199.56	1.27	210.84	139.48	2.60	30.40	181695.82
TheTrvelers	207.85	-0.68	232.75	157.33	1.97	15.10	47375.55
ThrmoFshr	568.86	16.62	603.82	415.60	0.25	36.33	217143.15
TJX Cos	112.03	-1.39	115.35	85.27	1.22	26.94	126610.61
Truist Financial Corp	44.15	-	44.38	26.57	4.82	-32.96	59076.94
Twitter	53.70	0.35	60.16	31.30	-	-402.23	41093.72
UnionPac	239.92	0.42	258.66	199.33	2.22	22.41	146380.5
UPS	125.76	-1.93	192.98	124.80	5.28	17.80	91725.63
USBancorp	45.70	0.15	45.85	30.47	4.34	14.84	71305.22
UtdHlthcre	557.99	3.29	581.50	436.38	1.32	23.08	513561.07
ValeroEngy	148.27	1.40	184.79	119.88	2.85	7.11	48483.75
Verizon◆	39.57	0.68	43.42	30.14	6.84	14.49	166560.22
VertexPharm	489.75	-0.57	498.77	340.20	-	31.08	126381.65
VF Cp	16.13	-0.15	21.17	11.00	4.95	-6.33	6273.12
Visa Inc	253.50	-11.29	290.96	227.68	0.78	27.73	399047.53
Walgreen	11.38	0.15	31.32	10.69	15.17	-1.59	9819.75
WalMartSto	70.60	-0.05	71.33	49.85	1.09	36.44	567874.16
Walt Disney◆	90.06	-0.88	123.74	78.73	0.34	95.72	164183.25
Waste Manage.	217.94	-0.79	225.00	149.71	1.34	34.88	87412.05
WellsFargo	59.75	0.08	62.55	38.39	2.31	12.17	208289.91
Williams Cos	42.67	-1.41	45.10	32.50	4.36	17.10	52004.23
Workday	221.54	-4.50	311.28	202.01	-	38.28	46966.48
Yum!Brnds	125.96	-0.51	143.20	115.53	2.02	21.84	35472.99
Zoetis◆	180.15	0.77	201.92	144.80	0.88	33.94	82201.57
Zoom	58.65	-0.78	75.91	55.63	-	20.97	15459.8
Venezuela (VEF)							
Bco de Vnzla	18.00	1.00	19.50	3.80	42.81	-	1797.93
Bco Provncl	4.95	-	23.45	3.60	-	0.86	360.62

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 %
Telia Co	31.16	31.14	0.02	0.06	2.51	8.8	14.31
Lockheed	510.56	501.29	9.27	1.85	25.22	7.2	8.33
GenElectric	166.96	172.00	-5.04	-2.93	15.34	6.6	3.91
Fresenius SE	31.44	31.34	0.10	0.32	1.78	6.4	6.39
Infosys	1833.95	1836.90	-2.95	-0.16	110.85	6.3	19.65
DanskeBk	212.70	212.80	-0.10	-0.05	12.60	6.2	3.60
CNNC Intl	12.20	11.72	0.48	4.10	0.23	6.2	17.53
Danaher	266.65	264.18	2.47	0.93	12.93	6.1	3.82
ITC	494.05	492.20	1.85	0.38	26.65	6.1	17.74
Cintas Corp	760.38	756.04	4.34	0.57	36.26	5.6	6.96
HCA Hold	340.74	340.17	0.57	0.17	17.19	5.5	-0.27
TrnCan	57.43	57.06	0.42	0.74	2.46	5.3	7.57
BcoSantdr	4.71	4.57	0.14	3.03	0.09	5.2	8.54
CSR	5.09	4.92	0.17	3.46	0.07	4.9	9.23
Compass	2294.00	2290.00	4.00	0.17	104.00	4.9	2.23
NextEraE	74.32	72.11	2.21	3.06	1.21	4.8	0.51
Swedbank	224.20	225.00	-0.80	-0.36	10.00	4.3	4.82
Telenor	128.50	128.00	0.50	0.39	4.60	4.1	4.39
ChStConEng	5.59	5.44	0.15	2.76	0.07	4.1	2.01
BOE Tech	0.53	0.51	0.02	3.92	0.00	3.9	-1.85

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 %
UPS	125.76	127.68	-1.93	-1.51	-19.70	-14.7	-9.24
Tesla Mtrs	220.57	246.38	-25.81	-10.48	-2.12	-11.2	20.93
China Vanke	4.14	4.44	-0.30	-6.76	-0.20	-10.8	-16.46
PetroChina	7.08	7.04	0.04	0.57	-0.88	-10.6	-7.81
SK Hynix	208500.00	205000.00	3500.00	1.71	-28000.00	-10.5	-10.90
Fuji Hvy Ind	3029.00	3141.00	-112.00	-3.57	-241.00	-10.4	-9.47
Hitachi	3398.00	3451.00	-53.00	-1.54	-336.00	-10.2	1.10
SHOP	85.71	86.37	-0.66	-0.76	-8.95	-10.1	-2.17
Softbank	10335.00	10380.00	-45.00	-0.43	-1045.00	-9.5	4.36
Halliburton	33.25	33.49	-0.24	-0.72	-2.87	-8.6	-3.16
CNOOC	20.60	20.35	0.25	1.23	-1.95	-7.6	-9.45
Disney	90.06	90.94	-0.88	-0.97	-6.37	-7.5	-11.72
Walt Disney	90.06	90.94	-0.88	-0.97	-6.37	-7.5	-11.72
GenMotors	46.27	46.38	-0.12	-0.25	-3.52	-7.3	-3.87
Advanced Micro	147.88	154.00	-6.12	-3.97	-5.43	-7.2	-7.63
TaiwanSem	979.00	939.00	40.00	4.26	-116.00	-7.2	0.93
Keyence	68990.00	69320.00	-330.00	-0.48	-5010.00	-7.2	-1.47
Visa Inc	253.50	264.79	-11.29	-4.26	-7.91	-7.0	-8.25
Fanuc	4248.00	4270.00	-22.00	-0.52	-292.00	-6.9	1.14
CanNatRy	157.32	165.35	-8.03	-4.86	-3.58	-6.9	-2.54

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Jul 24	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$										
Petrobras Global Fin BV (PGF)	05/26	8.00	BB-	Ba1	BB	105.20	5.71	-0.03	-0.33	1.53
High Yield Euro										
Turkiye	02/26	10.00	-	-	B	69.87	37.85	0.05	2.39	33.67
Emerging US$										
Turkey	03/21	5.00	-	WR	NR	-	-	-	-	-
Turkey	09/21	9.00	-	-	NR	-	-	-	-	-
Poland	04/26	3.00	A-	A2	A-	97.43	4.84	-0.02	-0.21	0.66
Mexico	05/26	11.00	BBB	Baa2	BBB-	110.51	5.32	-0.08	-0.27	-
Brazil	01/27	10.00	-	Ba2	BB	97.28	11.64	0.12	-0.18	7.47
Brazil	01/27	10.00	-	Ba2	BB	97.28	11.64	0.12	-0.18	7.47
Colombia	03/28	11.00	BB+	Baa2	BB+	115.00	7.08	0.00	-0.35	-
Peru	08/28	6.00	-	Baa1	BBB	102.93	5.53	0.00	-0.06	1.35
Peru	08/28	6.00	-	Baa1	BBB	102.93	5.53	0.00	-0.06	1.35
Emerging Euro										
Mexico	03/26	5.00	-	Baa2	BBB-	92.61	10.80	-0.01	0.05	6.62
Mexico	03/26	5.00	-	Baa2	BBB-	92.61	10.80	-0.01	0.05	6.62
Brazil	01/27	10.00	-	Ba2	BB	97.28	11.64	0.12	-0.18	7.47
Bulgaria	03/27	2.00	-	Baa1	BBB	98.02	3.41	0.02	-0.04	-0.77

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

Jul 24	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$										
Morgan Stanley	01/28	4.00	A-	A1	A+	94.91	5.63	-0.03	0.02	-
Truist Financial Corporation	01/28	6.00	A-	A3	A	101.29	5.59	-0.05	-0.23	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A2	A	98.43	5.49	-0.03	-0.07	-
National Rural Utilities Cooperative Fin Corporation	02/28	3.00	A-	A2	A	92.65	5.27	-0.03	-0.15	1.09
Washington Gas Light Company	03/28	6.00	A	WR	A	102.83	6.07	0.03	0.17	
Barclays Bank plc	01/29	4.00	A+	A1	A+	94.40	5.93	-0.03	-0.17	-
Euro										
Spain	10/24	2.00	-	Baa1	A-	99.77	3.61	-0.05	0.01	-0.57
HSBC Holdings plc	06/28	3.00	-	Baa1	A-	97.99	3.69	-0.06	-0.21	-0.49
BHP Billiton Fin Ltd	04/30	1.00	-	A1	A	89.64	3.52	-0.04	-0.18	-
Spain	10/46	2.00	-	Baa1	A-	87.90	3.71	0.01	-0.15	-
Yen										
Japan	03/55	1.00	-	A1	A	82.46	2.19	0.00	0.02	-
£ Sterling										
National GridElectricity Transmission plc	07/28	6.00	-	Baa1	A-	103.84	5.41	-0.04	-0.09	-
Anglian Water Services Financing Plc	01/29	6.00	-	A3	A-	104.63	5.42	0.00	-0.02	-

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

INTEREST RATES: OFFICIAL

Jul 24	Rate	Current	Since	Last
US	Fed Funds	5.25-5.50	26-07-2023	5.00-5.25
US	Prime	8.50	26-01-2023	8.25
US	Discount	5.50	01-08-2023	5.25
Euro	Repo	4.00	14-09-2023	3.438
UK	Repo	5.25	03-08-2023	5.00
Japan	O'night Call	0.00-0.10	01-02-2016	0.00
Switzerland	Libor Target	-1.25--0.25	15-01-2015	-0.75--0.25

INTEREST RATES: MARKET

Jul 24 (Libor: Jul 23)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	5.06157	0.010	0.000	0.000	5.46406	5.54621	5.57234	6.04143
Euro Libor	-0.64957	-0.064	0.000	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	0.000	0.001	4.20130	5.30370	4.74470	0.81363
Swiss Fr Libor	-0.77860	0.009	0.000	-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor	-0.09217	-0.001	0.000	0.000	-0.06005	-0.02617	0.07165	0.04867
Euro Euribor				-0.012	3.61800	3.68500	3.64200	3.50800
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.000	5.39000	5.34000	5.23000	
Euro CDs				0.000	3.70000	3.63000	3.50000	

Jul 24	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	3.21	3.51	3.47	3.77	3.55	3.85	3.48	3.78	3.35	3.65	3.17	3.47
Sterling	0.45	0.55			0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	5.03	5.23	5.22	5.42	5.29	5.49	5.24	5.44	5.13	5.33	4.88	5.08
Japanese Yen	-0.30	-0.10	-0.30	-0.10	-0.25	0.05	-0.15	0.05	-0.05	0.15	0.00	0.20

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

BOND INDICES

	Index	Day's change	Month's change	Year change	Return 1 month	Return 1 year
Markit IBoxx						
ABF Pan-Asia unhedged	212.63	0.03	1.20	-1.26	1.45	1.38
Corporates(£)	357.53	-0.01	0.85	0.85	0.67	9.46
Corporates(€)	227.49	0.18	0.98	1.43	0.88	6.61
Eurozone Sov(€)	220.80	0.10	1.45	-0.71	0.78	3.82
Gilts(£)	273.82	0.06	0.73	-2.26	-0.08	4.20
Overall(£)	288.17	0.04	0.73	-1.44	0.09	5.40
Overall(€)	218.60	0.12	1.23	-0.12	0.75	4.57
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	864.90	-1.63	-	-	7.29	27.49
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	298.59	6.00	7.06	-19.22	347.09	281.11
Europe 5Y	54.60	1.25	1.49	-5.62	65.25	49.53
Japan 5Y	51.65	1.06	2.49	-1.73	58.00	45.14
Senior Financials 5Y	62.64	1.58	2.00	-7.41	75.93	57.39
Markit CDX						
Emerging Markets 5Y	163.54	0.30	4.29	-8.14	186.63	156.34
Nth Amer High Yld 5Y	324.65	0.98	7.90	-18.88	373.48	316.75
Nth Amer Inv Grade 5Y	49.58	0.38	1.58	-4.35	57.96	48.00

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

VOLATILITY INDICES

	Jul 24	Day Chng	Prev	52 wk high	52 wk low
VIX	16.98	2.26	14.72	23.08	10.62
VXD	15.34	1.32	14.02	36.88	3.74
VXN	22.09	2.07	20.02	26.10	6.48
VDAX	15.10	1.31	13.79	93.30	-

