FINANCIAL TIMES
WEDNESDAY 19 OCTOBER 2022
INTERNATIONAL NEWSPAPER OF THE YEAR
ASIA

Working in fear at KPMG's Saudi business
BIG READ, PAGE 15

A stronger EU can emerge out of crisis
MARTIN WOLF, PAGE 17

Tehran's grip
Climber in scarf 'mistake'

Rhea Kang/International Federation of Sport Climbing/AFP via Getty Images

Elnaz Rekabi competes in the women's boulder finals of the Asian Championships in Seoul on Sunday.

The Iranian climber who took part without wearing a headscarf — widely seen as a show of support for protests in her country — said yesterday that her "clothing had a problem by mistake", fuelling suspicions she had come under pressure from the Islamic republic.

The climber apologised for the "concerns I have created" after friends reported that they had been unable to contact her since the competition.

Authorities in Tehran have blamed celebrities from the sport and film world for fanning the protests that have swept Iran since Mahsa Amini, a 22-year-old Kurdish woman, died in the custody of the morality police last month after she was arrested for not wearing a headscarf.

Climber's 'mistake' page 4

Goldman Sachs 'plays to its strengths' as shake-up brings retreat from retail

- Focus on companies and wealthy
- Solomon seeks to sway investors
- Fourth straight profit fall

JOSHUA FRANKLIN — NEW YORK

Goldman Sachs is pulling back from its foray into retail banking to focus on its traditional strengths serving big companies and wealthy investors.

David Solomon, chief executive, said the Wall Street lender was trying to align its online retail banking operations with its wealth management business, adding that that was "a better place for us to be focused than to be out massively looking for consumers".

"The concept of really being broad with a consumer footprint is not really playing to our strengths," he told CNBC. "But when you look at our wealth platform . . . the ability to add banking services to that and align it with that actually plays to our strength."

Goldman announced the restructuring as it reported third-quarter net income of $3.1bn, or $8.25 a share, down 43 per cent from $5.4bn, or $14.93 a share, a year ago.

That beat analysts' estimates for $2.9bn, or $7.75 a share, according to consensus data compiled by Bloomberg, but was still Goldman's fourth straight quarterly decline.

"The scaling back of consumer [banking] makes sense," said Christian Bolu, banking analyst at Autonomous Research. "It's a case of really focusing on existing clients, which probably are very high value, high net worth . . . rather than spending the money to go chase new clients."

> 'These changes represent an important and purposeful evolution'
> David Solomon, chief executive

Under the revamp, Goldman will fold its trading and investment banking business into one unit as it shrinks from four divisions to three. The reorganisation comes as the Wall Street bank deals with a prolonged slowdown in investment banking fees.

"These organisational changes represent an important and purposeful evolution in our strategic journey, positioning us well to deliver for our clients and unlock shareholder value," Solomon said in a memo to employees seen by the Financial Times.

The move reflects Solomon's failure thus far to convince investors that Goldman has changed substantially from the investment banking and trading-driven house that he inherited four years ago, and merits a superior stock market multiple.

The reorganisation, the bank's second in less than three years, will break Goldman's consumer business into two separate areas, reducing the prominence of its push into consumer banking through online retail lender Marcus.

Since its launch in 2016, Marcus has come under critical scrutiny from outside investors and internal voices amid continuing losses and escalating costs.

The three divisions will be: a merged investment bank and trading unit; an asset and wealth management division that will house Marcus; and the newly formed Platform Solutions business comprising the rest of Goldman's retail banking operations, such as its Apple credit card partnership and online lender GreenSky, as well as the fledgling transaction banking business.

Goldman's stock was up nearly 3 per cent in afternoon trading in New York.

In the third quarter, Goldman's net revenues totalled $11.98bn, down from $13.6bn a year earlier but ahead of analysts' forecasts for $11.4bn.

Revenues from its trading division, which has benefited from heavy activity during the recent bout of market volatility, came in ahead of analysts' estimates.

Lex page 18

Briefing

▸ French central bank flags lesson from UK turmoil
France's central bank chief has warned that UK bond market turmoil shows the "vicious loop" faced by governments.— PAGE 2; JANAN GANESH, PAGE 17; LEX, PAGE 18

▸ Meta told to sell Giphy
The UK competition watchdog has for the second time ordered the Facebook owner to sell the gif platform, bringing an end to the $315mn deal.— PAGE 6

▸ Foxconn in electric push
The iPhone maker has unveiled two prototypes and said it aims to manufacture nearly half of all electric vehicles sold globally in the long term.— PAGE 8; LEX, PAGE 18

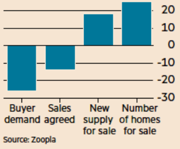
▸ Brussels unveils gas plan
The European Commission has announced fresh emergency measures to curb energy prices, warning of more "exceptional" support to come.— PAGE 3

▸ Kurz probe stakes rise
A corruption probe into Austrian politicians linked to ex-leader Sebastian Kurz has intensified as one of his closet lieutenant's turned on him.— PAGE 2

▸ UK pension risk abates
The Bank of England has said liability-driven investment funds are much better prepared to manage shocks following its emergency bond-buying.— PAGE 6

Datawatch

UK home truths
Week ending October 9 vs same week last year (% change)



Source: Zoopla

Homes demand has fallen by a fifth since the 'mini' Budget. Fallout from the fiscal package has potentially added 1 per cent to mortgage rates, which are now around 6 per cent, a 25-30 per cent hit to the buying power of those using a mortgage

China's growth data delay flags unease on economy

Analysis ▸ PAGE 2

Germany's cyber security chief sacked over alleged Russian intelligence links

GUY CHAZAN — BERLIN

The head of Germany's cyber security agency has been sacked over reports of his alleged ties to Russian intelligence.

Arne Schönbohm was released from his duties with immediate effect yesterday by interior minister Nancy Faeser after the German media aired allegations against him.

The concerns centre on his links to an organisation known as the German Cyber Security Council, which he co-founded about a decade ago. According to reports, one of its members is a company founded by a former Russian intelligence agent.

The scandal comes at a time of heightened fears that Russia might target Germany's critical infrastructure over Berlin's support for Ukraine. This month the country's rail network fell victim to an act of sabotage that briefly paralysed all train services in northern Germany.

The interior ministry said the allegations against Schönbohm had "caused lasting damage to the public's necessary trust in the neutrality and impartiality of his leadership . . . of the most important German cyber security agency".

The accusations were all the more concerning "in view of Russia's hybrid warfare" and had undermined the "essential relationship of trust between the minister and the leadership" of the cyber security agency.

Schönbohm has been in the spotlight since a report on the German television programme *ZDF Magazin Royale* this month highlighted his GCSC ties.

Schönbohm gave a speech at the council's 10-year anniversary celebration this year, although he had told subordinates not to appear at its events.

The programme examined a Berlin-based cyber security company called Protelion that had, until recently, been a member of the council. The company, which was previously called Infotecs, was a subsidiary of a Russian company called OAO Infotecs.

According to the research network Policy Network Analytics, OAO Infotecs was founded by a former employee of the KGB, whom Russia's president Vladimir Putin had rewarded with an honorary medal.

Protelion declined to comment. OAO Infotecs could not be reached for comment.

The German Cyber Security Council said last week that it had excluded Protelion as a member, saying that its actions had been a "violation of the goals" of the association.

Constanze Stelzenmüller page 17

Australia	A$7.00(inc GST)
China	RMB30
Hong Kong	HK$33
India	Rup220
Indonesia	Rp45,000
Japan	¥650(inc JCT)
Korea	W4,500
Malaysia	RM11.50
Pakistan	Rupee 350
Philippines	Peso 140
Singapore	S$5.80(inc GST)
Taiwan	NT$140
Thailand	Bht140
Vietnam	US$4.50

Subscribe In print and online

www.ft.com/AsiaSubs
Tel: (852) 5803 3388
Fax: (852) 2905 5590
email: subseasia@ft.com

No: 41,149 ★

Printed in London, Liverpool, Glasgow, Dublin, Frankfurt, Milan, Madrid, New York, Chicago, San Francisco, Tokyo, Hong Kong, Singapore, Seoul,

World Markets

STOCK MARKETS

	Oct 18	Prev	%chg
S&P 500	3703.05	3677.95	0.68
Nasdaq Composite	10738.98	10675.80	0.59
Dow Jones Ind	30399.84	30185.82	0.71
FTSEurofirst 300	1582.88	1577.43	0.35
Euro Stoxx 50	3471.18	3441.64	0.86
FTSE 100	6936.74	6920.24	0.24
FTSE All-Share	3792.79	3784.45	0.22
CAC 40	6067.00	6040.66	0.44
Xetra Dax	12765.61	12649.03	0.92

CURRENCIES

Pair	Oct 18	Prev	Pair	Oct 18	Prev
$/€	0.985	0.982	€/$	1.015	1.019
$/£	1.132	1.143	£/$	0.884	0.875
£/€	0.870	0.859	€/£	1.149	1.165
¥/$	149.095	148.740	¥/€	146.866	146.011
¥/£	168.753	170.026	£ index	78.055	77.110
SFr/€	0.980	0.978	SFr/£	1.126	1.139

CRYPTO

	Oct 18	Prev	%chg
Bitcoin ($)	19376.49	19544.12	-0.86

GOVERNMENT BONDS

Yield (%)	Oct 18	Prev	Chg
US 2 yr	4.46	4.43	0.03
US 10 yr	4.05	3.95	0.09
US 30 yr	4.08	3.96	0.13
UK 2 yr	3.46	3.51	-0.05
UK 10 yr	3.95	3.97	-0.03
UK 30 yr	4.31	4.37	-0.07
JPN 2 yr	-0.05	-0.06	0.01
JPN 10 yr	0.25	0.25	0.01
JPN 30 yr	1.51	1.51	0.01

Dubai

Nikkei	27156.14	26775.79	1.42
Hang Seng	16914.58	16612.90	1.82
MSCI World $	2431.84	2376.64	2.32
MSCI EM $	865.77	863.33	0.28
MSCI ACWI $	563.66	552.08	2.10
FT Wilshire 2500	4794.49	4666.64	2.74
FT Wilshire 5000	37455.92	36456.56	2.74

Ethereum	1308.16	1330.92	-1.71
COMMODITIES			
	Oct 18	Prev	%chg
Oil WTI $	81.63	84.53	-3.43
Oil Brent $	89.05	91.62	-2.81
Gold $	1649.30	1648.10	0.07

GER 2 yr	1.95	1.94	0.01
GER 10 yr	2.28	2.27	0.01
GER 30 yr	2.31	2.29	0.03

Prices are latest for edition
Data provided by Morningstar

A Nikkei Company

INTERNATIONAL

Eurozone

French bank chief warns over UK turmoil

Fiscal expansion at a time of fast rising rates risks creating 'vicious loop'

MARTIN ARNOLD — PARIS

France's central bank head has warned that the recent turmoil in the UK's bond markets illustrates the "vicious loop" governments face if they undermine efforts by rate-setters to curb soaring inflation.

François Villeroy de Galhau, who sits on the European Central Bank's rate-setting governing council, said in an interview that the sharp rise in the British government's cost of borrowing after it unveiled unfunded tax cuts worth £45bn last month highlighted the importance of "a consistent policy mix" between central banks and lawmakers.

Underlining the risks of fiscal expansion at a time of rapidly rising interest rates, the Banque de France governor said: "If you have a monetary policy with an anti-inflationary stance and there are doubts about whether your fiscal policy will fuel inflation, then you really risk nurturing a vicious loop."

The sell-off in gilts forced the Bank of England to intervene to halt the collapse of parts of the UK's pensions industry, which the Banque de France governor cautioned was the latest example of the non-bank financial sector's vulnerability to cash crunches. He urged global regulators at the Financial Stability Board to "deliver now on clearer and stricter rules" to ensure funds and traders built up stronger liquidity buffers. "We need more data and in each jurisdiction we need some kind of liquidity stress testing," he said.

Comparing the UK turmoil with the money market fund panic after the pandemic hit in 2020 and a collateral shortage at energy traders after Russia invaded Ukraine, Villeroy said: "They have one thing in common and it is about the liquidity of non-banks."

> Villeroy said he did not anticipate major euro area governments repeating UK's mistake

The UK government concluded an about-turn on Monday after new finance minister Jeremy Hunt said he would ditch two-thirds of the tax cuts announced by his predecessor, Kwasi Kwarteng, who was sacked on Friday.

Expressing incredulity at recent events in the UK, which he said had dominated the IMF and World Bank annual meetings in Washington last week, Villeroy declined to comment on the specifics of the UK case but said he did not anticipate major euro area governments repeating the mistake.

While governments in the currency bloc are yet to encounter the turmoil seen in the UK over recent weeks, they are spending big to cushion the blow of surging energy prices on businesses and households. Economists, including those at the IMF, believe the energy packages raise the risk of high inflation becoming entrenched.

But Villeroy said the measures were "understandable". France's energy price cap, which has limited electricity price increases at 4 per cent this year and frozen domestic gas prices, had helped to keep inflation at a more manageable 6.2 per cent — the lowest in the eurozone — up until now. "As far as these measures remain targeted and temporary — and time will tell — they are rather helpful." The ECB raised rates by 1.25 percentage points over the summer to combat record-high inflation of 10 per cent — five times its 2 per cent goal — and is set to increase its deposit rate by 0.75 percentage points to 1.5 per cent next Thursday.

Martin Wolf see Opinion

Communist party. 20th congress

China GDP data delay stirs growth concerns

Property sector turmoil and zero-Covid policies restrict vital consumer spending

THOMAS HALE — SHANGHAI

Away from the main stage of China's 20th party congress, a press conference on Monday addressed the sensitive question of economic growth.

"The economy rebounded significantly in the third quarter," said Zhao Chenxin, a senior official at the National Development and Reform Commission, just a day before new gross domestic product data were due to be published. The country's performance, he added, was "outstanding".

But hours later, the government's statistics department website was updated to say the data would be delayed, without explanation or comment. Economists had forecast growth of 3.3 per cent, far below China's long-term average and its 5.5 per cent target for the year.

Viewed in some quarters as an attempt to avoid distracting from China's biggest political event in years, the delay nonetheless came at a time when growth has become an uncomfortable topic in Beijing.

The Chinese economy — underpinning the Communist party's governance model for decades and recently on course to become the world's biggest — is beset by a property crisis and strict zero-Covid controls that have damped consumer spending.

Robin Xing, chief China economist at Morgan Stanley, said: "That slightly above 3 per cent sub-par growth is probably the best they can get with strict Covid management and the drag from the housing sector. The only meaningful policy lever they have for next year is the change in Covid management, aimed towards reopening."

But the government, both at the Congress and in the build-up to the event through state media and official announcements, has doubled down on its zero-Covid approach and declined to provide any timeline for reopening. A Goldman Sachs tracker of China's policies notes that cities with high and medium-risk districts now account for 40 per cent of national GDP, which they said implied "continued pressure on consumption and services in October".

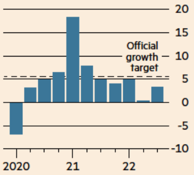
Covid fears: workers wear masks this week in Shanghai's financial district
Aly Song/Reuters

Aidan Yao, senior emerging Asia economist at Axa Investment Managers, said the discussion on zero-Covid was "backward looking" and that the policy was likely to remain in place under the same name, even if there was scope for adjusting its implementation.

Other data releases, including those for house prices in China's 70 biggest cities, and customs data, due on Friday, have also been delayed.

China GDP growth is falling short of 5.5% official target

Quarterly GDP growth, projected figure for Q3 2022 (%)



Source: National Bureau of Statistics of China

Given the tightly controlled language of the congress, analysts have noted which issues have been omitted. CreditSights said that Xi's opening remarks on Sunday did not cover market reforms, financial institutions and the data economy, which were stressed as important areas at previous congresses.

However, he did state the country would "better leverage the fundamental role of consumption in stimulating economic growth" as well as address "imbalanced development". Xing at Morgan Stanley said the event had countered fears of a move away from economic development and towards security of energy, food and supply chains.

"I would say the concern before the party congress in the market was maybe China would be shifting policy agenda away from the economy," he said. "But I think the party congress narrative here is allaying those concerns."

Xi reiterated the need to build a "moderately prosperous" society by 2035, which entails a GDP per capita level of that equivalent to a median developed economy. Xing suggested this implied GDP per capita of $20,000-$24,000 a year, compared to slightly above $12,000 in 2021. That would imply a growth rate of around 4.5 per cent through to 2035.

> 'That slightly above 3% sub-par growth is probably the best they can get with strict Covid [policies]'

This week's unpublished GDP figures were set to be significantly below that and could set a path for growth at a weaker level than the 6 per cent or above in the years before the pandemic.

Yao also pointed to the emphasis on economic development in Xi's comments, including his "unwavering support" for the private economy, which Yao said would come "as a relief to many". He suggested the tone signified the ending of a series of regulatory and private sector crackdowns in 2021 that included the education and technology sectors.

While GDP may be posing a challenge to the Chinese authorities, other metrics are more promising relative to other economies. At the Monday NDRC press conference, Zhao pointed to China's "moderate" increases in consumer prices, compared with an environment of rising prices and rates elsewhere. Consumer price inflation was 0.6 per cent in September.

See Inside Business & The FT View

Former chancellor

Kurz ally to be crown witness in Austrian corruption inquiry

SAM JONES — VIENNA

A corruption investigation into dozens of Austrian politicians and officials linked to the country's one-time leader Sebastian Kurz widened dramatically yesterday as a key lieutenant to the former chancellor turned crown witness.

Austria's prosecutor's office said Thomas Schmid, who helped to propel the former chancellor to power, had provided days of evidence after being "questioned extensively" over the affair.

The state economic crime and corruption prosecutor (WKStA) said its probe was officially looking into 45 individuals and entities that were close to Kurz during his time in office.

The investigation, which precipitated Kurz's resignation from office last October, has transfixed Austria, one of the wealthiest EU member states, and threatened to tarnish its reputation for probity and the rule of law.

Kurz, 36, served two terms as chancellor, from 2017 to 2019 and between 2020 and 2021, during both of which he was the youngest head of government in the world. He could not be reached for comment.

"[A] total of 15 full-day [depositions] have taken place at the WKStA since June 2022, during which the accused was questioned extensively," the prosecutor said in relation to Schmid, former head of the Austrian state holding company.

The sensitive nature of the testimony meant it had been kept from other legal parties to the investigation until now, the WKStA said.

The former chancellor and his allies accuse the WKStA of grossly overstepping its remit and politicising its investigations by selectively leaking information to the media.

Kurz was reluctantly forced from the chancellery as a result of disclosures about the WKStA investigation and evidence gathered in a parallel special parliamentary investigative committee.

He is separately facing criminal charges from the WKStA for misleading the parliamentary committee.

Since leaving Austrian politics, Kurz has partnered with Silicon Valley investor Peter Thiel by working as a "global strategist" at Thiel Capital, his investment company.

The WKStA investigation — officially referred to as the "Casag-Komplex", after the initial probe into alleged nepotism at the state gambling concern Casinos Austria (Casag) — has grown over three years to encompass a range of potential crimes.

These include bribery, disclosure of state secrets and abuse of office relating to individuals across government. No charges have yet been brought.

Prosecutors have expanded the range of their inquiries as more and more officials' mobile phones have been confiscated as part of the probe, in turn revealing evidence of further, unrelated potential crimes or conspiracies as terabytes of chat-logs were pored over.

The investigation has also threatened to snare some of the biggest names in Austrian business, although none has yet been formally named in connection with the Casag-Komplex.

FINANCIAL TIMES
6th Floor, Nan Fung Tower
Central, Hong Kong

Japan: Nikkei Tokyo Newspaper Printing Center, Inc.,
1-10-5, Shinonome, Koto-Ku, Tokyo 135-0062
Representative; Hiroko Hoshino; ISSN 0915-9460

France

Macron government to force budget through parliament

LEILA ABBOUD — PARIS

Emmanuel Macron's government has said it will push the 2023 budget through by resorting to a rarely used constitutional manoeuvre that overrides the need for a parliamentary vote, in a sign of the French president's

has worked at France's highest administrative court.

Use of the 49.3 manoeuvre to pass the budget reflects the loss of Macron's majority after June's legislative elections. His centrist alliance holds 251 seats in the national assembly, short of the threshold of 289 to pass laws, and

Middle East

Australia angers Israel with U-turn on West Jerusalem

JAMES SHOTTER — JERUSALEM

Australia has reversed a four-year-old decision to recognise West Jerusalem as Israel's capital, in a U-turn that sparked an angry response from the Middle Eastern country.

Penny Wong, Australia's foreign minis-

Palestinian official, welcomed the move "and its affirmation that the future of sovereignty over Jerusalem depends on the permanent solution based on international legitimacy".

The status of Jerusalem is one of the most bitterly contested aspects of the Israeli-Palestinian conflict, with

Subscriptions and Customer Service
Tel: (852) 5803 3388, subseasia@ft.com

Advertising
Tel: (852) 2868 2863 asiaads@ft.com,
www.ftasia.net

Letters to the editor
letters.editor@ft.com

Published by
The Financial Times (HK) Limited,
6th Floor, Nan Fung Tower, 88 Connaught Road
Central, Hong Kong
Asia Editor: Robin Harding

Printed by
Australia: Spotpress Pty Ltd, 24-26 Lillian Fowler Place, Marrickville, NSW 2204
Hong Kong: Kin Ming Printing Co Ltd,
15/F BLK A, 18 Ka Yip Street, Ming Pao Industrial Centre, Chai Wan; Representative; Angela Mackay;
ISSN 1025-918X
South Korea: Maeil Business Newspaper, 30-1, 1-Ga, Pil-Dong, Jung-Ku, Seoul, 100-728
Singapore: SPH Media Limited, 2 Jurong Port Road, 619088
Representative, Anjali Mahindroo

The Financial Times and its journalism are subject to a self-regulation regime under the FT Editorial Code of Practice: www.ft.com/editorialcode

Reprints are available of any FT article with your company logo or contact details inserted if required (minimum order 100 copies). One-off copyright licences for reproduction of FT articles are also available.
For both services phone +44 20 7873 4816, or alternatively, email syndication@ft.com

weaker political hand in his second term.

Government spokesperson Olivier Véran said yesterday that article 49.3 of the constitution would be triggered "probably tomorrow" depending on "how the debates evolve today", adding that there was not enough time to examine the remaining 2,000 amendments and meet the deadline for the budget.

The article allows the government to pass a draft law by decree and effectively ignore lawmakers, but it also permits the opposition to respond with a no-confidence motion.

"This tells us that Macron's second term is going to be very difficult and that he will pass fewer reforms," said Noëlle Lenoir, a constitutional law expert who

the threshold of 289 to pass laws, and faces opposition from Marine Le Pen's far-right National Rally and the leftwing Nupes coalition whose de facto leader is the far-left's Jean-Luc Mélenchon.

That leaves only the Les Républicains (LR) open to negotiating with the government on certain topics, but the conservative party, which holds 62 seats, is not expected to vote for the budget since it would amount to rubber stamping the government's agenda.

The move comes at a delicate time for Macron, with labour unions holding a series of strikes, demanding higher wages to compensate for soaring inflation, including walkouts at oil refineries that have caused petrol shortages across the country. Raiway workers and teachers took industrial action yesterday.

Penny Wong, Australia's foreign minister, said the previous government's decision to recognise West Jerusalem undermined efforts to resolve the Israeli-Palestinian conflict, and had put Canberra "out of step with the majority of the international community".

"The Australian government remains committed to a two-state solution in which Israel and a future Palestinian state can coexist in peace and security within internationally recognised borders," she said yesterday. "We will not support an approach that undermines this prospect."

Israel's foreign ministry expressed "deep disappointment" at the decision, which it branded as one "resulting from short-sighted political considerations".

However, Hussein Sheikh, a senior

the Israeli-Palestinian conflict, with Israel claiming the city as its "eternal and undivided capital" and the Palestinians seeking East Jerusalem, which Israel occupied during the 1967 six day war, as the capital of a future Palestinian state.

Most countries that have diplomatic relations with Israel maintain their embassies in the Mediterranean city of Tel Aviv, reflecting an international consensus that the final status of the holy city, home to sites sacred to Muslims, Jews and Christians, should be determined in peace talks between Israel and the Palestinians.

In 2017, then US president Donald Trump broke ranks, recognising Jerusalem as Israel's capital and moving the US embassy from Tel Aviv to the holy city.

INTERNATIONAL

Ukraine battles to counter Russia's swarm of kamikaze Iranian drones

Kremlin attempts to overwhelm air defences after switching focus to cities and energy infrastructure

JOHN PAUL RATHBONE AND ANDREW ENGLAND — LONDON
CHRISTOPHER MILLER — KYIV
NAJMEH BOZORGMEHR — TEHRAN

Seeking refuge: soldiers and rescue workers take cover during a Kyiv drone attack this week
Paula Bronstein/Getty Images

"Bitches", shouted the Ukrainian soldier. He had just fired his Kalashnikov light machine gun at several drones flying low and slow over central Kyiv on Monday morning, the tell-tale noise of their two-stroke engines identifying them as Iranian-made Shahed 136s.

Other troops nearby also lifted their rifles to the sky, aiming at the propeller-driven drones. Moments later, one crashed in flames into a street. Another went into a steep dive and exploded into a residential building next to the head office of an energy company.

"All night and all morning the enemy terrorises the civilian population. Kamikaze drones and missiles are attacking all of Ukraine," President Volodymyr Zelenskyy said.

Foreign-made drones have been a feature of the war in Ukraine. First, Kyiv deployed Turkish-made TB2 Bayraktar drones to devastating effect against Russian troops. After the October 8 attack on the Kerch bridge connecting Russia to occupied Crimea, Ukrainian and western defence officials say Moscow is increasingly turning to Iranian-made "kamikaze" drones, such as the Shahed 136, to hit Ukrainian targets.

With Kyiv reeling from another round of drone attacks on Monday and yesterday, Ukraine has repeated calls for allies to send more robust air defence systems to protect cities and key infrastructure.

"These Iranian drones are effectively cheap cruise missiles with a long range and good accuracy. While they are easier to shoot down, they are so cheap that you can use several to overwhelm air defences," said Jeremy Binnie, Middle East specialist at Janes, a defence intelligence company.

Iran, which has the largest missile arsenal in the Middle East, had already provided Russia with hundreds of Shahed 136 drones, said US national security adviser Jake Sullivan.

Last week, Zelenskyy said Russia had ordered 2,400 more of the drones, which are largely built from off-the-shelf components, can be programmed to fly towards a set of GPS co-ordinates and carry a hefty 30kg warhead. Iran repeated on Monday its denial that it was supplying drones to Russia. The Kremlin has not commented on the use of unmanned aerial vehicles but has said it was using precision weaponry to hit its targets. The Iranian drones' ease of use and relatively low cost of about $20,000 apiece, compared with more than $4mn for a cruise missile, mean they can be used in swarms.

That makes it harder and more expensive for Ukraine's limited air defence systems to stop them. Alongside the longer range Mohajer-6 drone, equivalent to a TB2 UAV, they can be used for strikes behind enemy lines and to sow fear among civilians.

"Only one drone needs to get through the air defences to hit the target," said Binnie, who estimates that Iran has made several hundred Shahed 136 drones and still has plentiful stockpiles.

Ukraine said it had destroyed 37 drones since Sunday evening, about 85 per cent of those launched. Yet the seriousness of the situation is reflected in how the attacks have wrecked a third of the country's electricity infrastructure.

Tehran is also reportedly poised to send to Moscow Fateh-100 and Zolfaghar short-range ballistic missiles, according to the Washington Post.

Western officials believe Russia's use of Iranian arms shows the depleted state of its own stock of precision weapons. Last week, Sir Jeremy Fleming, head of the UK's GCHQ intelligence organisation, said Russian forces were in a "desperate" position.

On the battlefield, these shortages are seen in Russian forces' increased recent use of surface-to-air and anti-ship missiles to hit land-based targets.

Russian colonel Igor Ischuk recently told the Tass news agency that most of the country's arms manufacturers "cannot meet" the army's drone requirements because of a lack of components.

To replenish its missile stocks, Russia turned to Iran, which Putin visited in July. China was another possibility, but Beijing "was probably concerned that it would have to face heavy sanctions and a very strong US response if it transferred this type of military technology [to Russia]", said Samuel Bendett, an adviser at the CNA think-tank.

Iran, by contrast, "has not only been able to manufacture its own line-up of UAVs, they've been doing it for decades and while under significant US sanctions", he told the Grey Dynamics podcast.

Iran has a long record of military drone and missile operations. The US blamed Tehran for the September 2019 strike that knocked out half of Saudi Arabia's crude oil output.

"Russia is behind Iran in this particular field [of drone warfare]," said Mehdi Bakhtiari, an Iranian defence expert. One Tehran-based political analyst added that sanctions forced the Islamic republic to focus on developing less sophisticated weaponry, such as drones. Iran and Russia have long co-operated militarily, both intervening in Syria's civil war in 2015 to turn the conflict in President Bashar al-Assad's favour.

Even so, Iran had no direct stake in the Ukraine conflict, said Emile Hokayem, senior fellow for Middle East security at the International Institute for Strategic Studies think-tank in London.

But analysts said that, apart from the payments that heavily sanctioned Iran would get for supplying the arms, deeper co-operation with Moscow now might win it access to defence technologies such as Russia's Su-35 fighter jets.

The fact that its weapons would be tested against western defence systems in Ukraine was also a propaganda win that might boost arms sales.

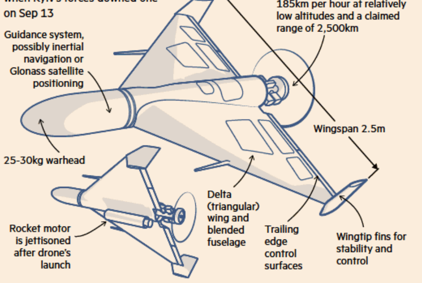
"Iran may be hoping to get things like fighter jets or maybe it wants to swap drones for wheat," the Tehran-based analyst said. "Whatever [the reason] is, this is an opportunity for Iran."

See Opinion

> 'Kamikaze drones and missiles are attacking all Ukraine'

Iran's Shahed-136 drone

The unmanned combat aerial vehicle was first seen in the Ukraine conflict when Kyiv's forces downed one on Sep 13



Sources: UK Ministry of Defence; Media Center Ukraine; IISS; FT research

Bloc support

Brussels aims to tame gas prices with emergency cap package

ALICE HANCOCK — BRUSSELS

The European Commission has unveiled a fresh package of emergency measures to curb energy prices, warning of more "exceptional" support to come as the bloc prepares for a "precarious" supply situation next year.

The measures contain a cap on the price of gas traded on the EU's main exchange, alongside measures aimed at limiting volatility in energy derivatives markets. The commission also wants to create a clearer structure to co-ordinate gas buying and a template for so-called solidarity agreements that allow EU countries to source gas from neighbours should their own supply be cut off.

Ursula von der Leyen, commission president, said "exceptional and temporary measures" were still needed to ensure security of supply next year. The bloc could now take "further steps towards an energy union".

Gas prices surged this year after Russia limited flows to Europe in retaliation for sanctions imposed by the EU following its invasion of Ukraine. Prices are now at levels similar to those in the early days of the conflict in late February.

EU countries have filled gas storage facilities to 92 per cent of capacity. But Brussels is concerned that if Russia cuts flows fully and storage levels are low by spring, member states would face a "precarious situation" the next winter.

Paolo Gentiloni, economy commissioner, warned yesterday the EU was facing "multiple crises" and the energy measures "would not be the last".

Russia was previously the EU's biggest supplier, piping 40 per cent of the fuel used by the bloc in 2021.

The latest measures are up for discussion at a summit of leaders tomorrow and on Friday, before being debated in more detail by energy ministers next Tuesday. They are unlikely to be signed off until November, however.

The emergency cap to limit surges in prices on the Dutch Title Transfer Facility, the EU's main gas price benchmark, follows weeks of pressure from member states that fear social unrest this winter if energy bills do not come down.

Several countries felt the proposal was not enough. Teresa Ribera, Spain's energy minister, said the plans "still leave a feeling we are not acting with the speed and intensity that is required".

Spain and France are among nations pushing for an EU-wide cap on the price of gas used in electricity production, a model employed in Spain and Portugal.

The TTF is traditionally dominated by pipeline gas transactions, the vast majority of which previously came from Russia and has since been replaced by liquefied natural gas. Germany has frequently opposed any price ceiling, fearing it could increase consumption when the EU needed to preserve supplies.

Brussels said the use of the TTF as a basis for the gas price cap was intended as a stop-gap measure while it worked on a benchmark based on LNG imports.