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

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia	-	-	-	-	-	-	-	-
	05/32	1.25	80.05	4.28	0.04	0.09	0.03	0.27
	02/50	1.00	92.91	2.21	0.05	0.12	0.08	0.45
Austria	02/29	0.50	90.55	2.72	-0.04	0.00	-0.16	-0.25
	02/47	1.50	73.02	3.20	-0.02	0.02	-0.08	0.04
Belgium	06/27	0.80	94.65	2.74	-0.04	-0.01	-0.11	-0.24
	06/47	1.60	71.32	3.43	-0.01	0.02	-0.09	0.02
Canada	03/25	1.25	98.20	4.32	-0.02	0.05	-0.24	-0.41
	06/30	1.25	89.06	3.32	-0.03	0.04	-0.14	-0.21
	12/48	2.75	89.32	3.40	-0.01	0.05	-0.03	0.09
Denmark	11/29	0.50	90.94	2.33	-0.02	0.01	-0.07	-0.33
	11/52	0.25	53.75	2.57	-0.02	0.02	-0.07	-0.07
Finland	09/24	0.00	99.48	3.73	0.00	0.08	-0.03	0.16
	09/29	0.50	89.24	2.77	-0.03	0.02	-0.12	-0.13
France	05/28	0.75	92.51	2.84	-0.01	0.03	-0.17	-0.06
	05/48	2.00	75.84	3.51	0.01	0.06	-0.13	0.21
Germany	08/29	0.00	88.94	2.34	-0.05	0.00	-0.06	-0.11
	08/50	0.00	51.22	2.60	-0.02	0.02	-0.04	0.19
Greece	-	-	-	-	-	-	-	-
	01/28	3.75	103.42	2.71	0.02	0.00	-0.28	-0.77
Ireland	-	-	-	-	-	-	-	-
	05/26	1.00	96.76	2.86	-0.03	-0.01	-0.11	-0.13
	02/45	2.00	83.45	3.10	-0.01	0.03	-0.11	-0.16
Italy	02/25	0.35	98.42	3.45	0.02	0.10	-0.08	-0.23
	05/30	0.40	93.50	1.58	0.03	0.08	-0.25	-0.16
	03/48	3.45	88.97	4.19	0.02	0.06	-0.25	-0.10
Japan	04/25	0.05	99.87	0.23	0.00	0.03	-0.01	0.20
	12/29	0.10	97.23	0.62	0.01	0.05	0.02	0.40
	12/49	0.40	67.26	2.06	0.00	-0.01	0.00	0.76
Netherlands	07/27	0.75	94.74	2.61	-0.05	-0.02	-0.11	-0.24
	01/47	2.75	98.41	2.85	-0.03	0.02	-0.06	0.12
New Zealand	05/31	1.50	83.95	4.24	0.00	0.02	-0.33	-0.41
	09/40	2.50	124.63	2.73	-0.01	-0.01	-0.10	0.04
Norway	08/30	1.38	88.74	3.46	-0.04	0.04	-0.19	-0.33
Poland	-	-	-	-	-	-	-	-
	07/27	2.50	92.53	5.26	0.01	0.07	-0.04	0.02
	04/47	4.00	80.10	5.56	0.00	0.06	-0.03	0.03
Portugal	04/27	4.13	103.67	2.70	-0.03	0.03	-0.16	-0.26
Spain	-	-	-	-	-	-	-	-
	10/29	0.60	89.02	2.88	-0.01	0.04	-0.18	-0.33
	10/46	2.90	87.90	3.71	0.01	0.05	-0.15	-0.10
Sweden	06/30	0.13	120.01	0.65	-0.04	-0.03	-0.18	-0.13
	03/39	3.50	116.94	2.14	-0.03	-0.02	-0.18	-0.41
Switzerland	04/28	4.00	112.24	0.64	-0.04	-0.01	-0.03	-0.35
	06/29	0.00	97.04	0.61	-0.05	0.00	-0.03	-0.34
United Kingdom	-	-	-	-	-	-	-	-
	07/27	1.25	92.21	4.04	-0.01	0.04	-0.09	-0.48
	07/47	1.50	56.24	4.61	0.00	0.07	-0.03	0.17
United States	-	-	-	-	-	-	-	-
	03/25	0.50	96.98	5.03	-0.02	-0.02	-0.18	0.02
	02/30	1.50	86.83	4.18	-0.03	0.06	-0.17	0.20
	02/50	0.25	62.10	2.20	0.00	0.10	-0.03	0.53

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

GILTS: UK CASH MARKET

Jul 24	Price £	Red Yield	Change in Yield Day	Change in Yield Week	Change in Yield Month	Change in Yield Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Tr 2.75pc '24	99.79	4.45	0.23	1.14	-4.71	-12.92	100.00	97.48	35.81
Tr 2pc '25	97.26	4.54	-0.87	-0.66	-1.73	-7.72	97.26	93.73	40.34
Tr 0.125pc '26	94.42	3.96	-1.49	-1.00	-5.26	-14.84	94.42	88.93	35.68
Tr 1.25pc '27	92.32	4.00	-0.74	-0.25	-0.99	-10.71	92.93	87.23	41.41
Tr 4.125pc '29	100.34	4.05	-0.49	3.58	2.79	-7.74	100.34	79.49	17.71
Tr 1pc '32	80.58	4.02	0.00	1.52	1.52	-4.74	83.29	74.53	36.33
Tr 4.25pc '36	99.99	4.25	0.24	1.67	1.67	-1.39	106.09	94.63	32.01
Tr 4.5pc '42	99.28	4.56	0.44	1.79	1.33	2.47	106.98	92.93	28.65
Tr 3.75pc '52	86.21	4.63	0.22	1.98	1.54	5.23	95.61	79.70	25.37
Tr 4pc '60	89.60	4.60	0.44	2.22	2.22	7.23	101.27	83.11	25.39

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**	Jul 24	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	83.10	0.08	2466.23	0.45	5.69	4.10
2 5 - 10 Years	146.49	-0.01	3241.18	0.04	5.92	4.01
3 10 - 15 Years	152.86	-0.10	3698.85	-0.22	5.21	4.29
4 5 - 15 Years	146.93	-0.04	3350.39	-0.06	5.78	4.15
5 Over 15 Years	192.92	-0.23	3535.30	-0.85	1.12	4.57
7 All stocks	131.33	-0.05	3067.43	-0.11	4.23	4.40

Index Linked	Jul 24	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	340.36	0.16	0.05	4.58	2927.76	0.32	5.49
2 Over 5 years	512.52	-0.07	-0.80	-2.18	3949.33	-0.70	-1.50
3 5-15 years	462.20	0.05	-0.49	2.61	3802.89	-0.22	3.69
4 Over 15 years	546.28	-0.15	-1.03	-5.29	4068.97	-1.03	-4.85
5 All stocks	495.44	-0.03	-0.67	-0.89	3899.19	-0.52	-0.16

Yield Indices	Jul 24	Jul 23	Yr ago		Jul 24	Jul 23	Yr ago
5 Yrs	3.94	3.95	4.35	20 Yrs	4.56	4.55	4.44
10 Yrs	4.16	4.15	4.27	45 Yrs	4.46	4.44	4.18
15 Yrs	4.43	4.41	4.39				

Real yield	inflation 0% Jul 24	inflation 0% Dur yrs	inflation 0% Previous	inflation 0% Yr ago	inflation 5% Jul 24	inflation 5% Dur yrs	inflation 5% Previous	inflation 5% Yr ago
Up to 5 yrs	0.43	3.48	0.47	1.87	0.28	3.48	0.32	1.34
Over 5 yrs	1.18	18.85	1.18	0.89	1.15	18.91	1.14	0.85
5-15 yrs	0.77	9.79	0.77	0.74	0.67	9.81	0.67	0.64
Over 15 yrs	1.29	24.59	1.29	0.92	1.27	24.60	1.26	0.90
All stocks	1.15	16.15	1.15	0.91	1.11	16.22	1.11	0.86

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

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	Sep	77.85	0.89	Corn◆	Sep	400.75	-1.75
Brent Crude Oil‡		81.84	0.83	Wheat◆	Sep	542.00	-0.75
RBOB Gasoline†	Aug	2.45	0.03	Soybeans◆	Aug	1111.75	-5.75
Natural Gas†	Aug	2.13	-0.06	Soybeans Meal◆	Aug	341.90	-0.80
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)❋	Sep	6657.00	-149.00
Aluminium		2305.50	7.00	Cocoa (ICE US)♥	Sep	8277.00	-9.00
Aluminium Alloy		2400.00	800.00	Coffee(Robusta)❋	Sep	4322.00	-159.00
Copper		9106.00	-51.00	Coffee (Arabica)♥	Sep	233.90	-5.20
Lead		2057.00	3.00	White Sugar❋		521.70	-4.00
Nickel		15935.00	-110.00	Sugar 11♥		18.18	0.02
Tin		29960.00	460.00	Cotton♥	Oct	66.86	-1.17
Zinc		2684.00	-18.50	Orange Juice♥	Sep	432.15	-1.00
Precious Metals (PM London Fix)				Live Cattle♣	Aug	186.40	2.48
Gold		2403.10	10.40	Feeder Cattle♣	May	134.88	-
Silver (US cents)		2905.50	-1.00	Lean Hogs♣	Aug	93.75	1.38
Platinum		950.00	2.00				
Palladium		911.00	10.00		Jul 23	% Chg Month	% Chg Year
Bulk Commodities							
Iron Ore		99.47	-8.69	S&P GSCI Spt	555.02	-4.65	-5.28
Baltic Dry Index		1864.00	-5.00	DJ UBS Spot	97.69	-4.73	-9.24
Richards Bay ICE Futures		106.00	0.25	TR/CC CRB TR	343.51	1.32	22.21
				LEBA EUA Carbon	58.91	-1.98	129.94
				LEBA UK Power	1048.00	-37.43	-39.60

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

BONDS: INDEX-LINKED

	Price Jul 23	Yield Jul 23	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	106.17	1.564	1.579	0.83	5.25	71197.36	8
Fr 0.10%' 26	97.92	1.424	1.411	0.35	12.74	253414.10	18
Swe 0.12%' 26	129.47	1.425	1.460	0.32	33.86	204375.75	6
UK 0.125%' 26	98.87	0.808	0.800	0.20	13.45	537238.66	32
							-
UK 2.00%' 35	246.49	0.766	0.756	0.59	9.08	537238.66	32
US 0.625%' 26	96.72	2.914	2.904	0.14	42.16	1682124.29	48
US 3.625%' 28	105.38	2.116	2.132	0.62	16.78	1682124.29	48

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

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	4.28	1.93	0.10	Netherlands	2.61	0.27	-1.57
Austria	2.72	0.38	-1.45	New Zealand	4.24	1.89	0.06
Canada	3.32	0.98	-0.86	Norway	3.46	1.12	-0.71
Denmark	2.33	-0.01	-1.85	Portugal	2.70	0.36	-1.48
Finland	2.77	0.43	-1.40	Spain	2.88	0.53	-1.30
Germany	2.34	0.00	-1.84	Sweden	0.65	-1.70	-3.53
Italy	1.58	-0.77	-2.60	Switzerland	0.61	-1.73	-3.57
Japan	0.62	-1.72	-3.56	United States	4.18	1.84	0.00

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

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

POWERED BY MORNINGSTAR

Old-fashioned extravaganza roars into town

THEATRE

Sarah Hemming

Hello, Dolly!
The Palladium, London
★★★★★

Red Speedo
Orange Tree Theatre, Richmond
★★★★☆

The Hot Wing King
National Theatre, London
★★★☆☆

Imelda Staunton, centre, is irresistible as a meddling matchmaker in 'Hello, Dolly!' — Manuel Harlan

"I have always been a woman who arranges things," sings Imelda Staunton's Dolly Levi at the beginning of this glorious production of **Hello, Dolly!**, the classic Broadway musical. She can say that again. Not only does her Dolly fix everything and everyone in her environment — making matches, closing deals, healing rifts — but Staunton brings her own blend of splinter-sharp comic timing and emotional depth to the part, turning this ritzy-glitzy 1963 musical by Jerry Herman and Michael Stewart into a genuinely touching tale.

Staunton delights in the witty story of a gutsy, gifted woman outsmarting every man around her while also drawing out its poignancy. It's an irresistible performance. By the end, like Horace Vandergelder, the rich tightwad whose heart she melts and whose purse-strings she loosens, you just have to surrender.

Which is not to say this production doesn't have glitz. Director Dominic Cooke, who last worked with Staunton on a matchless staging of Stephen Sondheim's *Follies*, throws everything at it the vast Palladium stage can handle, relishing the chance to savour musical comedy at its bonkers best. So we have comic nonsense in a hat shop, marching bands, swirling crowds and an army of spinning waiters brandishing extravagant, quivering desserts and silver salvers as they pirouette around (choreography from Bill Deamer). Rae Smith's lovely sets whisk us through 19th-century New York using a moving backdrop of old photographs and full-sized models of trams and locomotives.

There's nothing radical about the production: no revisionist rethink along the lines of the recent *Oklahoma!* directed by Daniel Fish and Jordan Fein. This is the sort of show in which emotions are dialled up to the max and the plot submits obediently to the rules of musical comedy. But Cooke and his cast find rich emotional truths and salient points in the story. Dolly, a widow having to shift for herself, is a survivor who, like Jenna Russell's magnificent milliner Irene (who hates hats), has used her ingenuity to stay afloat.

This is, in essence, a story about love after loss and about starting again. Curving through all the hoopla is a hunger for affection — for Dolly, for Irene, for the two browbeaten clerks (Tyrone Huntley and Harry Hepple) in Vandergelder's store — and a reminder, potent in the wake of the pandemic, of what really matters.

Even Andy Nyman, as the Scrooge-like businessman, whose original plan for matrimony is to find a wife to "joyously clean out the drain in the sink", is quietly touching as he suddenly realises that it's Dolly he needs.

Under Nicholas Skilbeck's direction, a 21-piece orchestra blazes when necessary, but delivers the take-home number "Hello, Dolly!" with affecting delicacy, as Staunton's heroine greets her old chums with wide-eyed delight. It's in her outstanding performance and the joy of companionship that this *Dolly* finds its heart.

To September 14, hellodollyldn.com

Winning is in the air at the moment. Elections. Football tournaments. And, in the case of **Red Speedo**, the all-important qualifiers for the American Olympic team that sprint swimmer Ray is poised to clinch. But at what price? What does "winning" in life look like?

All these questions swirl around American writer Lucas Hnath's taut black comedy, which surges onto the UK stage just days before the Paris Olympics open. The focus is Ray, whom we first meet, feet dangling in the real onstage pool, chomping his way through a bag of baby carrots, while his surly coach and ruthless lawyer brother, Peter, argue over his head.

Ray's silence in this early exchange speaks volumes. He's the star, he's the talent — but he's also a commodity and a ticket to better things for both his ambitious coach and for Peter, who hopes to ditch his job and take on athlete management. A sponsorship deal with Speedo swimwear beckons. But only if Ray can win the next day's race.

All this is tough enough, but then there's the little matter of the performance-enhancing drugs discovered in the club's fridge. Soon there is a moral debate raging about principles, pragmatism, fairness and the concept of a level playing field in a world where some are born into advantage and everyone is working angles. Before long, all the characters, including Ray's resentful ex, Lydia, are flailing in the deep end.

The play itself could spend more time there: it raises weighty issues but dips a toe into some of them when it could afford a deep dive. There are a few sizeable plot holes. Would any serious athlete, tunnel vision or not, leave drugs in a communal fridge? But it is still gripping, funny and tense, particularly in Matthew Dunster's production which uses this intimate theatre to enclose the audience in the madly insular world of competitive sport.

Designer Anna Fleischle bathes the whole space in aquamarine blue, and the characters pace around the water that promises so much. We feel the claustrophobia, particularly for Finn Cole's excellent Ray, who expresses his torment largely through his precise body language. This is a guy whose focus on swimming has left him high and dry in every other area of his life. He spends the whole play in his red Speedos, his near-nakedness emphasising his vulnerability. Around him Ciarán Owens' reptilian Peter is juicily sarcastic, Fraser James's coach gruffly determined and Parker Lapaine's Lydia spikily hurt. All of them have their eyes on a prize but, the play asks, is it really worth it?

To August 10, orangetreetheatre.co.uk

In a kitchen in Memphis, Tennessee, Cordell (Kadiff Kirwan) is feverishly preparing for the annual local Hot Wing contest. He has hundreds of chicken wings to prep, a complicated secret sauce to perfect and a team of friends/helpers — aka the "New Wing Order" — who don't always respond to instruction with the precision Cordell would like.

It is not just the marinade that is about to get spicy in Katori Hall's sizzling, sympathetic 2020 **The Hot Wing King**, directed here by Roy Alexander Weise. A myriad of personal issues are bubbling in the background and, before the night is out, most of them will have boiled over.

First is Cordell's own situation. Separated from his wife and two sons, he has still not told them about Dwayne (Simon-Anthony Rhoden), whom he loves and with whom he is now living. There is also resentment brewing about the fact that Dwayne, as a hotel manager, is the householder, while Cordell is struggling to find work. Dwayne's troubled brother-in-law, TJ (Dwane Walcott), has a petty-criminal lifestyle, simmering homophobia and disruptive habits that disturb Cordell and their friends Isom (Olisa Odele) and Big Charles (Jason Barnett). And there is TJ's teenage son, Everett (Kaireece Denton), whose arrival with two bin bags stuffed with clothes brings a whole host of issues into focus.

Everett's predicament becomes the heart of the play which, amid all the banter, basketball and food prep, opens out to consider Black masculinity and, above all, fatherhood. It's a little baggy in the first half. But it builds to a series of gripping and necessary confrontations. In the end it's a play about love and about family — those we inherit and those we find.

Weise's production savours both the playfulness and the emotional truths in the plot, and his cast all give affectionately observed and beautifully rounded performances. Kirwan and Rhoden deftly establish the way the traumas of their past are undercutting their present happiness. There is lovely, concerned support from Barnett as Big Charles. And Odele is very funny as Isom, who leads a joyous impromptu rendition of Luther Vandross's "Never Too Much" — before proving that "never too much" may also be true of pelepele sauce.

To September 14, nationaltheatre.org.uk

Pool boy: Finn Cole as Ray in 'Red Speedo' — Johan Persson

Conductor bows out with moving Mahler

CLASSICAL

BBC Proms 4 and 5
Royal Albert Hall, London

Richard Fairman

One of the virtues of the BBC Proms is the opportunity they give regional orchestras from around the UK to play in London. With eight weeks of concerts to fill, it is a case of all hands on deck. Orchestras from the BBC stable and others are welcome.

For the Hallé, based in Manchester, this year's Prom was a special occasion. After 25 years Mark Elder is stepping down as music director and a capacity Royal Albert Hall (around 6,000 including those standing in the arena and gallery) was on hand for a high-octane programme comprising a recent work by Sir James MacMillan and Mahler's Symphony No 5.

Macmillan's 20-minute choral showpiece brought coach loads down from the north, probably as many as 400 performers. Receiving its first London performance, *Timotheus, Bacchus and Cecilia* sets sections of John Dryden's *Alexander's Feast*, a poem of 1697. It starts promisingly — rumbling rhythms, flurries of woodwind, a bold, brassy call-to-attention, all vivid as always with MacMillan — but these early sections are too restless to establish a clear, defining character.

That comes when Cecilia enters in a hallowed haze, introduced by an eloquent orchestral passage and haunting children's voices. From there, MacMillan builds to a radiant conclusion, with brass blazing and the combined forces of the Hallé's Choir, Youth Choir and Children's Choir — all excellent — joining in a hymn to the patron saint of music.

After the interval, the Mahler symphony showed what Elder and the Hallé have achieved together over those long years. It must have taken an age to rehearse every detail as scrupulously as this. The performance may have wanted the last ounce of abandon, but where some conductors are tempted to go for brash virtuosity, Elder was more rewardingly serious and unexaggerated. The famed Adagietto sang with a touching, restrained eloquence.

Sir Mark Elder is stepping down after 25 years — BBC/Chris Christodoulou

At the end, the conductor gave a speech lauding the Hallé's players and, more ominously, calling on "anybody concerned with the future of this festival" to espouse the Proms' cause. Does he know something we don't? ★★★★☆

Mahler's Fifth dates from 1902 and the next night's Prom paired two works from the same period, Schoenberg's *Pelleas und Melisande* and Zemlinsky's *Die Seejungfrau* (*The Mermaid*). Both are also huge orchestral canvases, looking back to Wagnerian music drama but forward through the texts of Maeterlinck and Andersen to the burgeoning psychology of Freud. What a time: imagine these two composers, Freud and the Secession artists passing each other in the streets of Vienna.

The BBC National Orchestra of Wales was ambitious in bringing a programme with the two together. In this concert, the more conventional Zemlinsky, with its delicately atmospheric scene-painting, made a better impression than the anguished harmonic density of the Schoenberg. Both involve huge orchestras — eight horns in the Schoenberg, seven in the Zemlinsky — and the orchestra's conductor, Ryan Bancroft, ensured well-balanced playing and a very effective mix of poetry and panache. It was one of BBCNOW's best Proms outings to be seen in recent years. ★★★★☆

To September 14, bbc.co.uk/proms

FT BIG READ. UNITED STATES

The Lone Star State has attracted hundreds of companies with its low-tax, low-regulation approach, but its infrastructure is under strain and not all of its citizens have benefited from the boom.

By Myles McCormick

How long can the 'Texas miracle' last?

The Texas drawl rang out across the airwaves from San Diego to Sacramento: "I hear building a business in California is next to impossible. This is Texas Governor Rick Perry and I have a message for California businesses: come check out Texas."

Broadcast in February 2013, the radio advert was Perry's boldest stunt in a campaign to lure companies from the west coast to Texas. Although it was dismissed at the time as "barely a fart" by Jerry Brown, Perry's Californian counterpart, the following year carmaker Toyota announced it would move its US headquarters from Torrance, California, to Plano, Texas.

"That was one of those clarion moments when it's like: this has worked," Perry tells the Financial Times. "This is a major world-known entity that is moving out of California, and moving to Texas."

Since then a roll call of California-based corporate giants have followed suit, attracted by the Lone Star State's hands-off approach, including Charles Schwab, Oracle, HP, Tesla, CBRE, and Dropbox. Of the almost 300 corporate arrivals between 2015 and April this year, more than half have decamped from California.

Last week social media platform X and space explorer SpaceX became the latest defectors. Elon Musk, chief executive of both groups, said California laws on gender identity were "the last straw".

The new arrivals have helped transform Texas into an economic powerhouse, home to more of the biggest US companies than any other state. If it were a country, Texas would have the eighth-largest economy in the world, ahead of Italy, Canada and Russia. Greg Abbott, who succeeded Perry as governor in 2015, calls the state "America's economic juggernaut".

Pitting America's two biggest states of Democratic California and Republican Texas against each other also reflects the national debate about economic policy — a contrast that will probably be accentuated now that former California senator and state attorney-general Kamala Harris is the likely Democratic nominee for president.

Texas is taking the fight to two other Democrat-dominated states — New York, home to the country's financial centre, and Delaware, where much of corporate America is incorporated.

A Dallas-based national stock exchange was unveiled in June with the goal of challenging the primacy of the NYSE and Nasdaq, while dedicated business courts opening in September aim to convince companies to incorporate in Texas rather than Delaware, as Tesla recently did.

"The economic momentum of Texas is unstoppable," says Glenn Hamer, head of the Texas Association of Business. "And as we say in Texas: it ain't braggin' if it's true."

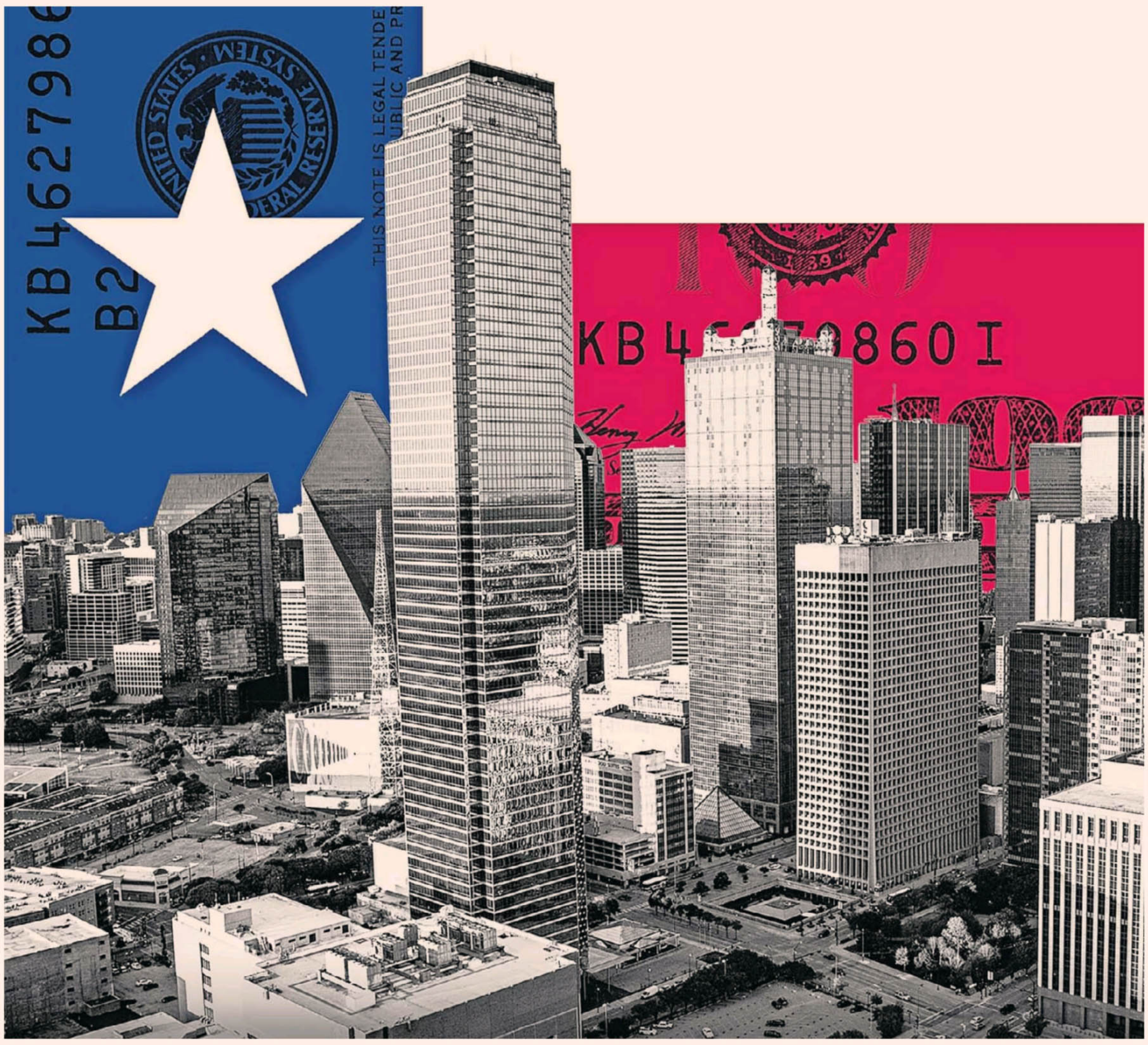
All of this is part of a push to give new impetus to the so-called Texas miracle that has transformed the state in recent years. In the last five years its economy has grown by an average 3.1 per cent annually, compared with about 2.1 per cent for the US as a whole.

The boom has slowed lately, but growth still outstrips the national average. During the first quarter it sat at 2.5 per cent versus a national figure of 1.4 per cent. Pia Orrenius, an economist at the Dallas Federal Reserve, says the state is "coming back to earth" but expects it to continue growing faster than the country.

But the appeal of the Lone Star State is not what it was. Texas infrastructure is creaking under the weight of new arrivals while inflation has eroded some of the state's low-cost appeal and squeezed locals, many of whom are not feeling the benefits of the surge in high-end jobs.

Then there is the politics. Critics say that the old-fashioned Republican pitch of fewer regulations and lower taxes has given way to an increasingly intolerant stance on so-called woke issues, mirroring the party's shift at national level under former president Donald Trump. Executives who have spoken out on such matters have sometimes found themselves slapped down by lawmakers.