Additional reporting by Barney Jopson in Madrid

Frontline Internet

EU weighs paying towards Starlink service

HENRY FOY — LUXEMBOURG

The EU is discussing whether to cover the subscription cost of the Starlink terminals Elon Musk donated to Ukraine as part of options to safeguard

initely" but EU officials say they are concerned over his reliability. Some member states used a meeting of EU foreign ministers in Luxembourg on Monday to pledge cash to fund the service.

"For the time being, let's be happy

ing simply on his personal decision to keep providing it. The official said: "One option is that we pay for Starlink because it is already operational, they have thousands of terminals already there on the ground . . . a contract [with

European supply

Qatar warns of deeper energy crisis next year

ANDREW ENGLAND AND TOM WILSON
LONDON

Qatar's energy minister has warned that while Europe should have sufficient gas for power and heating this winter, the tougher challenge will come

you are saying 'I am going to be building huge nuclear [plants], I am going to allow coal, I am going to burn fuel oils'."

Russia supplied about 155bn cubic metres of natural gas to EU countries last year, about 40 per cent of the bloc's

gas projects globally would start producing until 2025, when QatarEnergy's Golden Pass joint venture with ExxonMobil is expected to add 16mn tonnes of LNG per annum to the market.

Qatar is also spending almost $30bn

internet communications in the war-stricken country.

Josep Borrell, EU chief diplomat, has tasked officials with drawing up plans to bolster internet coverage in Ukraine after Musk threatened to stop paying for the running of the Starlink terminals he donated to Kyiv, three officials with knowledge of the decision told the Financial Times. The US-based billionaire has said it was costing his company SpaceX up to $20mn a month to run the devices.

Musk's mobile internet systems have become crucial to the Ukrainian army's communications on the battlefield where internet infrastructure has been damaged. More than 20,000 Starlink terminals are in Ukraine, many of them used by the military. Some of them were donated by SpaceX but many are paid for by the US government, other western allies or through crowdfunding.

Musk on Monday tweeted: "To be precise, 25,300 terminals were sent to Ukraine, but, at present, only 10,630 are paying for service."

The entrepreneur said on Saturday he had changed his mind and would cover the cost of running the terminals "indef-

that he is paying for it. But we need to be on the safe side," said one of the officials. "The Ukrainians are very worried that he will still cut it off."

The EU discussions come as Kyiv reported widespread outages of Starlink devices on the front line in recent weeks and as the Pentagon disclosed talks with the billionaire over the cost of the terminals in the country. Musk on Monday insisted SpaceX had since "already withdrawn its request for funding".

'For the time being, let's be happy that he [Musk] is paying for it. But we need to be on the safe side'

But the EU is evaluating whether to negotiate a formal contract with SpaceX and set up a joint fund to pay for the Starlink terminals that the company donated. Officials in Brussels will also explore alternative satellite options, they said.

Proponents of a fund say that it would allow them to take Musk to court if he suspended the service, rather than rely-

EU countries] would bring stability.

"But why do we need Musk? Other companies might be able to provide this service," they added. "It could be cheaper and more reliable."

A second official said paying for Starlink was "just one of many possible options" the EU could look into as potential steps.

Western countries praised Musk earlier this year after Starlink was used to bring internet services to Ukraine in the aftermath of Vladimir Putin's invasion in February. But this month, he angered Ukrainian officials for outlining a peace settlement involving Russia keeping the annexed Crimean peninsula.

The FT also revealed some Starlink terminals had stopped working in areas recently liberated from Russian occupation, raising questions about whether SpaceX was blocking the service to some parts of the front lines.

Musk later appeared to threaten to withdraw Starlink services, complaining that his company was spending millions to "create, launch, maintain & replenish satellites & ground stations & pay telcos for access to internet via gateways".

next year as reserves are depleted.

Saad al-Kaabi said it would be "much worse next year" if there was a harsh winter, adding that the energy crisis could extend into the middle of the decade if president Vladimir Putin's war in Ukraine continued and gas "does not start flowing back again" from Russia.

"This coming winter, because of the storage capacity being full, it is fine," said Kaabi, who is head of state gas company QatarEnergy. "It is really replenishing the reserves, or the storage, for next year that is going to be the issue.

"So . . . next year and the following year, even up to 2025, are going to be the issue."

Many European countries have held talks with Qatar, the world's largest exporter of liquefied natural gas, as they seek to wean themselves off Russian fossil fuels. But Kaabi warned that he could not envisage a future where "zero Russian gas" flowed to Europe.

"If that is the case, then I think the problem is going to be huge and for a very long time," he said. "You just do not have enough volume to bring [in] to replace that gas for the long term, unless

gas consumption. Brussels hopes to reduce that dependency by raising piped supply from countries such as Algeria and Norway, as well as ramping up LNG imports from further afield.

But for Europe to replace all Russian gas would need an annual 112mn tonnes of LNG, equivalent to almost a third of today's entire market, according to Bernstein Research.

Qatar, which traditionally ships 70 per cent of its LNG to Asian clients on long-term fixed contracts, said it would be able to divert only 10-15 per cent of production to Europe until new projects come online. But Kaabi said no new, big


Saad al-Kaabi says gas-rich Qatar is 'very committed to the UK'

expanding its North Field, the world's largest gasfield, to raise its annual LNG production capacity from 77mn tonnes to 126mn tonnes by 2027.

The UK opened talks with Qatar a year ago for the Gulf state to become its "supplier of last resort". Kaabi said it was hard to say when a deal would be reached. "We are very committed to the UK and ultimately we will get somewhere where we can support the UK," he said. "We will be a major player in supporting the UK for the long term, for sure."

Qatar signed a provisional deal with Germany in March, but the talks have been dogged by disagreements over the length of the contracts. Doha has also been in discussions with France, Spain, Italy, Belgium, Poland and Slovakia.

Kaabi said European negotiations for Qatari gas had created "huge competition" with Asian importers seeking to lock in long-term supplies.

"Because of this pull of Europe wanting additional gas . . . the Asian buyers are looking at the same thing and saying 'hold on, we need to be able to secure our future development needs'."

Additional reporting by Shotaro Tani

Dress code

Iran athlete's missing hijab excuse fuels unease

Suspicion that climber's apology comes after pressure from Tehran

NAJMEH BOZORGMEHR — TEHRAN

An Iranian climber who took part in an international competition in Seoul without wearing a headscarf — widely seen as a show of support for protests in her country — said yesterday there had been a "mistake", fuelling suspicions she had come under pressure from the Islamic state.

After fears that she had gone missing, Elnaz Rekabi posted a statement on Instagram apologising for the "concerns I have created".

"I have to say that because of the sensitivities during the final matches of Asian Sport Climbing Championships in South Korea and because of an unpredictable call on me to climb the [bouldering] wall, my clothing had a problem by mistake. I'm now heading back to Iran with the rest of the team according to our pre-planned timetable."

Rekabi was the first Iranian woman to win a bronze at the International Federation of Sport Climbing (IFSC) World Championships, claiming the medal last year. She came fourth in the Seoul competition.

BBC Persian had reported that friends of the 33-year-old had been unable to contact her since Sunday.

Rekabi's brother told the Tasnim News Agency, affiliated to the Revolutionary Guard, his sister had not violated the Islamic dress code because she was wearing a black headband when she competed. "My sister is coming back to Iran because she is a child of Iran and loves this land," Davoud Rekabi said. "We shall have a press conference after she arrives when she can explain more about what had happened."

Authorities have blamed celebrities from Iran's sports and film world for fanning the nationwide protests that have swept the country since a 22-year-old Kurdish woman died in the custody of the morality police last month.

'My sister is coming back to Iran because she is a child of Iran and loves this land'

Mahsa Amini was arrested for allegedly failing to fully observe the hijab. Since her death, at least 41 people involved in the protests have died, according to state television. Amnesty International has put the number of deaths at 144, including 23 teenagers.

The government says none of the teenagers died at the hands of officials and maintains some died by suicide or of pre-existing conditions. Some families such as Amini's have rejected those claims, while others have publicly supported the official narrative.

Last week, in the city of Ardabil, teenager Asra Panahi died in mysterious circumstances. Her uncle told state media she had health issues but Ali Daei, a former football star from the same city, claimed she was killed by security forces. "History will show who is lying," he said yesterday. The judiciary urged him to present evidence for his claims.

The IFSC said it had been in contact with Rekabi and was "trying to establish the facts". It said it would continue to monitor the situation, adding that it supported athletes' right to free speech.

Election. Presidency race


Call for change: supporters of the Labour party's Peter Obi, inset, chant slogans during a campaign rally in Lagos this month — Pius Utomi Ekpei/AFP/Getty Images

Obi threatens to shake up Nigeria poll campaign with focus on youth

Third-party candidate tops recent polls but faces high hurdles in bid to cause upset

AANU ADEOYE — LAGOS

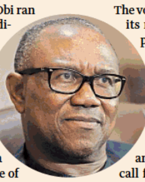
Only a few months ago, the contest for Nigeria's presidency in February's elections was billed as a straightforward battle between two wealthy septuagenarian veterans who had been on the political scene for more than three decades.

But former state governor Peter Obi, a comparatively youthful 61, has shaken up the race to replace outgoing president Muhammadu Buhari. With his promises of frugality and accountability, he has attracted the support of a youthful, "Obidient" movement tired of a profligate elite.

It would be a major upset if a candidate from a small party won, given the strength of Nigeria's established political parties and their deep pockets. But He's not running just for himself, if you check online sentiment, you'll see he's running on behalf of young people."

Two political parties dominate Nigerian politics and Obi is the first credible "third force" candidate since the return to democracy in 1999.

Obi faces Bola Tinubu, the 70-year-old former governor of Lagos and candidate for the ruling All Progressives Congress, and Atiku Abubakar, 75, of the main opposition People's Democratic party, a former vice-president and serial presidential hopeful. Obi ran as the vice-presidential candidate for the PDP in 2019.



His campaign for the little-known Labour party has gained momentum partly because of frustration with these two familiar — and elderly — faces.

Tinubu and Atiku are hoping to preside over a nation that has a median age of 18. Tinubu's campaign surrogates have protests against police brutality and a ban on Twitter that curtailed speech among a social media-savvy generation, said Adewunmi Emoruwa, lead strategist at Gatefield, a public affairs consultancy,

"Young people realised they were not top of the priority list of the old- guard politicians and started looking for a new figure to represent them. Young people are backing him because they believe he is the most credible candidate," Emoruwa said.

The vocal support for Obi traces its roots to the #ENDSARS protests of October 2020 when young Nigerians flocked to the streets to denounce a police unit notorious for extortion, brutality and extrajudicial killings. Obi voiced his support on Twitter and used the movement to call for better governance in Nigeria. The police unit was disbanded Buhari, another Muslim northerner. The ruling APC has a ticket of Tinubu, a Muslim southerner, and Kashim Shettima, a northern Muslim, as his running mate. Religious groups have decried the perceived marginalisation of Christians.

For all the enthusiasm surrounding Obi's candidacy, his path to Aso Villa, Nigeria's presidential residence, is littered with obstacles.

No presidential candidate outside the main two parties has garnered more than 7.5 per cent of the vote since 1999. Candidates need to win at least 25 per cent of the vote in at least two-thirds of Nigeria's 36 states plus Abuja, the capital, to be declared the winner.

The leading candidates have the advantage of a nationwide party machinery backed by governors and members of parliament that Obi's party, with only one senator and no governor, lacks.

Obi has said he is undeterred. The wealthy businessman, with interests in everything from banking to a brewery,

Global finance

Hopes rise for bigger IMF and World Bank role in tackling climate change

AIME WILLIAMS — WASHINGTON
CAMILLA HODGSON — LONDON

In a bleak series of IMF and World Bank annual meetings in Washington last week, policymakers reeling from the Covid pandemic, Ukraine war and inflation were reminded of yet another crisis: climate change.

"The world has lived through shock after shock after shock," said Kristalina Georgieva, IMF managing director. "And there is no pause button on the climate crisis while we deal with these other crises."

The point was not lost on David Malpass, World Bank president, who has been under pressure to resign since refusing to say last month whether he believed in climate change caused by humanity. The Donald Trump appointee insisted several times at the annual meetings that he did.

Despite a week dominated by talk of economic instability, ministers and climate advocates said they felt the global financial architecture in place since the second world war could pivot to help tackle climate change.

"I do think that we are moving towards some kind of moment," said Avinash Persaud, special envoy for climate finance to the prime minister of Barbados.

"There's a recognition that the multilateral development banks need to do a lot more — especially the World Bank, but not just the World Bank — on climate finance."

Barbados has led efforts by smaller, less wealthy nations to secure funds to tackle the ravages of climate change, in part by pushing the IMF and World Bank, both founded in 1944, to change.

Mia Mottley, Barbados's prime minister, who in a recent lecture said the lenders "no longer serve the purpose in the 21st century that they served in the 20th century", has urged the lenders to expand their use of low-interest, long-term debt instruments to finance the energy transition and offer concessional funding for climate resilience projects.

There were further signs that the so-called Bridgetown Agenda was gaining traction among leaders of wealthier countries.

The existing multilateral development finance architecture "was not designed" to address "transboundary" challenges such as climate change and pandemics, the paper said, and the world was experiencing "funding gaps".

It added: "The world is evolving, and the World Bank Group must evolve with it."

A German official said the World Bank's management was "now more receptive" to exploring reform proposals linked to climate finance.

"The World Bank is always saying they are the biggest climate financier and that's right, but they are the biggest animal in town," said the official. "They need to do more on climate."

The paper echoed remarks made earlier this month by Janet Yellen, US Treasury secretary, in which she called on Malpass to produce an "evolution road map" by December.

'There's a recognition the multilateral development banks need to do a lot more on climate finance'

Yellen suggested that the development banks broadly should make greater use of concessional finance, including grants, to fund investments where the benefits are shared globally, and specifically to middle-income countries to help them shift their economies away from coal.

Persaud agreed that the lenders would need to address the "middle income problem". "It's less sexy, but 70 per cent of the world's poor live in these countries, and they rely on market debt," said Persaud.

"If you are climate vulnerable and not having access to funding and not being able to invest in resilience, it's a problem."

Claire Healy, Washington director of E3G, a climate policy think-tank, said it was "exciting" to "see the shareholders acting like shareholders and being very clear about what they want to see from their equity".

"There is a political coalition forming with Barbados and other, larger countries like the US and Germany," Healy

Obi has excited parts of a disillusioned electorate, topping three recent polls, leading by 8 points in a poll by NOI, a leading local pollster.

"People like his frugal attitude and his message about cutting the cost of governance," said Idayat Hassan, director of the Centre for Democracy and Development (CDD) think-tank.

"But beyond that, young people are using him as a vehicle to channel their frustration with the Nigerian system.

spent much of the early campaign batting away questions about his health.

"Voting for [Obi] doesn't mean Nigeria is going to be better immediately. He can't fix everything but with him there's a headway," said Susan Abies, a driver in the southern city of Benin.

Obi's support among young urban voters is also a reaction to Buhari's second term in office that has brought 33 per cent unemployment, nationwide and the movement was eventually quelled by the heavy-handed response of Nigeria's military.

The CDD's Hassan added that the two main parties' choice of candidates had also upset Nigeria's "informal" zoning agreement in a way that could benefit Obi, a devout Catholic. While power in Nigeria normally alternates between north and south and Muslim and Christian, the PDP chose Atiku, a northern Muslim, as its candidate to follow has promised to encourage local production and remove Nigeria's costly petrol subsidies.

Last year, the Pandora Papers investigation, leaked files on wealth held offshore, revealed he owned business entities registered in tax havens and had failed to declare them to Nigeria's asset registry for politicians. He said he did not know he had to declare assets jointly owned with his wife and children and that he had not broken any laws.

The US, Germany and G7 countries last week handed a written proposal to the World Bank, a leading provider of loans and grants to poorer nations, setting out a series of measures to be considered.

These include offering concessional funding for climate projects, scaling up use of guarantees and lending to sub-sovereign entities, such as green city initiatives, according to the proposals seen by the Financial Times.

said. "To make change at these institutions there has to be a collective political coalition."

Over the week, the IMF announced that its new Resilience and Sustainability Trust, a pot of money that has been earmarked to help low-income and most middle-income countries deal with climate change, pandemics and "structural challenges", was now operational after receiving initial pledges of $37bn.

FT Africa summit

DRC leader rules out using Russian mercenaries in conflict

ROULA KHALAF, DAVID PILLING AND ANDRES SCHIPANI — LONDON

The president of the Democratic Republic of Congo has ruled out bringing in Russian "mercenaries" to help quell a raging conflict in the east of the country and vowed to press on with economic development plans despite the insecurity in the region.

"I know it is fashionable now . . . [but] no, we do not need to" use mercenaries, Félix Tshisekedi, president of the mineral-rich central African nation, told the Financial Times during the FT Africa Summit in London yesterday.

"I do not even know where to find them," he joked, referring to Wagner, the Russian private security company that has provided mercenaries to fight in countries from Mali and the Central African Republic, which borders the DRC, to Ukraine.

Tshisekedi's comments come amid an offensive in eastern Congo by the M23 armed rebel group, which he has accused Rwanda of backing — a claim Kigali denies. The M23 militia resumed fighting last November following the failure of a 2013 peace deal. The group is one among more than 100 pillaging the resource-rich area.

Following a visit by Gilbert Kabanda, DRC defence minister, to Moscow in August, western diplomats based in Africa expressed concern about a potential deployment of Wagner forces in Congo. Wagner has been accused of human rights violations in Mali and the Central African Republic.

Tshisekedi said it was normal to keep dialogue open with Russia and pointed out that Emmanuel Macron, France's president, had maintained contact with president Vladimir Putin following Moscow's February invasion of Ukraine.

"We are an independent country, respectful of international conventions and, believe me, we don't have any [Russian mercenaries]. We are not going to use a militia to support our actions," he said.

"We will strengthen our security by increasing our defence and security capabilities," he added. The DRC would rely on "our usual traditional partners", including Belgium, the former colonial power, "to train, to reinforce our capacities and the capacities of our army".

However, despite the security concerns in the region, his administration was serious about breaking the decades-old pattern in which the DRC had exported raw materials to be processed elsewhere, the president said.

"I no longer want our country to be simply a land of extraction. We absolutely must undergo a transformation ," he said. "We are in the process of fostering many partnerships with investors who would like to come and strengthen us in these capacities."

Tshisekedi said he was determined to develop the long-stalled Inga dam, which could provide most of the DRC's energy needs and those of some of its neighbours and promised to continue with plans to explore for oil, even in protected areas such as the Virunga national park.

Veiled targets Green-hushing trend grows as businesses refrain from publishing climate plans to escape scrutiny ➜ MARKETS

Companies & Markets

Meta to sell Giphy after UK regulator blocks deal

- Decision ends long antitrust battle
- Tie-up would 'limit choice' for users

KATE BEIOLEY AND CRISTINA CRIDDLE
LONDON

Meta has been ordered to sell gif platform Giphy for the second time by the UK competition regulator, bringing an end to the $315mn deal following a two-year antitrust battle.

The Competition and Markets Authority said yesterday that Meta's purchase of New York-based Giphy — the biggest provider of animated images known as gifs to social networks — would "limit choice for UK social media users and reduce innovation in UK display advertising".

The CMA first told Meta to unwind the deal last November, but was forced by the Competition Appeal Tribunal in July to reconsider its conclusion after it upheld one of the social media company's grounds of appeal.

'The decision reaffirms the CMA's desire to pursue global M&A deals that it finds problematic'

The CMA's final decision underlines the pressure on Silicon Valley's biggest technology companies from the UK regulator, which has broad powers to intervene in tie-ups touching British consumers even when the parties are based overseas. The Giphy deal marked the first time the regulator had moved to dismantle a completed Big Tech deal.

Meta said it was "disappointed by the CMA's decision" but accepted the ruling as "the final word on the matter".

of even small deals because of concerns over their market power.

The CMA reiterated its original conclusions, noting that Meta, which owns Facebook, WhatsApp and Instagram, could cut off access to gifs for its rivals such as TikTok or Twitter.

It also found Giphy could have been an important competitor to Facebook in UK advertising, even though it did not at present offer such a service in Britain.

The regulator said: "The only way to avoid the significant impact the deal would have on competition is for Giphy to be sold off in its entirety to an approved buyer."

But finding a buyer could prove difficult for Meta. In a filing to the CMA in August, Giphy said few companies other than Meta were likely to be interested in buying it. It also warned there had been an overall decline in gif use since the deal, saying they had "fallen out of fashion" with younger users who described the animated images as "cringe".

The CMA said the tie-up would also remove a potential competitor in the £7bn display advertising market in the UK, where Facebook already has a 40 to 50 per cent share.

Giphy had in the past allowed companies in the US to promote their brands through gifs, and the CMA said it was considering bringing that service to countries such as the UK. But Giphy said it had no plans to enter the UK ad market and had been struggling financially.

Richard Pepper, a partner at law firm Macfarlanes specialising in antitrust, said the CMA's finding in respect of display advertising was "perhaps the most

Phantom menace Rolls-Royce expects a smooth ride for first electric car next year

Aiming to please: a Rolls-Royce Spectre, the marque's first fully electric car — Adrian Dennis/AFP via Getty Images

PATRICIA NILSSON

Rolls-Royce will start selling its first fully electric vehicle next year, as the carmaker commits to ditching combustion engines by 2030 to comply with regulations and changing demand.

The 116-year-old company based in West Sussex, southern England, said that the first Spectre electric cars, priced between £250,000 and £500,000, would be delivered at the end of next year.

"Our products aren't seen as a means of transportation — they need to please," said Torsten Müller-Ötvös, chief executive of Rolls-Royce Motor Cars, which last year sold just over 5,500 vehicles. "Our clients say, 'I

rose by almost half last year, which Müller-Ötvös attributed to the company's clients, who own an average of seven cars, on the grounds that "life can be short".

The company was largely able to avoid the supply squeeze of semiconductors that hit the industry, partly because it makes relatively few vehicles and therefore needs fewer chips.

The business's customers own an average of seven cars, on the grounds that 'life can be short'

Müller-Ötvös said that Rolls-Royce had an advantage in the electric

from 2035, a target challenged by Germany. The UK has said it will ban the sale of new petrol and diesel cars from 2030, with some new hybrid models allowed to be sold until 2035.

Oliver Zipse, chief executive of BMW, said that he would not commit to a single "drive trend" in the future, adding that the company was expecting to launch a hydrogen car in about five years.

Access to charging infrastructure, which Zipse said was expanding too slowly, particularly in the UK, would remain a hindrance to the full-scale adoption of fully electric cars.

Speaking at the unveiling of Rolls-Royce's new Spectre model, he said wealthy drivers were unlikely to be reliant on public charging points.

BoE says LDI funds 'better prepared' for future shocks

JOSEPHINE CUMBO

The Bank of England said liability-driven investment funds were "significantly better prepared" to manage shocks following the emergency bond-buying programme it launched last month.

In its first full assessment of its 13-day intervention to buy up to £65bn of bonds, prompted by the former chancellor's announcement of unfunded tax cuts, the BoE said its actions had injected liquidity into the system and reduced the risk of more "fire sales" that had damaged pension schemes.

"As a result of these actions, LDI funds have reported to the Bank that they have enough capital to withstand much larger increases in yields than before," said Sir Jon Cunliffe, deputy governor, in a letter to the Treasury committee.

The BoE intervened on September 28 with a £65bn emergency bond-buying programme after then chancellor Kwasi Kwarteng's "mini" Budget prompted a mass sell-off of gilts, leading yields to soar at an unprecedented rate.

The turmoil led to margin calls on thousands of pension plans holding so-called LDI contracts, which in turn rushed to sell gilts to raise cash to meet these calls.

The BoE stepped in with its emergency bond-buying programme after yields were driven lower in the mass sell-off, leading to a lack of buyers in the market.

In the letter, the BoE said: "In aggregate, market intelligence suggests that LDI funds have raised tens of billion pounds in capital and made many billion pounds of gilt sales, both of which will reduce their leverage."

Taken as a whole, LDI funds were now "significantly better prepared to manage shocks of this nature in the future", added Cunliffe.

He said the "risk of LDI fund behaviour triggering 'fire sale' dynamics in the gilt market and self-reinforcing falls in gilt prices has been significantly reduced".

Over the course of its operations, the BoE purchased £12.1bn of conventional

It added: "We will continue to evaluate opportunities — including through acquisition — to bring innovation and choice to more people in the UK and around the world."

The battle, which has spanned more than two years, serves as a warning to Big Tech groups that regulators are wary controversial aspect".

He said: "The decision reaffirms the CMA's desire to pursue global M&A deals that it finds problematic, and its willingness to challenge acquisitions on the basis of dynamic theories of harm based on facts that are not currently observable in the market."

---

want to drive emissions-free in urban city centres.' That's emotionally very different."

He said Rolls-Royce had the youngest customers of owner BMW's brands, including Mini.

Sales of Rolls-Royce cars such as the Phantom, Cullinan and Ghost models space compared with luxury sports car brands.

"Sports cars need to crack the sound, while for us, being without sound is part of the brand."

The European parliament has voted to in effect ban sales of new petrol and diesel cars in its region

Asked whether he would consider following in the footsteps of Volkswagen, which has listed part of its luxury brand Porsche to help pay for its transition, Zipse said: "Where is the corresponding problem? Access to capital is no problem [for us]. I can already fund the electrification."

---

gilts and £7.2bn of index-linked gilts, the latter of which it did not add to its purchase programme until October 10.

The rise in gilt yields was most pronounced for inflation-linked bonds, widely held by pension funds, which were not initially eligible for sale in the BoE's auctions.

Legal Notices

Notice of Annual General Meeting

J.P.Morgan
Asset Management

JPMorgan Funds

The meeting will be held at the location and time stated in the right-hand column.

Agenda for Meeting and Shareholder Vote

1 Presentation of the report from Auditors and Board for the past accounting year.
2 Should shareholders adopt the Audited Annual Report for the past accounting year?
3 Should shareholders agree to discharge the Board for the performance of its duties for the past accounting year?
4 Should shareholders approve the Directors' fees for the accounting year ending 30 June 2023? These are € 86,000 for the Chairman and € 68,000 for each non-executive Director.
5 Should Peter Schwicht and Susanne van Dootingh be reappointed to the Board for 3 years?
6 Should shareholders re-appoint PricewaterhouseCoopers Société coopérative as Auditors of the Fund and authorise the Board to agree on their terms of appointment?
7 Should shareholders approve the payment of any distributions shown in the Audited Annual Report for the past accounting year?

To vote by proxy, use the proxy form at jpmorganassetmanagement.com/extra. Your form must arrive at the registered office, via email, post, by 1800 CET on Wednesday, 9 November 2022 using the contact details below:

Email: fundinfo@jpmorgan.com

Post: 6 Route de Trèves, L-2633 Senningerberg, Luxembourg

To vote in person, attend the meeting in person.

THE MEETING
Location Registered office of the Fund (see below)
Date and time Wednesday, 16 November 2022 at 15:00 CET
Quorum None required
Voting Agenda items will be resolved by a simple majority of the votes cast
THE FUND
Name JPMorgan Funds
Legal form SICAV - **Fund type** UCITS
Auditors PricewaterhouseCoopers Société coopérative
Registered office 6 route de Trèves
L-2633 Senningerberg, Luxembourg
Registration number (RCS Luxembourg) B 8478
Past accounting year 12 months ended 30 June 2022

Tech giant's eclipse by distiller highlights whims of Xi's China

INSIDE BUSINESS
ASIA

Tom Mitchell

What would it say about US innovation and Joe Biden's stewardship of the economy if the largest US beer company, Anheuser-Busch InBev, had a bigger market capitalisation than Apple? Nothing good, probably, and indeed the very thought is ridiculous. Apple's $2.2tn market cap is almost 28 times AB InBev's $80bn.

But that is what happened in China, where Xi Jinping is about to embark on a third term as Communist party leader, military commander-in-chief and state president. Late last month, China's most famous liquor maker, Kweichow Moutai, overtook Tencent as the country's most valuable company.

How can this be?

Tencent is one of the most innovative and successful technology companies in the second-largest economy. It developed the country's most popular instant messaging and social media app, WeChat, and its WePay online payments platform is second only to Alibaba's Alipay.

Kweichow Moutai, which brews a strong-smelling, 76 to 106-proof grain liquor, sells hangovers.

Politics is how — or at least Chinese Communist party politics as transformed by Xi over the past decade. Xi's third term will officially begin this Sunday, almost two years from the day on which an impolitic speech by Alibaba's founder, Jack Ma, triggered Beijing's regulatory crackdown on the technology sector.

Speaking on October 24, 2020, Ma castigated China's state-owned banking sector for its conservatism and sloth at a forum in Shanghai.

Ma was correct in his criticism of the banking sector's traditional neglect of the country's small and medium-sized enterprises.

"Jack always understood that in markets dominated by large corporations and state-owned enterprises, technology could be the great equaliser for SMEs," Brian Wong, a former Alibaba executive, writes in a forthcoming book on the company.

"His real mission was spreading opportunity beyond traditional elite circles . . . [by] developing a platform for neglected entrepreneurs to thrive, compete, and spread prosperity on a far more equitable basis than China had experienced before."

> Tencent is one of the country's most innovative and successful technology businesses; Kweichow Moutai sells hangovers

Unfortunately for his shareholders, Ma was not preaching to the converted. Other forum VIPs included vice-president Wang Qishan, architect of Xi's anti-corruption campaign and a former state bank boss, as well as a number of regulators. Ma appeared to forget that Xi and Wang do not appreciate lesser mortals speaking truth to power.

Within a fortnight the initial public offering of Ma's online finance group, Ant, was cancelled by regulators.

Ant's $37bn IPO would have been the world's largest. Since the speech, Alibaba's Hong Kong-traded shares have fallen more than 75 per cent. While Tencent's HK$2.37tn ($301bn) market cap is at least neck and neck with Kweichow Moutai's HK$2.38tn, Alibaba's — HK$1.56tn — is nowhere close.

In his book, Wong documents his former boss's passion and talent for disruption. Anecdotes include the time in 2011 that Alibaba broke China's postal system. He writes that on its November 11 or "Singles' Day" sales festival that year, "it took [China Post] months to finish delivering all the packages ordered that day".

When the same thing happened a year later, Ma decided he would have to develop an in-house delivery arm. The result was Cainiao, "rookie" in Chinese, a revolution in China's logistics industry.

A factory in Guangdong, Wong writes, can ship a mobile phone to a customer 1,500 miles inland in three days for Rmb15 ($2.08). "A similar package shipped using the UPS three-day service from Boston to Reno, covering roughly the same distance, will cost more than 10 times that."

On October 16, Xi told the party congress that "we will encourage entrepreneurship, move faster to help Chinese companies become world-class outfits, and support the development of micro, small and medium-sized enterprises".

Tencent and Alibaba executives might reply: "Been there, was doing just that."

As for Kweichow Moutai, it, too, might soon discover that its fortunes hinge on one man's whims. Since overtaking Tencent as China's most valuable group, its Shanghai-traded shares have fallen about 8 per cent, partly on rumours that Xi might ban alcohol at party and government functions.

tom.mitchell@ft.com
See FT View

COMPANIES & MARKETS

Automobiles

Foxconn aims to be a force in EV sector

Taiwan business targets rapid growth as pair of prototypes are unveiled

KATHRIN HILLE — TAIPEI

Foxconn aims to manufacture nearly half of electric vehicles sold in the long term, the iPhone maker has said as it introduced two prototype EVs for sale by branded automakers.

The largest contract electronics manufacturer had cornered 40-45 per cent of the market in information and communications technology, especially in personal computers and mobile phones, Foxconn chief executive Liu Young-way noted. "Hopefully we can achieve the same . . . as in the ICT industry," he said of the EV market.

The remarks highlight the scale of Foxconn's ambitions as it pushes into a new growth industry.

The Taiwanese group, which racked up $215bn in revenues last year assembling and making components for smartphones, PCs and other electronic products ranging from game consoles to industrial robots, started developing an EV business in 2019.

A year later, it formed an industry alliance called MIH with suppliers to develop joint software and hardware platforms for use in the design and manufacture of cars for branded customers.

The company has also embarked on partnerships with carmakers and EV start-ups in its quest for customers.

These include a joint venture with Taiwanese carmaker Yulon, for which Foxconn recently started mass-producing an EV.

> 'Our line-up is to show we can design and build vehicles that are good-looking and stand up to safety'

It is also increasing production of an electric pick-up truck for EV start-up Lordstown Motors in Ohio and has a growing partnership with European-American auto group Stellantis, under which the two jointly develop smart cockpit solutions for EVs. They are also planning to develop auto chips together.