"If some of this Maga extreme right-wing social engineering continues from the governor and his Maga cronies in the legislature, we're going to have a problem," says Sylvia Garcia, a Democratic congresswoman representing a Houston district. "Some of those Fortune 500 companies that are based here in Texas are going to leave."



Republican efforts to give new impetus to Texas's economy transformed the state, but Democrats say the approach has left residents behind

FT montage/Getty Images

> 'The solid rock Texas built on was: don't overtax, don't over-regulate, don't over-litigate and have a skilled workforce'

Texas boasts a self-image of rugged independence and unfettered freedom, a place where people make their own luck and government tends to keep out of the way.

"The solid rock that Texas built its foundation on economically was: don't overtax, don't over-regulate, don't over-litigate and have a skilled workforce," says Perry. "That's the foundation — and then we added to it."

During his 14 years in office, Perry lowered taxes, slashed red tape and overhauled the state's legal system to reduce frivolous lawsuits. He also established a host of business incentive programmes.

"I felt confident that if we could get people to come to the state of Texas, they could understand that we're more than just cowboys and wide open spaces and oil jacks going up and down."

Texas remains America's biggest producer of oil and gas, but it is now also the top state for wind power and second in solar and semiconductors. Houston, once synonymous with oil, has emerged as a burgeoning cleantech hub.

Under Abbott, the state is looking to reinforce its reputation as a corporate mecca that will not meddle unnecessarily in business affairs. Last year, he signed into law the biggest property tax cut in the state's history.

"In Texas, we cut red tape and protect industry from harsh job-killing restrictions and unnecessary regulations that can burden innovators elsewhere," says Abbott.

The launch of specialist business courts, overseen by a new court of appeals, marks another significant shake-up of the state judicial system.

"This is a part of a trend of wanting to make the state more growth oriented," says Scott Brister, a former Texas supreme court judge who has been appointed chief justice of the new appeals court.

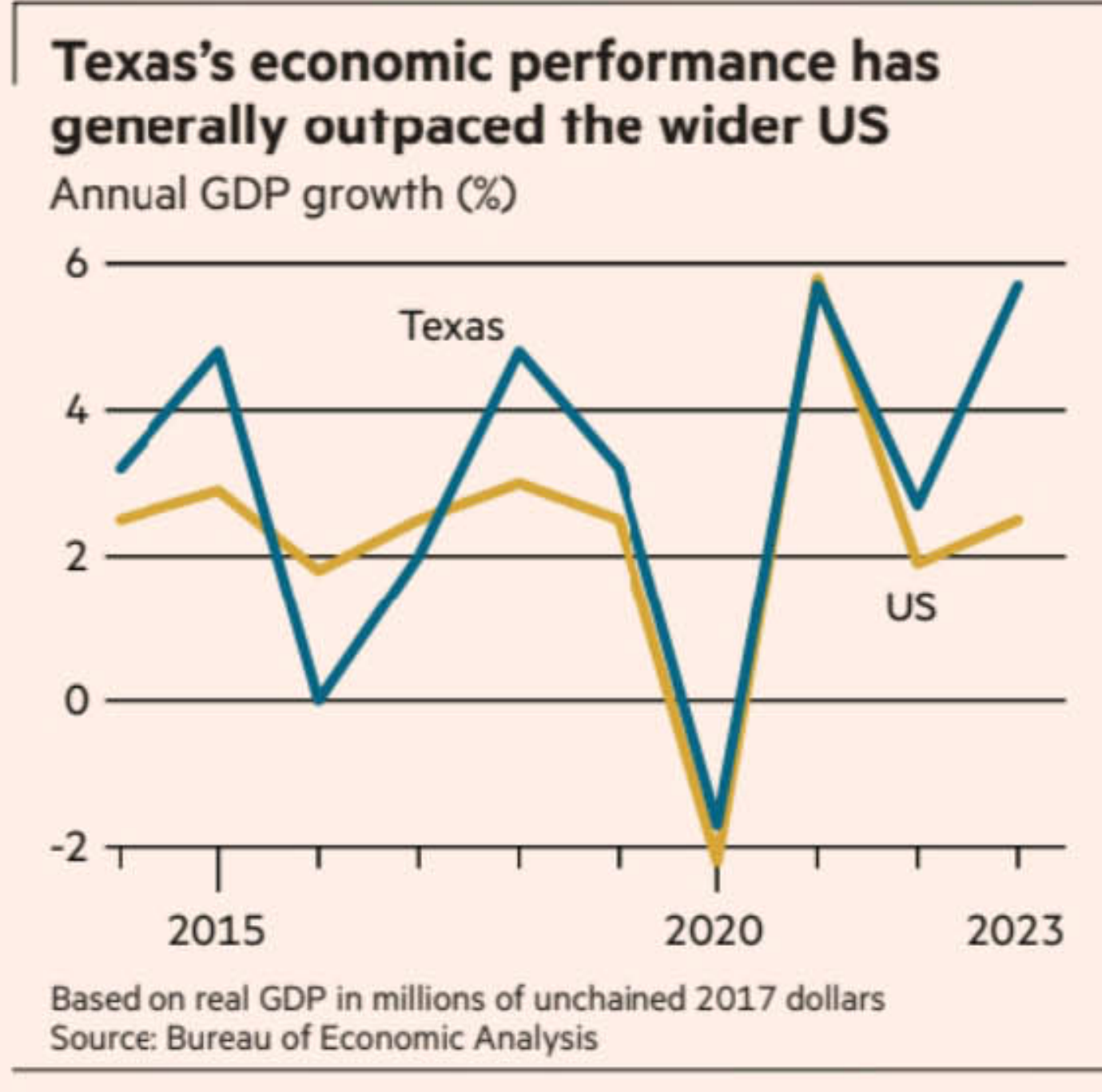
Officials ultimately hope it will help to convince companies that the Texas judicial system is just as well equipped to handle complex legal cases as the court of chancery in low-tax Delaware, home to about 70 per cent of Fortune 500 companies.

"I think the business courts are basically adding one element that has been missing," says Byron Egan, partner at law firm Jackson Walker and an elder statesman of the Texas bar. "The expectation is that as Texas gets to be fully recognised as a better place to be domiciled and doing business, you'll see more people choose to domicile here."

If the business courts hope to draw incorporations to the state, the TXSE — which is expected to begin trading next year — is intended to draw capital. It has already secured investment from BlackRock and Citadel.

Its pitch is providing "more stability and predictability around listing standards and associated costs" than the dominant NYSE and Nasdaq. It aims to hoover up listings among the 5,000-plus private equity backed groups in and around the state preparing to go public and snare some of the 1,500 in the region that are already publicly traded.

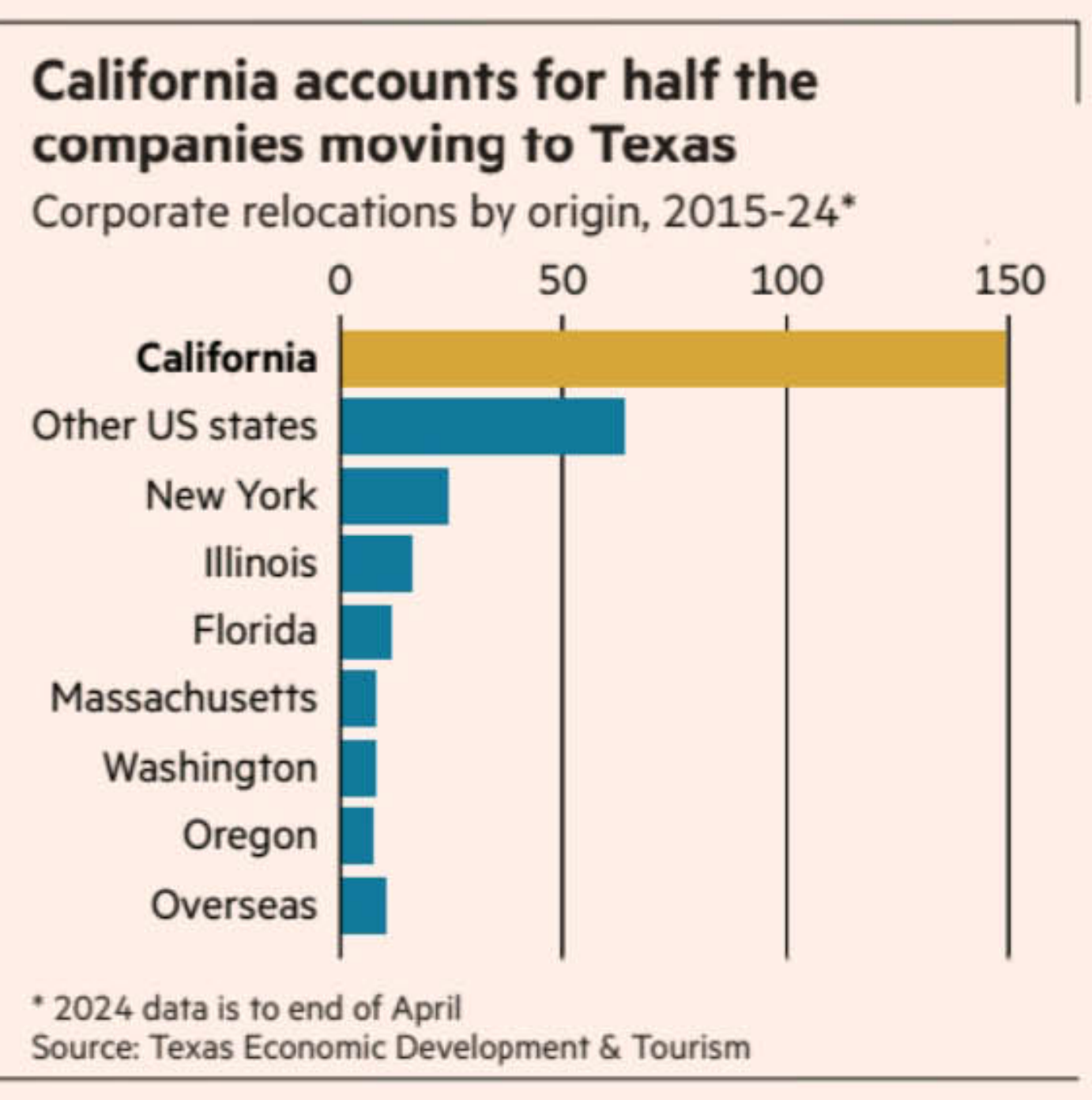
Less interference is a selling point for both, whether it is the courts seeking to capitalise on anger over perceived judicial over-reach in Delaware or the exchange looking to attract companies chafing at Nasdaq's controversial diversity quotas.



Texas's economic performance has generally outpaced the wider US

Annual GDP growth (%)

Based on real GDP in millions of unchained 2017 dollars
Source: Bureau of Economic Analysis



California accounts for half the companies moving to Texas

Corporate relocations by origin, 2015-24*

* 2024 data is to end of April
Source: Texas Economic Development & Tourism

If it is successful, the exchange will help boost the appeal of Dallas, America's second-biggest financial hub, as it vies to lure business from New York. The number of finance professionals in the city has grown almost 50 per cent from pre-pandemic levels, says Ray Perryman, a prominent Texas economist.

"New York City will remain the perceived financial sector capital for the time being," adds Perryman. "Unless something significant changes, however, the gap between New York City and Dallas will continue to narrow and, eventually, disappear."

But the impressive growth in job numbers and GDP masks a darker side to the Texas boom, argue Democrats, who say the state's approach has left many locals behind.

"Your average corporate headquarters downtown and many of your chambers will say it's a boom. But it's a bust when it comes to human capital," says Garcia. "Growth has been on the backs of low-wage workers."

> 'Your average corporate HQ and many of your chambers will say it's a boom. But it's a bust when it comes to human capital'

In stark contrast to its corporate podium spots, Texas ranks in the bottom 10 US states for educational attainment, has the highest proportion of people with no health insurance and among the highest rates of child poverty, at about 20 per cent.

"That's one out of five kids in this state living in poverty," says Garcia. "And we want to brag that we're a great state for business?"

For many Texans, the malaise has deepened as a result of the influx of companies and employees. Austin, the state capital, has been transformed from a midsized hippy town to a tech hub. But its population grew by almost half between 2000 and 2020, its infrastructure is struggling to cope and surging costs have priced out some locals.

Some companies are moving. Tech giant Oracle, one of the state's biggest prizes when it relocated from Silicon Valley in 2021, now plans to make Nashville its global headquarters. Although co-founder Larry Ellison said this was in order to be closer to its healthcare customers, the high-profile nature of its defection has raised questions about whether Texas is losing its edge.

"The juice isn't worth the squeeze [any more]," says Joah Spearman, a tech entrepreneur who left Austin last August for Sacramento after 14 years in the city. "The juice of Austin used to be that vibrant, creative, culturally rich energy." Now, he says, a combination of populist state politics and rampant cost increases "creates this situation in which people are like: 'Man, so many of the things that I like about Austin can be found in other places.'"

There are also questions over the sustainability of the population growth. Last month Ercot, the state grid operator, suggested Texas's power demand could double by 2030, as data centres used for artificial intelligence add to consumption.

One Republican state senator wondered aloud whether Texas should consider blocking power-hungry new corporate arrivals. Separately, political squabbling allowed a 20-year-old economic incentive programme to expire in late 2022, to the dismay of the business community. Replacement legislation was passed six months later.

The cooler reception towards business has frustrated some local Republicans, who worry the state is moving away from the ethos that made it such a magnet for relocations.

"Texas Republicans are not, in my opinion, as reliably pro-business as they have been over the last few decades," notes one long-standing GOP operative in the state. "While I still think that is a minority view, it is troubling to me."

Texas's increasingly socially conservative tilt has also raised tensions with business, as moderate politicians have been pushed out in favour of more populist candidates.