Foxconn has said it hopes to gain a 5 per cent share of the global EV market by 2025, which will be worth about NT$1,000bn ($31bn) in revenues. "It looks very likely that we can meet that target," Liu said. "Our line-up of five EVs in the past 24 months is to show our customers and future customers that we can design and build EVs that are good-looking and can stand up to safety."

He said the models introduced last year — a sedan, an SUV and a bus — were going into production in Taiwan, Thailand and the US. Foxconn introduced a crossover model and a pick-up yesterday that it said was fully designed and made in Taiwan.

Foxconn reiterated that it would stick to contract design and manufacturing services and not compete with automakers or EV brands. "Foxconn is not in the business of selling its own EV brand," Liu said. "I hope one day we can do Tesla cars for Tesla."

If Foxconn succeeds, it could transform the company. While its traditional ICT manufacturing was concentrated in China and was only gradually diversifying, Liu said new staff in the EV business were exclusively outside China.

See Lex

M&A outlook. Test case

Europe telecoms sector awaits deals green light

ECJ view on whether Brussels was right to block big merger is momentous for dealmakers

JAVIER ESPINOZA — BRUSSELS
ANNA GROSS — LONDON

As European telecoms executives champ at the bit to do more deals, they will be watching Luxembourg closely this week for a crucial decision that could unleash a wave of activity across the sector.

Advocate-general at the EU Court of Justice, Juliane Kokott, will tomorrow

The cost of living crisis and surging inflation meant that any perception of anti-competitive practices and the risk of higher consumer prices were especially undesirable.

Those familiar with the thinking of regulators say the default has been to be sceptical about these deals.

"The house view has been that a reduction of one competitor in the market — from four to three — is anti-competitive and therefore I need to prohibit it," said a person with knowledge of the EU's competition division. "This has been the dogma up to now."

But others find this view outdated.

"Whether you've got three players

Banks

Deutsche HQ raided for second time in tax fraud investigation

OLAF STORBECK — FRANKFURT

Deutsche Bank's Frankfurt headquarters and the homes of 10 current and former employees have been raided by police as part of an investigation by prosecutors into the bank's role in one of Europe's biggest tax scandals.

Yesterday's raid, which was ordered by criminal prosecutors in Cologne, is the second Deutsche Bank has faced over the so-called "cum-ex" scandal, in which billions of euros of government revenues were misappropriated.

Frankfurt prosecutors raided one of the bank's offices in 2017.

Cologne prosecutors said that more than 114 and tax inspectors took part in the raids, which were undertaken "in the context with cum-tax deals and related tax fraud schemes".

The sprawling tax fraud is estimated to have cost the continent's taxpayers billions of euros and involves share deals executed before and after a stock's dividend payment that duped governments to reimburse taxes that were never paid in the first place.

The fraud has been dubbed cum-ex, which is derived from Latin meaning "with without", and refers to the disappearing nature of the dividend payments.

The Financial Times reported in August that an investigation by Deutsche Bank in 2015 found that some staff broke regulatory rules and company policy to enable clients to siphon off millions of euros in government revdeliver her opinion on whether Brussels made the right decision in blocking the proposed merger of the UK businesses of Telefónica's O2 and CK Hutchison's Three in 2016.

While harking back to a deal that collapsed six years ago, her verdict will be monitored carefully by France's Orange and Spain's MásMóvil, which earlier this year announced they were in exclusive talks to combine their Spanish businesses.

Their proposed €19.6bn joint venture is likely to be the first of several attempts in the coming months to streamline what the industry argues is a fragmented market in Europe, but first the companies will have to persuade EU regulators that a reduction in participants will not harm consumers.

"This merger will be a test case for the industry," said a person who has advised on telecoms deals in the past in Brussels. "We are at a moment."

A final judgment by the ECJ is expected some time next year and, while it is not bound by the advocate-general's opinion, in most cases it follows their recommendations.

Karen Egan, an analyst at Enders Analysis, said that the ECJ ruling next year is "going to be absolutely critical for European mergers", adding that regulators' view on the Orange-MásMóvil deal is "more uncertain than the companies are portraying to the market".

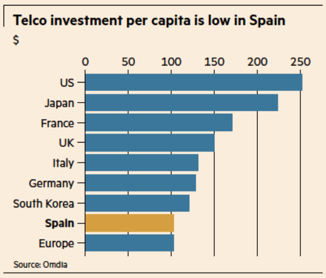
Depending on the outcome, the ECJ's view may also improve the chances of a proposed merger between Vodafone and Three in the UK, which would create the biggest mobile operator in the country and is also regarded as a litmus test of investor appetite for consolidation.

"The decision next week is very important in our view here," said an executive from Hong Kong conglomerate CK Hutchison.

At the heart of whether the Orange-MásMóvil deal in Spain will be permitted is a long-running debate between operators and regulators over whether reducing the number of operators in a market from four to three will harm consumers.

Defenders of the deal argue that, like the rest of the continent, the Spanish market has become fiercely competitive and a merger will lead to synergies, enabling the combined group to save on costs and invest in the country's infrastructure, which will eventually benefit customers.

Orange is in exclusive talks with MásMóvil to combine their Spanish operations
Jon Nazca/Reuters



Telco investment per capita is low in Spain

Source: Omdia

Telecoms executives have long argued that consolidation is the only viable way for Europe to keep up with the rapid pace of development in infrastructure seen in China and North America, both of which have three main mobile operators.

"If operators generate no cash flow, they simply can't invest," said Meinrad Spenger, founder and chief executive of MásMóvil, adding that finding synergies between operators would be crucial to ensure investment. "Europe cannot afford to lose more speed in 5G development."

But EU officials have pushed back against the premise that consolidation is necessary for innovation.

Competition commissioner Margrethe Vestager argued recently that it was competition rather than mergers that led to investment. She added that although there is no "magic number" in mind when it came to operators in a country, regulators "get nervous" when the pool shrinks.

> Orange and MásMóvil will monitor carefully the verdict delivered in Luxembourg

desperately trying to fill their networks or four isn't that different in terms of competitive intensity," said Egan, pointing to markets such as Australia, Austria and Germany that had three participants in mobile and yet still had prices below the OECD average.

The Orange-MásMóvil tie-up is not the only one that will face deep scrutiny. Last July, Brussels launched an in-depth probe into Orange's acquisition of a stake in Belgian peer VOO over concerns that the transaction might hurt competition. "We will look at this deal very cautiously," said a person with knowledge of the upcoming probe.

Those in the industry expect the Orange-MásMóvil transaction to receive the same level of scrutiny.

MasMovil argues that a move from four to three mobile participants is less relevant as a concern for the Spanish market as there are more companies that combine fixed and mobile services and that offer mobile services without owning the network infrastructure than "any other comparable market in Europe".

"The merger of two operators would not significantly change the structure of the Spanish telecom market," said Spenger.

Still, any clearance of the deal is likely to come with requirements for the two companies to sell some assets to foster more competition. EU officials were already discussing the deal with the companies before it was officially submitted for consideration by the end of the year, said people with knowledge of the probe.

Elsewhere, a top 15 investor in Vodafone said the British regulator Ofcom had made some statements to the effect that "the benefit to the consumer has not been apparent" for its proposed deal with CK Hutchison. "I don't think regulators will be a pushover, there will have to be some quite big concessions and promises made."

---

enues.

Deutsche Bank said yesterday: "We confirm that, as part of the investigation into the bank in relation to cum-ex, which has been ongoing since 2017, the Cologne Public Prosecutor's Office is currently carrying out an inquiry at our offices in Frankfurt."

Cologne prosecutors are investigating more than 70 current and former Deutsche Bank employees including former executives over the matter.

After years of arguments over the legality of such transactions, Germany's highest court ruled last year that they d always been illegal.

While the bank's own lawyers had reached the same conclusion years earlier, the lender still generated millions of euros in fees by providing investment banking services to clients who specialised in cum-ex trading, Deutsche's internal investigation found.

Between 2008 and 2011, Deutsche Bank also held a 5 per cent stake in Luxembourg Financial Group Holding, the owner of one of the cum-ex focused investment funds that was also a Deutsche investment banking client.

In August, Deutsche Bank told the FT that it now "takes a very critical view of these financing activities and is co-operating with the investigations by the authorities in this regard".

The raids were first reported by Handelsblatt.

The order for the move came from criminal prosecutors in Cologne

---

Pharmaceuticals

Roche's Covid drug sales suffer $1bn decline

HANNAH KUCHLER — LONDON

Roche chief executive Severin Schwan said health authorities are holding back from ordering more coronavirus tests and treatments despite a rise in cases, after sales of the company's Covid-19 drugs fell SFr1.12bn ($1bn) in the first nine months of the year.

The Swiss pharmaceutical company sells the antibody treatment ronapreve and the anti-inflammatory actemra, originally developed for arthritis, for Covid.

Schwan said a drop in government orders was probably caused by fewer severe Covid cases, which meant healthcare systems were better able to cope.

Revenue from Roche Covid tests was down 40 per cent year on year to SFr600,000.

"In spite of increasing incidence rates for Covid-19, we actually don't see an increase in the demand for Covid-19 related products," he said. "It has nothing to do with inventories . . . there is simply much smaller demand than we have seen in the previous year."

Covid-19 cases are rising in European countries including the UK, Germany, and France, although they are still far from their Omicron-driven peak earlier this year. In the US, the numbers are falling, after a rise during the summer. Case numbers are widely expected to increase as winter approaches in the northern hemisphere.

Analysts at Jefferies said the drop in Covid drug sales in the third quarter was worse than expected. Its shares were down less than 1 per cent to SFr327.70 yesterday.

Sales were also hit by increasing competition from "biosimilars" — generic versions of biologic drugs — especially for older cancer medicines, reducing revenue by $1.5bn.

But Roche confirmed its full-year guidance, forecasting stable sales or growth in the low single-digit percentages at constant exchange rates. It expects core earnings per share will increase in the low to mid single-digit range and to increase its dividend.

In the first nine months of the year, total sales rose 2 per cent year on year at constant exchange rates, with growth driven by newer medicines to treat illnesses including multiple sclerosis, spinal muscular atrophy and breast cancer.

Vabysmo, a new drug that treats two of the leading causes of vision loss, is already in Roche's top five selling medicines, after launching in the US at the start of the year. It received approval in the EU in September. "It's a very important new medicine to treat age-related blindness," Schwan said.

Roche expects to report results from a trial of gantenerumab, its Alzheimer's drug, within weeks. Expectations have been raised after Biogen and Eisai reported that their drug, lecanemab, slowed progression of the notoriously difficult to treat disease.

Insurance

Swiss Re expects $1.3bn of Hurricane Ian claims

ROBERT WRIGHT— LONDON

Swiss Re has said it expects more than $1bn in claims from last month's hurricane that battered Cuba and Florida, meaning the reinsurer is "unlikely" to meet its target for return on equity this year.

The Zurich-based group yesterday forecast a third-quarter net loss of about $500mn because of an expected $1.3bn in claims from Hurricane Ian.

While the company had given an overall target for return on equity for the full year of 10 per cent, it had not said what net income it expected to report in the third quarter.

The group is the first big reinsurer to warn about Hurricane Ian's effects on its earnings. It gave a preliminary total insured market loss from the storm of between $50bn and $65bn. Those figures would confirm the event as the second most expensive storm in US history after 2005's Hurricane Katrina, whose $65bn of insured losses would total $99bn in 2022 money.

However, Swiss Re's figures were lower than the estimate of $75bn of insured losses that US investment bank Stonybrook Capital issued last week.

Swiss Re's shares rose 0.66 per cent to SFr73.76 in Zurich yesterday.

Swiss Re's warning follows a difficult year for insurers and reinsurers. Companies face continuing losses as a result of factors such as Russia's seizure of aircraft following its invasion of Ukraine. Insurers have also been hit by worldwide economic uncertainty.

Hurricane Ian debris on San Carlos Island, Fort Myers Beach, Florida

Swiss Re said in its statement that it expected two of its divisions to meet their targets for 2022.

Life and health reinsurance was on track to meet its target of net income for the year of about $300mn, while corporate solutions, the commercial insurance division, was forecast to record a "combined ratio" — the balance between payouts and premium income — of less than 95 per cent.

However, the company warned that a third division — property and casualty reinsurance — had been affected during the third quarter by an increase in small to midsized claims, driven partly by rising inflation.

"As a result, the business is unlikely to reach its normalised combined ratio target of less than 94 per cent in 2022," Swiss Re said.

Arm lawsuit reveals chip licence dilemma

As its customers move more design in-house, the UK-based company must find a way to keep valuable income streams

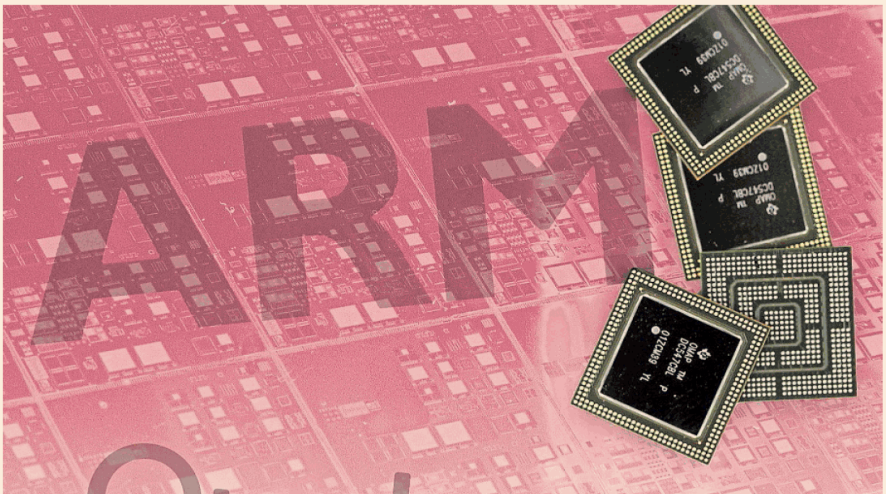
RICHARD WATERS — SAN FRANCISCO

In the run-up to its hotly anticipated initial public offering, UK-based chip design company Arm has resorted to a risky strategy: suing one of its biggest customers. But with the dispute hinging on how revenue from new markets for its technology should be shared, it may have had little choice but to go to court.

The lawsuit, filed in district court in Delaware in late August, accuses mobile chip technology company Qualcomm of using Arm's intellectual property without permission. The case stems from Qualcomm's $1.4bn purchase last year of start-up Nuvia, which designs chips based on Arm's technology.

The acquisition highlighted the technology interdependence of Arm and Qualcomm, with both companies searching for markets in which to expand beyond the mature smartphone industry. Nuvia's first design was for an Arm-based chip for use in data centres, though Qualcomm has said it wants to use the same design to break into other new markets where Arm's technology has yet to gain a large foothold, including laptop computers and cars.

Arm is dependent on customers such as Qualcomm taking its technology to new markets because it "needs a growth



an extra edge for its products. Apple, which has also developed its own computing cores under an Arm architecture licence, surprised the tech world with the performance of its first M1 chips, which were introduced two years ago.

Another big customer, Nvidia, agreed to pay $750mn for a broad licence to Arm's technology when it tried to buy the company in 2020. That deal also included an architecture licence, though Nvidia recently said it would use Arm's Neoverse cores for its latest data centre chips.

With some of the biggest chip companies putting more effort into creating their own computing cores under architectural licences, "it looks like licensing rates are going down for some of [Arm's] customers", said Rasgon. "Potentially, you have a lot of their customers who are moving to a royalty-based model that isn't worth as much."

> 'Some have argued Arm hasn't charged enough in the past. Arguably they need to raise the price'

Bob O'Donnell of TECHnalysis Research added that the shift could

> Arm ‘needs a growth story’ ahead of its expected IPO. ‘If it’s just a smartphone story, it won’t go well’

story” to attract investors to its expected IPO next year, said Stacy Rasgon, an analyst at Bernstein Research. “If it’s just a smartphone story, it won’t go well.”

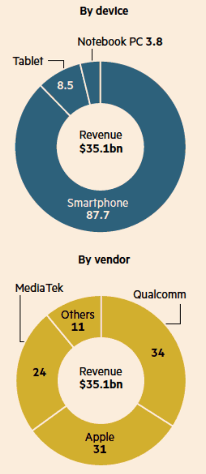
However, after months of disagreement over the terms on which Qualcomm could use the Nuvia technology, Arm turned to the courts. It claims the licence it issued to Nuvia was not transferable and demanded that Qualcomm destroy any intellectual property it assumed in the acquisition. Qualcomm responded with a claim that the Nuvia technology was covered by an Arm licence that Qualcomm itself took out some years ago, and asked for a summary judgment dismissing the case.

The dispute has shone a spotlight on Arm’s complex licensing arrangements, which in some cases leave it in direct competition with its customers. In the process, it has revealed a potential challenge to Arm’s business model as some of its biggest customers take more of the chip design process in-house in search of new ways to differentiate their devices.

Last year, Qualcomm was the biggest seller of Arm-based chips for use in mobile computing devices, where Arm’s low-power chip designs have been most successful, according to research firm Strategy Analytics. It estimated Qualcomm sold $12bn of the $35.1bn worth of Arm-based chips used in smartphones, notebooks and tablets. That was just ahead of the $11bn of chips that Apple designed for its MacBooks and iPads using Arm blueprints.

Arm-based mobile computing chip revenue

Per cent



Source: Strategy Analytics

Arm’s royalties come from two types of licence. One, known as a technology licence, covers sales of Arm-designed computing cores — the central “brains” of a computer processor. Qualcomm buys Arm’s Cortex cores for use in its Snapdragon smartphone processors.

Arm’s other type of licence covers only its basic chip architecture. Nuvia, one of about a dozen companies to have this kind of licence, uses it as a foundation for designing its own computing cores.

Arm negotiates different terms with each customer and does not disclose its licensing rates, but royalties under a technology licence are generally higher because Arm itself puts in the extra work of designing the cores. Arm’s non-royalty income — upfront payments it negotiates when signing a new licence — jumped 61 per cent last year. But its $1.54bn of royalties, which were up 20 per cent, still account for 58 per cent of its revenue.

Sravan Kundojjala, an analyst at Strategy Analytics, estimated that Qualcomm pays Arm an average of about 80 cents for each of the 350mn to 400mn chipsets it sells each year, using Arm cores. Qualcomm would probably save 40 to 50 per cent on its royalty payments if it replaced these with Nuvia’s Phoenix cores, he added.

Qualcomm said in a legal response to Arm late last month that with Nuvia’s technology, it would be able to compete directly with Arm, as well as with other Arm licensees and companies that use the rival Intel x86 chip architecture. It also said it expected to use the Nuvia cores in the all-important smartphone market that makes up much of Arm’s existing business.

Qualcomm is not alone in taking on more of the chip design process to gain force a rethink about how Arm charges for its intellectual property. “Some have argued Arm hasn’t charged enough in the past. Arguably they need to raise the price of their architectural licences,” he said. Adding to the potential pressure on the company’s revenues is the fact that Arm’s business is highly concentrated, with about a fifth of its customers accounting for 80 per cent of its royalties, according to Kundojjala.

Legal brinkmanship over important intellectual property rights ahead of an IPO is nothing new. Yahoo sued Google over a patent it owned on search advertising before Google’s IPO in 2004, forcing a settlement. For Arm, the pressure is now on to show potential investors it can maintain its royalty rates as it looks ahead to a new phase of growth.

Risky strategy: Arm is suing key customer Qualcomm over use of its intellectual property — FT montage/Bloomberg/Getty Images

Travel & leisure

Chinese owner seeks buyer for Inter Milan

SAMUEL AGINI AND JOSH NOBLE
LONDON

Bankers will begin the search this week for a buyer for Inter Milan, making it the latest top-tier football club to be put up for sale, according to people familiar with the matter.

US boutique bank Raine Group, which handled the record-breaking £2.5bn auction of Chelsea this year, and Goldman Sachs were working on the sale process, the people said.

Inter has been owned since 2016 by Nanjing-based electronics retailer Suning, which acquired the club during a wave of investment from China in European football.

A number of Chinese owners have since sold out or reduced their exposure, as gathering economic troubles at home and waning political backing for the project prompted a rethink.

Suning, one of China’s largest bricks-and-mortar retailers, has struggled as consumers made the switch to online shopping. The company’s large short-term debt pile also left it exposed to a tightening of credit conditions in the Chinese economy.

In February last year, Suning rushed to raise new financing to plug the funding gap at Inter caused by the coronavirus pandemic, resulting in a $275mn loan from distressed debt specialist Oaktree Capital.

Then in July, Suning itself was rescued by the local government and shareholder Alibaba in a $1.4bn bailout, adding to speculation about the long-term likelihood of keeping ownership of Inter. In January this year, Inter returned to the bond market.

Last month, Inter’s board signed off on the club’s latest set of accounts, which showed revenue increasing to €440mn and a loss of €140mn for the 2021-22 financial year.

The club said that the majority shareholder “had formally expressed his commitment to backing the group by ensuring asset support”.

Inter is led by president Steven Zhang, the son of Zhang Jindong, Suning’s founder, who paid €270mn for a majority stake in the “Nerazzurri” in 2016.

Suning is ready to inject capital of €100mn this year in tranches, according to a person close to the club. The person pointed to previous guidance that Suning is open to new partners and would consider the sale of a minority stake.

Inter Milan has been owned by Chinese retailer Suning since 2016

The banks and Inter Milan declined to comment.

Italian football has become a popular destination for international investors. Roma, Atalanta, Fiorentina and Genoa are among several clubs now controlled by American owners. This year, US investment group RedBird Capital bought Inter’s local rivals AC Milan in a deal worth €1.2bn, a record for a European football club outside the English Premier League.

But Italian football presents a number of challenges for investors compared with other European leagues.

Serie A has the second-lowest broadcast revenues of the so-called “Big Five” leagues, with Italian football’s international rights fetching about €230mn a year, according to Enders Analysis, far below Spain’s figure of €900mn.

Many Italian clubs are also sorely in need of stadium upgrades or replacements. Inter shares its home with AC Milan — the San Siro. Plans have been drawn up for a new 65,000-seat stadium, which is expected to cost about €1.3bn and is likely to take many years to complete. The shared stadium model has a drawback for potential investors as hosting double the number of games makes it far harder to generate revenue from other events.

COMPANIES & MARKETS

Fixed income. Pension funds

Dutch central bank calls for more liquidity after UK crisis

Currencies

KKR pushes into Japan as yen hovers at 32-year low

ANTOINE GARA — LONDON
KANA INAGAKI — TOKYO

US private equity group KKR plans to boost its exposure to Japan, taking advantage of low corporate valuations and weakness in the yen to increase its investment in the country.

The New York-based investor, which manages nearly $500bn in assets including a $15bn Asian private equity fund, wants to invest more of the firm’s own balance sheet directly into Japan and fast-growing Asian international hubs such as Singapore.

“Our commitment to Japan continues to go up, not only in private equity but in

Urgent checks: the Dutch central bank has recommended funds hold more liquid assets
Yuriko Nakao/Bloomberg

Retirement funds in EU's biggest pensions market urged to check for signs of stress

MARTIN ARNOLD — FRANKFURT

The Dutch central bank is calling on the country's pension funds to consider boosting holdings of cash and other liquid assets to ensure they can avoid the turmoil that has hit the UK.

Officials at De Nederlandsche Bank have asked local retirement funds to check for signs of stress, asking that they review liquidity rules and report any need for sales of assets, people briefed on the matter told the Financial Times.

The move comes as UK pension schemes have scrambled to sell assets in response to a drop in government debt prices that sparked collateral calls in hedging strategies, following Westminster's ill-fated "mini" Budget.

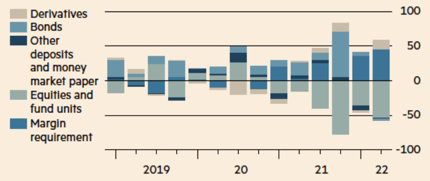
So far, the risk to the Netherlands — the EU's largest pensions market — is deemed to be manageable. But the DNB's cautious approach underlines how the end of the cheap money era and low interest rates demand new scrutiny of the inner workings of financial systems around the world.

"What we see at the moment is that financial institutions basically are coming to the assessment that the period of low and structurally declining interest rates combined with low volatility is over," said Lex Hoogduin, a professor at the University of Groningen and a former board member of the DNB.

France's central bank chief also warned in an FT interview this week that the recent turmoil in the UK's bond market illustrates the "vicious loop" governments face if they undermine efforts by rate-setters to curb inflation.

Pension funds sell assets to create liquidity

Purchases and sales (€bn)



Source: De Nederlandsche Bank

The market for workplace pensions in the Netherlands accounts for almost 70 per cent of all eurozone pension fund assets, and the Dutch system shares many similarities with the UK, including large defined-benefit pension liabilities, where schemes commit to pay retirees a fixed amount based on their salary and length of service.

Few other EU countries have such big DB pension systems, with France, Germany, Italy and others relying instead on government pay-as-you-go systems.

Many Dutch pensions also use derivatives contracts open for many years to help them match their assets with their liabilities and protect against changes in interest rates. Overall, Dutch pensions accounted for four-fifths of the derivatives of all euro area pension funds, according to EU regulators.

Such contracts are sensitive to daily moves in market prices and need to be backed by margin, a type of insurance, to cover the risk that one side of the trade defaults.

"Some [commercial] advisers are suggesting they should increase their liquidity buffers to cover this risk. But so far there is no panic selling going on, unlike in the UK," said Bas van Zanden, a senior analyst at Rabobank.

Rising yields are generally positive for pension funds, but the volatile moves in global bond markets mean Dutch funds have also contributed €82bn to margin calls this year to keep their positions open, according to central bank data.

The derivatives that pensions use are typically tied to the Euribor interbank lending rate, which has been less volatile than market prices for UK gilts.

Klaas Knot, DNB governor, also pointed to several structural reasons the local market was more stable in an interview with Financieele Dagblad last week. "Dutch pension funds have diversified their investments more, because they run no exchange rate risk within the eurozone, and the eurozone government bond market is much deeper [than the UK's]," said Knot.

'So far there is no panic selling going on, unlike in the UK'

The €1.4tn of assets managed by Dutch pension funds is almost as big as the UK sector, but the market for UK government debt — at £2.1tn — is much smaller than the outstanding amount of eurozone sovereign debt at €9.7tn.

This means Dutch pension funds are less likely to resort to selling assets fast at low prices, and if they are forced into sales, these are less likely to cause a vicious circle of falling bond prices.

Knot flagged that liquidity requirements in the Netherlands were tougher than in the UK.

Liability-driven investment strategies were used by many British pension funds to hedge 85 per cent of their interest rate risk, according to actuarial consultancy LCP — making them the main source of margin calls.

But LDI strategies are used by only a 10th of Dutch pension funds — and those are mostly smaller schemes. Dutch pension funds also only hedge about 40 per cent of their interest rate risk. In comparison, UK funds' hedging levels were about twice as high in 2020, according to UK industry estimates, leaving them more exposed to margin calls when rates rise.

However, a harsher stress test of Dutch pension funds' use of interest rate swaps by the European Central Bank in 2020 revealed that if bond yields jumped one percentage point in a single day it would require them to post as much as €47bn of extra collateral and result in an aggregate cash shortfall of up to €15bn. Moreover, the calls would be highly concentrated, with 61 per cent of the overall cash shortfall attributed to 10 pension funds.

The ECB found that 96 per cent of Dutch pension funds could cover this by using highly rated government bonds as well as cash to meet margin calls.

Additional reporting by Josephine Cumbo

real estate, infrastructure and our credit business," said Henry McVey, chief investment officer of KKR's $25bn balance sheet.

"You've got attractive stock market valuations, investors have exited and now the country is enjoying the benefits of a cheap currency," noted McVey, who expected to see an increase in public to private transactions. "[At] current valuations there are some really good businesses that have been dismissed by public investors," he said.

KKR aims to benefit from the softness of the yen, which has lost more than a fifth of its value against the US dollar this year — falling below ¥149 this week to a 32-year low. Its fall reflects the yawning gap between the Bank of Japan's ultra-loose monetary policy and the tightening trend demonstrated by most other global central banks.

KKR sees Japan as one of its most important markets outside the US after a series of carve-out deals by Hitachi, Panasonic and other conglomerates seeking to sell non-core businesses.

"There's a secular trend towards corporate carve-outs in Japan," said McVey. "If you look at the number of companies in Japan that have over 100 subsidiaries, it's still a huge proportion of the stock market."

In 2013, KKR acquired Panasonic's healthcare division, which it listed last year. It also owns assets ranging from supermarket chain Seiyu to semiconductor manufacturer Kokusai Electric. This year, it bought real estate manager Mitsubishi Corp-UBS Realty for $2bn.

Other private equity groups, including Bain Capital, Blackstone, Brookfield and CVC, have also bolstered their investment in the country as the yen's weakness and geopolitical tensions in China have repositioned Japan as a safer and more liquid option for investment.

McVey said the rise of foreign dealmaking activity was a result of Japan's business reforms, which have focused conglomerates on profitability.

A KKR report due out today will show that McVey expects Asian economies to outperform large economies in Europe — benefiting from technological trends and rising consumer spending — while inflation remains manageable.

"[We] heard several executives express concern it might be a developed country, like the UK, not an emerging one like Thailand, Malaysia or Indonesia, that could present more global risk this cycle," said McVey of a recent trip to Tokyo and Singapore.

Commodities

Rio Tinto warns of slowing iron ore deliveries as China construction falters

NIC FILDES — SYDNEY

Rio Tinto has warned of a persistent slowdown in global commodity markets as the threat of recession in Europe and the US along with a property crisis in China weigh on iron ore demand.

The Anglo-Australian mining company said in its third-quarter update yesterday that commodity prices were expected to keep falling as "downside risks to demand" emerge. The price of iron ore contracts in Singapore has fallen more than 46 per cent from its most recent peak in March.

Although Beijing has increased policy support to restore confidence, the recovery has been uneven, Rio Tinto said, highlighting that the Chinese construction sector, the biggest market for Australian iron ore producers, remains weak. "Slowing global demand poses downside risks to China's strong exports, while consumers remain cautious of the property market," it said.

Iron ore prices fell by as much as 1.4 per cent yesterday morning in Singapore to $90.30 a tonne before recovering to $91.40 by midday.

Rio Tinto said it would still produce between 320mn and 335mn tonnes of iron ore from its mines in the Pilbara region of Western Australia this year but said its output would be at the lower end of that range due to operational issues, including technical problems at some of its mines and train derailments.

Still, the miner has been expanding its operations in recent months. It has signed a $2bn deal with the largest Chinese state-owned steelmaker China Baowu Steel Group — Rio Tinto's largest customer — to develop iron ore mines in the Pilbara. It also moved to take control of the Oyu Tolgoi copper mine in Mongolia for nearly A$5bn ($3.2bn) and entered a joint venture with China's Winning Consortium Simandou to start mining iron ore in Guinea.

Rio Tinto's Parker Point loading facility reclaimer in the Pilbara

Rio Tinto also said yesterday it had entered a deal with Australian miner Wright Prospecting to unlock the value of "one of the biggest and best undeveloped iron ore deposits on the planet" at Rhodes Ridge in the Pilbara.

The project has been stalled for years due to a legal dispute involving Wright and Hancock Prospecting, the company controlled by Australia's richest person, Gina Rinehart, but exploration work is set to start on a mine that could produce up to 40mn tonnes of iron ore a year by the end of the decade, Rio Tinto said.

Peter O'Connor, senior analyst at Shaw and Partners, said the production update was "reasonable", adding: "Rio is yet to realise its full potential, although that target is getting closer." The miner's shares dropped as much as 1.6 per cent before ending the day up at A$94.27.

Additional reporting by Hudson Lockett in Hong Kong

Cross asset

'Green hushing' on the increase to avoid scrutiny of climate plans, survey shows

MADELEINE SPEED

A trend known as "green hushing" is growing as companies are increasingly choosing not to publicise details of their climate targets in an attempt to avoid scrutiny and allegations of greenwashing, a new study shows.

A quarter of the 1,200 companies in 12 countries surveyed said they would not publicise their science-based net zero targets, a road map for reducing emissions in line with the goals of the Paris agreement, said climate consultancy and carbon offsets developer South Pole.

This was despite the proportion of respondents setting science-based targets having more than tripled from the previous year to 72 per cent.

After the COP26 climate summit in Glasgow last year, companies raced to tout their sustainability credentials. But the ensuing flurry of pledges opened them up to allegations that their targets were unsubstantiated or misleading.