The state outlawed abortion in almost all cases in 2022 and has also taken a conservative line on LGBT issues, attempting to ban some drag shows and placing restrictions on transgender athletes. The 141 pieces of LGBT-related legislation introduced in the state account for a fifth of the total such bills in the US last year, according to the Human Rights Campaign, an NGO.

Where businesses have spoken out, they have often been met with fierce blowback from the state's political leadership. "Stay out of things you don't know anything about," lieutenant-governor Dan Patrick thundered at American Airlines amid a row over new voting rules in 2021. "Don't, on one hand, say 'Thank you Texas' while on the other hand slap us in the face. We're not going to put up with it any more."

Critics say this more confrontational approach represents a shift away from the hands-off attitude upon which the state has built its corporate allure.

"Basically, they told the business community to step away from the conversation around social issues," says Steven Pedigo, head of the LBJ Urban Lab at the University of Texas at Austin and an expert in urban economic development.

"It is so unlike Texas, and what has been the message around economic development in Texas for a long time: we have been laissez faire, libertarian, come start your business, come invest, do whatever the hell you want to do," he adds. "And I think that message is getting locked up."

Unafraid to throw around its economic heft, the state has introduced a series of blacklists of "woke" investors it will not do business with if they are perceived to boycott industries such as fossil fuels or firearms.

BlackRock, the giant asset manager, has found itself in the state's crosshairs. After it was placed on a list of asset managers alleged to have boycotted the oil and gas industry, a state fund pulled $8.5bn of assets in March. The fund manager denied it had discriminated against fossil fuel companies and said that the move "put short-term politics over . . . long-term fiduciary responsibilities".

Perry concedes there is "a little more friction . . . with the current leadership in the state of Texas and the business community".

"I think this is because the business community has come in and tried to push some things into Texas," he adds. "But don't get confused here, Mr CEO. This isn't New York, this isn't California, this is Texas . . . and if you want to do business here, here's our parameters."

Abbott dismisses concerns that the friction could undermine the state's corporate appeal, noting that the arrivals are continuing. Texas's population hit 30.5mn last year, an increase of about 10mn since 2000.

"People and businesses vote with their feet," says Abbott. "And continually they are choosing to move to Texas more than any other state."

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

Lessons from the global IT outage

Organisations and states need to mitigate single points of failure

Organisations around the world are still recovering from one of the biggest ever IT outages. On Friday, a glitch caused by a faulty software update from CrowdStrike, an American digital security vendor, affected 8.5mn Microsoft Windows devices. Flights were grounded, hospital appointments postponed, and several news broadcasters dropped off air. A fix was rapidly deployed, and many services have resumed. It may take time for all affected computers to be reset.

The toll will become clearer, but many are counting their blessings that this was only a tech malfunction and not something harder to resolve, like a cyber attack. Still, that a seemingly routine software update can reap such chaos should serve as a wake-up call.

Crashes, hacks and data breaches are a mounting threat as the global economy becomes more digitalised and interconnected. Computers and the internet already underpin everything from stock exchanges and electric vehicles to central heating.

The concentration of software and hardware in the hands of a few providers makes matters worse. Tech groups tend to develop large customer bases, allowing them to collect more data, benefit from economies of scale, and improve services. But these network effects also expose users to single points of failure. Three companies — Google, Amazon and Microsoft — account for two-thirds of the cloud provider market. CrowdStrike has close to a fifth of the endpoint cyber security market.

Building resilience is essential. First, businesses and governments need to understand their exposures. CrowdStrike and Microsoft are both reputable. But whenever an organisation is too reliant on an individual provider, there is always a risk, however small, of failures hitting its wider processes.

Second, once vulnerabilities are mapped, organisations need to build redundancy into their operations and develop contingency plans to ensure critical functions can still work in the worst-case scenarios. This includes diversifying their IT infrastructure by having more than one cyber security, operating system, or cloud provider. Phased rollouts of updates are sensible too. These strategies are particularly important for critical government services and sectors, including healthcare, energy, and finance.

Third, closer collaboration between the public and private sector is essential. Businesses benefit from accessing secure digital networks, as well as the public services that rely on them. This means there should be a common interest in sharing information on breaches, vulnerabilities, and stress tests. The cost of switching between IT providers, interoperability, and the ability of new entrants to compete also needs effective monitoring. But co-operation between regulators and tech firms is important to ensure any regulations are targeted, and do not stifle innovation.

> Last Friday's software snag is a critical reminder that building resilience into our physical and digital economic systems is essential

Single points of failure also lurk more broadly in our globalised and highly networked economies. Last week, stocks of the world's largest chipmakers dropped following comments by Republican presidential nominee, Donald Trump that Taiwan — a primary source of chip production — should pay for its own defence against China. In April the IMF warned of the rising threat of cyber attacks for financial stability.

The logic of mapping, contingency building, and collaborating holds for mitigating most concentrated risks. Last Friday's software snag is a critical reminder that building resilience into our physical and digital economic systems is essential, and should not be postponed. This will come at a cost, but will bring the benefit of insuring against even costlier threats.

Opinion Environment

Businesses count the likely cost of 'heatflation'

María Hergueta

Leo
Lewis

When the doors opened on Wednesday morning at Tokyo's 10th annual Heat Solution expo, the temperature outside was nudging 35C and heatstroke warnings were in place for much of Japan. Weather apps, compounding the sense of nature *in extremis*, cautioned that a tornado would shortly hit the capital.

The deadliness of disarray is everywhere, and so, the expo powerfully suggests, is the threat of ever greater economic division around the cost of keeping cool. The heavily attended trade show opened to a worldwide background of floods, fires and drought three days after what scientists suspect may have been, on a global average basis, the hottest day ever recorded. Carlo Buontempo, the director of the Copernicus Climate Change Service, predicted more broken records as we perspire into what he called "truly uncharted territory".

> The message being pushed to companies is that the medicine is palliative, not preventive

An ideal time, if you can see past the present and pending misery inherent in all this, for employers to consider the Iceman Pro-X self-cooling work vest, bottom-chilling office chairs, hydrating ice slurry, interior mist-emitters and a vast array of other products designed to keep a labour force working through ever more adverse conditions. If, of course, they or we can afford it.

For all the innovation and salesmanship on display, the vibe at Heat Solution is profoundly unsettling. There is the strong sense, among the aisles of companies plying their anti-heat wares, of a wider declaration of defeat. Corporations, governments and supranational organisations may talk about climate change mitigation, net zero emissions and other macro attempts to hold back catastrophe; but on the ground, runs the message being pushed to factory owners, food producers, construction companies and other businesses, the medicine you need right now is palliative, not preventive.

This message was hardened by an even larger, related trade show being held in the same convention centre on the broader theme of "resilience". A central focus here is on preparedness for all manner of extremity as infrastructure endures ever fiercer natural bludgeonings.

This palliative vs preventive distinction is also now becoming sharper for investors as they weigh the relative attractiveness of giving their portfolios exposure to climate change mitigation (reducing the pace of global warming) or to climate change adaptation (adjusting to the reality of current and future effects).

In a note to investors published earlier this week, Citi Research set out the opportunities of the latter as the frequency and intensity of climate catastrophes spread the cost of adaptation across many stakeholders. In a November 2023 report, the UN Environment Programme estimated the global adaptation funding gap at between $194-366bn per year. The complexity behind that figure, said Citi's analysts, lies in working out who will actually bear this cost. That then opens up discussions, they added, on "potential policy support, taxation, de-risking via blended finance and even the concept of innovative new financial instruments".

Many of the visitors to the Heat Solution expo, meanwhile, already had a fair idea of where the cost burden will end up in the short term. Among the crowd of small and medium-sized business owners around the booth of self-cooling workwear being offered by Yamashin Seikyo was a factory owner from Nagoya. The Yamashin rep's pitch was that ever more dangerous summer heat will force companies to change the way they cool factory staff — from expensive and not necessarily effective air conditioning to individual, clothing-based solutions.

The factory owner also acknowledged that rising temperatures would freight his duty of care as an employer with far more cost than it used to. The maths of providing each of his workers with $800 of cooling equipment were not attractive, but if he failed to do so "my staff will just go and work somewhere that keeps them cool".

Lodged somewhere in his conclusion is the potential framework of a heat equivalent of the digital divide. There will be businesses that can afford to mitigate, and others that cannot. But it is also easy to imagine, even in historically deflationary Japan, a strong imperative for businesses to pass the additional costs on to customers. Heatflation, as a way of describing the upward pressure on costs caused by climate change, has so far tended to be most focused on the price impact on food and water. The attendees at Heat Solution 2024 suggest that the term will quite soon apply to pretty much everything.

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Funding the NHS must better align with GDP

It was good to see Martin Wolf's piece on the need for greater public participation in public policymaking ("British citizens should be asked to do more", Opinion, July 22).

This was a key recommendation emerging from the BMJ's Commission on the Future of the NHS, relating to NHS funding, which we published this year.

Apart from (re)building trust in politics and politicians — as Wolf notes — greater public participation could also build consensus concerning the opportunity costs implicit in NHS spending choices.

There are strong arguments for a short-term boost to NHS spending. But longer term, funding decisions will become increasingly difficult. If UK NHS funding were to grow at its historic average rate, by 2058 its share of gross domestic product would double to nearly 17 per cent. And, by the end of the century, it would consume more than a third of the UK's wealth.

Mathematically — and, importantly, economically — at some point the NHS funding growth curve has to better align with broader economic growth.

We believe that greater public engagement in understanding and confronting the trade-offs in long-term NHS funding choices would better connect them with the political policy process.

Professor John Appleby
Senior Associate, The Nuffield Trust
Commissioner, BMJ Commission on the Future of the NHS
London N19, UK

What drives Trump's Silicon Valley supporters

Why have so many former dyed-in-the-wool Silicon Valley Democrats seemingly embraced Donald Trump in this election cycle?

It is not necessarily the case that they have gone full-on Maga — or Make America Great Again ("Has Silicon Valley gone Maga?", The Big Read, FT Weekend, July 20).

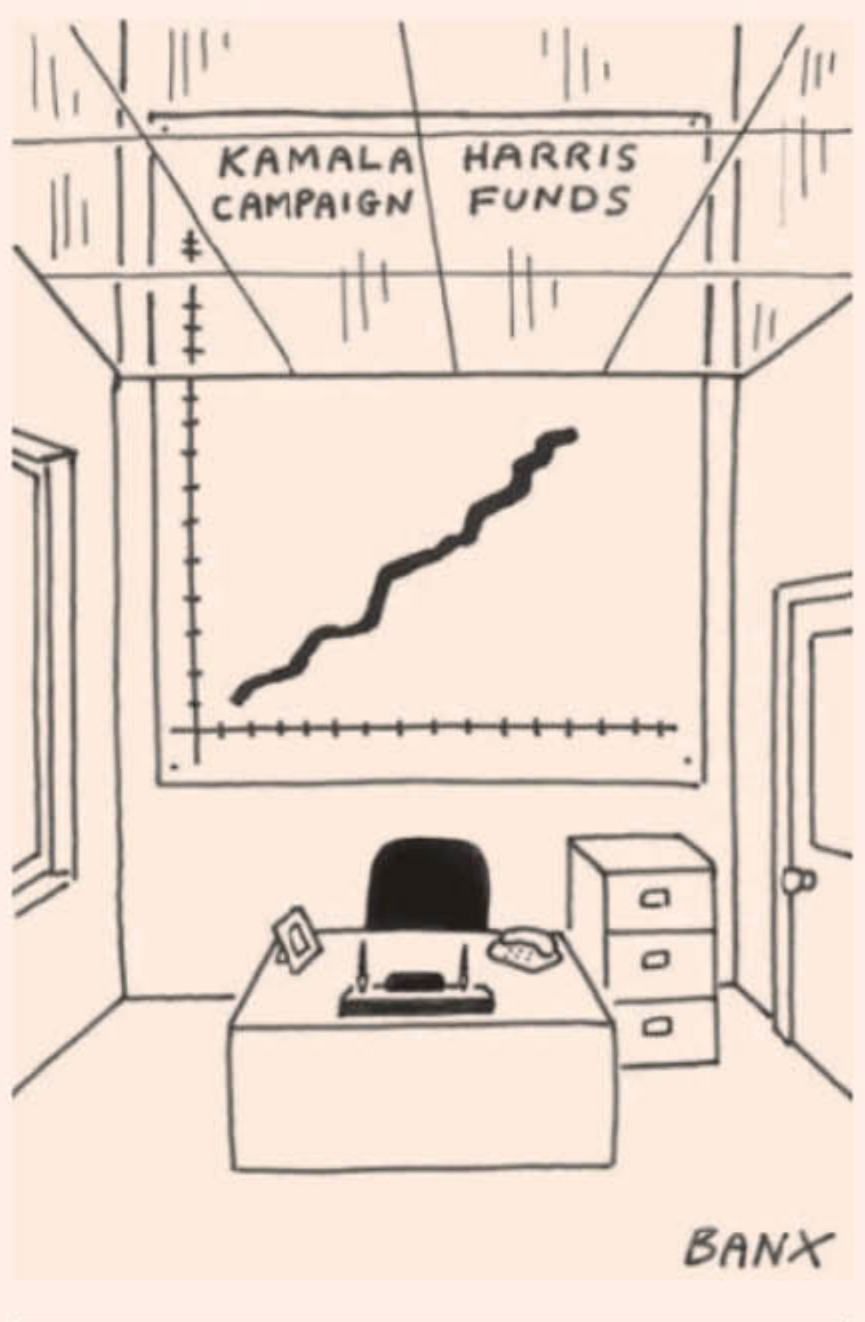
As difficult as it may be, imagine if you will a scenario in which the public were presented with two very likeable candidates, both eminently qualified to be president. How would voters choose? If they were not exceedingly partisan, they would look at policies. Perversely, this election is very similar to that scenario.

The difference is that until last weekend's announcement by Joe Biden that he was withdrawing from the race, voters had been presented with two candidates, who for very different reasons, looked unfit to become president.