Lawsuits over greenwashing in ad campaigns have since been filed against oil companies such as TotalEnergies, while financial regulators are cracking down on lax oversight at ESG-branded investment funds. "There is a high degree of scrutiny now around anything to do with professing your sustainability," said Michael Wilkins, head of Imperial College London's Centre for Climate Finance and Investment. "Together with the ESG backlash, I think it is scaring a lot of companies."

Companies are also aware that the integrity of frameworks used to measure sustainability is being questioned. The Science Based Targets initiative (SBTi), which has become the arbiter of corporate climate action, has faced complaints about its governance and potential conflicts of interest. "You have to pay the initiative to be accredited, which leads to the assumption that you're paying to get yourself a good score," said Wilkins. "This can taint the company trying to follow the targets."

'If green hushing becomes a trend, it will make inspiring some climate laggards even harder'

SBTi charges companies $9,500 to have their climate targets assessed. Companies may be implementing legitimate targets but not disclosing them because of the politics around climate change in their region, said Nina Seega, research director for sustainable finance at the Cambridge Institute for Sustainability Leadership.

In the US in 2021, the state of Texas passed a law that attacked ESG investing for damaging the fossil fuel industry and this year accused BlackRock and nine other financial groups of boycotting oil and gas.

Climate groups have long called for stronger disclosure requirements in order to drive competition between companies to up their commitments.

Green hushing, by contrast, makes targets harder to scrutinise and could deter businesses from setting more ambitious goals, said Bethan Halls, sustainability adviser at South Pole. "If green hushing becomes a trend, it will make inspiring some of the climate laggards even harder," she said.

Despite the caution reflected in the survey, South Pole found that companies were setting more net zero targets than ever before.

COMPANIES & MARKETS

The day in the markets

What you need to know

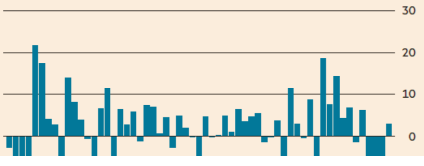
- **Goldman results cheer Wall Street**
- **UK tax cut reversal has global impact**
- **Some analysts and investors see recent stock market rises as temporary**

US stocks rose yesterday, extending gains from the previous session after Goldman Sachs became the latest company to post better than expected quarterly results.

The benchmark S&P 500 was up 1 per cent by lunchtime in New York, trimming larger gains from earlier in the session. The technology-heavy Nasdaq Composite added 0.8 per cent. Europe's

Global shares posted their worst streak of quarterly declines since 2008

FTSE All World index to September 30



Latin America holds inflation lessons for the G7

Michael Stott

Markets Insight

Latin America rarely leads the world in economic policy. The region has struggled to grow since the last commodity peak by the year end, with inflation halving next year as a result.

Peru and Mexico complete the picture of Latin American monetary prudence

High real interest rates have also kept Latin America's currencies strong. While the pound, euro and yen are wilting against the strong dollar, three Latin

Composite added 0.8 per cent. Europe's regional Stoxx 600 and Hong Kong's Hang Seng closed up 0.3 and 1.8 per cent respectively.

Those advances in equity markets followed a rally on Monday, with the S&P closing 2.6 per cent higher — supported by better than expected third-quarter results from Bank of America. BofA attributed its earnings to "resilient" US consumers.

Investors have been monitoring the latest flurry of corporate financial statements for signs of strain from high inflation and rising borrowing costs.

The Federal Reserve has led the charge this year on aggressively tightening monetary policy to curb rapid price growth — lifting interest rates by an extra-large 0.75 percentage points over its last three meetings to a target range of 3 to 3.25 per cent. Concerns have intensified in recent months that the Fed and its peers will turn the policy screws into a protracted slowdown.

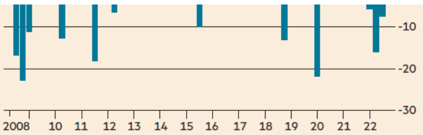
But the early stages of the new US corporate earnings season have helped brighten sentiment. Shares in Goldman were up almost 3 per cent yesterday after the bank reported third-quarter net income of $3.1bn, down from $5.4bn a year earlier but above analysts' estimates of $2.9bn.

The strong start to the week for equity markets was also boosted by the UK government's decision on Monday to ditch most of last month's "mini" Budget measures, which had spooked markets and sparked a fire sale of pension fund assets.

"The UK news has again seemed to heavily influence global markets over the last 24 hours . . . " wrote Jim Reid, a strategist at Deutsche Bank.

Some analysts and investors continue to see recent stock market gains as temporary. A FTSE index of global shares has fallen 25 per cent this year, closing out its longest streak of quarterly losses since 2008 last month.

In government debt markets, the yield on the benchmark 10-year UK gilt slipped 0.04 percentage points to 3.93 per cent as its price edged higher, following a rally in the previous session. The longer-dated 30-year yield dropped 0.08 percentage points to 4.29 per cent. **Ian Johnston**



Source: Refinitiv

since the last commodity boom, lacks competitiveness and remains overdependent on raw material exports. But can it teach the G7 a thing or two about fighting inflation?

While central banks in the UK, US and Europe remain on the back foot in battling stubbornly high inflation, Latin America's central banks have flexed their inflation-busting muscles and are reaping the rewards.

Good timing helped. Latin America was quick off the mark to raise interest rates, starting with Brazil in March 2021 — a year before the US Federal Reserve.

"Latin America led the tightening cycle," said Alberto Ramos, Latin America chief economist at Goldman Sachs. "Its central banks didn't have the luxury of credibility."

Barely a month after congress approved the central bank's independence from the government, the Banco Central do Brasil started to push up rates aggressively, from 2 per cent to a lofty 13.75 per cent, one of the world's highest levels for a large economy.

Its tactics worked. Brazil is now making gains in the war on inflation, which is down from a peak of 12.1 per cent in April to just under 8 per cent last month.

That price-fighting success has not killed growth: JPMorgan expects Brazil's economy to expand 2.6 per cent this year, not far short of the 3 per cent it predicts for China.

Chile and Colombia were not far behind Brazil. The two Andean economies pushed up interest rates 10.75 and 8.25 percentage points respectively and are now almost done with rate-rising. Citi economists expect their rates to of Latin American monetary prudence, with increases of 6.5 and 5 percentage points respectively. By contrast, the Fed has tightened just 3 percentage points and the Bank of England 2.15 points, despite the US and the UK suffering inflation rates similar to those of some Latin American nations.

The lesson Latin America offers the world, says Ilan Goldfajn, the IMF's western hemisphere director, "is that if you tighten ahead of the curve, if you react fast and you go immediately to where you need to go, that helps to win the fight against inflation".

> 'In Latin America, central bankers understood that when inflation crosses 5%, there is a regime shift'

The Latin American exception, as so often, is Argentina. Its government-controlled central bank is printing money to fund a budget deficit and it is losing control of inflation, which is projected to end the year at 100 per cent.

Latin America's central banks did loosen monetary policy by more than the G10 during the pandemic. But their subsequent assertiveness was not just a reaction to higher inflation. "Every country in LatAm has tightened the real ex-ante policy rate [the policy rate adjusted for one-year ahead inflation expectations] to positive territory, while every central bank in the G10 is still below zero," Bank of America said in a recent study.

ing against the strong dollar, three Latin American currencies have appreciated against the US currency: Brazil's real, the Mexican peso and the Peruvian sol.

So why did Latin America's central banks act so decisively while developed world counterparts dithered?

Alejandro Werner, director of the Georgetown Americas Institute and Goldfajn's predecessor at the IMF's western hemisphere department, believes that G7 central banks put too much trust in flawed economic models.

"We are much more model-based in the advanced economies," he said. "And when you put into your model 25 years of data, in which inflation has been around 2 per cent, whatever you put on the independent variable side will not give you an inflation rate that is much higher than 2.5 per cent . . . the data that you feed the model is giving you an answer that leads to complacency."

By contrast, he said, Latin American central bankers use models "but they also use their experience and their experience of inflation is much more recent".

Ramos also believes Latin America's painful experience of high inflation helped bring home to its central bankers how dangerous the inflation threat was.

"Developed world central banks had never seen anything like this but in Latin America, central bankers understood that when inflation crosses 5 per cent, there is a regime shift," he said. "At 5 or 6 per cent, inflation feeds on itself and becomes a monster. They [developed world central banks] never understood that."

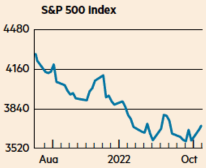
michael.stott@ft.com

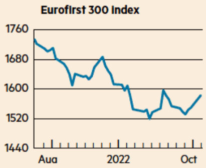
Markets update

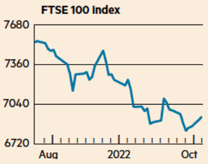
	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	3703.05	1582.88	27156.14	6936.74	3080.96	114347.06
% change on day	0.68	0.35	1.42	0.24	-0.13	0.64
Currency	**$ Index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	112.085	0.985	149.095	1.132	7.196	5.266
% change on day	0.041	0.305	0.239	-0.962	-0.122	-0.100
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	4.046	2.280	0.254	3.948	2.702	12.569
Basis point change on day	9.090	1.200	0.670	-2.600	-0.200	5.700
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	374.57	89.05	81.63	1649.30	18.60	3546.60
% change on day	0.78	-2.81	-3.43	0.07	-0.91	-1.02

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

Main equity markets


S&P 500 Index


Eurofirst 300 Index


FTSE 100 Index

Biggest movers

%	US		Eurozone		UK	
Ups	Carnival	9.49	Telecom Italia	6.36	Smurfit Kappa	6.36
	Norwegian Cruise Line Holdings Ltd	6.90	Alstom	4.83	Rolls-royce Holdings	3.79
	Lockheed Martin	6.58	A.p. Moller - Maersk B	4.40	Smith (ds)	3.75
	Royal Caribbean	5.70	Heidelbergcement	4.39	United Utilities	3.16
	Target	4.98	Dsm	4.00	Crh	2.80
Downs	Hasbro	-3.04	Galp Energia	-4.19	Harbour Energy	-4.36
	Intel	-2.54	Tenaris	-1.99	Centrica	-4.07
	Freeport-mcmoran	-2.43	Omv	-1.81	Segro	-2.14
	Micron Technology	-2.37	Eni	-1.13	Barratt Developments	-2.03
	Dexcom	-2.14	Terna	-1.07	Airtel Africa	-1.64

Prices taken at 17:00 GMT

Based on the constituents of the FTSE Eurofirst 300 Eurozone

All data provided by Morningstar unless otherwise noted.

Wall Street

Some positive elements of **Goldman Sachs**' results lifted the investment bank, which reported net earnings of $2.96bn — 7 per cent ahead of what analysts had expected. Third-quarter revenue slid 12 per cent year on year to $11.98bn, although this beat consensus estimates as the bank's trading division benefited from heavy activity spurred by recent market volatility.

An earnings miss weighed on toymaker **Hasbro**, which posted a 28 per cent year-on-year fall in earnings to $1.42 a share for the third quarter. Chris Cocks, chief executive, noted that these results were being compared with a particularly strong quarter last year and were "further impacted by increasing price sensitivity for the average consumer".

Rival **Mattel** also fell after the update.

Salesforce climbed on news that activist hedge fund Starboard Value had taken a stake in the cloud software group and had called on the company to increase its margins.

Gene therapy group **Akouos** soared on news it was being bought by pharma group Eli Lilly for $487mn.

Investors were offered $12.50 a share in cash, which represented a 78 per cent premium on Monday's closing price.

Stockholders were also eligible for an additional $3 per share, contingent on the outcome of certain trials. *Ray Douglas*

Europe

Better than expected profits pushed Sweden's **Avanza Bank** up sharply. For the third quarter, net profit slid 10 per cent year on year to SKr433mn ($39mn), although the lender beat a consensus estimate by 20 per cent, noted Citi.

Rikard Josefson, chief executive, said the bank's performance was "largely thanks to higher market interest rates", which increased the difference between what Avanza paid on deposits and what it earned from loans and other assets.

Telecom Italia, which has been at the centre of mergers and acquisitions chatter, rallied following renewed rumours of a potential takeover.

Italian newspaper Milano Finanza said private equity fund CVC might launch a bid for the telecoms group. Back in April, Telecom Italia rebuffed a takeover approach by US buyout group KKR.

Luxembourg-based **Eurofins Scientific** slid despite reporting "record high" nine-month revenue of €5.03bn.

Weakening sentiment towards the diagnostics group was a drop-off in government activity over the pandemic, with revenues from Covid-19 testing and reagents coming in at €60mn, much lower than the first-half level of €470mn and the €300mn in the third quarter of last year. But organic growth of 6.7 per cent was ahead of Eurofins' midterm target of 6.5 per cent a year. *Ray Douglas*

London

An upbeat update sent **Moneysupermarket.com** rallying, with the price comparison site forecasting full-year core profits "towards the upper end of market expectations", it said.

Third-quarter trading was running ahead of expectations, particularly in its money division, which offers information on mortgages, credit cards and loans.

The performance underlined Citi's thesis that "businesses offering consumers an opportunity to save money [are] highly appropriate for this point in the economic cycle".

Car dealership **Lookers** jumped after increasing its profit expectations and announcing moves to return money to investors via a share buyback scheme.

Management expected underlying pre-tax profit for the full year to be "not less than £75mn", which was 14 per cent ahead of what analysts estimated, said broker Numis. Lookers launched a share repurchase programme of up to £15mn, as it highlighted a net cash balance of £86mn in September, up from £33mn for the same month last year.

A rapid rise in revenue lifted **Sosandar**, the online women's retailer, which reported a 72 per cent jump in net sales to £20.9mn for the half year.

Pre-tax profit hit £100,000, up from a £1.08mn loss for the same period a year earlier. *Ray Douglas*

MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
0.68%	0.59%	0.71%	0.24%	0.35%	1.42%	1.82%	0.78%	0.305%	-0.962%	0.239%	1.281%	0.06%	0.07%

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

AMERICAS

Sep 19 - - Index All World
S&P 500 New York

Sep 19 - Oct 18 Index All World
S&P/TSX COMP Toronto

EUROPE

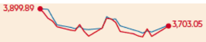
Sep 19 - Oct 18 Index All World
FTSE 100 London

Sep 19 - Oct 18 Index All World
Xetra Dax Frankfurt

ASIA

Sep 19 - Oct 18 Index All World
Nikkei 225 Tokyo

Sep 19 - Oct 18 Index All World
Kospi Seoul



Day ↗ 0.68% Month ↘ -12.55% Year ↘ -16.58%

Nasdaq Composite New York

Day ↗ 0.59% Month ↘ -15.64% Year ↘ -28.75%

Dow Jones Industrial New York

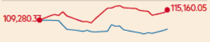
Day ↗ 0.71% Month ↘ -9.80% Year ↘ -12.09%

Day ↗ 0.72% Month ↘ -6.62% Year ↘ -8.35%

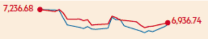
IPC Mexico City

Day ↗ 0.04% Month ↘ -4.59% Year ↘ -9.88%

Bovespa São Paulo



Day ↗ 0.64% Month ↗ 2.55% Year ↗ 5.05%



Day ↗ 0.24% Month ↘ -8.05% Year ↗ 0.56%

FTSE Eurofirst 300 Europe

Day ↗ 0.35% Month ↘ -8.00% Year ↘ -9.43%

CAC 40 Paris

Day ↗ 0.44% Month ↘ -6.60% Year ↘ -7.66%

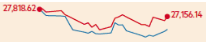
Day ↗ 0.92% Month ↘ -2.46% Year NaN%

Ibex 35 Madrid

Day ↗ 0.72% Month ↘ -8.62% Year ↘ -13.03%

FTSE MIB Milan

Day ↗ 0.93% Month ↘ -4.49% Year ↘ -16.28%

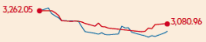


Day ↗ 1.42% Month ↘ -6.08% Year ↘ -10.91%

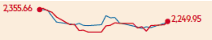
Hang Seng Hong Kong

Day ↗ 1.82% Month ↘ -14.51% Year ↘ -32.17%

Shanghai Composite Shanghai



Day ↘ -0.13% Month ↘ -5.44% Year ↘ -14.75%



Day ↗ 1.36% Month ↘ -9.74% Year ↘ -28.36%

FTSE Straits Times Singapore

Day ↗ 0.34% Month ↘ -6.81% Year ↘ -1.49%

BSE Sensex Mumbai

Day ↗ 0.94% Month ↘ -1.15% Year ↘ -0.09%

Country	Index	Latest	Previous
Argentina	Merval	136801.99	138953.48
Australia	All Ordinaries	6976.20	6854.30
	S&P/ASX 200	6779.20	6664.40
	S&P/ASX 200 Res	5375.90	5316.50
Austria	ATX	2796.63	2789.63
Belgium	BEL 20	3484.01	3454.10
	BEL Mid	9012.62	8888.50
Brazil	IBovespa	114347.06	113623.98
Canada	S&P/TSX 60	1135.27	1126.12
	S&P/TSX Comp	18756.02	18621.02
	S&P/TSX Div Met & Min	1366.21	1341.95
Chile	S&P/CLX IGPA Gen	27494.68	27520.26
China	FTSE A200	10266.43	10288.69
	FTSE B35	9000.71	8988.96
	Shanghai A	3228.64	3232.84
	Shanghai B	295.24	294.44
	Shanghai Comp	3080.96	3084.94
	Shenzhen A	2097.62	2090.02
	Shenzhen B	1135.75	1132.42
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1167.92	1144.01
Denmark	OMXC Copenahgen 20	1626.35	1601.68
Egypt	EGX 30	10148.40	10048.88
Estonia	OMX Tallinn	1672.55	1672.47
Finland	OMX Helsinki General	10401.48	10317.49
France	CAC 40	6067.00	6040.66
	SBF 120	4665.78	4643.31
Germany	M-DAX	23248.90	22983.03
	TecDAX	2800.55	2765.09
	XETRA Dax	12765.61	12649.03
Greece	Athens Gen	851.00	842.64
	FTSE/ASE 20	2063.69	2041.11
Hong Kong	Hang Seng	16914.58	16612.90
	HS China Enterprise	5756.31	5633.23
	HSCC Red Chip	3325.85	3286.50
Hungary	Bux	40910.44	39855.56
India	BSE Sensex	58960.60	58410.98
	Nifty 500	15056.55	14906.15
Indonesia	Jakarta Comp	6834.49	6831.12
Ireland	ISEQ Overall	6751.53	6720.34
Israel	Tel Aviv 125	1905.14	1898.38
Italy	FTSE Italia All-Share	23418.57	23169.80
	FTSE Italia Mid Cap	35997.40	35738.58
	FTSE MIB	21518.78	21319.73
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	27156.14	26775.79
	S&P Topix 150	1628.17	1609.55
	Topix	1930.17	1935.49
Jordan	Amman SE	2494.24	2498.26
Kenya	NSE 20	1700.22	1674.95
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1065.58	1087.46
Lithuania	OMX Vilnius	901.19	899.96
Luxembourg	LuxX	1311.67	1301.07
Malaysia	FTSE Bursa KLCI	1400.36	1386.27
Mexico	IPC	46239.46	46220.72
Morocco	MASI	11442.19	11556.43
Netherlands	AEX	642.48	640.95
	AEX All Share	876.16	873.82
New Zealand	NZX 50	10847.34	10785.92
Nigeria	SE All Share	47569.04	47524.38
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	41839.27	41755.45
Philippines	Manila Comp	6128.64	5970.33
Poland	Wig	47267.34	47009.07
Portugal	PSI 20	5399.98	5425.88
	PSI General	4136.47	4134.30
Romania	BET Index	10953.44	10786.70
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	11405.88	11421.78
Singapore	FTSE Straits Times	3025.88	3015.75
Slovakia	SAX	343.80	345.52
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	66350.98	66190.75
	FTSE/JSE Res 20	61415.52	61920.24
	FTSE/JSE Top 40	59829.23	59638.26
South Korea	Kospi	2249.95	2219.71
	Kospi 200	293.59	289.57
Spain	IBEX 35	7611.30	7557.10
Sri Lanka	CSE All Share	8866.05	8983.74
Sweden	OMX Stockholm 30	1938.56	1908.38
	OMX Stockholm AS	739.89	728.48
Switzerland	SMI Index	10578.76	10498.71
Taiwan	Weighted Pr	13124.68	12966.05
Thailand	Bangkok SET	1590.36	1571.40
Turkey	BIST 100	3850.49	3847.62
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2287.90	2278.10
	FTSE 100	6936.74	6920.24
	FTSE 4Good UK	6225.86	6207.17
	FTSE All Share	3792.79	3784.45
	FTSE techMARK 100	5918.34	5870.72
USA	DJ Composite	10164.08	10086.17
	DJ Industrial	30399.84	30185.82
	DJ Transport	12911.75	12801.54
	DJ Utilities	873.01	865.50
	Nasdaq 100	11106.35	11062.53
	Nasdaq Cmp	10738.98	10675.80
	NYSE Comp	14015.66	13923.21
	S&P 500	3703.05	3677.95
	Wilshire 5000	37054.89	36766.96
Venezuela	IBC	9240.91	9267.72
Vietnam	VNI	1063.66	1051.58
Cross-Border	DJ Global Titans ($)	399.37	397.37
	Euro Stoxx 50 (Eur)	3471.18	3441.64
	Euronext 100 ID	1150.95	1147.23
	FTSE 4Good Global ($)	8899.60	8863.06
	FTSE All World ($)	374.57	371.67
	FTSE E300	1582.88	1577.43
	FTSE Eurotop 100	3105.87	3100.73
	FTSE Global 100 ($)	2334.81	2325.83
	FTSE Gold Min ($)	1397.76	1371.87
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	2424.71	2365.45
	FTSE World ($)	678.48	673.62
	FTSEurofirst 100 (Eur)	4135.60	4135.53
	FTSEurofirst 80 (Eur)	4737.94	4704.56
	MSCI ACWI Fr ($)	563.66	552.08
	MSCI All World ($)	2431.84	2376.64
	MSCI Europe (Eur)	1602.86	1578.37
	MSCI Pacific ($)	2300.93	2324.25
	S&P Euro (Eur)	1576.77	1565.56
	S&P Europe 350 (Eur)	1620.72	1614.63
	S&P Global 1200 ($)	2697.08	2677.52
	Stoxx 50 (Eur)	3419.97	3418.65

(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	95.9	219.55	0.20
Apple	50.7	144.00	1.59
Nvidia	35.4	117.99	-0.89
Amazon.com	35.2	115.84	2.05
Microsoft	29.2	237.23	-0.30
Advanced Micro Devices	29.0	57.15	-0.82
Netflix	21.8	240.66	-4.44
Salesforce	15.6	152.71	5.53
Bank Of America	13.7	34.59	0.97
Goldman Sachs	11.7	314.64	7.93

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Carnival	7.96	0.69	9.49
Norwegian Cruise Line Holdings Ltd	14.09	0.91	6.90
Lockheed Martin	423.45	26.14	6.58
Royal Caribbean	47.68	2.57	5.70
Target	156.69	7.44	4.98
Downs			
Hasbro	65.65	-2.06	-3.04
Intel	25.75	-0.67	-2.54
Freeport-mcmoran	28.12	-0.70	-2.43
Micron Technology	52.23	-1.27	-2.37
Dexcom	97.60	-2.13	-2.14

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Shell	164.1	2253.00	-13.50
Bp	130.4	445.25	-4.20
Glencore	122.8	483.05	-4.25
Unilever	112.3	3893.50	35.00
Rio Tinto	86.1	4748.00	-72.00
Hsbc Holdings	84.0	465.75	-5.50
Rentokil Initial	83.4	514.40	12.00
Astrazeneca	81.8	9844.00	-18.00
British American Tobacco	62.2	3283.50	6.50
Rolls-royce Holdings	60.3	74.28	2.71

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Carnival	611.00	45.80	8.10
Smurfit Kappa	2845.00	170.00	6.36
Moneysupermarket.com	209.20	10.60	5.34
Ibstock	159.10	7.40	4.88
Marshalls	245.00	11.00	4.70
Downs			
Syncona	166.00	-13.80	-7.68
Asos	490.00	-28.00	-5.41
Ninety One	177.70	-8.90	-4.77
Harbour Energy	383.60	-17.50	-4.36
Centrica	69.36	-2.94	-4.07

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Bbva	434.0	4.94	0.09
Roche Gs	362.5	335.26	-1.12
Nestle N	329.8	109.98	0.22
Novartis N	250.8	78.87	0.31
Intesa Sanpaolo	222.1	1.80	0.06
Asml Holding	219.4	406.95	6.40
Unicredit	176.0	11.35	0.16
Inditex	172.1	22.75	0.37
Stellantis	160.1	13.02	0.21
Eni	150.4	11.73	-0.13

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
A.p. M__ller - M__rsk B A/s	2135.53	90.07	4.40
Sartorius Ag Vzo O.n.	392.80	15.80	4.19
A.p. M__ller - M__rsk A A/s	2032.69	73.94	3.77
Volvo, Ab Ser. A	16.84	0.59	3.60
Sika N	228.27	7.65	3.47
Downs			
Mowi	13.58	-0.20	-1.43
Totalenergies	52.29	-0.70	-1.32
Eni	11.73	-0.13	-1.13
Bayer Ag Na O.n.	50.00	-0.22	-0.45
Roche Gs	335.26	-1.12	-0.33

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Softbank .	1216.4	5537.00	-12.00
Tokyo Electron	734.8	37220.00	500.00
Fast Retailing Co.,	728.1	85150.00	950.00
Mitsubishi Ufj Fin,.	457.4	681.90	6.60
Toyota Motor	429.7	2007.50	7.50
Recruit Hldgs Co Ltd	403.8	4472.00	215.00
Nippon Yusen Kabushiki Kaisha	364.6	2732.00	31.00
Sony	326.8	9754.00	108.00
Mitsui O.s.k.lines,	324.7	2962.00	8.00
Kawasaki Kisen Kaisha,	299.7	2355.00	15.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
M3,.	4289.00	226.00	5.56
Recruit Hldgs Co Ltd	4472.00	215.00	5.05
Sharp	885.00	42.00	4.98
Yamaha	5600.00	250.00	4.67
Konami	6670.00	280.00	4.38
Downs			
Tokyo Gas Co.,	2524.00	-25.00	-0.98
Meiji Holdings Co.,	6270.00	-50.00	-0.79
Osaka Gas Co.,	2161.00	-17.00	-0.78
Nippon Paper Industries Co Ltd	889.00	-6.00	-0.67
Kirin Holdings ,	2259.00	-15.00	-0.66

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Oct 18 price(p)	%Chg week	%Chg ytd
Winners			
Ocado	480.10	15.8	-
Int Consolidated Airlines S.a.	115.86	13.3	-
Smurfit Kappa	2845.00	11.2	-
United Utilities	920.00	9.9	-
Flutter Entertainment	10915.00	9.3	-6.8
Rentokil Initial	514.40	8.6	-
Entain	1184.50	7.9	-
Whitbread	2606.00	7.7	-
Next	4897.00	7.7	-
Legal & General	227.40	7.1	-
Rolls-royce Holdings	74.28	6.9	-
Natwest	236.70	6.8	-2.7
Losers			
Harbour Energy	383.60	-9.4	9.7
Fresnillo	705.60	-7.6	-
Rio Tinto	4748.00	-5.0	-3.0
Endeavour Mining	1503.00	-4.7	-7.2
Bae Systems	798.80	-4.2	45.4
Hargreaves Lansdown	799.00	-3.3	-
Haleon	268.80	-2.5	-
Anglo American	2656.50	-1.9	-
Vodafone	99.61	-1.7	-
Bp	445.25	-1.6	33.9
Pearson	893.60	-1.6	47.5
Imperial Brands	1997.00	-1.5	22.7

FTSE 250	Oct 18 price(p)	%Chg week	%Chg ytd
Winners			
Carnival	611.00	20.1	-
Pagegroup	429.60	16.2	-
Darktrace	342.70	14.9	-
Playtech	541.00	14.6	-27.3
Moneysupermarket.com	209.20	13.9	-3.4
Watches Of Switzerland	807.00	13.7	-45.8
Coats	59.70	12.9	-
Discoverie	724.00	12.6	-
Tui Ag	124.70	11.3	-
Genus	2606.00	11.3	-
Abrdn Private Equity Opportunities Trust	412.00	11.1	-
Itv	66.04	10.5	-
Losers			
Tullow Oil	36.78	-10.5	-
Asos	490.00	-9.4	-
Hikma Pharmaceuticals	1241.50	-5.0	-
Ferrexpo	115.80	-5.0	-
Int Distributions Services	196.65	-5.0	-
Tp Icap	183.10	-4.5	19.2
Jpmorgan Japanese Investment Trust	422.50	-4.3	-
W.a.g Payment Solutions	83.80	-4.0	-8.0
Wetherspoon (J.d.)	452.40	-4.0	-
Energean	1327.00	-3.6	55.1
Diversified Energy	125.40	-3.5	20.2
Synthomer	93.15	-3.4	-76.9

FTSE SmallCap	Oct 18 price(p)	%Chg week	%Chg ytd
Winners			
Lookers	82.70	29.2	28.2
Dignity	476.50	27.6	-
Zotefoams	292.00	19.7	-
Esken	5.94	17.4	-
Trustpilot	84.00	17.0	-
Avon Protection	1112.00	14.3	-3.1
Kin And Carta	217.00	14.2	-26.4
Superdry	128.80	13.6	-55.0
Funding Circle Holdings	48.80	13.5	-
Hostelworld	85.60	12.8	23.7
Galliford Try Holdings	168.00	11.9	-
Treatt	598.00	11.4	-
Losers			
Rank	57.40	-13.8	-
Oryx Int Growth Fund Ltd	930.00	-11.4	-45.8
Fisher (james) & Sons	265.50	-10.9	-27.0
Pphe Hotel	1225.00	-10.3	-
Secure Trust Bank	682.00	-9.8	-46.3
Seraphim Space Investment Trust	51.40	-8.0	-58.7
Ct Private Equity Trust	390.00	-6.9	-
Octopus Renewables Infrastructure Trust	91.80	-6.2	-
Hunting	231.00	-5.9	44.4
Enquest	27.00	-5.8	45.1
Marston's	35.80	-5.7	-
Pacific Horizon Investment Trust	564.00	-5.4	-

Industry Sectors	Oct 18 price(p)	%Chg week	%Chg ytd
Winners			
Personal Goods	29601.15	1.0	-
Aerospace & Defense	4678.87	-0.5	11.5
Industrial Transportation	3177.56	-1.2	-
Industrial Engineering	13581.83	-2.5	-
Travel & Leisure	5976.11	-2.6	-
Health Care Equip.& Services	10676.71	-2.9	29.7
Beverages	28005.38	-3.0	-9.8
Oil & Gas Producers	7809.46	-3.1	36.6
Electronic & Electrical Equip.	8307.69	-3.1	-
Media	8645.25	-3.2	-
General Industrials	5723.04	-3.7	-
Pharmaceuticals & Biotech.	18725.49	-3.8	0.1
Losers			
Automobiles & Parts	1161.65	-30.1	-
Real Estate & Investment Servic	1980.48	-20.1	-39.3
Real Estate Investment Trusts	2116.74	-19.2	-
Electricity	9052.23	-18.7	-
Gas Water & Multiutilities index	5043.82	-15.9	-
Household Goods	9187.03	-13.8	-
Banks	2979.82	-11.3	-2.3
Mining	9111.70	-10.4	-
Chemicals	11092.24	-9.4	-
Life Insurance	6008.26	-8.9	-
Mobile Telecommunications	2461.23	-8.8	-
Food Producers	5090.78	-8.6	-

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

CURRENCIES

		DOLLAR		EURO		POUND	
Oct 18	Currency	Closing Mid	Day's Change	Closing Mid	Day's Change	Closing Mid	Day's Change
Argentina	Argentine Peso	152.8291	0.3046	150.5438	0.8177	172.9795	-1.3721
Australia	Australian Dollar	1.5871	-0.0034	1.5633	0.0020	1.7963	-0.0218
Bahrain	Bahrainin Dinar	0.3770	-	0.3714	0.0013	0.4267	-0.0042
Bolivia	Bolivian Boliviano	6.9100	-	6.8067	0.0235	7.8211	-0.0778
Brazil	Brazilian Real	5.2660	-0.0052	5.1873	0.0127	5.9604	-0.0653
Canada	Canadian Dollar	1.3751	0.0019	1.3545	0.0065	1.5564	-0.0133
Chile	Chilean Peso	973.8000	3.7800	959.2388	7.0158	1102.1947	-6.6404
China	Chinese Yuan	7.1955	-0.0088	7.0879	0.0158	8.1442	-0.0911
Colombia	Colombian Peso	4737.0850	38.5850	4666.2532	53.9560	5361.6658	-9.2150
Costa Rica	Costa Rican Colon	617.1450	0.2350	607.9169	2.3253	698.5150	-6.6781
Czech Republic	Czech Koruna	24.9307	-0.1026	24.5579	-0.0161	28.2178	-0.3980
Denmark	Danish Krone	7.5514	-0.0255	7.4384	0.0006	8.5470	-0.1141
Egypt	Egyptian Pound	19.6568	0.0072	19.3629	0.0738	22.2485	-0.2131
Hong Kong	Hong Kong Dollar	7.8496	-0.0003	7.7323	0.0263	8.8846	-0.0887
Hungary	Hungarian Forint	419.1666	-1.5791	412.8988	-0.1274	474.4334	-6.5233
India	Indian Rupee	82.3575	-	81.1260	0.2795	93.2163	-0.9270

		DOLLAR		EURO		POUND	
Oct 18	Currency	Closing Mid	Day's Change	Closing Mid	Day's Change	Closing Mid	Day's Change
Indonesia	Indonesian Rupiah	15467.5000	-20.0000	15236.2147	32.8468	17506.8802	-196.9663
Israel	Israeli Shekel	3.5232	0.0037	3.4705	0.0156	3.9877	-0.0354
Japan	Japanese Yen	149.0950	0.3550	146.8656	0.8545	168.7530	-1.2724
..One Month		149.0945	0.3540	146.8654	0.8542	168.7526	-1.2734
..Three Month		149.0932	0.3515	146.8650	0.8534	168.7514	-1.2757
..One Year		149.0874	0.3398	146.8617	0.8468	168.7526	-1.2810
Kenya	Kenyan Shilling	121.1500	0.1000	119.3384	0.5094	137.1235	-1.2494
Kuwait	Kuwaiti Dinar	0.3101	-0.0001	0.3054	0.0010	0.3509	-0.0036
Malaysia	Malaysian Ringgit	4.7160	-0.0005	4.6455	0.0155	5.3378	-0.0537
Mexico	Mexican Peso	20.0080	0.0200	19.7088	0.0875	22.6460	-0.2024
New Zealand	New Zealand Dollar	1.7613	-0.0149	1.7350	-0.0086	1.9936	-0.0368
Nigeria	Nigerian Naira	440.7500	-	434.1595	1.4959	498.8625	-4.9612
Norway	Norwegian Krone	10.5584	0.0233	10.4005	0.0587	11.9505	-0.0923
Pakistan	Pakistani Rupee	219.6500	1.3500	216.3656	2.0707	248.6107	-0.9292
Peru	Peruvian Nuevo Sol	3.9810	0.0031	3.9215	0.0166	4.5059	-0.0412
Philippines	Philippine Peso	58.7750	-0.2225	57.8961	-0.0189	66.5244	-0.9159

		DOLLAR		EURO		POUND	
Oct 18	Currency	Closing Mid	Day's Change	Closing Mid	Day's Change	Closing Mid	Day's Change
Poland	Polish Zloty	4.8541	-0.0390	4.7815	-0.0218	5.4941	-0.0992
Romania	Romanian Leu	5.0089	-0.0202	4.9340	-0.0028	5.6693	-0.0795
Russia	Russian Ruble	62.3000	0.1500	61.3684	0.3587	70.5142	-0.5298
Saudi Arabia	Saudi Riyal	3.7560	-0.0034	3.6998	0.0094	4.2512	-0.0462
Singapore	Singapore Dollar	1.4212	-0.0009	1.3999	0.0040	1.6086	-0.0170
South Africa	South African Rand	18.1025	0.0450	17.8318	0.1056	20.4893	-0.1523
South Korea	South Korean Won	1422.7500	-12.6500	1401.4757	-7.5890	1610.3384	-30.4751
Sweden	Swedish Krona	11.0951	-0.0886	10.9292	-0.0494	12.5580	-0.2262
Switzerland	Swiss Franc	0.9948	-0.0017	0.9800	0.0017	1.1260	-0.0131
Taiwan	New Taiwan Dollar	31.9920	-0.0135	31.5136	0.0953	36.2101	-0.3755
Thailand	Thai Baht	38.0850	-0.1575	37.5155	-0.0253	43.1065	-0.6087
Tunisia	Tunisian Dinar	3.2973	0.0112	3.2480	0.0222	3.7320	-0.0243
Turkey	Turkish Lira	18.5845	-0.0005	18.3066	0.0626	21.0348	-0.2098
United Arab Emirates	UAE Dirham	3.6731	-	3.6181	0.0125	4.1573	-0.0413
United Kingdom	Pound Sterling	0.8835	0.0087	0.8703	0.0115	-	-
..One Month		0.8836	0.0087	0.8702	0.0115	-	-

		DOLLAR		EURO		POUND	
Oct 18	Currency	Closing Mid	Day's Change	Closing Mid	Day's Change	Closing Mid	Day's Change
..Three Month		0.8838	0.0087	0.8698	0.0115	-	-
..One Year		0.8838	0.0086	0.8682	0.0115	-	-
United States	United States Dollar	-	-	0.9850	0.0034	1.1318	-0.0113
..One Month		-	-	0.9848	-0.1581	1.1319	-0.0113
..Three Month		-	-	0.9843	-0.1580	1.1321	-0.0113
..One Year		-	-	0.9825	-0.1580	1.1321	-0.0114
Vietnam	Vietnamese Dong	24440.0000	110.0000	24074.5734	190.9535	27662.4408	-149.3292
European Union	Euro	1.0152	-0.0035	-	-	1.1490	-0.0154
..One Month		1.0150	-0.0035	-	-	1.1489	-0.0154
..Three Month		1.0144	-0.0035	-	-	1.1485	-0.0154
..One Year		1.0126	-0.0035	-	-	1.1470	-0.0155

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

FTSE ACTUARIES SHARE INDICES

UK SERIES
www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg Oct 18	Day's chge%	Euro Index	£ Strlg Oct 17	£ Strlg Oct 14	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	6936.74	0.24	6213.01	6920.24	6858.79	7203.83	3.89	1.94	13.27	236.60	7093.11
FTSE 250 (250)	17529.31	0.15	15700.43	17502.84	17032.82	22968.74	3.37	1.08	27.50	464.16	14526.37
FTSE 250 ex Inv Co (174)	17715.30	0.20	15867.01	17679.08	17139.69	24002.57	3.53	1.49	19.00	502.69	14985.63
FTSE 350 (350)	3828.81	0.23	3429.34	3820.18	3776.27	4127.24	3.81	1.83	14.34	126.29	7769.25
FTSE 350 ex Investment Trusts (271)	3766.83	0.23	3373.83	3758.25	3716.05	4024.33	3.88	1.92	13.45	126.85	3950.36
FTSE 350 Higher Yield (131)	3298.16	-0.16	2954.05	3303.31	3271.77	3240.28	5.35	1.86	10.02	139.72	7528.97
FTSE 350 Lower Yield (219)	3968.52	0.63	3554.48	3943.82	3890.42	4780.84	2.21	1.74	26.02	87.83	4881.64
FTSE SmallCap (241)	5803.19	0.01	5197.73	5802.45	5730.00	7446.60	3.59	0.51	54.88	171.22	9707.81
FTSE SmallCap ex Inv Co (128)	4639.40	0.06	4155.36	4636.80	4545.54	6336.89	3.79	2.33	11.29	134.87	8074.74
FTSE All-Share (591)	3792.79	0.22	3397.07	3784.45	3740.85	4110.17	3.81	1.80	14.63	124.72	7771.37
FTSE All-Share ex Inv Co (399)	3698.76	0.23	3312.85	3690.42	3648.55	3967.37	3.88	1.92	13.42	124.31	3938.32
FTSE All-Share ex Multinationals (528)	993.12	0.17	737.91	991.41	969.82	1321.48	4.19	1.79	13.34	35.09	2105.60
FTSE Fledgling (83)	11150.04	0.34	9986.73	11112.72	11111.44	13534.09	3.78	4.90	5.40	286.16	24009.98
FTSE Fledgling ex Inv Co (33)	14332.01	1.08	12836.71	14179.52	14200.07	18694.60	3.42	8.24	3.55	365.43	29963.19
FTSE All-Small (324)	4053.85	0.03	3630.90	4052.61	4004.78	5186.30	3.60	0.76	36.41	118.78	8697.56
FTSE All-Small ex Inv Co (161)	3493.39	0.09	3128.92	3490.15	3424.13	4763.68	3.78	2.53	10.46	101.11	7699.82
FTSE AIM All-Share (767)	795.48	0.99	712.48	787.66	779.80	1237.46	1.66	1.53	39.42	10.57	932.10
FTSE All-Share Technology (21)	1875.40	0.74	1458.24	1861.67	1816.01	2301.86	2.01	0.80	61.98	36.68	2712.41
FTSE All-Share Telecommunications (6)	1594.18	-0.12	1239.57	1596.09	1580.98	1719.46	6.57	1.06	14.38	57.66	2372.51
FTSE All-Share Health Care (14)	13089.24	0.16	10177.69	13067.96	13023.06	12656.30	3.04	1.14	28.83	341.37	12094.43
FTSE All-Share Financials (256)	4187.53	0.21	3256.06	4178.62	4102.10	4921.75	4.01	2.20	11.33	155.63	4649.53
FTSE All-Share Real Estate (55)	775.36	-0.80	630.69	781.62	754.31	1157.92	4.48	4.53	4.92	27.92	812.18
FTSE All-Share Consumer Discretionary (86)	4214.92	0.78	3277.36	4182.44	4099.36	5443.67	2.48	1.04	38.94	98.53	4461.88
FTSE All-Share Consumer Staples (24)	18812.98	0.42	14628.25	18733.52	18727.42	18508.22	4.05	1.16	21.37	612.85	17179.64
FTSE All-Share Industrials (84)	5849.56	1.70	4548.39	5752.01	5653.58	7033.82	2.43	1.35	30.56	118.28	6752.23
FTSE All-Share Basic Materials (22)	7894.62	-0.73	6138.55	7953.01	7828.00	8145.90	6.89	2.01	7.22	537.59	10760.94
FTSE All-Share Energy (13)	8076.62	-0.77	6280.06	8139.46	8178.21	6502.37	3.44	2.96	9.82	220.07	9732.98
FTSE All-Share Utilities (10)	7502.82	-0.41	5833.91	7534.03	7301.93	7771.36	5.08	0.66	29.65	292.26	11333.70
FTSE All-Share Software and Computer Services (18)	2026.15	0.66	1575.45	2012.83	1964.09	2465.30	2.02	0.80	62.25	39.73	3100.42
FTSE All-Share Technology Hardware and Equipment (3)	4603.44	2.77	3579.45	4479.31	4332.99	7184.81	1.93	0.93	55.72	78.21	5949.56
FTSE All-Share Telecommunications Equipment (1)	575.39	0.63	447.40	571.81	557.95	670.89	2.14	2.31	20.27	11.51	822.47
FTSE All-Share Telecommunications Service Providers (5)	2457.50	-0.15	1910.86	2461.20	2439.41	2638.96	6.76	1.04	14.21	90.35	3329.11
FTSE All-Share Health Care Providers (3)	10712.10	-0.16	8329.32	10729.73	10640.83	8743.09	0.54	4.48	41.04	58.27	9942.56
FTSE All-Share Medical Equipment and Services (2)	5158.45	2.08	4011.01	5053.22	5006.41	5957.27	2.77	0.97	37.43	142.76	4982.87
FTSE All-Share Pharmaceuticals and Biotechnology (9)	18669.70	0.06	14516.84	18658.20	18601.13	17892.92	3.08	1.14	28.37	489.47	15531.00
FTSE All-Share Banks (12)	2939.98	-0.31	2286.02	2949.09	2884.64	3032.17	4.43	4.27	5.30	128.47	2601.76
FTSE All-Share Finance and Credit Services (8)	10120.03	1.81	7868.95	9940.02	9854.46	11078.56	2.06	2.05	23.64	208.41	13597.15
FTSE All-Share Investment Banking and Brokerage Services (31)	7486.20	0.53	5820.98	7446.59	7286.01	10499.03	5.89	1.86	9.14	379.93	10503.37
FTSE All-Share Closed End Investments (192)	11089.59	0.14	8622.84	11074.34	10918.65	13901.40	2.79	-0.76	-47.09	244.11	6915.08
FTSE All-Share Life Insurance (6)	6115.63	0.93	4755.28	6059.13	5928.91	8052.42	5.01	1.08	18.47	294.59	7483.98
FTSE All-Share Nonlife Insurance (7)	3360.25	0.27	2612.80	3351.05	3305.64	3537.78	4.30	1.24	18.80	130.27	7156.11
FTSE All-Share Real Estate Investment and Services (18)	1915.79	0.06	1489.64	1914.57	1863.91	2943.74	2.63	3.76	10.11	41.03	5712.54
FTSE All-Share Real Estate Investment Trusts (45)	1934.85	-0.95	1504.46	1953.45	1882.30	2866.12	4.81	4.61	4.52	75.43	2919.14
FTSE All-Share Automobiles and Parts (2)	1167.60	1.09	907.88	1154.97	1095.73	4217.73	0.83	-19.25	-6.23	14.02	1214.70
FTSE All-Share Consumer Services (2)	3012.72	1.12	2342.57	2979.44	2976.81	2426.73	1.27	1.71	45.86	38.43	3821.62
FTSE All-Share Household Goods and Home Construction (13)	7677.16	-0.96	5969.46	7751.95	7462.36	14088.88	9.24	1.61	6.73	661.61	6868.33
FTSE All-Share Leisure Goods (2)	17254.13	1.10	13416.14	17065.90	16478.57	26279.89	4.20	1.49	16.02	721.42	19156.70
FTSE All-Share Personal Goods (5)	25502.18	0.08	19829.51	25480.81	24715.75	28731.90	2.00	2.75	18.13	402.68	19946.66
FTSE All-Share Media (11)	8864.28	0.79	6892.52	8795.06	8664.10	9364.75	2.41	1.50	27.58	213.23	6231.15
FTSE All-Share Retailers (22)	1620.08	1.02	1259.71	1603.79	1574.61	2678.27	3.11	3.70	8.70	43.41	2101.98
FTSE All-Share Travel and Leisure (29)	5836.14	1.17	4537.96	5768.38	5607.54	8580.88	0.67	-10.97	-13.71	35.41	6031.02
FTSE All-Share Beverages (5)	28101.02	0.24	21850.27	28033.31	28013.92	28156.00	2.13	1.99	23.55	584.47	22520.65
FTSE All-Share Food Producers (10)	5221.87	0.08	4060.32	5217.83	5110.68	6587.16	2.84	2.14	16.44	83.25	5027.07
FTSE All-Share Tobacco (2)	35395.17	0.06	27521.92	35375.63	35446.83	27784.03	6.69	0.92	16.19	1728.22	33081.91
FTSE All-Share Construction and Materials (15)	6643.79	2.37	5165.96	6489.93	6402.35	8213.77	3.44	0.65	44.73	217.85	8091.78
FTSE All-Share Aerospace and Defense (7)	4920.67	1.42	3826.12	4851.95	4821.19	4824.87	2.35	0.05	849.09	59.88	5948.22
FTSE All-Share Electronic and Electrical Equipment (10)	9737.01	1.74	7571.13	9570.47	9407.55	13500.99	1.76	2.01	28.19	142.02	9611.99
FTSE All-Share General Industrials (8)	4603.29	2.49	3579.34	4491.56	4391.39	5330.08	3.08	1.17	27.72	122.02	6054.49
FTSE All-Share Industrial Engineering (5)	14986.54	2.33	11652.95	14645.92	14271.29	18970.71	1.74	2.01	28.54	261.52	20130.98
FTSE All-Share Industrial Support Services (31)	9330.69	0.99	7255.18	9239.09	9068.85	11348.70	2.03	1.67	29.53	181.51	10730.43
FTSE All-Share Industrial Transportation (8)	4802.33	1.91	3734.11	4712.22	4612.45	6713.34	2.43	3.42	12.05	98.14	5031.58
FTSE All-Share Industrial Materials (1)	14602.72	-1.85	431.36	14877.78	14952.79	18203.40	2.25	1.81	24.55	329.06	18445.42
FTSE All-Share Industrial Metals and Mining (9)	7071.38	-0.95	5498.44	7139.55	7036.59	6760.60	7.39	2.01	6.73	517.27	10854.38
FTSE All-Share Precious Metals and Mining (5)	8743.21	0.00	6798.38	8743.47	8572.07	20049.34	4.09	1.86	13.15	358.99	6164.27
FTSE All-Share Chemicals (7)	12254.71	1.27	9528.79	12101.47	11765.33	18023.37	3.00	2.04	16.36	335.92	12293.95
FTSE All-Share Oil. Gas and Coal (12)	7840.69	-0.77	6096.62	7901.72	7939.32	6310.48	3.44	2.96	9.82	213.64	9799.09
FTSE Sector Indices											
Non Financials (335)	**4648.00**	**0.22**	**4163.06**	**4637.69**	**4593.15**	**4918.72**	**3.75**	**1.67**	**15.93**	**147.30**	**8375.18**

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	6972.10	6995.54	6970.02	6978.60	6982.86	7001.28	7011.31	6974.16	6958.51	7017.37	6936.74
FTSE 250	17647.17	17660.19	17565.51	17580.16	17610.10	17625.26	17668.31	17633.32	17593.23	17711.94	17467.17
FTSE SmallCap	5809.45	5825.12	5829.18	5825.67	5826.91	5829.03	5835.40	5833.81	5830.87	5838.56	5803.19
FTSE All-Share	3812.59	3823.93	3809.48	3813.77	3816.65	3825.54	3831.53	3813.52	3805.12	3834.11	3792.79

Time of FTSE 100 Day's high:12:33:45 Day's Low15:35:29 FTSE 100 2010/11 High: 7672.40(10/02/2022) Low: 6826.15(12/10/2022)
Time of FTSE All-Share Day's high:12:33:00 Day's Low15:40:56 FTSE 100 2010/11 High: 4296.96(10/02/2022) Low: 3712.50(12/10/2022)

Further information is available on http://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. † Sector P/E ratios greater than 80 are not shown. For changes to FTSE Fledgling Index constituents please refer to www.ftse.com/indexchanges. ‡ Values are negative.

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

	Oct 18	Oct 17	Oct 14	Oct 13	Oct 12	Yr Ago	High	Low
FT 30	2287.90	2278.10	2232.70	2219.70	2168.90	0.00	2880.10	2152.10
FT 30 Div Yield	-	-	-	-	-	0.00	3.93	2.74
P/E Ratio net	-	-	-	-	-	0.00	19.44	14.26

FT 30 hourly changes

8	9	10	11	12	13	14	15	16	High	Low
2278.1	2306	2297	2296.3	2302.8	2304.7	2310.8	2299.2	2295.9	2313.4	2278.1

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

FT WILSHIRE 5000 INDEX SERIES

	Oct 17		Oct 17
FT Wilshire 5000	37455.92	FT Wilshire Mid Cap	4987.03
FT Wilshire 2500	4794.49	FT Wilshire Small Cap	4607.21
FT Wilshire Mega Cap	4783.74	FT Wilshire Micro Cap	4550.21
FT Wilshire Large Cap	4817.71		

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 ©2022 Wilshire. All rights reserved.

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Oil & Gas Producers	36.89	Electricity	-10.27	Consumer Services	-22.58
Oil & Gas	36.17	Mobile Telecomms	-12.06	Support Services	-23.99
Tobacco	20.85	Travel & Leisure	-13.60	Food Producers	-24.47
Aerospace & Defense	11.39	Media	-13.86	FTSE 250 Index	-25.35
Mining	2.70	Utilities	-14.03	Oil Equipment & Serv	-26.30
Beverages	31.66	Telecommunications	-14.49	Construct & Material	-26.37
Pharmace & Biotech	-0.19	Software & Comp Serv	-14.80	Household Goods & Ho	-27.98
Health Care	-0.78	Technology	-15.09	Industrial Eng	-28.05
Banks	-2.32	Gas Water & Multi	-15.29	Leisure Goods	-32.05
Personal Goods	-3.22	Nonlife Insurance	-15.79	Electronic & Elec Eq	-32.91
Basic Materials	-3.84	Tech Hardware & Eq	-17.57	Chemicals	-33.47
FTSE 100 Index	-6.06	Financials	-18.16	Real Est Invest & Tr	-37.36
Consumer Goods	-6.74	Fixed Line Telecomms	-20.75	Real Est Invest & Se	-39.16
NON FINANCIALS Index	-8.36	Industrials	-20.96	General Retailers	-40.29
Health Care Eq & Srv	-8.84	Financial Services	-21.34	Food & Drug Retailer	-40.42
FTSE All{HY-}Share Index	-9.87	Life Insurance	-21.39	Industrial Transport	-47.53
Beverages	-9.97	FTSE SmallCap Index	-22.20	Automobiles & Parts	-67.98
		Equity Invest Instr	-22.24	Industrial Metals &	-82.41

FTSE GLOBAL EQUITY INDEX SERIES

Oct 18 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9531	633.03	2.1	-5.7	-25.3	1012.45	-23.9	2.4
FTSE Global All Cap	9531	633.03	2.1	-5.7	-25.3	1012.45	-23.9	2.4
FTSE Global Large Cap	1907	566.71	2.0	-5.6	-25.4	934.27	-23.9	2.5
FTSE Global Mid Cap	2265	810.65	2.3	-6.2	-24.4	1219.59	-23.0	2.4
FTSE Global Small Cap	5359	849.16	2.3	-5.6	-25.8	1221.87	-24.6	2.2
FTSE All-World	4172	371.67	2.0	-5.7	-25.2	629.51	-23.8	2.5
FTSE World	2667	673.62	2.2	-5.4	-25.0	1530.98	-23.6	2.5
FTSE Global All Cap ex UNITED KINGDOM In	9239	669.38	2.0	-5.7	-25.4	1050.09	-24.0	2.4
FTSE Global All Cap ex USA	7719	433.48	1.0	-6.6	-27.7	769.31	-25.7	3.5
FTSE Global All Cap ex JAPAN	8126	661.91	2.3	-5.6	-25.1	1067.89	-23.8	2.4
FTSE Global All Cap ex Eurozone	8864	674.44	2.0	-5.7	-24.6	1055.14	-23.3	2.4
FTSE Developed	2182	618.89	2.2	-5.4	-25.0	996.46	-23.7	2.3
FTSE Developed All Cap	5838	645.55	2.3	-5.4	-25.1	1024.05	-23.8	2.3
FTSE Developed Large Cap	834	581.29	2.2	-5.2	-25.0	952.62	-23.7	2.3
FTSE Developed Europe Large Cap	220	327.43	2.4	-4.1	-27.1	647.75	-25.0	3.5
FTSE Developed Europe Mid Cap	356	483.06	3.1	-6.3	-37.4	829.26	-35.7	3.3
FTSE Dev Europe Small Cap	752	683.56	3.2	-7.0	-38.1	1127.51	-36.5	3.4
FTSE North America Large Cap	234	792.30	2.7	-5.1	-24.0	1187.91	-23.1	1.8
FTSE North America Mid Cap	424	1025.91	2.7	-5.9	-21.5	1422.15	-20.4	1.9
FTSE North America Small Cap	1334	1030.24	3.0	-4.4	-21.9	1369.63	-21.0	1.7
FTSE North America	658	517.85	2.7	-5.3	-23.6	793.77	-22.6	1.9
FTSE Developed ex North America	1524	226.36	1.1	-5.8	-28.2	432.73	-26.2	3.4
FTSE Japan Large Cap	169	327.49	-1.3	-7.2	-28.2	481.26	-26.4	2.6
FTSE Japan Mid Cap	340	470.37	-1.0	-6.6	-23.4	656.39	-21.5	2.6
FTSE Global wi JAPAN Small Cap	896	518.19	-1.2	-6.3	-25.5	750.60	-23.5	2.8
FTSE Japan	509	135.36	-1.3	-7.0	-27.2	222.73	-25.4	2.6
FTSE Asia Pacific Large Cap ex Japan	1088	591.48	-0.3	-9.4	-29.0	1076.33	-27.1	3.5
FTSE Asia Pacific Mid Cap ex Japan	866	840.75	-0.1	-9.8	-25.8	1475.35	-23.7	3.8
FTSE Asia Pacific Small Cap ex Japan	2118	480.93	-0.1	-10.7	-33.9	820.10	-32.2	3.4
FTSE Asia Pacific Ex Japan	1954	471.04	-0.3	-9.5	-28.7	911.00	-26.8	3.5
FTSE Emerging All Cap	3693	643.27	0.3	-8.0	-26.9	1119.63	-24.7	4.0
FTSE Emerging Large Cap	1073	592.07	0.2	-8.4	-28.0	1036.35	-25.8	4.0
FTSE Emerging Mid Cap	917	936.30	1.1	-5.5	-18.5	1639.36	-15.9	4.2
FTSE Emerging Small Cap	1703	702.49	0.1	-8.2	-27.5	1170.58	-25.2	3.6
FTSE Emerging Europe	111	98.56	4.1	1.9	-76.2	205.91	-75.2	3.2
FTSE Latin America All Cap	262	711.21	1.7	1.2	0.3	1389.84	7.6	11.2
FTSE Middle East and Africa All Cap	332	733.05	1.4	-4.0	-8.0	1340.95	-5.4	3.3
FTSE Global wi UNITED KINGDOM All Cap In	292	276.77	2.7	-4.6	-23.1	564.17	-20.7	3.9
FTSE Global wi USA All Cap	1812	890.68	2.8	-5.1	-23.6	1287.35	-22.7	1.8
FTSE Europe All Cap	1468	369.26	2.6	-4.6	-31.0	701.26	-29.0	3.4
FTSE Eurozone All Cap	667	349.40	2.6	-4.8	-32.6	658.74	-30.7	3.4
FTSE EDHEC-Risk Efficient All-World	4172	422.76	1.8	-6.0	-22.6	664.36	-20.9	2.9
FTSE EDHEC-Risk Efficient Developed Europe	576	268.77	2.7	-6.2	-34.9	472.02	-33.1	3.5
Oil & Gas	132	379.18	1.2	0.3	15.7	772.74	20.4	4.9
Oil & Gas Producers	88	381.14	1.0	2.2	20.0	797.68	25.3	5.1

Oct 18 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	24	251.72	2.1	-3.6	7.6	463.67	11.2	4.5
Basic Materials	392	524.95	1.4	-3.8	-22.0	965.59	-18.7	5.4
Chemicals	195	713.16	1.4	-4.9	-26.4	1260.10	-24.4	3.3
Forestry & Paper	20	244.11	2.6	-2.0	-20.0	491.33	-17.7	3.9
Industrial Metals & Mining	98	416.34	1.4	-3.2	-24.7	795.51	-20.9	8.8
Mining	79	817.52	1.2	-2.5	-12.2	1593.23	-6.8	6.8
Industrials	802	435.49	1.9	-4.6	-27.5	693.70	-26.2	2.2
Construction & Materials	154	497.41	1.6	-7.0	-32.7	836.32	-31.4	2.4
Aerospace & Defense	35	764.06	2.6	-1.7	-4.9	1190.20	-3.7	1.7
General Industrials	76	205.63	1.5	-2.0	-25.9	362.59	-24.2	2.9
Electronic & Electrical Equipment	157	539.30	1.3	-5.4	-32.9	774.59	-31.9	1.7
Industrial Engineering	158	839.26	1.8	-2.7	-27.4	1331.73	-26.2	2.2
Industrial Transportation	132	823.21	1.9	-6.3	-25.9	1336.16	-23.7	3.7
Support Services	90	484.96	2.6	-6.2	-31.7	720.92	-30.9	1.5
Consumer Goods	569	511.07	1.7	-8.5	-25.8	857.96	-24.5	2.5
Automobiles & Parts	132	500.59	3.2	-17.7	-35.3	809.23	-34.3	1.9
Beverages	72	710.77	1.1	-2.7	-11.8	1204.96	-10.3	2.4
Food Producers	134	666.20	1.4	-3.0	-15.2	1146.96	-13.4	2.6
Household Goods & Home Construction	65	463.08	1.6	-7.1	-29.2	777.43	-27.7	3.0
Leisure Goods	53	216.20	0.3	-7.7	-32.1	305.61	-31.3	1.5
Personal Goods	98	792.24	1.6	-6.2	-31.4	1217.24	-30.3	2.0
Tobacco	15	897.99	0.2	-4.2	-6.6	2538.47	-2.4	6.4
Health Care	343	665.78	1.5	-1.5	-15.7	1060.05	-14.4	1.8
Health Care Equipment & Services	133	1287.50	1.9	-3.7	-22.6	1578.70	-22.0	1.1
Pharmaceuticals & Biotechnology	210	446.05	1.2	0.1	-10.3	763.32	-8.4	2.4
Consumer Services	427	500.18	2.7	-6.3	-29.0	713.35	-28.3	1.2
Food & Drug Retailers	69	287.86	1.0	-6.5	-16.4	456.72	-14.7	2.6
General Retailers	141	902.18	3.2	-6.5	-29.4	1231.33	-28.9	1.0
Media	75	275.65	3.0	-7.1	-41.3	396.13	-40.6	1.4
Travel & Leisure	142	407.44	2.1	-5.1	-20.6	594.17	-19.8	1.2
Telecommunication	89	119.38	1.3	-7.4	-19.5	280.92	-16.5	4.6
Fixed Line Telecommuniations	31	91.43	1.6	-8.0	-18.9	247.24	-15.2	5.6
Mobile Telecommunications	58	142.58	1.2	-7.0	-19.8	289.02	-17.2	4.0
Utilities	200	286.21	2.1	-12.7	-16.6	667.16	-14.4	3.6
Electricity	142	328.07	2.1	-12.8	-14.9	752.98	-12.8	3.5
Gas Water & Multiutilities	58	273.67	2.1	-12.3	-20.6	660.50	-18.3	4.0
Financials	855	234.45	2.0	-6.4	-21.9	449.60	-19.8	3.4
Banks	270	182.64	2.0	-5.0	-19.3	390.23	-16.4	4.3
Nonlife Insurance	72	318.33	1.8	-3.3	-9.2	531.07	-6.6	3.1
Life Insurance	51	192.70	1.3	-5.7	-20.3	370.53	-17.4	4.3
Financial Services	212	380.18	1.9	-6.3	-23.8	576.16	-22.8	1.9
Technology	363	429.58	2.7	-6.8	-36.7	559.95	-36.2	1.2
Software & Computer Services	187	670.56	3.5	-4.9	-37.3	810.30	-37.0	0.7
Technology Hardware & Equipment	176	367.13	1.9	-8.8	-35.9	514.87	-35.2	1.7
Alternative Energy	20	153.79	1.5	-21.8	-26.2	220.68	-25.9	0.5
Real Estate Investment & Services	142	229.14	0.9	-10.9	-30.4	445.24	-28.6	3.5
Real Estate Investment Trusts	108	403.11	3.2	-13.0	-32.4	940.21	-30.6	4.2
FTSE Global Large Cap	1907	566.71	2.0	-5.6	-25.4	934.27	-23.9	2.5

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

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change
3I Group PLC	1115	14.00
Admiral Group PLC	1950	14.00
Airtel Africa PLC	125.60	-2.10
Anglo American PLC	2656.5	-17.00
Antofagasta PLC	1108.5	15.50
Ashtead Group PLC	4365	96.00
Associated British Foods PLC	1327.5	3.50
Astrazeneca PLC	9844	-18.00
Auto Trader Group PLC	532.80	2.00
Aveva Group PLC	3150	4.00
Aviva PLC	404.00	1.30
B&M European Value Retail S.A.	319.10	3.10
Bae Systems PLC	798.80	8.40
Barclays PLC	147.50	2.10
Barratt Developments PLC	352.70	-7.30
Berkeley Group Holdings (The) PLC	3442	-18.00
BP PLC	445.25	-4.20
British American Tobacco PLC	3283.5	6.50
British Land Company PLC	348.80	-2.00
Bt Group PLC	126.70	1.75
Bunzl PLC	2781	42.00
Burberry Group PLC	1872.5	-11.50
Centrica PLC	69.36	-2.94
Coca-Cola Hbc AG	1955	-16.50
Compass Group PLC	1826.5	20.00
Convatec Group PLC	215.00	3.80
Crh PLC	2979	81.00
Croda International PLC	6588	114.00
Dcc PLC	4782	33.00
Dechra Pharmaceuticals PLC	2714	18.00
Diageo PLC	3680	11.00
Endeavour Mining PLC	1503	6.00
Entain PLC	1184.5	12.00
Experian PLC	2704	28.00
F&C Investment Trust PLC	871.00	-
Flutter Entertainment PLC	10915	195.00
Frasers Group PLC	653.50	-4.50
Fresnillo PLC	705.60	-2.40
Glaxosmithkline PLC	1363.8	9.80
Glencore PLC	483.05	-4.25
Haleon PLC	268.80	-0.30
Halma PLC	2074	46.00
Harbour Energy PLC	383.60	-17.50
Hargreaves Lansdown PLC	799.00	2.40
Homeserve PLC	1183	-
HSBC Holdings PLC	465.75	-5.50
Imperial Brands PLC	1997	-10.00
Informa PLC	562.20	2.80
Intercontinental Hotels Group PLC	4591	76.00
Intermediate Capital Group PLC	1010	-12.50