So how do voters decide? They look at policies. This is the reason that many in the business community are giving Trump a second look.

The insertion now of Kamala Harris, Biden's vice-president, at the top of the Democratic ticket to be the party's presidential nominee is not going to change that calculus.

David Spirakis
Venice, CA, US



Britain's climate activist sentencing casts a pall

As a Briton working for a German tech company, I followed with alarm last week's news (Report, July 19) on climate protesters being sentenced to at least four years in prison — found guilty of conspiracy for joining a Zoom call to discuss a peaceful protest.

Despite green shoots of optimism emanating from Ed Miliband's energy department, the result of last week's sentencing means that the UK is now one of the worst places in Europe to be a climate activist.

The new government is expected to be bold and ambitious on climate action, yet with the public nuisance law remaining on the docket it will discourage real discourse when it comes to the climate crisis. It was absent from the King's Speech but last week's news must accelerate a scrapping of this law. This would send a signal to the international community that the UK can lead on climate mitigation, from the ground up.

Sophie Dembinski
Head of UK & Public Policy, Ecosia, Berlin, Germany

Commendable first step on skills from Labour

Labour's promise of a new body, to be called Skills England, to tackle Britain's "fragmented and broken" skills training system ("Starmer pledges to 'fire up' the training of UK workers to boost growth", Report, FT.com, July 22) is a commendable step.

Members of what I like to call the iPad Generation have grown up around touch screens and have a good understanding of key technologies as well as how to interact with them. Their natural curiosity surrounding technology can add immense value to the economy and drive innovation. But current rates of higher education study suggest we're missing a huge opportunity due to broken skills initiatives.

At this crucial time of industrial change in manufacturing, where we're seeing high demand for technical prowess and automation skills, it's vital we create a pathway for the next generation of engineers.

One of the main drivers of automation adoption is to help address productivity and skills gaps, so it's crucial that we get the talent equation right, to transform our economy, and begin reshoring manufacturing in the UK.

It's imperative that Labour's pro-industry initiative leads to tangible results, not just political rhetoric. Our future depends on real and actionable change.

Mark Grey
UK & Ireland Country Manager, Universal Robots, Sheffield, South Yorkshire, UK

Correction

- The last time global sea temperatures set daily records for a year was 1997-1998, not 2007-2008 as wrongly stated in an article on July 24.

OUTLOOK
ASIA

Portuguese in Macau strive to preserve their cultural heritage

by William Langley

Ho Iat Seng, Macau's chief executive and leader, had only warm words with which to describe relations between the semi-autonomous Chinese city and Portugal, its former colonial ruler, in a speech last month. "The friendly co-operation maintained between China and Portugal is an exemplary model of co-operation and exchange," he said.

His comments, given from the veranda of the neoclassical residence of the Portuguese consul-general, are a reminder of the enduring influence of the territory's small but deeply embedded Lusophone community.

It is an influence evident in everything from Macau's legal system and official languages (Chinese and Portuguese) to its black-and-white cobbled streets and decidedly European public squares, which nestle between the mega-casinos that have made the city the world's largest gaming hub in recent decades.

Lisbon's decision to grant citizenship rights to a broad swath of Macau residents born before 1981 means there are more than 140,000 Portuguese citizens in the city. The city is also home to thousands of Macanese — people of mixed, predominantly Portuguese and Chinese heritage — according to residents' estimates and the latest government census.

Historians widely view anti-colonial riots in 1966, which were influenced by China's cultural revolution and met with a violent crackdown, as a turning point for the city. After an escalating diplomatic crisis, Portuguese authorities in effect succumbed to Beijing and the local Chinese Communist party chapter became the territory's de facto leaders.

Now, as the city prepares to celebrate in December the 25th anniversary of its 1999 handover to Chinese control after more than 400 years of Portuguese administration, its Lusophone population faces a new set of challenges.

Crucially, a system giving Portuguese citizens preferential paths to residency ended last year. Many expats in the city add that Macau's recognition in Portugal has diminished, meaning new arrivals have dwindled. "So, so few people are coming," says Alexandre Leitão, the country's consul-general for Macau and Hong Kong.

Portuguese is an official language but privately, lawyers and journalists point to the growing number of legal judgments and announcements given in Chinese only, and government officials' lack of proficiency in it.

"There has been positive discrimination towards Portuguese nationals for about 20 years," one resident tells me, over Serra da Estrela, a highland sheep's cheese, and Douro wine at the Clube Militar de Macau, a salmon-pink former officer's club housing one of the city's finest Portuguese restaurants. "But now, it's more or less a level playing field."

There are also reasons for the remaining Lusophone community to be cheerful, however. Expats point to efforts by both the Macau government and the authorities in Beijing to designate the city as China's hub for relations with Portuguese-speaking countries, one that has become more important as the country seeks closer ties with the global south.

Macau will also promote its Portuguese history to attract tourists in efforts, endorsed by Beijing, to diversify its income away from the casinos. "I think Macau is a kind of door to the west," says Carlos Álvares, chief executive of the Portuguese Banco Nacional Ultramarino and president of the Portugal-China Chamber of Commerce.

Over the course of June, the territory's Portuguese expats celebrated the "month of Portugal", with almost daily events promoting the country's cinema, photography, literature and poetry.

Michel Reis, an adviser to the Macau government's cultural bureau and a resident since 1990, says the city had incorporated Portuguese culture into its programming too, pointing to a recent series of Fado performances at the city's Dom Pedro V theatre and the Lusophonia Festival in October.

Events like these, he says, show Macau is serious about maintaining its heritage. "I would say that the Portuguese presence here is still quite strong. But it has to be preserved," he tells me. "There has to be a constant effort to maintain these traits."

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Opinion

America's sudden gender election

POLITICS

Edward Luce

Are we not entertained? No polls could capture the weirdness of the past seven days in American politics. It began in Milwaukee amid Republican euphoria that history was finally on Donald Trump's side. It ended with a surge in Democratic enthusiasm for vice-president Kamala Harris as their overnight champion. In between, a Covid-stricken Joe Biden caved to demands not to run again. There was also the strange anointing of Yale-educated, Silicon Valley-funded JD Vance as America's hillbilly-in-chief. It will be a while before we can reliably gauge what voters make of all this.

Yet amid the drama is a constant that will outlast the mood swings. The US election is now a battle between a man and a woman. They are not just any man and woman. The man, Trump, entered the arena last week to the sound of James Brown's "It's a man's, man's, man's world". He was introduced by a testosterone-fuelled line-up that included Kid Rock chanting "fight, fight, fight", the actor-wrestler Hulk Hogan (Terry Gene Bollea) ripping his shirt off to reveal a Trump-Vance tank top, and Dana White, chief executive of the Ultimate Fighting Championship, the last word in blood-soaked pugilism.

If Trump's point was not already stark, his selection of Vance drove it home. He could have broadened his appeal to the "secret non-Trump voter" — chiefly women in conservative communities who are worried about loss of any bodily autonomy. They drove much of the roughly fifth of the party's votes that went to Nikki Haley in the primaries. Instead, Trump doubled down by selecting a running mate who has argued for a national abortion ban. Picking Vance was a sign that Trump was confident his base would be enough to carry him to victory. At the time, Trump's bet did not seem outlandish. But it was based on an assumption that quickly vanished — that a visibly ailing Biden would be his opponent.

Harris's rapid capture of the Democratic crown has changed the political weather. A funereal Democratic party has rediscovered its zest. Complaints that there will be no contest for the party's nomination were outdated before they were made. The alacrity with which Harris's rivals endorsed her candidacy showed a party hungry for unity and impatient to take the fight to Trump. It is hard to imagine that her lightning elevation was not influenced by the tone of Trump's message in Milwaukee last week. No female politician better personifies the fight to restore national abortion rights since the US Supreme Court's overturning of Roe vs Wade two years ago. Expect Harris to make that a centrepiece of her campaign.

> Harris has more latitude to reach out to white men than Trump can to women of any colour

Past US elections are no guide to the uniqueness of this one. Even Hillary Clinton versus Trump in 2016 — the only previous time a woman has been presidential nominee for a major party — could be misleading. Clinton did indeed warn that a Trump victory would lead to the end of Roe vs Wade. Harris has the advantage of pointing out that it has happened. That makes it far easier for her to warn of what may come next. Rights that were once taken for granted, such as contraception, the morning after pill and exceptions for rape and incest, are already under fire in some Republican states. Trump sensibly avoided pledging a national abortion ban on the Republican platform. But his 39-year-old running mate believes that life begins at conception.

Regardless of the nominees, America remains a roughly 50:50 nation. The economy and immigration will be at least as important as gender in shaping voters' decisions. Harris will struggle to explain her record as Biden's "border tsar" over the past three years. But she starts with two clear advantages and one big disadvantage.

First, she has room to redefine herself. Insiders believe she is a poor campaigner whose liberalism alienates centrist Americans. But most Americans know little about her. Her energy and what Trump calls her "cackle" laugh could be positives. Trump, by contrast, is a known known. Second, she can avoid some of the curse of incumbency. Trump has a record to attack, too. He is suddenly the old man in the race.

On the negative side, this election is going to get nasty quickly. Harris is a non-white female with stepchildren. Vance once described her as a "childless cat lady". Republicans have also branded her the "DEI hire". Again, Harris could turn this to her advantage. She has more latitude to reach out to white men than Trump can to women of any colour. But that will take dexterity. She might add that getting pregnant is not a qualification for the White House. None of the previous 46 presidents gave birth.

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When five go mad on the motorways

Ellie Foreman-Peck

BRITAIN

Robert Shrimsley

"No practical definition of freedom would be complete without the freedom to take the consequences. Indeed, it is the freedom upon which all the others are based." One can rarely improve on the political wisdom of Terry Pratchett. Last week five climate activists felt that core freedom in the form of severe jail sentences for their roles in organising immense disruption to the UK's road network.

The five- and four-year sentences (though they will serve only half that) were greeted with predictable fury by a raft of supporters and celebrities who fumed in hyperbolic terms at the treatment of the Just Stop Oil Five. The exotically titled UN special rapporteur on environmental defenders declared the jury's verdict and the sentences a "dark day" for "fundamental freedoms". Others noted that the sentences were higher than for some violent crime.

Like others, I gasped initially at the sentences. However, I then read the judge's remarks. The sentences are high partly to deter others but also because the five all have similar convictions that had been treated more leniently with fines or suspended sentences. All were on bail for other offences. The leader, Roger Hallam, was recently convicted for planning to disrupt Heathrow flights with drones. Some have argued for shorter or non-custodial sentences but in the face of persistent defiance prison becomes the only option.

Shutting down the M25 motorway, which orbits London, for days was an act of economic and social sabotage and Hallam had planned even greater chaos. The climate cause is pressing and widely supported but these protests could not effect change and instead alienated the public. The campaigners did not target the powerful. The disruption was an end in itself and the victims were ordinary people going to work or school, to hospital, to funerals, or on holiday. The court heard of people losing pay, children with special needs trapped for hours in traffic, a patient with an aggressive cancer who missed their clinic appointment.

There is a long history to civil disobedience, especially over denial of basic rights. The suffragettes, for example, were refused the vote. The five have a platform, a vote and even the Green party to vote for. But they use the rhetoric of a climate emergency to argue electoral politics is inadequate to the challenge. This is the demagogue's rationale.

Where the rapporteur, and others, fail is in not grasping two key points. First, the law must apply equally to all causes. It is hard to imagine the same outcry over "fundamental freedoms" if right-wingers used similar tactics to protest against the "immigration emergency".

In any case, the freedom to protest is not absolute. Even the civil rights organisation Liberty accepts the case for limiting the freedoms of anti-abortion activists to campaign outside clinics.

Second, there is a crucial distinction between protest and disruption. The first is an essential right in a democracy, the second is qualified. The challenge of striking the balance has grown as protests, fuelled by social media and a contempt for democracy, become more disruptive. In the pandemic, anti-vaxxers disrupted vaccination clinics. Campaigners target people's homes. Anti-immigration protests frighten other citizens. All are driven by a righteousness that negates other feelings or concerns. But, for all the fury of the five's allies, there is no theory of democracy that enshrines the freedom of a few to trample the rights of others.

> There is no theory of democracy that gives activists the freedom to trample on others' rights

The UK works to facilitate peaceful protest. The fact that, in recent months, its cities have been routinely disrupted by large and, for some, uncomfortable Gaza demos, policed at great expense, is testimony to this.

Yet people also value their own freedom to get to work, to go about their lawful business. And herein lies the danger of excessive leniency in responding to direct action. In a choice between civil rights and public order, politicians are confident the public favours the latter. Failure to find a balance will lead to more draconian measures.

For proof one need only look at recent Conservative legislation, which targeted not only disruption but also traditional protest, imposing further restrictions, creating new offences and, most worrying, giving police sweeping but vague powers to restrict noise and nuisance. They do not always use these powers well. At the coronation of King Charles the police wrongly detained anti-monarchists peacefully protesting for a republic. More troubling is that some Tories, including a former home secretary, used arguments of public protection to try to ban the Gaza marches.

This flawed legislation was secured primarily because voters felt not enough was being done to curb the excessive tactics of climate activists. This is what happens if ordinary citizens feel the balance has been lost.

Failure to address these concerns plays into the hands of populists and authoritarians and leads to greater clampdowns. Confidence is built not by lofty forbearance but by fair controls and the odd stiff sentence. We can salve our liberal consciences by complaining the tariffs were too high but significant jail time was essential.

Just as good fences make good neighbours so clear boundaries protect essential freedoms. A liberal society requires defending from those who abuse its rights. You have the freedom to vandalise buildings, deface artwork or bring chaos to the roads. And you still have the freedom to take the consequences.