FTSE 100	Closing Price	Day's Change
International Consolidated Airlines Group S.A.	115.86	0.82
Intertek Group PLC	3780	45.00
Jd Sports Fashion PLC	98.94	0.30
Kingfisher PLC	215.70	2.80
Land Securities Group PLC	532.60	1.40
Legal & General Group PLC	227.40	0.90
Lloyds Banking Group PLC	42.61	-0.07
London Stock Exchange Group PLC	7474	150.00
M&G PLC	176.55	1.90
Melrose Industries PLC	105.05	1.10
Mondi PLC	1448	23.00
National Grid PLC	902.80	-3.20
Natwest Group PLC	236.70	3.40
Next PLC	4897	78.00
Ocado Group PLC	480.10	6.20
Pearson PLC	893.60	4.00
Pershing Square Holdings LTD	2670	60.00
Persimmon PLC	1269.5	-
Phoenix Group Holdings PLC	538.00	1.00
Prudential PLC	899.20	15.20
Reckitt Benckiser Group PLC	5870	44.00
Relx PLC	2220	20.00
Rentokil Initial PLC	514.40	12.00
Rightmove PLC	480.50	3.30
Rio Tinto PLC	4748	-72.00
Rolls-Royce Holdings PLC	74.28	2.71
Rs Group PLC	974.00	10.00
Sage Group PLC	705.20	5.00
Sainsbury (J) PLC	184.45	1.75
Schroders PLC	380.00	0.20
Scottish Mortgage Investment Trust PLC	738.60	5.60
Segro PLC	750.60	-16.40
Severn Trent PLC	2396	4.00
Shell PLC	2253	-13.50
Smith & Nephew PLC	1025	22.00
Smith (Ds) PLC	285.00	10.30
Smiths Group PLC	1549	13.50
Smurfit Kappa Group PLC	2845	170.00
Spirax-Sarco Engineering PLC	10835	270.00
Sse PLC	1480	-13.00
St. James's Place PLC	1007	17.20
Standard Chartered PLC	558.40	3.00
Taylor Wimpey PLC	90.48	-0.80
Tesco PLC	204.60	-1.10
Unilever PLC	3893.5	35.00
Unite Group PLC	850.00	-6.00
United Utilities Group PLC	920.00	28.20
Vodafone Group PLC	99.61	-0.41
Whitbread PLC	2606	17.00
Wpp PLC	760.80	7.00

UK STOCK MARKET TRADING DATA

	Oct 18	Oct 17	Oct 14	Oct 13	Oct 12	Yr Ago
Order Book Turnover (m)	271.66	197.87	197.87	197.87	177.69	314.09
Order Book Bargains	737511.00	876414.00	876414.00	876414.00	946673.00	854249.00
Order Book Shares Traded (m)	1589.00	1760.00	1760.00	1760.00	2057.00	1869.00
Total Equity Turnover (£m)	7380.97	4665.54	4665.54	4665.54	4664.81	4733.60
Total Mkt Bargains	930830.00	1069698.00	1069698.00	1069698.00	1165423.00	1033586.00
Total Shares Traded (m)	5644.00	5406.00	5406.00	5406.00	5633.00	5383.00

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

All data provided by Morningstar unless otherwise noted. All elements listed are indicative and believed accurate at the time of publication. No offer is made by Morningstar or the FT. The FT does not warrant nor guarantee that the information is reliable or complete. The FT does not accept responsibility and will not be liable for any loss arising from the reliance on or use of the listed information.
For all queries e-mail ft.reader.enquiries@morningstar.com

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

POWERED BY MORNINGSTAR

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Aptamer Group	Pre	**4.036**	1.600	**2.638L**	2.910L	**3.240L**	0.000	**0.00000**	0.00000	-	**0.000**	0.000
B.P. Marsh & Partners	Int			**17.007**	6.236	**39.100**	16.400	**0.00000**	0.00000	-	**2.780**	2.440
Bellway	Pre	**3536.800**	3122.500	**304.200**	479.000	**196.900**	316.900	**0.00000**	82.50000	-	**45.000**	117.500
essensys	Pre	**23.298**	21.982	**11.085L**	2.928L	**16.800L**	6.200L	**0.00000**	0.00000	-	**0.000**	0.000
FD Technologies	Int	**147.411**	127.950	**1.071**	1.612L	**2.900**	7.600L	**0.00000**	0.00000	-	**0.000**	0.000

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

UK RECENT EQUITY ISSUES

Issue date	Issue price(p)	Sector	Stock code	Stock	Close price(p)	+/-	High	Low	Mkt Cap (£m)
10/07	10.00		ACG	ACG Acquisition Company Ltd	10.05	0.03	10.10	9.95	157.0
10/04	1.00		MII	Milton Capital PLC	1.05	0.00	1.20	1.00	105.0

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

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ Bank	25.65	0.24	28.75	20.78	5.67	11.15	48323.33
BHP Group	39.63	0.54	53.72	35.56	10.00	9.65	126410.56
CmwBkAu	99.78	1.69	110.19	86.98	3.38	19.45	106697.22
CSL	275.70	-1.13	319.78	240.10	1.06	40.92	83769.89
NatAusBk	31.23	0.45	33.75	25.43	2.77	17.24	62060.8
Telstra	3.85	0.06	4.20	3.62	2.50	32.46	28029.65
Wesfarmers	44.90	0.55	61.34	40.03	3.82	23.93	32078.02
Westpac Bank	23.98	0.55	26.44	18.80	3.57	18.08	52901.3
Woolworths	33.36	0.24	41.13	32.62	3.12	39.44	25570.48
Belgium (€)							
AnBshInBv	47.76	0.22	58.72	45.56	1.08	24.69	81727.6
KBC Grp	49.42	-0.07	86.50	45.53	6.72	8.33	20294.32
Brazil (R$)							
Ambev	14.94	0.02	18.12	12.81	3.60	23.66	44684
Bradesco	16.47	0.04	17.72	13.53	4.80	7.99	15233.13
Cielo	5.88	0.14	6.22	2.01	2.36	20.87	3033.57
ItauHldFin	24.49	0.34	25.16	18.86	3.01	10.16	23058.73
Petrobras	36.86	-0.05	40.51	26.54	12.40	5.51	52093.83
Vale	71.41	0.48	107.11	61.85	17.33	3.34	64803.89
Canada (C$)							
Bausch Hlth	9.52	0.05	36.26	5.10	-	-3.14	2499.18
BCE	59.56	0.66	74.09	55.66	5.35	21.90	39499.16
BkMontrl	123.51	1.57	154.47	113.73	3.33	10.43	60830.94
BkNvaS	66.61	0.44	95.00	63.19	5.07	9.15	57708.03
Brookfield	54.86	1.17	79.04	51.51	1.09	19.98	65495.15
CanadPcR	96.89	1.59	106.93	86.12	0.71	25.48	65534.28
CanImp	60.00	0.62	167.50	55.35	9.11	4.56	39483.01
CanNatRs	72.13	-1.39	88.18	48.42	2.52	12.27	58218.95
CanNatRy	156.75	4.10	171.48	137.26	1.43	25.01	77475.26
Enbridge	51.02	0.18	59.69	46.88	5.96	19.54	75125.9
GtWesLif	30.07	0.20	41.50	27.99	5.84	9.28	20376.54
ImpOil	63.81	-0.60	72.96	40.96	1.47	20.16	28841.2
Manulife	22.14	0.14	28.09	20.81	4.81	6.87	30565.45
Nutrien	111.59	2.25	147.93	82.48	1.89	17.59	43258.45
RylBkC	124.85	1.27	149.60	116.75	3.24	12.18	126420.96
SHOP	39.59	1.47	222.87	33.00	-	1.50	28710.9
Suncor En	41.95	-1.18	53.62	27.72	2.28	16.65	41455.35
ThmReut	141.61	0.61	156.62	119.23	1.31	10.72	49646.32
TntoDom	86.67	1.29	109.08	77.27	3.43	11.92	114359.51
TrnCan	57.83	0.80	74.44	54.60	5.47	34.18	42557.43
China (HK$)							
AgricBkCh	2.35	0.03	3.15	2.30	8.46	3.30	9202.59
Bk China	2.61	0.01	3.20	2.52	7.95	3.46	27804.41
BkofComm	4.10	0.02	5.74	4.04	7.96	3.62	18287.4
BOE Tech	0.73	0.08	0.90	0.57	-	12.58	18.50
Ch Coms Cons	3.25	0.02	5.17	3.16	5.84	2.88	1829.38
Ch Evrbrght	2.18	0.04	3.11	2.10	10.25	3.15	3521.14
Ch Rail Cons	4.05	0.04	5.95	3.85	6.04	2.30	1071.26
Ch Rail Gp	3.83	-0.01	5.88	3.61	5.01	3.29	2052.87
ChConstBk	4.45	0.03	6.23	4.37	7.78	3.46	136292.58
China Vanke	13.46	-0.12	22.75	13.06	9.87	6.48	3269.16
ChinaCitic	3.13	0.02	4.08	3.06	8.36	3.10	5934.11
ChinaLife	9.90	0.09	15.04	9.67	6.43	4.63	9384.81
ChinaMBank	31.65	0.30	70.80	29.60	4.21	6.24	18510.65
ChinaMob	50.15	-0.05	58.65	45.90	5.99	8.27	130715.63
ChinaPclns	14.24	-0.26	26.20	13.94	8.60	4.96	5034.64
ChMinsheng	2.33	0.03	3.29	2.19	9.84	3.22	2469.71
ChMrchSecs	12.64	-0.07	18.56	12.06	3.37	11.57	13037.87
Chna Utd Coms	3.42	-0.01	4.25	3.30	3.19	17.60	14716.43
ChShenEgy	23.85	0.10	27.65	15.74	8.01	7.73	10261.97
ChShpbldng	3.51	-0.03	4.49	3.36	-	-267.69	10772.48
ChStConEng	5.18	-0.02	6.40	4.52	4.04	4.12	29396.97
ChUncHK	3.53	0.01	4.43	3.49	4.15	8.31	13759.98
CNNC Intl	6.30	-0.01	8.92	5.78	1.93	16.89	16504.47
CSR	2.60	0.10	3.80	2.42	7.42	7.64	1447.78
Daqin	7.00	0.15	7.25	5.95	6.69	10.88	14462.99
GuosenSec	8.78	-0.05	11.74	8.43	2.55	10.35	10770.94
HaitongSecs	4.19	0.14	7.34	3.87	6.40	4.86	1819.96
Hngzh HikVDT	31.05	-0.24	56.52	28.10	2.51	17.50	39594.86
Hunng Pwr	3.86	0.08	5.74	3.08	4.78	-4.63	2311.37
IM Baotou Stl	1.89	-0.02	3.21	1.75	-	33.01	8320.34
In&CmBkCh	3.67	-	4.94	3.59	7.72	3.59	40579.69
IndstrlBk	16.56	0.03	23.22	16.40	4.57	4.66	47810.68
Kweichow	1705.83	-12.67	2216.96	1593	1.10	39.42	297805.6
Midea	0.39	-0.03	0.61	0.39	-	-4.47	14.77
New Ch Life Ins	14.84	0.06	25.15	14.04	9.63	3.01	1955.01
PetroChina	3.34	0.03	4.49	3.18	6.67	7.20	8977.58
PingAnIns	38.50	0.25	69.40	37.35	6.07	6.54	36527.98
PngAnBnk	11.48	-	20.59	11.34	1.48	7.03	30960.39
Pwr Cons Corp	7.49	0.03	9.81	5.99	1.16	15.97	11441.28
SaicMtr	14.67	-0.04	23.45	13.95	3.95	7.53	23819.89
ShenwanHong	0.10	0.00	0.18	0.05	-	3.07	108.88
ShgPdgBk	7.02	-	9.13	6.95	6.39	4.61	28636.27
Sinopec Corp	3.41	0.04	4.28	3.25	3.81	4.39	11083.29
Sinopec Oil	1.87	-0.02	2.60	1.70	-	637.81	3526.41
Denmark (kr)							
DanskeBk	100.00	3.04	133.25	91.28	1.93	7.10	11417.63
MollerMrsk	15885	670.00	24070	13185	2.07	2.68	17612.84
NovoB	807.30	5.50	863.60	604.40	1.12	40.34	186294.1

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Finland (€)							
Nokia	4.77	0.06	5.71	4.12	-	17.06	26787.29
SampoA	45.35	0.38	48.74	35.85	3.64	10.00	23812.85
France (€)							
Airbus Grpe	100.24	1.14	120.36	86.52	-	19.04	77821.44
AirLiquide	119.96	1.14	153.40	114.48	2.21	22.94	61846.77
AXA	23.97	0.05	29.09	20.34	5.76	8.36	55158.11
BNP Parib	46.17	0.79	68.07	40.67	5.59	6.89	56136.93
ChristianDior	622.50	-	733.50	513.00	1.08	23.55	110685.72
Cred Agr	8.82	0.16	14.27	8.09	8.75	4.99	26425.13
Danone	48.68	0.43	58.41	46.48	3.85	17.16	32404.51
EDF	11.92	-0.01	12.67	6.64	3.95	9.50	45616.14
Engie SA	12.14	-	14.61	9.79	4.21	8.86	29131.88
EssilorLuxottica	158.35	1.25	195.00	132.70	0.66	50.04	69790.02
Hermes Intl	1313	5.50	1678	957.60	0.33	58.41	136539.96
LOreal	330.15	1.65	433.65	300.45	1.17	41.68	174551.35
LVMH	636.10	-1.60	741.60	535.00	1.06	27.60	315335.21
Orange	9.41	-0.01	11.94	8.93	6.15	3235.93	24648.99
PernodRic	181.90	1.00	214.50	166.60	1.65	28.46	46219.02
Renault	32.19	0.25	38.07	20.47	-	-24.91	9376.96
Safran	106.84	1.28	123.12	87.85	0.39	1107.46	44964.03
Sanofi	81.71	-0.41	106.08	76.45	3.78	17.12	102017.15
Sant Gbn	40.77	1.11	64.82	35.20	3.22	10.10	20710.43
Schneider	127.24	2.44	173.78	110.02	1.97	23.26	71579.29
SocGen	22.75	0.25	37.68	18.34	2.35	3.98	19041.55
Total	52.12	-0.87	57.41	40.09	5.00	10.38	134467.9
UnibailR	44.26	0.10	73.09	39.68	-	-6.54	6049.67
Vinci	86.76	0.52	103.74	80.74	2.99	19.94	51105.6
Vivendi	8.12	0.17	12.16	7.59	7.13	-15.03	8869.1
Germany (€)							
Allianz	170.28	0.02	232.50	156.22	5.44	11.15	68512.19
BASF	44.93	0.85	69.15	37.90	7.09	7.71	40650.18
Bayer	49.74	-0.49	67.99	43.91	3.88	50.54	48130.24
BMW	77.62	1.09	97.60	67.58	2.36	4.29	46028.16
Continental	50.14	0.06	111.96	44.44	-	8.01	9878.35
Deut Bank	8.85	0.22	14.64	7.46	-	9.03	18023.54
Deut Tlkm	18.07	-0.02	19.61	14.47	3.20	21.53	88767.79
DeutsPost	34.39	0.75	58.31	29.68	3.88	9.02	41974.09
E.ON	8.08	0.05	12.54	7.28	5.61	4.65	21017.53
Fresenius Med	27.58	-0.06	63.66	26.19	4.69	8.64	7960.22
Fresenius SE	20.69	0.17	42.50	19.76	4.20	6.78	11382.62
HenkelKgaA	59.70	1.05	75.05	56.55	2.96	16.46	15277.9
Linde	288.30	0.95	315.35	244.00	1.25	46.43	141530.37
Mercedes-Benz	57.14	1.89	77.90	50.19	2.28	5.92	60216.42
MuenchRkv	247.50	0.90	282.25	205.15	3.82	12.26	34156
SAP	90.16	1.41	129.74	81.35	1.98	20.95	109105.72
Siemens	108.32	1.30	156.98	93.67	3.12	16.88	90695.25
Volkswgn	170.80	2.15	301.40	158.80	2.71	5.98	49647.69
Hong Kong (HK$)							
AIA	68.35	0.70	92.50	64.10	1.64	18.64	103381.8
BOC Hold	26.50	0.55	32.75	23.20	3.94	14.50	35693.18
Ch OSLnd&Inv	20.00	0.06	27.35	16.10	5.05	5.29	27886.25
ChngKng	45.40	-0.50	57.00	44.15	3.28	11.07	21073.4
Citic Ltd	7.27	-0.04	9.26	6.96	6.23	3.59	26942.24
Citic Secs	13.20	0.12	21.32	12.46	3.05	7.25	4405.92
CK Hutchison	42.45	-0.05	60.45	42.10	4.51	5.73	20736.43
CNOOC	9.89	0.05	12.54	7.55	3.85	9.20	56196.19
HangSeng	119.10	0.90	169.50	116.20	4.31	20.43	29007.72
HK Exc&Clr	258.00	5.80	495.00	243.60	2.98	31.01	41670.9
MTR	34.75	0.35	43.70	34.00	2.98	26.82	27443.7
SandsCh	16.18	0.18	24.90	13.52	-	-19.05	16682
SHK Props	92.80	1.10	104.60	85.70	4.49	11.30	34258.08
Tencent	254.40	7.20	515.00	240.80	0.53	10.67	311093.01
India (Rs)							
Bhartiartl	783.15	17.15	816.75	628.75	-	180.83	56631.93
HDFC Bk	1443.85	-2.70	1722.1	1271.6	-	26.47	97649.68
Hind Unilevr	2602.25	11.70	2734	1927	1.14	75.39	74240.04
HsngDevFin	2331.65	-17.60	3021.1	2026	0.91	21.46	51451.07
ICICI Bk	896.90	11.70	936.65	642.15	0.21	30.77	75893.84
Infosys	1503.7	13.75	1923.3	1360	1.87	32.13	76827.36
ITC	340.30	8.05	348.75	207.00	2.92	30.58	51233.28
L&T	1918.1	34.90	2035	1456.35	0.87	34.41	32724.49
OilNatGas	128.70	0.90	189.80	119.85	6.55	3.94	19659.2
Relianceln	2451.25	42.50	2856.15	2222	0.26	30.33	201379.87
SBI NewA	562.45	18.80	578.50	430.70	0.66	16.96	60949.48
SunPhrmInds	978.35	-1.65	985.00	733.70	0.71	39.43	28502.45
Tata Cons	3144.7	32.95	3920	2950.1	1.07	32.48	139715.5
Israel (ILS)							
TevaPha	29.54	0.43	37.23	23.83	-	26.14	9150.19
Italy (€)							
Enel	4.26	0.04	7.37	3.96	8.30	20.53	42642.41
ENI	11.73	-0.13	14.85	10.43	5.55	5.12	41661.21
Generali	14.48	0.08	21.55	13.67	9.80	8.43	22543.77
IntSPaolo	1.80	0.06	2.92	1.58	1.96	57.92	34505.39
Unicred	11.35	0.16	15.93	7.75	1.02	17.47	25022.03
Japan (¥)							
AstellasPh	2013	36.50	2205	1739	2.47	28.69	24786.68
Bridgestne	5003	50.00	5509	4042	3.59	10.77	23948.71
Canon	3319	43.00	3516	2467	3.18	15.20	29690.87
CntJpRwy	17720	230.00	17920	14660	0.79	-31.46	24483.18

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Denso	7143	108.00	9575	6549	2.12	18.53	37749.69
EastJpRwy	8158	168.00	8280	6373	1.33	-7.75	20679.25
Fanuc	20485	415.00	25300	18740	2.39	23.07	27741.47
FastRetail	85150	950.00	88230	54310	0.67	37.84	60579.98
Fuji Hvy Ind	2294.5	-4.50	2684	1664.5	2.64	24.96	11837.25
Hitachi	6481	59.00	7460	4750	1.92	8.99	42102.78
HondaMtr	3266	-9.00	3755	3043	4.27	6.54	39680.25
JapanTob	2424.5	-4.50	2448	2000	6.10	11.69	32522.88
KDDI	4256	29.00	4636	3237	3.05	13.50	65732.21
Keyence	49340	1060	75090	44880	0.44	39.04	80484.7
MitsbCp	4079	38.00	4845	3355	3.66	8.62	40330.26
MitsubEst	944.40	17.62	972.04	876.51	-	-	-
MitsubishiEle	1386.5	17.50	1629	1225.5	3.12	11.73	19967.77
MitsuiFud	842.18	35.29	949.18	684.38	-	-	-
MitUFJFin	681.90	6.60	828.30	601.40	4.13	6.54	60746.4
Mizuho Fin	1631.5	6.00	1683.5	1397	5.18	7.38	27786.22
Murata Mfg	7085	108.00	9410	6604	1.83	13.46	32113.6
Nippon T&T	4015	44.00	4055	3054	2.83	11.96	97537.69
NipponTT	4015	44.00	4055	3054	2.83	11.96	97537.69
Nissan Mt	460.00	2.20	654.30	436.50	-	13.83	13022.09
Nomura	480.10	1.80	578.70	460.30	5.18	-30.56	10412.36
Nppn Stl	2137.5	1.00	2318.5	1690.5	4.05	3.12	13624.28
Panasonic	1055	14.50	1541	1006.5	2.56	9.87	17364.98
Seven & I	5559	-9.00	6083	4552	2.00	19.58	33050.95
ShnEtsuCh	15040	320.00	20870	14185	2.09	13.33	42030.98
Softbank	5537	-12.00	7217	4210	0.86	4.40	63986.02
Sony	9754	108.00	14745	9213	0.67	11.53	82501.71
SumitomoF	4104	3.00	4461	3672	5.27	7.39	37839.85
Takeda Ph	3814	-3.00	4063	2993	5.11	12.67	40476.18
TokioMarine	2633	63.50	2787.33	1886	9.04	3.96	36026.16
Toyota	2007.5	7.50	2375.5	1805	2.75	8.38	219674.29
Mexico (Mex$)							
AmerMvl	16.30	-0.36	21.44	15.66	1.96	13.47	34653.39
FEMSA UBD	127.74	1.61	173.50	120.63	1.55	106.73	13797.93
WalMrtMex	71.97	0.93	82.93	64.81	0.69	36.65	62809.71
Netherlands (€)							
ASML Hld	403.60	3.05	777.50	376.10	0.81	32.30	161600.01
Heineken	90.72	-0.14	100.95	77.50	1.04	16.30	51473.59
ING	9.48	0.08	14.00	7.90	6.11	7.99	35168.71
Unilever	44.82	-0.09	48.81	39.36	3.20	23.01	128801.69
Norway (Kr)							
DNB	182.90	4.90	220.50	168.05	9.52	11.68	27012.29
Equinor	358.55	-5.70	410.95	213.25	1.38	15.45	107835.47
Telenor	96.30	1.28	148.80	94.14	9.35	16.26	12764.09
Qatar (QR)							
QatarNtBk	19.35	-0.15	27.00	18.40	2.47	16.51	49076.65
Saudi Arabia (SR)							
AlRajhiBnk	81.70	0.40	117.40	78.60	2.44	16.65	86961.16
Natnlcombnk	61.00	-	82.00	59.60	1.98	24.61	72687.08
SaudiBasic	89.70	-0.30	141.40	86.10	3.01	14.03	71607.24
SaudiTelec	37.95	-	48.88	37.10	8.77	8.06	50492.3
Singapore (S$)							
DBS	32.50	0.08	37.49	29.45	3.33	14.28	58850.85
JardnMt US$	49.27	-0.60	62.10	49.23	2.92	9.81	14260.47
OCBC	11.59	0.11	13.54	10.98	3.19	12.39	36684.1
SingTel	2.49	0.02	2.88	2.31	2.65	45.05	28921.28
UOB	26.26	0.17	33.33	25.47	3.32	12.52	30942.32
South Africa (R)							
Firstrand	60.93	0.04	79.34	53.25	4.09	11.47	18880.58
MTN Grp	128.83	0.96	211.49	117.54	-	18.27	13409.78
Naspers N	2238.41	38.41	2853.25	1392.5	0.25	12.52	53851.8
South Korea (KRW)							
HyundMobis	204000	9000	274000	189500	1.96	7.95	13560.3
KoreaElePwr	17100	-	25100	16500	7.17	-9.98	7715.75
SK Hynix	95800	600.00	134000	80400	1.61	6.85	49019.6
SmsungEl	56500	-100.00	80800	51800	2.56	9.78	237070.99
Spain (€)							
BBVA	4.94	0.09	6.29	3.97	7.25	6.97	29364.14
BcoSantdr	2.62	0.05	3.48	2.32	2.82	5.44	43359.95
CaixaBnk	3.42	0.03	3.64	2.22	0.76	23.34	27186.95
Iberdrola	9.64	-0.03	11.49	8.47	4.22	17.13	60388.42
Inditex	22.75	0.37	32.41	18.55	0.94	24.87	69843.61
Repsol	12.65	-0.10	16.23	9.60	4.58	8.00	18098.07
Telefonica	3.38	0.04	5.06	3.24	9.88	2.56	19217.05
Sweden (SKr)							
AtlasCpcoB	99.56	1.87	133.60	22.08	7.51	6.55	14006.26
Ericsson	72.72	1.08	117.32	64.16	3.17	10.56	20137.22
H & M	117.42	2.42	191.86	98.25	5.49	15.94	15458.36
Investor	173.92	4.16	228.75	158.22	2.06	7.37	28559.57
Nordea Bk	100.74	0.94	113.78	85.25	14.85	11.58	33917.53
SEB	113.55	2.45	141.85	91.64	9.10	9.35	22050.4
SvnskaHn	97.24	2.32	108.15	80.88	5.26	9.40	17044.47
Swedbank	153.75	3.80	196.70	124.50	9.69	8.09	15686.74
Telia Co	32.41	0.01	41.70	31.37	6.32	11.26	11946.26
Volvo	176.14	5.48	218.65	148.24	3.78	11.30	25217.63
Switzerland (SFr)							
ABB	26.66	0.51	33.86	23.84	2.85	13.32	52651.26
CredSuisse	4.60	0.07	10.18	3.52	1.98	-7.53	12267.21
Nestle	107.78	0.22	128.90	103.42	2.33	19.49	297929.34

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Novartis	77.29	0.30	88.42	73.01	3.56	8.75	186745.34
Richemont	102.25	1.55	146.10	90.28	1.75	25.40	53650.8
Roche	328.55	-1.10	404.20	298.60	2.44	22.93	232021.89
Swiss Re	73.48	0.20	102.20	68.18	7.34	18.49	23450.47
Swisscom	459.30	2.00	587.40	443.40	4.37	14.23	23915.8
UBS	14.82	0.22	19.90	13.10	2.14	7.95	52487.78
Zurich Fin	408.30	3.40	461.70	376.00	4.48	14.17	61750.9
Taiwan (NT$)							
Chunghwa Telecom	108.50	-0.50	132.50	108.00	3.81	24.47	26309.15
Formosa PetChem	79.40	0.40	106.00	75.20	0.72	15.84	23642.19
HonHaiPrc	103.50	-1.50	116.00	99.50	3.73	10.81	44849.27
MediaTek	588.00	10.00	1200	533.00	6.08	8.67	29394.66
TaiwanSem	407.00	10.00	650.00	395.00	2.54	16.78	329884.48
Thailand (THB)							
PTT Explor	34.25	-	41.25	32.75	5.62	9.48	25686.7
United Arab Emirates (Dhs)							
Emirtestele	23.56	-0.24	38.98	11.60	2.87	26.09	55783.5
United Kingdom (p)							
Anglo American	2656.5	-17.00	4292.5	2487.5	6.71	5.26	42233.37
AscBrFd	1327.5	3.50	2066	1223	0.47	21.94	11895.14
AstraZen	9844	-18.00	11540	8090.32	2.10	1666.78	141106.75
Aviva	404.00	1.30	606.58	341.92	5.28	53.16	18351.22
Barclays	147.50	2.10	209.45	132.06	2.03	3.58	28487.61
BP	445.25	-4.20	471.19	310.53	3.54	16.16	100441.74
BrAmTob	3283.5	6.50	3645	2508	6.57	11.11	69290.94
BT	126.70	1.75	201.40	117.05	-	12.30	14228.5
Compass	1826.5	20.00	1970.5	1435	0.77	44.44	33998.97
Diageo	3680	11.00	4364.1	3282.5	1.97	28.31	104856.76
GlaxoSmh	1363.8	9.80	2753.96	1280.92	5.87	15.75	75912.81
Glencore	483.05	-4.25	548.30	346.40	1.83	17.68	78865.83
HSBC	465.75	-5.50	567.20	344.46	3.47	10.17	105696.08
Imperial Brands	1997	-10.00	2037.88	1434.23	6.92	6.68	21557.34
Jardine Mathes.	62.50	-	60.50	50.06	2.32	12.32	18089.69
LlydsBkg	42.61	-0.07	4824.5	38.10	6.03	5.92	34753.69
LSE Group	7474	150.00	8612	6230	1.03	76.42	29269.66
Natl Grid	902.80	-3.20	1271.45	844.29	5.45	21.04	34298.52
Natwest Group	236.70	3.40	284.42	196.92	4.44	9.32	32057.96
Prudential	899.20	15.20	1516.5	847.20	1.31	14.60	26332.31
ReckittB	5870	44.00	6824	4905.16	2.97	-25.40	46787.05
RELX	2220	20.00	2634.82	2056	2.15	29.29	48172.56
RioTinto	4748	-72.00	6343	4354	10.58	4.97	72077.28
RollsRoyce	74.28	2.71	161.91	64.44	-	50.53	1563.64
Shell PLC	2253	-13.50	2459.23	1534.2	2.69	11.87	117229.54
StandCh	558.40	3.00	641.00	406.20	1.59	12.52	20836.49
Tesco	204.60	-1.10	304.10	194.35	4.47	10.42	18960.79
Unilever	3893.5	35.00	4178	3267.5	3.72	19.99	54282.18
Vodafone	99.61	-0.41	141.60	97.40	7.77	-222.84	30072.85
WPP	760.80	7.00	1231.5	713.00	3.48	14.49	10902.62
United States of America ($)							
21stC Fox A	28.79	0.21	44.95	28.27	1.36	13.95	8791.51
3M	114.94	1.08	186.30	107.07	4.30	13.59	65470.28
AbbottLb	105.00	1.48	142.60	96.67	1.43	31.89	183878.07
Abbvie	143.97	-0.44	175.91	106.86	3.02	26.71	254552.85
Accenture	263.07	0.85	417.37	242.95	1.17	31.96	174884.51
Activision Bli.	72.20	0.44	82.34	56.40	0.54	25.12	56482.54
Adobe	289.38	-4.13	699.54	274.73	-	34.07	134530.44
Advanced Micro	57.15	-0.82	164.46	54.57	-	26.61	92250.37
AEP	85.46	0.41	105.60	80.22	2.93	20.62	43903.71
Aflac	59.67	0.04	67.20	52.07	1.85	11.17	37703.3
AirProd	241.75	4.39	316.39	216.24	2.07	30.39	53619.9
Allstate	135.50	2.00	144.46	106.11	2.00	9.55	36625.05
Alphabet	100.78	0.81	151.55	94.38	-	1.07	604276.88
Altria	44.70	0.11	57.05	40.35	6.58	39.92	80496.81
Amazon	115.84	2.05	188.11	101.26	-	2.14	1180126.35
AmerAir	13.66	0.46	22.35	11.65	-	-4.36	8875.66
AmerExpr	144.80	3.26	199.55	130.65	1.07	16.83	108563.48
AmerIntGrp	52.32	0.59	65.73	47.05	2.04	5.79	39784.97
AmerTower	196.30	3.81	291.99	178.17	2.22	41.50	91394.71
Amgen	251.42	-1.52	258.45	198.64	2.34	29.27	134489.64
Amphenol Corp	69.80	0.43	88.45	61.67	0.93	33.28	41519
Analog Devices	140.42	1.30	191.95	133.48	1.66	56.42	72223.84
Anthem	482.58	12.71	-	-	-	-	-
Aon Cp	277.35	-0.17	341.98	246.21	0.60	59.80	58499.15
Apple	144.00	1.59	182.13	129.04	0.50	28.58	2314107.93
Applied Materi.	74.96	0.55	167.06	71.12	1.06	12.38	64488.79
Aptiv	87.47	2.13	180.81	77.96	-	53.95	23698.33
ArcherDan	86.59	0.83	98.88	61.80	1.43	21.63	48538.86
AT&T	15.46	0.15	21.53	14.46	11.24	6.70	110167.96
Autodesk	199.23	0.53	335.48	163.20	-	105.43	43005.6
AutomData	233.83	0.75	261.59	192.26	1.37	43.32	97107.65
AutoZone	2282.25	-7.54	2362.24	1703.32	-	24.68	44475.57
Avago Tech	434.73	-0.64	677.76	415.07	2.89	29.38	176066.28
BakerHu	23.89	-0.05	39.78	20.42	2.59	66.15	24165.75
Bank of NY	39.75	-0.62	64.63	36.22	2.73	11.49	32118.06
BankAm	34.59	0.97	50.11	29.31	1.88	11.59	277898.74
Baxter	55.94	0.69	89.70	53.78	1.62	26.46	28171.98
BectonDick	232.54	3.52	277.29	215.90	1.21	48.14	66319.27
BerkshHat	426458.63	7357.83	544389.26	393012.25	-	8.58	255842.76
Biogen	268.48	-1.07	284.59	187.16	-	30.89	38959.95
BlackRock	577.74	8.49	973.16	503.12	2.39	18.09	87104.38

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Boeing	136.32	0.23	233.94	113.02	-	-22.82	80948.34
Booking Holdings	1763.52	16.03	2715.66	1616.85	-	74.91	70022.76
Bristol-Myers	71.91	0.53	80.59	53.22	2.34	27.58	153535.52
Broadcom	434.73	-0.64	677.76	415.07	2.89	29.38	176066.28
Cadence Design	155.36	1.29	194.97	132.32	-	74.37	42548.44
CapOne	98.72	1.25	174.65	90.27	1.69	4.38	37890.49
CardinalHlth	69.76	1.54	72.28	45.85	2.35	43.25	18278.03
Carnival	7.96	0.69	25.29	6.11	-	-1.13	8857.15
Caterpillar	182.17	1.37	237.90	160.60	1.96	18.43	96166.57
Centene Corp	75.25	0.07	98.53	63.99	-	39.50	43011.46
CharlesSch	68.73	1.30	96.24	59.35	0.88	29.06	124936.99
Charter Comms	327.40	-4.29	739.86	297.66	-	16.01	52598.36
Chevron Corp	159.93	-1.38	182.40	108.96	2.77	23.51	314232.62
Chipotle Mexic.	1538.1	-3.88	1895.99	1196.28	-	80.38	42704.8
Chubb	192.83	0.14	218.99	173.78	1.38	11.97	80531.7
Cigna	291.07	1.15	300.75	191.74	1.15	22.14	88810.17
Cintas Corp	398.07	4.02	461.44	343.86	0.76	41.76	40422.15
Cisco	41.51	0.21	64.29	38.61	3.01	17.63	170537.58
Citigroup	43.86	0.27	72.55	40.01	3.89	5.18	84944.08
CME Grp	174.42	0.27	256.94	168.49	1.72	28.63	62692.36
Coca-Cola	56.23	0.54	67.20	52.28	2.50	29.90	243152.28
Cognizant	60.64	0.76	93.47	55.40	1.32	17.92	31398.48
ColgtPlm	73.30	1.16	85.18	67.84	2.04	34.40	61141.01
Comcast	30.53	-0.29	54.88	28.39	2.74	12.02	134447.83
ConocPhil	116.49	-1.87	124.08	66.06	1.40	22.97	150673.94
Constellation	226.14	2.12	261.53	207.59	1.13	-1218.47	36458.5
Corning	31.40	0.14	43.47	28.98	2.55	29.36	26543.07
Corteva	60.96	0.60	64.30	42.07	0.73	30.77	44116.75
Corteva	60.96	0.60	64.30	42.07	0.73	30.77	44116.75
Costco	470.90	6.73	612.27	406.51	0.57	44.98	208422.29
CrownCstl	133.58	0.61	208.69	124.82	3.42	59.87	57845.38
CSX	28.29	0.14	38.63	25.80	1.15	18.70	60565.01
CVS	90.95	0.06	111.25	84.12	1.84	18.29	119401.78
Danaher	264.66	4.73	331.69	233.71	0.29	36.13	192522.05
Deere	368.34	5.75	446.76	283.81	0.89	24.20	111170.73
Delta	31.61	0.48	46.27	27.20	-	45.40	20267.96
Devon Energy	69.01	-0.79	79.40	35.55	2.39	19.71	45187.75
Digital Realty	96.65	1.50	176.53	85.76	4.01	19.47	27777.97
DiscFinServ	94.28	1.50	133.40	87.64	1.67	6.33	25754.59
Disney	98.19	0.86	179.25	90.23	-	68.31	179006.04
Dollar General	236.05	-0.35	262.21	183.25	0.60	27.51	53246.21
DominRes	66.22	0.94	88.78	61.70	3.18	24.84	55128.34
DukeEner	89.85	0.75	116.33	83.76	3.63	21.81	69175.56
DuPont	54.45	1.23	84.08	49.52	1.84	20.17	27274.11
Eaton	139.56	1.34	175.72	122.50	1.82	31.27	55584.76
eBay	38.43	0.58	81.19	35.92	1.57	121.02	21112.21
Ecolab	147.28	2.58	238.93	136.94	1.11	45.08	41973.21
Edwards Lifesc.	86.41	0.92	131.73	80.69	-	43.45	53569.28
Eli Lilly	331.30	-1.46	341.70	231.87	0.86	64.78	314792.92
Emerson	80.77	0.70	100.47	72.41	2.10	21.10	47756.34
EOG Res	122.03	1.13	147.99	80.67	1.10	18.28	71515.01
Equinix	543.89	16.97	849.51	494.89	1.76	117.70	49534.88
EquityResTP	64.74	0.56	94.32	60.75	3.11	22.61	24349.9
Exelon	37.36	0.26	50.71	29.10	3.42	25.69	36625.55
ExxonMb	99.77	-0.85	105.57	57.96	2.92	22.15	415805.07
Fedex	156.61	-0.38	260.50	141.92	1.53	10.08	40751.72
Fidelity NIS	77.29	0.26	126.20	72.37	1.69	138.04	46990.66
Fiserv	96.73	-0.64	111.84	87.03	-	58.17	61866.99
FordMtr	12.01	0.18	25.87	10.61	0.70	3.23	47412.37
Franklin	22.44	0.21	38.27	20.24	4.21	7.10	11183.13
GenDyn	233.13	4.29	254.99	188.64	1.67	24.15	63935.02
GenElectric	70.40	1.77	116.17	59.93	0.38	-25.92	77197.34
GenMills	77.99	0.58	81.24	61.20	2.21	24.65	46289.85
GenMotors	34.28	0.71	67.21	30.33	-	6.12	49974.63
GileadSci	66.70	0.32	74.12	57.17	3.56	16.19	83593.34
GoldmSchs	314.64	7.93	426.16	277.84	1.73	6.33	107404.23
Halliburton	29.90	-0.10	43.99	20.77	0.73	20.10	27113.1
HCA Hold	210.36	4.05	279.02	164.47	0.76	11.90	60378.54
Hew-Pack	25.42	-0.27	41.47	24.08	2.76	5.49	25570.97
Hilton Worldwi.	127.97	1.56	167.99	108.41	-	104.89	35100.56
HiltonWwde	127.97	1.56	167.99	108.41	-	104.89	35100.56
HomeDep	284.06	2.80	420.61	264.51	1.96	21.68	290799.73
Honywell	178.08	1.04	228.26	166.63	1.77	26.94	119971.13
HumanaInc	498.43	-0.36	514.98	363.73	0.47	26.31	63077.65
IBM	122.35	0.83	144.94	114.56	4.47	28.10	110504.12
IDEXX Laborato.	344.58	5.09	672.93	317.06	-	47.95	28687.56
IllinoisTool	191.35	0.38	248.11	173.52	2.06	26.91	59246.11
Illumina	209.75	2.64	425.00	173.45	-	49.80	32951.73
Intcntl Exch	92.39	0.61	139.79	88.60	1.19	15.40	51595.96
Intel	25.75	-0.67	56.07	24.59	4.51	6.34	105729.5
Intuit	404.67	0.93	716.86	339.36	0.53	60.64	114064.28
John&John	166.43	-0.16	186.69	155.72	2.10	25.50	437574.41
JohnsonCn	52.65	0.20	81.69	45.52	1.83	28.77	36265.86
JPMrgnCh	117.59	1.73	172.96	101.28	2.70	9.16	344841.19
Kimb-Clark	115.25	1.07	144.53	108.74	3.42	25.88	38909.28
KinderM	17.59	0.09	20.20	15.01	5.28	45.46	39619.02
KLA Corp	265.29	2.07	442.44	250.20	1.23	16.34	37619.54
Kraft Heinz	35.91	0.42	44.87	32.73	3.72	52.41	44005.54
Kroger	42.71	0.60	62.78	38.22	1.54	23.33	30568.51
LasVegasSd	36.24	0.55	48.27	28.88	-	-28.72	27689.2
LibertyGbl	16.59	0.12	30.42	15.22	-	0.85	2876.08

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Lilly (E)	331.30	-1.46	341.70	231.87	0.86	64.78	314792.92
Linde	283.38	2.46	346.50	262.47	1.25	46.33	141226.84
Lockheed	423.45	26.14	479.99	324.23	2.19	21.76	112277.38
Lowes	193.08	0.04	263.31	170.12	1.31	19.01	119844.87
Lyondell	79.39	1.07	117.22	71.46	4.67	5.66	25895.86
Marathon Ptl	106.59	1.22	114.35	59.55	1.82	63.14	53148.34
Marsh&M	156.58	0.70	183.14	142.80	1.43	28.82	78589.65
MasterCard	298.09	3.05	399.92	276.87	0.63	40.72	285771.7
McDonald's	247.77	1.29	269.72	217.68	1.77	29.53	182288.67
McKesson	356.29	1.80	375.23	200.74	0.42	48.28	51209.01
Medtronic	84.32	1.56	124.80	79.44	2.47	27.53	112072.21
Merck	94.79	0.67	95.72	71.50	2.33	23.34	240116.93
Meta	196.64	0.99	384.33	169.00	-	15.41	450997.53
Metlife	66.98	0.71	73.18	57.05	2.37	10.96	54464.47
Microsoft	237.23	-0.30	349.67	219.13	0.81	30.23	1769235.69
Mnstr Bvrg	90.24	0.86	99.81	71.78	-	42.02	47546.15
MondelezInt	58.12	0.68	69.47	54.72	1.91	22.88	79657.3
Monsanto	9.91	-	9.91	9.66	-	54.36	247.75
MorganStly	79.01	1.87	109.73	72.05	2.22	11.77	135646.45
Netflix	240.66	-4.44	700.99	162.71	-	25.62	107022.89
NextEraE	74.15	0.50	92.91	67.22	1.83	116.56	145678.55
Nike	89.96	-0.01	179.10	82.22	1.09	28.14	113678.19
NorfolkS	220.80	1.70	296.87	204.26	1.57	21.82	51860.1
Northrop	493.51	18.42	515.49	345.90	1.04	13.56	76351.57
NXP	139.58	-1.69	239.91	132.08	1.35	24.60	36653.49
Occid Pet	66.56	-0.80	77.13	26.05	0.05	38.67	62379.43
Oracle	66.61	-0.42	106.34	60.78	1.62	30.14	179578.16
Pepsico	173.78	1.05	181.07	153.37	2.04	37.88	239418.31
Perrigo	39.69	0.42	47.95	31.32	2.02	-48.47	5342.99
Pfizer	43.76	0.11	61.71	41.04	2.98	13.32	245583.05
Phillips66	94.65	-0.81	111.28	67.08	3.20	38.14	45531.49
PhilMorris	86.08	0.51	112.48	82.85	4.76	17.67	133438.06
PNCFin	155.50	-0.35	217.60	143.52	2.58	14.65	63774.28
PPG Inds	116.24	2.93	172.78	107.06	1.71	30.52	27316.09
ProctGmbl	128.60	1.26	165.35	122.18	2.33	26.15	306775.23
Prudntl	97.03	1.14	124.22	85.46	3.96	5.95	36093.3
PublStor	296.49	4.75	421.76	280.83	2.25	35.95	52042.4
Qualcomm	110.56	-1.04	192.68	104.66	2.03	15.15	124153.27
Raytheon	86.51	2.04	106.02	79.00	1.94	40.13	127321.96
Regen Pharm	722.06	-13.91	761.05	538.01	-	12.01	77397.2
S&P Global	300.06	2.67	484.21	279.32	0.86	28.70	100070.01
Salesforce	152.71	5.53	311.75	137.59	-	122.30	152705
Schlmbrg	42.79	-0.08	49.83	27.65	0.98	38.79	60514.6
Sempra Energy	144.88	0.01	176.47	119.56	2.54	43.24	45537.28
Shrwin-Will	212.10	2.98	354.15	195.24	0.87	36.36	54972.73
SimonProp	98.13	-1.02	171.12	86.02	6.09	17.17	32123.02
SouthCpr	47.11	-0.54	79.32	42.42	5.68	12.84	36420.39
Starbucks	88.38	-0.52	117.47	68.39	1.74	28.58	101407.21
StateSt	63.32	-0.49	103.76	58.62	2.88	10.54	23277.66
Stryker	216.48	0.85	279.28	188.84	1.00	49.72	81862.8
Sychrony Fin	32.46	0.29	52.49	27.22	2.33	5.12	15637.9
T-MobileUS	134.85	1.01	148.04	101.51	-	66.96	169101.19
Target	156.69	7.44	268.98	137.16	1.70	13.17	72118.55
TE Connect	112.65	0.74	166.44	104.76	1.47	18.32	36030.18
Tesla Mtrs	219.55	0.20	414.50	204.16	-	53.62	682367.94
TexasInstr	150.75	-0.25	202.26	144.46	2.33	21.84	137736.82
TheTrvelers	165.78	0.98	187.98	145.40	1.83	12.23	39340.58
ThrmoFshr	523.40	6.17	668.94	488.26	0.17	32.19	205062.34
TJX Cos	66.47	0.58	76.94	53.69	1.32	29.18	77175.19
Truist Financial Corp	43.50	-0.93	66.10	41.07	3.57	11.65	57698.11
Twitter	51.12	0.38	68.41	31.30	-	-218.47	39119.38
UnionPac	200.05	1.45	278.94	186.89	1.93	22.12	124926.94
UPS	165.60	0.88	233.72	154.87	2.06	13.50	120807.81
USBancorp	42.50	-0.15	63.01	38.39	3.46	9.97	63138.39
UtdHlthcre	521.16	-0.72	553.29	423.40	0.90	34.49	487484.05
ValeroEngy	116.15	0.65	146.81	65.13	2.82	61.23	45759.66
Verizon	36.91	-0.27	55.51	35.04	5.74	8.30	155011.47
VertexPharm	297.40	0.38	305.95	177.71	-	39.50	76271.05
VF Cp	29.72	0.17	78.91	27.92	5.54	11.66	11546.06
Visa Inc	186.70	1.45	236.96	174.60	0.60	36.99	305257.24
Walgreen	32.79	-0.22	53.46	30.39	4.89	5.68	28352.9
WalMartSto	133.59	2.22	160.77	117.27	1.39	32.52	362595.05
Walt Disney	98.19	0.86	179.25	90.23	-	68.31	179006.04
Waste Manage.	160.36	2.54	175.98	138.58	1.20	44.73	66282.52
WellsFargo	44.08	0.12	60.30	36.54	1.46	10.66	167178.66
Williams Cos	30.25	0.29	37.97	24.86	4.53	29.19	36854.44
Workday	152.36	3.42	307.81	134.10	-	1505.00	30623.36
Yum!Brnds	110.34	0.36	139.85	103.97	1.51	25.34	31396.42
Zoetis	150.99	1.20	249.27	141.87	0.55	42.31	70684.24
Zoom	78.03	1.34	291.31	70.44	-	20.55	19583.59
Venezuela (VEF)							
Bco de Vnzla	1.21	-	2.14	0.32	127.79	-	533.39
Bco Provncl	2.60	-0.30	798000	1.70	-	0.00	117.85

Closing prices and highs & lows are in traded currency (with variations for that country indicated by stock), market capitalisation is in USD. Highs & lows are based on intraday trading over a rolling 52 week period.
♦ ex-dividend
■ ex-capital redistribution
price at time of suspension

FT 500: TOP 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
Carnival	7.96	7.27	0.69	9.49	1.32	19.9	-19.30
BankAm	34.59	33.62	0.97	2.87	4.82	16.2	-2.54
JPMrgnCh	117.59	115.86	1.73	1.49	15.63	15.3	-0.88
MollerMrsk	15885.00	15215.00	670.00	4.40	1805.00	12.8	-19.22
BOE Tech	0.73	0.65	0.08	12.31	0.08	12.3	-22.08
Netflix	240.66	245.10	-4.44	-1.81	26.37	12.3	-0.23
Hunng Pwr	3.86	3.78	0.08	2.12	0.41	11.9	-9.81
Deut Bank	8.90	8.63	0.27	3.11	0.93	11.7	-0.50
AmerAir	13.66	13.20	0.46	3.47	1.40	11.4	-3.53
Westpac Bank	23.98	23.43	0.55	2.35	2.40	11.1	8.12
GenElectric	70.40	68.63	1.77	2.58	6.40	10.0	-9.42
Mercedes-Benz	57.25	55.25	2.00	3.62	5.20	10.0	1.60
Delta	31.61	31.13	0.48	1.54	2.77	9.6	-4.82
WellsFargo	44.08	43.96	0.12	0.26	3.85	9.6	-2.75
USBancorp	42.50	42.64	-0.15	-0.34	3.71	9.6	-12.53
AmerIntGrp	52.32	51.73	0.59	1.14	4.27	8.9	-6.76
H & M	117.42	115.00	2.42	2.10	9.58	8.9	-7.89
BlackRock	577.74	569.25	8.49	1.49	46.60	8.8	-19.13
Safran	107.38	105.56	1.82	1.72	8.56	8.7	-2.47
HiltonWwde	127.97	126.41	1.56	1.23	10.09	8.6	-5.58

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 %
SandsCh	16.18	16.00	0.18	1.13	-3.48	-17.7	-3.45
KoreaElePwr	17100.00	17100.00	0.00	0.00	-2250.00	-11.6	-20.47
ChinaMBank	31.65	31.35	0.30	0.96	-2.75	-8.0	-21.76
China Vanke	13.46	13.58	-0.12	-0.88	-1.14	-7.8	-8.29
TaiwanSem	407.00	397.00	10.00	2.52	-31.00	-7.1	-21.58
Kroger	42.71	42.11	0.60	1.41	-2.98	-6.5	-13.70
21stC Fox A	28.79	28.58	0.21	0.73	-1.88	-6.1	-19.28
KLA Corp	265.29	263.22	2.07	0.78	-15.63	-5.6	-28.61
Ch OSLnd&Inv	20.00	19.94	0.06	0.30	-1.15	-5.4	1.01
JardnMt US$	49.27	49.87	-0.60	-1.20	-2.83	-5.4	-5.74
HK Exc&Clr	258.00	252.20	5.80	2.30	-14.60	-5.4	-22.98
RioTinto	4748.00	4820.00	-72.00	-1.49	-250.50	-5.0	-3.24
Keyence	49340.00	48280.00	1060.00	2.20	-2590.00	-5.0	-13.54
Midea	0.39	0.42	-0.03	-7.23	-0.02	-4.9	-10.47
Kweichow	1705.83	1718.50	-12.67	-0.74	-80.17	-4.5	-9.98
CharlesSch	68.73	67.43	1.30	1.93	-2.98	-4.2	-6.92
HonHaiPrc	103.50	105.00	-1.50	-1.43	-4.00	-3.7	-6.76
ChngKng	45.40	45.90	-0.50	-1.09	-1.75	-3.7	-16.50
Equinor	358.55	364.25	-5.70	-1.56	-13.80	-3.7	-4.37
Tencent	254.40	247.20	7.20	2.91	-9.40	-3.6	-19.17

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Oct 18	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
High Yield US$										
HCA Inc.	04/24	8.36	BB-	Ba2	BB	113.75	4.24	0.00	0.12	-
High Yield Euro										
Aldesa Financial Services S.A.	04/21	7.25	-	-	B	71.10	28.23	0.00	0.64	25.98
Emerging US$										
Peru	03/19	7.13	BBB+	A3	BBB+	104.40	2.60	-	-	0.34
Colombia	01/26	4.50	-	Baa2	BBB-	109.50	2.33	0.16	0.52	1.28
Brazil	04/26	6.00	-	Ba2	BB-	115.15	2.78	-0.01	0.65	1.73
Poland	04/26	3.25	-	A2	A-	111.22	0.98	0.03	0.16	-0.07
Mexico	05/26	11.50	-	Baa1	BBB-	149.00	1.61	0.00	-0.12	0.56
Turkey	03/27	6.00	-	Ba2	BB+	101.26	5.82	0.00	0.17	3.07
Turkey	03/27	6.00	-	B2	BB-	102.88	5.43	0.14	0.83	4.38
Peru	08/27	4.13	BBB+	A3	BBB+	103.50	3.66	0.01	-0.02	0.80
Russia	06/28	12.75	-	Baa3	BBB	168.12	2.48	0.07	0.05	-
Brazil	02/47	5.63	-	Ba2	BB-	101.48	5.52	0.08	0.80	-
Emerging Euro										
Brazil	04/21	2.88	BB-	Ba2	BB-	103.09	0.05	0.01	-0.09	-1.19
Mexico	04/23	2.75	BBB+	A3	BBB+	107.76	0.76	0.00	-0.07	-1.56
Mexico	04/23	2.75	-	Baa1	BBB-	106.48	-0.26	-	-	-0.36
Bulgaria	03/28	3.00	BBB-	Baa2	BBB	117.04	1.00	0.02	-0.15	-1.42

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

BONDS: GLOBAL INVESTMENT GRADE

Oct 18	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
FleetBoston Financial Corp.	01/28	6.88	BBB+	Baa1	A-	129.00	2.54	-0.01	-0.05	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A3	A	117.21	2.47	0.00	0.32	-
NationsBank Corp.	03/28	6.80	BBB+	Baa1	A-	127.69	2.72	-0.01	0.06	-
GTE LLC	04/28	6.94	BBB+	Baa2	A-	128.27	2.80	0.00	-0.11	-
United Utilities PLC	08/28	6.88	BBB	Baa1	A-	130.43	2.62	-0.07	-0.22	-
Barclays Bank plc	01/29	4.50	A	A1	A+	96.46	5.02	0.00	0.02	-
Euro										
Electricite de France (EDF)	04/30	4.63	A-	A3	A-	137.45	0.82	-0.01	0.10	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	124.42	0.68	0.00	-0.11	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	121.70	0.93	0.00	0.02	-
Finland	04/31	0.75	AA+	Aa1	AA+	111.08	-0.27	0.00	-0.05	-0.87
Yen										
Mexico	06/26	1.09	-	Baa1	BBB-	98.73	1.34	-0.02	-0.14	0.27
£ Sterling										
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	137.45	2.19	-0.03	0.02	-
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	128.68	3.20	0.00	-0.01	0.40

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

INTEREST RATES: OFFICIAL

Oct 18	Rate	Current	Since	Last
US	Fed Funds	3.00-3.25	21-09-2022	2.25-2.5
US	Prime	6.25	22-09-2022	5.50
US	Discount	2.50	27-07-2022	1.50
Euro	Repo	0.374	20-09-2022	0.141
UK	Repo	2.25	22-09-2022	1.75
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

Oct 18 (Libor: Oct 17)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	3.06086	-0.005	-0.005	0.037	3.47986	4.22657	4.67371	5.31243
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	0.064	2.64960	3.38810	4.25320	0.81363
Swiss Fr Libor				-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor				0.000	-0.06005	-0.02913	0.04206	0.04867
Euro Euribor				0.021	0.91300	1.45800	2.03200	2.67900
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.010	3.53000	4.28000	4.76000	
Euro CDs				0.000	1.04000	1.34000	1.88000	

Oct 18	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	0.66	0.96	0.58	0.88	0.89	1.19	1.19	1.49	1.73	2.03	2.25	2.55
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	2.88	3.08	2.90	3.10	3.43	3.63	4.18	4.38	4.66	4.86	5.03	5.23
Japanese Yen	-0.15	0.05	-0.20	0.00	-0.20	0.00	-0.15	0.05	-0.10	0.20	-0.05	0.25

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	186.69	-0.46	-1.00	-15.06	-4.02	-14.43
Corporates(£)	301.15	1.73	-0.11	-23.91	-7.26	-23.30
Corporates(€)	203.30	0.13	-0.78	-15.83	-3.23	-16.18
Eurozone Sov(€)	209.51	0.34	-1.12	-17.65	-3.69	-18.14
Gilts(£)	257.48	3.59	-2.38	-28.37	-7.92	-26.56
Overall(£)	265.28	3.02	-1.72	-26.72	-7.50	-25.21
Overall(€)	204.45	0.28	-1.03	-17.12	-3.61	-17.55
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	562.64	-5.49	-	-	-20.61	-25.73
Eurozone Govt Bond	110.04	-0.19	-	-	-0.34	-0.64

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	597.00	-23.70	-44.65	-	688.92	584.73
Europe 5Y	124.91	-5.11	-9.75	-	142.08	121.70
Japan 5Y	100.93	-5.57	-9.07	-	119.29	100.33
Senior Financials 5Y	136.51	-7.50	-13.92	-	155.06	133.08
Markit CDX						
Emerging Markets 5Y	327.02	-8.27	10.15	-	335.29	288.27
Nth Amer High Yld 5Y	563.00	-32.40	-19.18	-	625.47	556.25
Nth Amer Inv Grade 5Y	98.56	-5.50	-2.98	-	110.98	97.12

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

VOLATILITY INDICES

	Oct 18	Day Chng	Prev	52 wk high	52 wk low
VIX	31.52	0.15	31.37	38.93	14.73
VXD	27.65	0.12	27.53	45.37	3.27
VXN	36.80	-0.27	37.07	44.05	15.70
VDAX	28.58	-0.63	29.21	93.30	-

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

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia	11/22	2.25	99.96	2.74	0.03	0.07	-0.13	2.68
	05/32	1.25	78.15	4.02	0.02	0.15	0.12	-
	02/50	1.00	85.61	2.08	0.01	0.18	0.11	1.86
Austria	02/29	0.50	87.32	2.70	-0.05	-0.03	0.08	2.85
	02/47	1.50	71.93	3.17	-0.07	0.04	0.24	2.63
Belgium	06/27	0.80	93.01	2.40	-0.05	0.00	0.16	2.75
	06/47	1.60	70.90	3.35	-0.07	0.08	0.27	2.54
Canada	03/25	1.25	93.72	4.06	-0.02	0.07	0.33	3.08
	06/30	1.25	85.42	3.44	-0.07	0.02	0.23	1.96
	12/48	2.75	88.24	3.44	-0.02	0.14	0.31	1.47
Denmark	11/29	0.50	86.59	2.60	-0.01	-0.07	0.11	2.67
	11/52	0.25	50.64	2.65	-0.08	-0.04	0.10	2.19
Finland	09/24	0.00	96.11	2.10	-0.01	0.05	0.17	2.72
	09/29	0.50	86.03	2.75	-0.05	-0.05	0.19	2.88
France	05/28	0.75	91.06	2.48	-0.05	-0.02	0.12	2.68
	05/48	2.00	78.78	3.23	-0.09	0.04	0.23	2.46
Germany	08/29	0.00	86.63	2.13	-0.06	-0.06	0.13	2.45
	08/50	0.00	53.00	2.31	-0.10	-0.01	0.21	2.06
Greece	01/23	3.50	100.59	1.36	0.05	0.05	0.07	1.73
	01/28	3.75	97.20	4.35	0.01	-0.05	0.09	3.99
Ireland	10/22	0.00	100.00	19.50	-	-	-	-
	05/26	1.00	95.80	2.24	0.01	0.06	0.14	2.63
	02/45	2.00	80.35	3.25	-0.08	0.06	0.23	2.55
Italy	02/25	0.35	93.85	3.16	-0.01	0.02	0.08	3.30
	05/30	0.40	87.38	2.22	-0.09	-0.04	-0.05	3.15
	03/48	3.45	82.52	4.63	-0.11	0.06	0.24	2.91
Japan	04/25	0.05	99.99	0.05	0.00	0.02	0.01	-0.02
	12/29	0.10	99.03	0.24	0.01	0.03	0.02	0.24
	12/49	0.40	77.35	1.41	0.04	0.12	0.08	0.75
Netherlands	07/27	0.75	93.27	2.26	-0.04	-0.02	0.15	2.66
	01/47	2.75	101.00	2.69	-0.09	0.03	0.24	2.44
New Zealand	05/31	1.50	78.80	4.51	0.04	0.18	0.24	2.33
	09/40	2.50	112.09	2.75	0.06	0.13	0.17	1.97
Norway	08/30	1.38	85.05	3.60	-0.02	0.09	0.31	1.97
Poland	01/23	2.50	98.68	7.58	0.01	0.55	0.17	6.23
	07/27	2.50	78.15	8.22	0.26	0.56	0.83	6.03
	04/47	4.00	62.00	7.40	0.30	0.63	0.74	4.52
Portugal	04/27	4.13	106.69	2.53	-0.04	-0.05	0.08	2.82
Spain	10/22	0.45	99.97	1.40	-0.27	-0.10	0.38	1.99
	10/29	0.60	84.65	3.06	-0.06	-0.04	0.13	2.87
	10/46	2.90	86.01	3.80	-0.08	0.03	0.23	2.65
Sweden	06/30	0.13	114.72	-0.25	-0.01	-0.17	-0.12	1.49
	03/39	3.50	119.47	2.09	0.02	-0.04	0.00	1.41
Switzerland	04/28	4.00	115.41	1.08	-0.03	-0.23	0.08	1.44
	06/29	0.00	92.67	1.15	-0.04	-0.22	0.10	1.40
United Kingdom	07/23	0.75	98.15	3.22	-0.28	-0.69	-0.61	2.77
	07/27	1.25	88.46	3.93	-0.36	-0.71	-0.47	3.17
	07/47	1.50	55.89	4.46	-0.41	-0.35	0.61	3.07
United States	-	-	-	-	-	-	-	-
	03/25	0.50	90.94	4.44	-0.06	0.09	0.20	3.64
	02/30	1.50	83.75	4.09	-0.02	0.06	0.21	2.61
	02/50	0.25	66.77	1.79	-0.03	-0.15	-0.09	-

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

GILTS: UK CASH MARKET

Oct 18	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 0.75pc '23	98.19	3.18	-0.31	-15.87	10.42	404.76	100.82	97.34	34.36
Tr 0.125pc '24	95.87	3.44	-1.71	-18.10	9.55	384.51	99.44	94.34	35.55
Tr 2pc '25	95.85	3.53	-1.94	-18.48	18.46	383.56	105.99	93.15	39.93
Tr 0.125pc '26	89.00	3.72	-2.11	-16.40	21.17	383.12	98.77	86.33	35.32
Tr 1.25pc '27	88.86	3.83	-2.30	-15.45	24.35	367.07	104.30	85.65	40.99
Tr 0.875pc '29	81.68	3.89	-1.77	-12.39	26.71	301.03	102.36	78.21	43.62
Tr 4.25pc '32	102.76	3.90	-2.01	-11.76	24.20	242.11	135.62	98.13	40.33
Tr 4.25pc '36	100.64	4.19	-2.10	-11.42	23.60	235.20	145.94	94.91	31.68
Tr 4.5pc '42	101.42	4.39	-2.44	-10.59	24.72	225.19	169.96	93.79	28.35
Tr 3.75pc '52	91.27	4.27	-2.51	-10.48	23.77	213.97	180.27	82.51	25.11
Tr 4pc '60	98.09	4.10	-3.30	-10.48	24.24	222.83	213.01	87.32	25.13

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

GILTS: UK FTSE ACTUARIES INDICES

Price Indices **Fixed Coupon**	Oct 18	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	80.72	0.18	2321.32	-0.59	-5.09	3.66
2 5 - 10 Years	144.25	0.47	3042.75	-3.88	-16.21	3.91
3 10 - 15 Years	150.66	0.82	3461.54	-6.20	-24.35	4.16
4 5 - 15 Years	144.82	0.56	3143.26	-4.53	-18.67	4.00
5 Over 15 Years	202.25	2.05	3461.51	-10.99	-40.92	4.23
7 All stocks	131.12	0.92	2916.06	-5.53	-24.46	4.12

Index Linked	Oct 18	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	321.72	0.44	0.49	3.00	2713.24	0.49	4.17
2 Over 5 years	505.03	3.82	-14.13	-41.83	3844.40	-14.13	-41.59
3 5-15 years	425.67	1.67	-8.81	-18.98	3437.23	-8.81	-18.39
4 Over 15 years	566.26	5.28	-17.24	-50.91	4185.49	-17.24	-50.79
5 All stocks	483.37	3.24	-11.96	-37.19	3752.96	-11.96	-36.89

Yield Indices	Oct 18	Oct 17	Yr ago		Oct 18	Oct 17	Yr ago
5 Yrs	3.74	3.82	0.79	20 Yrs	4.35	4.44	1.39
10 Yrs	4.05	4.12	1.11	45 Yrs	3.96	4.10	1.20
15 Yrs	4.27	4.35	1.31				

Real yield	inflation 0% Oct 18	inflation 0% Dur yrs	inflation 0% Previous	inflation 0% Yr ago	inflation 5% Oct 18	inflation 5% Dur yrs	inflation 5% Previous	inflation 5% Yr ago
Up to 5 yrs	-0.90	1.52	-0.61	-3.46	-1.41	1.53	-1.13	-3.77
Over 5 yrs	0.66	18.77	0.86	-2.35	0.64	18.81	0.84	-2.36
5-15 yrs	0.54	8.53	0.74	-2.80	0.47	8.54	0.66	-2.88
Over 15 yrs	0.68	25.34	0.89	-2.30	0.67	25.35	0.88	-2.31
All stocks	0.63	15.96	0.83	-2.37	0.61	16.03	0.81	-2.38

See FTSE website for more details www.ftse.com/products/indices/gilts
©2018 Tradeweb Markets LLC. All rights reserved. The Tradeweb FTSE Gilt Closing Prices information contained herein is proprietary to Tradeweb; may not be copied or re-distributed; is not warranted to be accurate, complete or timely; and does not constitute investment advice. Tradeweb is not responsible for any loss or damage that might result from the use of this information.