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The Middle East's problems extend far beyond Gaza

GEOPOLITICS

Kim Ghattas

News about the Middle East is dominated by all things Palestinian and Israeli these days. From Israeli Prime Minister Benjamin Netanyahu's controversial US Congress address to the International Court of Justice determining that Israel's continued occupation of Palestinian territories is a violation of international law, this is almost the sole topic discussed (with an occasional smattering of interest in a potential Saudi-US defence pact).

It is only right that the devastating nine-month war in Gaza, following the harrowing Hamas attack of October 7, should command so much attention. But it is also a useful smokescreen for authoritarian leaders across the Middle East who are using this time to further erode freedoms in the Arab world.

In May, Kuwait's ruler dissolved the country's rowdy, opposition-dominated parliament, a rare bird in the Middle East, for up to four years. It made few headlines. That same month, Tunisian police assaulted and arrested lawyers and raided the bar association offices, part of an ongoing crackdown on dissent. There was little international attention. In July, the UAE held a mass trial for about 80 political dissidents and activists, handing down 43 life sentences for alleged terror offences. Most of the details were kept secret.

Meanwhile in Saudi Arabia, Abdulaziz Almuzaini, a popular animation film maker with a five-year contract with Netflix, revealed he had been sentenced to 13 years in jail, though he remains free at home. One of his animations appeared to have been misunderstood as supportive of the Islamic State and he was charged for supporting extremist ideology. Just this week, Egypt arrested cartoonist Ashraf Omar who had criticised endemic power cuts.

The list goes on. I haven't even mentioned Syria and Sudan. You could argue this is just another day in the Middle East. Or that domestic politics and repression across the region have nothing to do with Gaza and the Palestinian cause. And yet, they have everything to do with it.

For decades, Arab regimes crushed dissent, froze reforms, indoctrinated children and bloated their defence budgets at the expense of social progress, all in the name of Palestine. The popular Arabic adage for closing ranks in times of war roughly translates to: no sound should rise above that of the battle — the battle being the one against Israel. First popularised by Egypt's Gamal Abdel Nasser, this slogan was used to silence criticism after his defeat in the 1967 six-day war.

> Systemic issues will not be magically resolved if and when a Palestinian state comes into being

Decades later, the Arab uprisings of 2011 went against this stranglehold. Millions took to the streets demanding freedom, justice and better living standards. This was not a repudiation of the importance of the Palestinian cause in the heart of Arabs. But people were starting to realise that focusing on it at the expense of everything else was holding the region back.

The counter-revolution quashed protesters' hopes from Egypt to Syria. Now, the war in Gaza has transferred attention back to Palestine, a festering wound, and a deeply emotive issue, that speaks to people from Cairo to New York to Kuala Lumpur — and one that still puts Arab governments at odds with their citizens.

Public expressions of support for Gaza have been silenced in Gulf countries as rulers navigate between regime stability and their ties with Israel. Jordan has struggled to contain angry pro-Palestinian protests that threaten to become anti-government. Egypt's president briefly allowed pro-Gaza protests only to find some crowds were chanting: "Bread, Freedom, Social Justice." The crackdown on Palestinian solidarity has spread to Israel itself, where the government has targeted both Israeli Jews and Palestinian citizens of Israel.

The conflict is now also used in one of the worst cases of "whataboutism" I can think of. Some argue it is unacceptable to discuss Syrian president Bashar al-Assad's ongoing war against his people because of his traditional anti-Israel stance: "Have you seen what Israel is doing?" Others argue the reverse: "Israel is killing Palestinians? What about the hundreds of thousands that Bashar has killed?"

Systemic problems in the Middle East will not be magically resolved if and when a Palestinian state comes into being. But equally, there will be no sustained progress in the wider region without addressing the longest occupation in modern times. Injustice and impunity feed on each other in an endless loop from Damascus to Gaza, from Beirut to Ramallah.

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'Small is cool': a clarion call for our materialistic age

Mark Cliffe

In 1973, economist EF Schumacher published *Small is Beautiful*, calling for a shift from relentless materialism towards a more sustainable, human-centred approach to economics. Sadly, his appeal fell on deaf ears. Material consumption has tripled in the past 50 years, and the size of cars and homes has ballooned. In a "Big is Hot" era of conspicuous consumption and accelerating damage from global warming, it's high time to turn the dial to "Small is Cool".

Schumacher's vision of a world where small-scale, locally orientated economies flourish has been overshadowed by the pursuit of growth at any cost. The developed world remains in the grip of a culture of excess, where bigger is often equated with better. From oversized SUVs to McMansions, conspicuous consumption has become a hallmark of modern society, fuelling environmental degradation and social inequality.

In the US, the average size of a new single-family house has soared to over 2,500 square feet from about 1,660 sq feet in 1973. The best-selling "cars" are gargantuan pick-ups such as the Ford F-150, which weighs over two tons. In 1974, the best-selling Ford Pinto compact car weighed about half that.

Meanwhile, our wardrobes have bulged: global textiles output has nearly quintupled in the past 50 years, implying a two-and-a-half-fold increase per head in clothing consumption. A fossil-fuelled flood of cheap polyester clothing has led to a deluge of microplastics.

Emerging economies are mimicking the west as their middle classes grow.

> Governments must rethink malign public policies that have skewed incentives in favour of excess

The bigger-is-better treadmill poses a daunting challenge as hundreds of millions of new consumers pursue their material aspirations in countries such as China and India.

All this comes at an enormous cost to the environment and to our wallets. Larger homes require more resources to build, more energy to heat and cool. They prompt us to gather more possessions to fill them. Today's behemoth vehicles guzzle more fuel while hogging more urban space, exacerbating pollution and congestion.

Malign public policies have skewed incentives in favour of excess. From mortgage interest tax deductions disproportionately subsidising mega mansions, to underpriced road use and fuel that fails to account for environmental costs, government policies have in effect encouraged us to think bigger.

There is a dire need to rediscover the wisdom of "small is beautiful" with a paradigm shift in our consumption habits. Since the necessary lifestyle changes will undoubtedly encounter resistance, smart public policy initiatives will be needed to help make more compact choices cool again.

This could start with progressive consumption taxes on resource-intensive goods. Larger homes and bigger cars would be taxed at a higher rate, encouraging a switch to smaller options. Still, a clear and fair rationale for such taxes is essential. Faced with the alternative of higher income or wealth taxes, the rich might prefer heavier taxes on the materials and energy they consume. Moreover, the proceeds could be used to cut taxes on labour, especially the lower paid. This would make the package doubly progressive.

Governments could also use some of the tax revenue to make green investments or to subsidise green goods and services, including supporting households that invest in small electric cars, bikes and home energy systems.

Thankfully, governments and consumers are starting to recognise that size matters. France has introduced purchase taxes of €60,000 or more on large SUVs. Public opinion across Europe is starting to turn against them.

As people connect our excessive consumption habits to the destructive effects of global warming, the "Big is Hot" fashion looks less appealing. The age of materialism should give way to a new "Small is Cool" era, embracing Schumacher's vision.

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Lex.

Amy Kazmin
Italy is tying itself in knots over gender quotas for boardrooms
INSIDE BUSINESS

The London discount is about performance, not geography


Market valuations
Forward price-to-earnings ratio

Source: LSEG

Politicians, regulators and City grandees are all focused on revitalising the UK's struggling stock market. The problem is twofold: companies are disappearing and not enough new ones are arriving to make up the losses. The market is shrinking at a pace that will dislodge the UK from its top spot in Europe, amid fears of terminal decline. This is a result of multiple factors. But the belief UK stocks trade at a discount to peers is significant and ingrained.

There are good reasons for this. The FTSE 100 is big in lowly rated sectors such as resources and banks and lacking in highly rated technology stocks. A growing number of companies opting to leave the London market for the US has reinforced the idea that an omnipresent discount exists.

But there are signs of a tentative UK bounceback. IPO activity is returning; the success of Raspberry Pi's float was followed by the listing of a new investment vehicle from the founders of buyout business Melrose.

Foreign listings could follow from fast-fashion company Shein and even French TV group Canal+. The market is trading near record highs set in May and, on a trade-weighted basis, sterling is the highest since 2016.

Yet the market's perceived discount remains as big as ever: the FTSE All-Share index trades on just 11 times forward earnings, near a 40 per cent discount to the rest of the developed world's markets. This is down, in no small way, to the boom in US tech stocks amid a frenzy over AI.

The bald discount is hard to deny. But James Arnold, who runs UBS's strategic insights team, thinks the more relevant question is whether the UK systemically undervalues equity, and he says the answer is definitively no.

Arnold finds a strong correlation between stock valuations, based on price to gross asset value, and profitability, measured by cash flow return on investment. With an R-squared of 80 per cent for the Stoxx 600 index, this relationship explains most of the difference in company valuations. And this holds true across US, UK and EU markets. That suggests it is simply lower average profitability that explains much of why UK companies are lower-valued than their US peers.

That, to be blunt, is a management problem rather than a market one, though, Arnold concedes, this is exacerbated by the UK's excessive focus on dividends over growth, and the ensuing risk aversion. Addressing those issues head-on should be London's next challenge.

Reckitt's mini break-up is rather less than the full spring clean

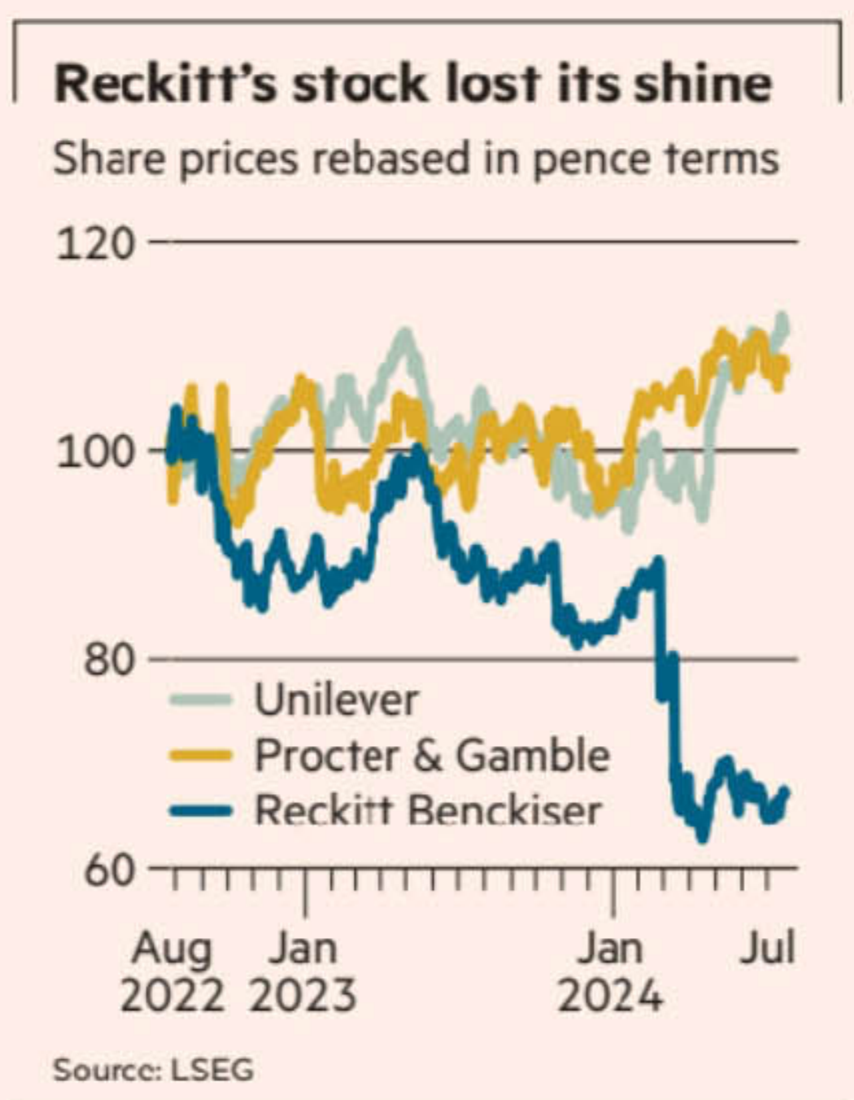
There are two ways for a company to think about which assets it should own. One is to look at what businesses belong together because there are similarities in the way they buy, make and sell stuff. Another is to look at what businesses, taken together, deliver the earnings growth and cash flows that keep shareholders happy.

Reckitt's restructuring plan falls somewhere in between. In a world in which consumer conglomerates are falling out of favour, it suffers a steeper discount than most — made worse by litigation risk on Mead Johnson, the infant nutrition unit acquired in a disastrous 2017 deal.

With the arrival of new chair Jeremy Darroch, Reckitt has taken the sensible step of putting the baby formula division, plus low-growth home care products including Cillit Bang and Airwick Air Fresheners, on the block. They accounted for about 30 per cent of Reckitt's £14.6bn sales last year.

Yet the group has shied away from an all-out break-up. It will keep its "power brands" — in health, hygiene and home — together, in a higher-growth, higher-margin business with £10.3bn revenue. The hope, it seems, is that disposal proceeds and a higher rating for a new, sleeker mini-conglomerate, will unlock enough value to avoid shareholders seeking more radical change.

On paper it makes some sense. Core Reckitt, the likes of Nurofen, Durex, Dettol and Finish, made about £2.8bn of ebitda in 2023, thinks Iain Simpson from Barclays. On a multiple of 15 times — a 12 per cent discount to Procter & Gamble — it could be worth about £40bn, equal to all of Reckitt's enterprise value today. Add £10bn for the businesses Reckitt wants to shed, and subtract net debt, for a 30 per cent-plus potential uplift in the stock.


Reckitt's stock lost its shine
Share prices rebased in pence terms

Source: LSEG

But spreadsheets are easy. Restructurings are harder. The lower-growth homecare business might tempt a private equity buyer but a sale of infant nutrition will be complicated by legal liabilities. The added risk is that the excitement of corporate action distracts managers from the day-to-day running of the business.

Reckitt's plans at least give investors the hope of upside to come. But the operational performance has also left something to be desired. If this refresh or its power brands falter, it will face new calls for a more radical overhaul.

Alphabet's dealmaking clumsiness underscores its strategic dilemma

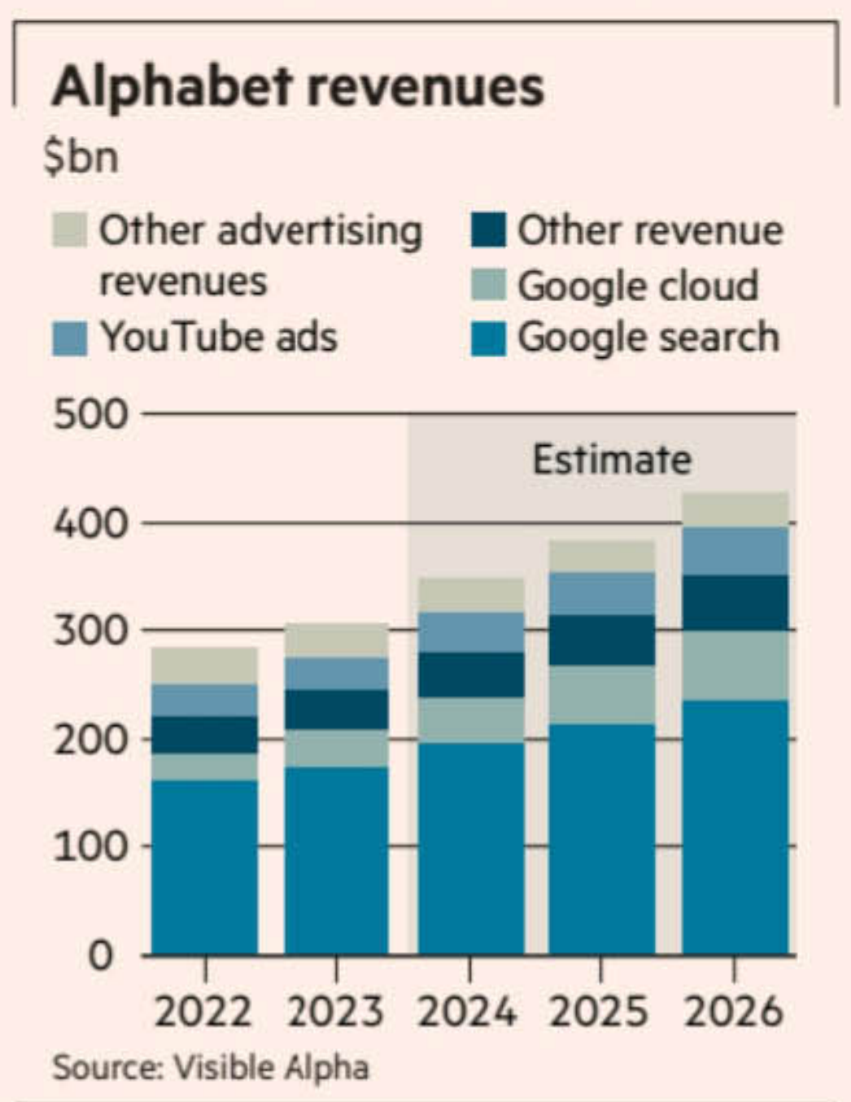
Alphabet wants to spend on capital expenditures ($13bn in the quarter just ended). Alphabet wants to spend on dividends ($2.5bn). Alphabet wants to spend on buybacks ($16bn).

But how about M&A? Google's parent reported healthy second-quarter results on Tuesday. Overall revenues were up 14 per cent. Search advertising revenues have not been dented by AI just yet.

Google's cloud computing business, however, was benefiting from customers building up their AI capabilities, with revenue up 29 per cent. Cost cuts and redundancies helped keep operating margins above 30 per cent. And Google shares have benefited from the broader rotation into big technology stocks with its share price up almost a third in 2024. Its market cap is $2.3tn.

But in terms of what comes next, it is worth considering the group's dealmaking (or lack of it). Dealmaking looks clumsy at the moment at Alphabet.

Late Monday, Wiz, the hot cloud security start-up, said it was abandoning deal discussions with Alphabet after rumours days ago pegged a buyout at $23bn — far more than the company has ever spent to acquire another. Wiz said it would focus on reaching its near-term target of annual recurring revenue of $1bn while pursuing an initial public offering.


Alphabet revenues
$bn

Source: Visible Alpha

The Financial Times reported that members of the Alphabet board were concerned about provoking Joe Biden's administration, which has in effect made blockbuster M&A impossible for Big Tech thanks to antitrust concerns. Microsoft had to go to court to defeat the US Department of Justice over its $75bn deal for Activision. Adobe eventually abandoned a $20bn deal for rival Figma.

Another possible Alphabet deal for the listed software company HubSpot, with a current market cap of $25bn, has also reportedly been shelved.

Google is already in a US federal court subject to a landmark trial over improperly leveraging its strength in internet search to block rivals. And even with $10bn of quarterly revenue in cloud computing, advertising remains by far Alphabet's dominant business.

That in the long term might become vulnerable to AI, government regulation or enforcement actions. It is understandable that Alphabet would want to find other areas of growth for diversification. And the regulatory environment is unpredictable at best.

But the boardroom division, in an otherwise successful and well-managed company, about how aggressive to be in pursuing new opportunities only underscores the dilemma.

Jacobs' few billion dollars are another Spac squeeze

How to Make a Few Billion Dollars is the new bestseller from US entrepreneur Brad Jacobs. Jacobs, conveniently, happens to be a billionaire. He is known for putting together such industrial roll-ups as XPO, GXO, RXO, United Rentals and United Waste.

His latest venture, QXO, may be his boldest wager yet. QXO has recently raised more than $5bn, including $900mn from Jacobs himself.

Jacobs aims to make QXO a platform to buy building products distributors, a sector he sees as ripe for consolidation.

His approach looks like a special purpose acquisition company, or Spac, in reverse. Rather than launch an IPO of a cash-rich shell to later acquire a company, Jacobs has injected the $5bn into a microcap company, SilverSun Technologies. SilverSun's existing business has no real future with Jacobs, who will however retain the small rump. The infrastructure of an already public company is what he wants.

Jacobs struck his investment at $4.57 per share. Other investors bought it at twice that, $9.14. SilverSun, now officially known as QXO, has 740mn shares outstanding, accounting for warrants and convertible stock. Yet its traded stock price is now above $100 per share, implying that the $5bn cash has an equity value of nearly $100bn.

Part of the discrepancy may be the confidence in Jacobs to find great acquisitions at good prices, turning the $5bn into something far greater.

But ultimately, QXO's stock price is currently a meaningless signal. The shares from the old SilverSun add up to less than 1mn in total but are the only QXO shares that really trade — the institutional money that has come in is supposed to be in effect locked up. QXO has not sold any fresh shares to the public, leaving ordinary investors who want exposure to Jacobs only one option: to chase those few SilverSun shares outstanding, creating the massive supply/demand imbalance.

Jacobs and the other institutional investors have thus on paper made far more than "a few billion dollars". QXO's stock price is, however, bound to only fall as it does deals and more shares become freely traded.

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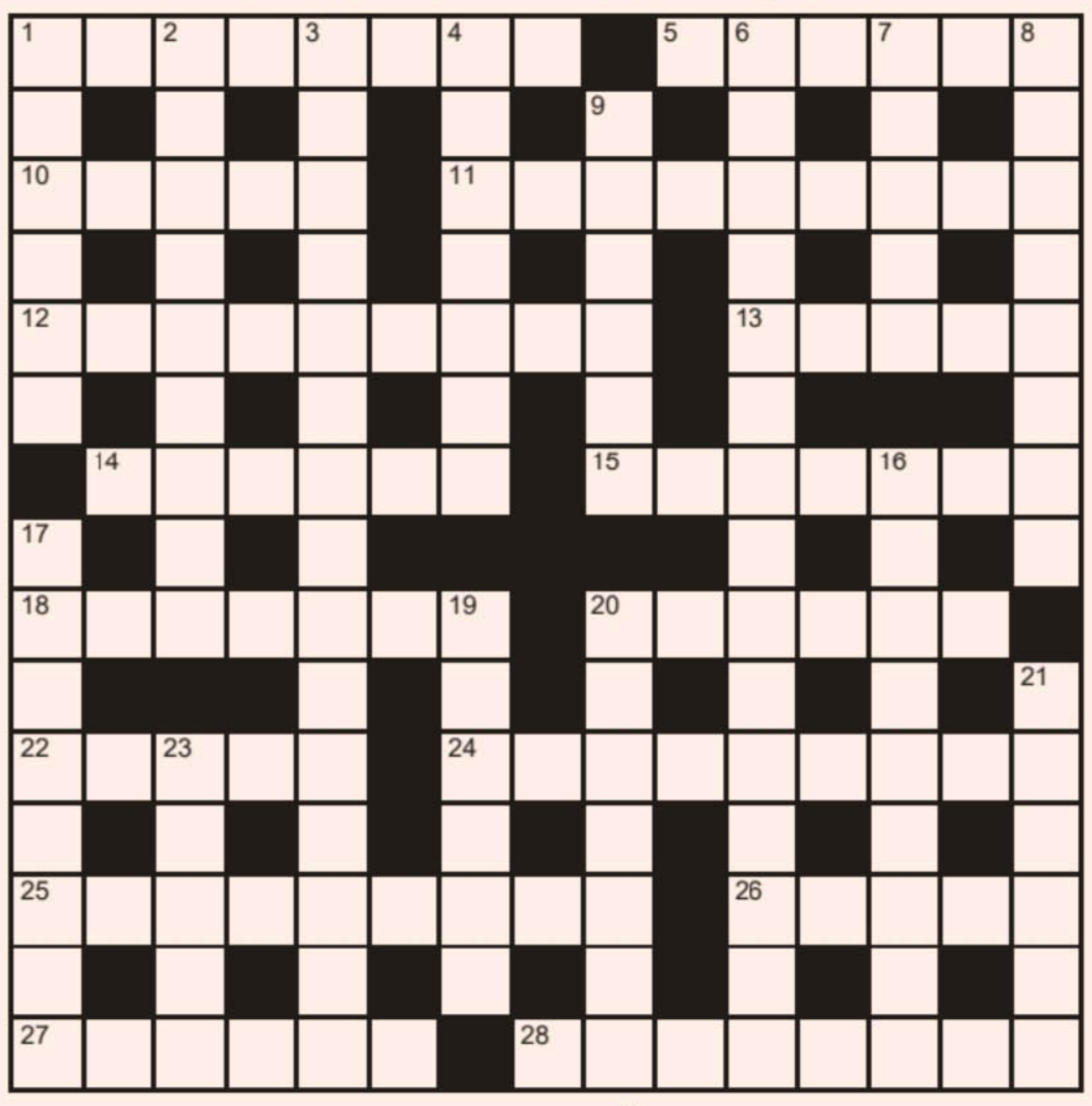

ACROSS

1 Festival crowd took Ecstasy (8)
5 Terribly rude is how one appears online (4,2)
10 Proper bolt on foot (5)
11 Tesla owner in California backs local football team (9)
12 Crossing South Africa during journey (9)
13 Motorway delayed Rolling Stones on the road (5)
14 Set on fire one unspecified catalogue (6)
15 Attack after second satellite's disappearance (7)
18 Sharp wordplay, Guy (7)
20 Note hospital on low funds (6)
22 Criminal boss? Time for new leader (5)
24 Tiny hole I cut to size in seconds (9)
25 Fiddle lessons in large hall (9)
26 Trade with India as good as it could be? (5)
27 Ship's sides bother fish (6)
28 Page breaks spoiled the tale, thought reader (8)

DOWN

1 Religious footwasher, reluctant dishwasher? (1-5)
2 One packs old sports car with limited amount, moving abroad (9)
3 Film father went to, Brando not bad for a change (2,3,10)
4 Case of SARS maybe disturbed House of Representatives (7)
6 Heavy smoker usually seen dragging? (5,10)
7 Look for food in the dirt around small hen-house (5)
8 To choose blind, pull many across the window? (4,4)
9 Heat in the afternoon outside about fifty-one (6)
16 Long running show, very good each time (4,5)
17 Courier company approves move to another address (2,6)
19 Listening to Piaf, say, her stamp? (6)
20 Knife marks pine tree's bark (7)
21 Toast former Tory PM, with Labour leader getting in (6)
23 Secret wife kept from Victor (5)

Solution 17,796

B	O	W	L	S	■	T	R	A	I	N	A	B	L	E
R	■	H	■	O	■	H	■	D	■	O	■	A	■	L
A	L	A	R	M	B	E	L	L	■	W	I	L	D	E
N	■	T	■	E	■	A	■	E	■	T	■	S	■	V
D	E	C	O	R	A	T	O	R	■	H	E	A	V	E
Y	■	H	■	S	■	R	■	■	■	E	■	M	■	N
■	P	A	V	E	M	E	N	T	A	R	T	I	S	T
E	■	M	■	T	■	O	■	H	■	E	■	C	■	H
C	H	A	R	M	O	F	F	E	N	S	I	V	E	■
O	■	C	■	A	■	■	■	A	■	A	■	I	■	R
S	N	A	F	U	■	D	E	B	U	T	A	N	T	E
T	■	L	■	G	■	R	■	S	■	H	■	E	■	T
A	L	L	A	H	■	A	M	U	S	I	N	G	L	Y
T	■	I	■	A	■	F	■	R	■	N	■	A	■	P
E	S	T	I	M	A	T	E	D	■	G	O	R	G	E

JOTTER PAD

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