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	Dec	84.58	0.05	Corn♦	Dec	678.00	-5.50
Brent Crude Oil‡		89.05	-2.57	Wheat♦	Dec	854.00	-7.00
RBOB Gasoline†	Dec	2.60	0.00	Soybeans♦	Nov	1382.50	-2.75
Natural Gas†	Nov	5.96	-0.04	Soybeans Meal♦	Dec	407.30	-3.70
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)⊕	Dec	1920.00	-11.00
Aluminium		2181.00	-63.00	Cocoa (ICE US)♥	Dec	2321.00	-19.00
Aluminium Alloy		1675.00	-905.00	Coffee(Robusta)⊕	Nov	2058.00	-6.00
Copper		7442.50	-89.00	Coffee (Arabica)♥	Dec	194.55	-1.00
Lead		2014.00	-26.00	White Sugar⊕		546.70	-10.30
Nickel		21845.00	280.00	Sugar 11♥		18.60	-0.17
Tin		19550.00	-195.00	Cotton♥	Dec	83.24	0.15
Zinc		2871.50	9.00	Orange Juice♥	Nov	201.00	1.85
Precious Metals (PM London Fix)				Live Cattle♣	Oct	147.98	1.03
Gold		1649.30	1.20	Feeder Cattle♣	May	134.88	-
Silver (US cents)		1859.50	-17.00	Lean Hogs♣	Dec	84.58	2.33
Platinum		920.00	9.00				
Palladium		2031.00	-55.00				
Bulk Commodities					Oct 17	% Chg Month	% Chg Year
Iron Ore		94.93	-1.00	S&P GSCI Spt	617.74	-7.72	14.76
Baltic Dry Index		1875.00	32.00	DJ UBS Spot	111.37	-8.85	14.29
Richards Bay ICE Futures		241.75	-4.25	TR/CC CRB TR	296.15	-5.24	25.45
				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 Oct 17	Yield Oct 17	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	110.38	1.629	1.719	-0.61	5.25	69581.92	8
Fr 0.25%' 24	102.83	-1.321	-1.360	0.05	17.92	239815.69	17
Swe 1.00%' 25	125.50	-0.935	-0.970	1.69	35.38	215690.05	6
UK 0.125%' 24	103.27	-2.115	-1.121	1.33	15.24	507820.56	31
UK 2.50%' 24	371.26	-1.221	-0.274	1.48	6.82	507820.56	31
UK 2.00%' 35	218.14	1.010	1.460	-9.35	9.08	507820.56	31
US 0.625%' 24	98.24	2.069	2.188	0.61	40.98	1564687.60	46
US 3.625%' 28	109.36	1.826	1.900	0.75	16.78	1564687.60	46

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	4.02	1.89	-0.07	Netherlands	2.26	0.14	-1.83
Austria	2.70	0.58	-1.39	New Zealand	4.51	2.38	0.42
Canada	3.44	1.31	-0.65	Norway	3.60	1.47	-0.49
Denmark	2.60	0.47	-1.49	Portugal	2.53	0.40	-1.56
Finland	2.75	0.62	-1.34	Spain	3.06	0.93	-1.03
Germany	2.13	0.00	-1.96	Sweden	-0.25	-2.37	-4.34
Italy	2.22	0.09	-1.87	Switzerland	1.15	-0.98	-2.94
Japan	0.24	-1.89	-3.85	United States	4.09	1.96	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

Korea's killer of the movie cliché

Director Park Chan-wook is subverting expectations again with his new thriller 'Decision to Leave'. He talks to Danny Leigh

Above: Park Chan-wook shot for the FT by Antonia Adomako. Below left: Choi Min-sik in Park's 'Oldboy'

Park Chan-wook likes to surprise. Over a three-decade career, the vastly respected South Korean writer-director has made a signature of intricate and beautiful cinema, goosed with eye-popping shocks. (His 2003 masterwork *Oldboy* is still the benchmark — a dizzying revenge story that also featured the devouring of a live octopus.) And then, as with so many gifted modern film-makers, came television.

In 2018, Park directed *The Little Drummer Girl*, a well-regarded six-part BBC adaptation of the John le Carré novel, starring Florence Pugh. Now, however, he is back at the movies with a new film, *Decision to Leave*. A heady romantic thriller filled with flights of visual invention, it could only have been directed by a man desperate to make cinema again: one driven back to the big screen.

"Well, yes and no," Park, 59, says with a smile when we meet in London. More no than yes, it turns out. For one thing, he saw *The Little Drummer Girl* as almost a movie, making it with the same painstaking eye for detail. In South Korea, it was even screened in cinemas. "What is most heartbreaking as a film director is not being able to give space to every small back-story that gives a narrative life. TV has room for those. So actually, I find working in TV a relief."

Bang goes that theory. Still, *Decision to Leave* lacks no richness of character. The virtuoso style is still intact as well. The mayhem of Park's early films has grown less confrontational, but you could still pick any shot at random and hang it on your wall.

Yet all that only comes after another twist on expectations. In the six years since his last movie, *The Handmaiden*, South Korean film and TV has achieved a stellar global profile. The 2020 Best Picture Oscar was won by *Parasite*, directed by Park's longtime associate Bong Joon-ho. Netflix monster hit *Squid Game* followed. And in the wake of those successes, the streamer has released a string of South Korean crime series.

Now the first scenes of *Decision to Leave* seem designed to mimic them: a weary detective tackling an underworld murder case. "I intended to totally mislead the audience," Park says. "I wanted people to think they were about to see a traditional police procedural, before taking them somewhere unexpected. And I wanted those first moments to feel so sincere they could have been part of a regular crime drama. I wouldn't be the one to release it, though. The world has enough clichés already."

The script was drafted with regular writing partner Jeong Seo-kyung; Park only had his trick opening in place when she joined him to plot the rest. The film duly shape-shifts from whodunnit into love story, a chaste but obsessive romance between the married detective and Seo-rae, a murder suspect originally from China, played by Tang Wei.

You may be reminded of Hitchcock's *Vertigo*, a film Park has named as a formative influence. If audiences and film-makers were first dazzled by his sheer technique — Quentin Tarantino was an early admirer — important too has been Park's place as a reminder of a time when movies were undisputedly art. He is a former film critic, and his passion for Luis Buñuel, Fritz Lang and a hundred other great auteurs is a subtle but constant presence in his films.

Another surprise? *Decision to Leave* also makes wildly inventive use of that most banal modern prop, the phone. Apps and lockscreens become key plot points. Park's love for the masters of the past is mature enough to know they would urge him to keep pace with the present.

"At first I resisted," he says. "I didn't want to use a single text message. I felt the love story I wanted to make should involve letters handwritten with Mont Blanc pens. But ultimately, who wants to make a romance so out of touch with the world as it is now? And I have developed a habit in my career, which is that when I am forced to do something I originally didn't want to, I turn around and embrace it to the maximum."

One of the many roles Park finds for a phone is an AI interpretation app, used when Seo-rae doubts her ability to express herself in Korean. You wonder how much that resonates with a director whose films have led a double life: made for both Korean and international audiences, subject both to cultural differences and the vagaries of translation. In his acceptance speech at the 2020 Golden Globes, where *Parasite* won Best Foreign Language Film, Bong Joon-ho spoke of subtitles as a "one-inch barrier" for English-speaking audiences. They also, of course, leave a storyteller as exact as Park at the mercies of paraphrasing. (Though he speaks conversational English, he still has a human interpreter accompany him to interviews.) "Language and translation have always fascinated me," Park says. "And of course, mistranslation too."

> 'I didn't want to use a single text message. I felt the love story should involve letters written with Mont Blanc pens'

A wider idea of international relations has touched his recent films as well. *The Handmaiden* saw Sarah Waters' novel of Victorian London, *Fingersmith* relocated to Korea and adapted as a tale of early-20th-century Japanese colonialism. Now *Decision to Leave* is bound up with the place of Chinese immigrants in Korea.

Tang Wei in 'Decision to Leave'

Park says he had no deeper reason to make Seo-rae Chinese than wanting to cast Tang Wei, the talented actress who made her debut in Ang Lee's 2007 wartime romance *Lust, Caution*. But that apparently simple casting call is not unloaded. The sexual frankness of Lee's film saw Tang blacklisted by Chinese authorities, the actress only rebuilding her career after years off-screen. Park says that after casting Tang, he added "layers" to her character, revealing a family connection to Korean émigrés in China, first exiled during independence protests in the 1910s. With Park, there are always layers.

And yet, as he points out himself, the credit is rarely his alone. *Decision to Leave* is the sixth film he and Jeong Seo-kyung have co-written. Even now, Park says, people make simplistic assumptions about his co-writer only being responsible for female characters. "In fact, our voices are so entwined throughout that a single line might have a noun written by me and the verb by Ms Jeong." The one problem, he says, is that she alone recently wrote *Little Women*, a Netflix adaptation of the Louisa May Alcott novel set in modern Seoul. The series has been a huge hit in South Korea. "So now she's a star and will be even busier. It's a headache for me." He is, you suspect, only half joking.

Once his co-writer is free again, Park's future will involve more projects in both English and Korean; further platform-hopping between film and TV. But life can be circular too. He is aware that new audiences for his work may likely come to it first as fans of *Parasite* or the South Korean Netflix series, a cultural explosion he helped lay the groundwork for. Does he feel the world looks differently at his work now?

"I don't believe my films are seen differently. But I do sense an important change. Now outside Korea, film industry people always say how nice it is to meet me — then ask for the email address of the director of *Squid Game*."

'Decision to Leave' is in cinemas from October 21

Black British gamers move a level up

GAMING

Tom Faber

A customised character for 'The Sims' created by Danielle Udogaranya

In 2015, Danielle Udogaranya had a realisation while playing *The Sims*: There were no cosmetic options to make characters who looked like her. "There was a lack of Afrocentric hairstyles and clothing," she says. "This is meant to be a game where we simulate life, so why can't I make Sims who are representative of me or the people in my world?"

Udogaranya decided to create her own solution, teaching herself 3D modelling to make hairstyles that she found conspicuously absent, sharing them online for people to download and add to their games. "In 2022, we should not be an afterthought," she says. "We shouldn't be struggling to see ourselves in games."

Udogaranya started livestreaming games on Twitch under the name Ebonix, becoming the first British black woman to be named a role model or "ambassador" for the platform. She soon realised, however, that most black streamers on the platform were American. Where were all the Brits? This led her to found the Black Twitch UK collective with fellow streamer GeekyCassie.

"We started this because we couldn't find each other," Udogaranya says. "And now we've found each other, let's allow the world to find us as well. And let's create opportunities so that we aren't just a token or a nuance, we're very much here and present."

The collective has grown to encompass almost 300 black British streamers and is a key contributor to Twitch's current celebrations of UK Black History Month, for which black stream- writer Chella Ramanan. "It polices black experiences elsewhere and the voice is so dominating that it just becomes exhausting."

Partly in response to this tendency, Ramanan is creating *Windrush Tales*, a game that explores the experiences of the Windrush generation who came to the UK from the Caribbean between 1948 and 1971. She is working with writer Corey Brotherson, whose grandfather wrote about his complex feelings on moving to England from Saint Kitts in 1955. It is important to the pair that the core team working on the project are black Brits with Caribbean heritage who can ensure sensitive and accurate representation of a subject which has never been broached in games before.

> 'Maybe we don't want the job with the big corporation but we want to do our own thing'

Outside of the UK, however, in recent years several complex black protago- *Blackhaven*, where an intern working at a historic house in America uncovers troubling links to slavery in its past.

Last year saw the release of *Aerial_Knight's Never Yield*, created by independent black developer Neil Jones after a decade of struggling to break into the gaming industry. Despite many game developers publicly supporting movements such as Black Lives Matter, few have meaningfully addressed a lack of diversity within their own studios.

To address this, games companies such as Humble and Niantic have established funds to support black developers, while organisations such as POC In Play campaign for better representation in the industry. Ramanan, who is on POC In Play's team, says games will only better represent black people when there are more black people making them.

Outside of the big studios there are several companies run by black people breaking into the industry, including Silver Rain Games, Kiro'o Games in Cameroon and the Jamaica Game Developer Society. "If the black community is anything, it's resilient," says Ramanan. "We're used to doing everything for our ers are provided a dedicated space on the homepage. This is a marked improvement over last year's rocky rollout, when Twitch struggled to distinguish the British celebration from its American counterpart. "North America dominates the entire conversation about the black experience," says game

nists in gaming have emerged, including Nadine Ross in the *Uncharted* series, Miles Morales in *Spider-Man* and both the hero and villain of *Deathloop*. There are also games that thoughtfully explore black experience such as *Hair Nah*, where you swat white hands away from an exhausted black woman's hair, and

own damn selves. Increasingly I'm seeing the younger generation saying, 'Maybe we don't want the job with the big corporation but we want to make our own space and do our own thing. We'll make the table that we're going to sit at, instead of waiting for crumbs from yours.'"

FT BIG READ. PROFESSIONAL SERVICES

A dozen current and former employees at the Big Four accountancy firm's Riyadh office describe living in fear of being summarily fired and worse. Some are now speaking out following the death of a colleague.

By Madison Marriage

Despair in the desert

FT montage: Dreamstime

Four months ago, Abdullah al-Fozan, the head of KPMG's business in Saudi Arabia, broke some troubling news to his staff. In an email sent to employees on the afternoon of June 13, he wrote that a popular director who had worked at the firm for more than 20 years, Danie de Waal, had unexpectedly died.

Fozan described De Waal, who led the firm's learning and development initiatives within its advisory team, with warmth and affection. The straight-talking South African had "a great sense of humour, loved cats and plants and always enjoyed a good meal", Fozan wrote, adding that he "constantly enriched the lives of those around him".

Later that week KPMG Saudi Arabia, part of KPMG International's global network of professional member firms, posted heartfelt condolence messages for De Waal's family and friends on its public Twitter and LinkedIn accounts on behalf of the "KPMG family". The posts triggered an outpouring of shock and grief from De Waal's colleagues and clients, with many sharing anecdotes about the 59-year-old's "big heart, happy character, and inspiring stories".

But as news of De Waal's death spread through KPMG and its network of alumni, so too did a sense of anger and unease among some of his former colleagues. His death came just days after he had been unexpectedly fired and told to leave Saudi Arabia by the end of that month.

De Waal had lived in Riyadh for almost five years while working for KPMG and expected to work there until his retirement, according to a family member and former colleagues. Two people close to De Waal say the official cause of his death was suffocation, leading them to believe he may have died by suicide.

But there was another reason for the brewing sense of anger. KPMG's treatment of De Waal is typical of how the firm operates in Saudi Arabia, according to interviews with 12 current and former employees at the Big Four accountancy firm. Those interviewed say unethical employment practices at KPMG Saudi Arabia are commonplace and have left expatriate staff fearing for their personal safety and struggling with their mental health.

These employment practices appear at odds with the values KPMG claims are adopted throughout its international network. They stand in stark contrast to the governance advice the firm sells to prestigious clients, who include governments, companies, and universities.

The experience and concerns of the expats working for KPMG Saudi Arabia come as Crown Prince Mohammed bin Salman and his government are seeking to project the kingdom as an increasingly modern society that could become a leading hub for multinational companies in the region.

The government's ambitious reform agenda, which includes massive investments in tourism, sports and a futuristic megacity named "Neom," have gone hand-in-hand with efforts to persuade multinationals to relocate Middle East headquarters to the kingdom. In 2021, Saudi Arabia said it would only award contracts to foreign companies that have their regional headquarters based in the kingdom within three years.

An important step to persuading foreign companies to shift operations to Riyadh is convincing their workers that the kingdom can offer the infrastructure and lifestyle benefits offered by rival business hubs, namely Dubai. But the experience of the KPMG expats in Saudi Arabia shows that concerns about worker rights and the rule of law are still an issue in the autocratic kingdom.

The Financial Times has reviewed the circumstances surrounding the departures of seven western expatriates from KPMG Saudi Arabia since 2018. The business is an important hub for the global accountancy firm with 1,800 staff, annual revenues of $200mn, and clients including the Public Investment Fund, Saudi Arabia's sovereign wealth fund; the Saudi ministries of defence and finance; and Saudi Aramco, one of the world's most valuable companies.

Testimony from former KPMG Saudi Arabia employees

'They have literally just run a wrecking ball through everyone's lives. [The Article 77 labour law] is a mechanism that terrorises the individual and is completely alien and incomprehensible to expats'

'I was in fear for my own safety. I would not have taken my young family to the Middle East had I known. [That fear] just should not exist today'

'They were cutting me off from all financial resources with two days' notice and this is unheard of. They are messing people's lives up'

KPMG International's

paid positions in KPMG Saudi Arabia was a thrilling one. Riyadh has been driving a highly ambitious plan to modernise the conservative kingdom under the leadership of Prince Mohammed — and the offer of tax-free earnings from a reputable employer was a seductive one.

The expat lifestyle in the kingdom often involved living in a tight-knit community in one of several extravagant compounds for foreigners — offering luxuries including swimming pools, cinemas, hammams, golf, art galleries and shopping plazas. One former employee likened his compound to a "slice of the western world in the heart of Riyadh . . . it was like a model village in a Disney movie".

Several of those interviewed say it was a complete shock when their relationship with KPMG was suddenly and unexpectedly terminated. In four of the instances reviewed by the FT, the firm applied a local labour rule, Article 77, which enables an employer to instantly fire someone without cause. In these four cases the employees' work and residency permits — known as an Iqama — were also cancelled, meaning their right to remain in Saudi Arabia was suddenly revoked.

The abrupt terminations wreaked havoc. Several of those interviewed had moved their entire families to the Middle East and enrolled their children in local schools. But even for those without dependants the sudden dismissals were emotionally distressing and logistically complicated. Rental agreements, car leases and households filled with possessions — in short, their entire lives in Saudi Arabia — all needed to be immediately unwound.

"They were cutting me off from all financial resources with two days' notice and this is unheard of," says one former employee. "They are messing people's lives up." Another says he felt

governance, to potential fraud on the part of a client.

A former KPMG partner, who worked frequently in Saudi Arabia, says he witnessed colleagues being fired abruptly for no reason. He and several other former KPMG employees put this down to hostility towards westerners from the largely Arab leadership team at KPMG Saudi Arabia.

Racial tensions within the firm were a problem, several current and former insiders added, with xenophobic language towards certain nationalities commonplace and factionalism along ethnic lines the norm. "You wipe your nose wrong as a western expat and you can be dealt with harshly," the former partner says.

KPMG Saudi Arabia says it launched an "internal transformation project" in 2021 aiming to "review and suggest improvements" to its human resources policies and processes, including a review of its employment contracts. The project is being spearheaded by members of its senior management team and their work has started to be put into practice this year, according to the firm.

KPMG's condolence messages for Danie de Waal, pictured, triggered an outpouring of grief from his colleagues

"The health, safety and wellbeing of our people is the priority of KPMG Saudi Arabia," it says.

'It feels very unsafe'

Aside from the inconvenience and damage to careers and livelihoods, many of those who were dismissed say they felt real fear for their personal safety, in particular when the terms of their exits were being negotiated.

Three former employees say they

there. Fears were exacerbated by the fact that KPMG Saudi Arabia has close ties to the government through its advisory contracts, causing staff to worry that levers of the state — including arrest, detention and imprisonment — could be pulled if they pushed back against the firm.

Several former employees suspected they were under some form of surveillance by KPMG Saudi Arabia while working in the kingdom. One says he was followed by a car whenever he left his compound while exit negotiations were ongoing. He says he had safety concerns "every day" during this period "and any time I stepped out of the security of the compound".

Another former employee only agreed to speak to the FT from a hotel landline while travelling in Europe in case their mobile phone was being monitored. "As you know we are being watched in Saudi," the person said.

A third former employee says that when he finally left Saudi Arabia for good, he deliberately took a circuitous route via Bahrain so as to avoid being tracked or blocked from leaving by the firm or its government contacts. He compared the behaviour of KPMG Saudi Arabia's leadership and the fear it instils in employees to the John Grisham novel *The Firm*, a thriller in which a lawyer becomes entangled in a corporate plot. "I was in fear for my own safety," he says. "I would not have taken my young family to the Middle East had I known. [That fear] just should not exist today."

Half of the dozen interviewed say KPMG Saudi Arabia failed to pay them their salaries and bonuses in full, prompting some to resort to legal action to attempt to recoup their losses. Others chose to leave quietly rather than challenge the firm.

One of the latter group says his priority was leaving the country with his family in safety. "Any professional services

The statement added: "At KPMG Saudi Arabia we create a safe environment for our people which is based on mutual trust and respect, where our people can fulfil their potential."

Whistleblowers

In the absence of faith in the wider Saudi system — and, specifically, in the leadership team at KPMG Saudi Arabia — many of those interviewed were bewildered by an apparent reluctance on the part of KPMG International to intervene. KPMG International is meant to ensure all member firms in the KPMG network share the same values and high governance standards.

The FT has seen copies of three whistleblowing reports sent to KPMG International and chair Bill Thomas since 2018, alleging issues in the Saudi Arabia practice, including wrongful terminations, failure to pay staff and concerns about personal safety in the region.

The individuals who sent the reports say there is no indication that KPMG International has taken any action as a result. The firm continues to be run by Fozan, its chair and senior partner since 2000, while its all-male senior leadership team has barely changed over the past five years. The whistleblowers cannot comprehend KPMG International's inaction. "When whistleblowing is triggered, the full force of KPMG International should kick in, and it doesn't. They were hostile and aggressive to me. There is nothing of respectability in that firm — it's the wild west," says one.

Another two former employees say they raised concerns verbally with KPMG International leaders about practices in Saudi Arabia, to little effect. One says: "Global seem to turn a blind eye to this for the most part and hope it goes away. KPMG [Saudi Arabia] is not the KPMG I am used to and proud of. You wonder how bad it has to become before somebody actually takes action."

In a statement, KPMG International said: "As a global organisation, KPMG's priority, at all times, is its people. Ensuring that they feel supported and cared for is a fundamental part of our global values.

"We encourage our colleagues, no matter where in the world they are located, to speak up if they feel something isn't right, and we have a number of different, well-publicised mechanisms in place to enable them to do so as easily as possible. This includes our International Hotline. All reports to this hotline are confidential, so we are unable to comment on individual cases. Any concerns raised are, and will continue to be, reviewed and we take any action as needed. We never lose sight of the need to do what is right."

One reason why the problems at KPMG Saudi Arabia are so conspicuous, insiders say, is because it is structured differently from the other Big Four firms in the Middle East. Deloitte, PwC and EY have each brought their Middle Eastern operations under the control of one large entity run from Europe, so common standards tend to apply throughout the region.

KPMG, on the other hand, is a network of firms operating under the same brand but managed in each country by a local chief executive and chair, who often tends to own a large stake of the local entity. This makes each local partnership more independent and harder for KPMG International to control.

One former partner, who worked in Saudi Arabia and elsewhere for the firm, says: "What is fundamentally wrong with KPMG is its structure. Before that is fixed, there is no way on God's earth that things will improve. Because it does not matter what KPMG [International] says, any partners in any region in the world will turn around and tell global — mind your own business. It is a franchise, not a real firm."

Several insiders say a recent attempt by KPMG International to encourage its Saudi business and Lower Gulf practice, which operates in the United Arab Emirates and Oman, to merge was intended to improve standards at the two firms. But infighting meant the merger collapsed last year.

With complaints seemingly ignored

These accounts are supported by documents, including employment contracts, termination notices, copies of internal emails sent to certain staff and whistleblowing reports sent to KPMG International.

Some of those interviewed say they are speaking up reluctantly as they are fond of KPMG and have significant respect for the firm's operations elsewhere. But they feel the issues in the Saudi Arabia business have been repeatedly ignored by KPMG International and want to protect others from similarly harrowing experiences.

Life in the kingdom

For many western expatriates the prospect of working in exciting and well-

response

'As a global organisation, KPMG's priority, at all times, is its people. Ensuring that they feel supported and cared for is a fundamental part of our global values'

like he had been suddenly "put out on the scrapheap" and endured "complete and utter hell" in the years that followed. Once he returned to his home in Europe, he says he felt "a mix of shock, relief, exhaustion and in some respects, terror".

"They have literally just run a wrecking ball through everyone's lives," says a third former employee. "[Article 77] is a mechanism that terrorises the individual and is completely alien and incomprehensible to expats."

No valid reasons were given for the sackings, according to those interviewed. The termination of three of the employees via Article 77 came after they had raised concerns internally about issues ranging from bullying, to poor

were verbally threatened by certain members of KPMG Saudi Arabia's senior leadership team — told to comply with the firm's proposed exit agreement or face unpleasant consequences. "When people say [refusing to co-operate] will be very bad for you . . . it feels very unsafe. You don't know what that means," says one former employee.

None of those interviewed had any proof that KPMG Saudi Arabia would do anything to harm them. But the fear for their personal safety was shared by 10 individuals interviewed by the FT — some of whom held very senior roles in Saudi Arabia.

It demonstrates a breakdown in trust between the KPMG leadership team in the kingdom and the western expats

firm is about the people who make up the firm — these are people who know people in authority in the country. If they needed something to be done, they could have done it . . . I boarded a plane and never went back, and I hope I never have to."

KPMG Saudi Arabia said in a statement: "We do not recognise the allegations that have been made, including those concerned with the safety and welfare of our people. As a responsible employer, we take them seriously and will continue to keep people matters as a top priority. We have robust processes in place to deal with complaints and grievances and continuously look to review and enhance our processes based on feedback from our people."

by KPMG International and little sign of change at the Saudi practice, some of the insiders say speaking to the FT was their last resort to prevent other professionals from facing similarly abusive practices in the country.

For others, De Waal's death was the final tipping point in terms of speaking out. "If the firm takes a serious look at the methods they use [when making employees redundant] . . . then his death is not in vain," says one former employee.

Another adds: "You would expect KPMG to hold higher standards. It is unbelievable. This was a case of abuse. It has taken me three years to get over that saga. They really push people mentally to the edge."

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

Xi's control of fortress China is a watershed moment

His likely reaffirmation as leader comes amid efforts to combat threats

Xi Jinping is set at this week's 20th National Congress of the Chinese Communist party to be reappointed to a third term as leader. The expected reaffirmation is a watershed moment politically, militarily and economically for the world's emerging superpower.

Politically, the congress will end a two-decade period defined by predictable transitions from one leader to another after two terms in office. Xi's expected reaffirmation, enabled by his scrapping of the two-term limit in 2018, means that he continues not only as leader but also as head of the Central Military Commission, controlling the armed forces. His reappointment to the presidency, a more ceremonial role, is likely to follow in March.

A measure of Xi's dominance is shown by the fact that relatively little attention has focused on the many personnel changes due at the congress. A new central committee, comprising about 200 full members and 170 alternates, a 25-member Politburo and a seven-person Politburo Standing Committee are all due to be unveiled.

But the congress's importance is defined by its endorsement of policies reshaping China and its posture towards the world. The most important of these is what Merics, a think-tank, calls the "securitisation of everything". Xi's "comprehensive national security" concept now comprises no fewer than 16 different fields including politics, the economy, culture, technology, space, and overseas interests.

In his speech to the congress on Sunday, Xi warned of "grave international developments" not seen in the past 100 years. China's most powerful leader since Mao Zedong also inveighed against the "bullying" of foreign powers and reiterated his commitment to taking control of Taiwan, potentially by military force.

It is this threat mentality that dominates Xi's world view. A national security strategy for 2021 to 2025 — which was adopted in late 2021 but has not been made public — seeks to galvanise party and state bodies to combat all internal and external threats to China's expanding security sphere.

New rules and mass movements are in prospect as Beijing builds a "fortress China" able to withstand what it sees as the efforts of the US-led west to hobble its progress. One recent example has been orders to farmers to grow more staple crops to boost food security.

Beijing is justified in viewing recent US actions as adversarial. The White House laid out a national security strategy last week, aimed partly at checking an ascendant China. New restrictions this month ban the export to China of US semiconductor equipment that cannot be provided by any foreign competitor. They also impose licence requirements on exports to China-based plants that make advanced chips.

If Beijing hunkers down and throws a security straitjacket over its economy, it risks smothering its entrepreneurial spirit

If, however, Beijing's response is to hunker down and throw a security straitjacket over its economy and people, it risks smothering the entrepreneurial spirit that has driven the country's remarkable economic transformation over the past three decades.

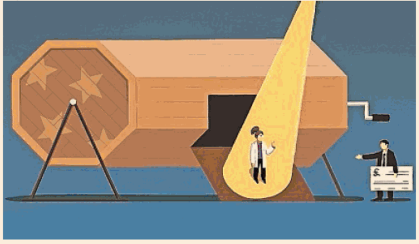
Already, a structural slowdown has prompted the World Bank to predict that this year China's GDP growth rate will lag behind the rest of Asia for the first time since 1990. Much of this slowdown is the result of a necessary property-market rationalisation. But it is also the case that Beijing's emphasis on state-ownership and administrative control is stilling entrepreneurship.

China should remember that building a fortress economy led by officials who perceive threats everywhere is what characterised its privations under Mao. The west should recognise that if China sputters, the world will lose its most powerful source of economic growth.

Opinion Science

Research funding lottery could tackle 'status bias'

Andy Carter



Anjana Ahuja

Star names wield an outsize influence over research, as well as in sport and entertainment. A recent analysis revealed that a research paper written jointly by a Nobel laureate and a novice was rejected by 65 per cent of reviewers when only the novice's name was made visible as the corresponding author — but by just 23 per cent if the laureate's name was used instead.

One might argue that "status bias", also called the Matthew effect, makes for a reasonable short-cut in decision-making, given that prizes are one benchmark of quality. But findings like these chime with persistent concerns that established names and institutions are unfairly crowding out newer research talent when it comes to publishing papers and winning grants.

Peer review panels pick winners and losers, but they can be as prone to tribalism as other groups

Now, two UK funding agencies, the British Academy and the Natural Environment Research Council, will try to counter that bias by awarding some of their research grants by lot- … receives twice the number of applications it can fund. Selection will become a two-stage process. First, proposals must meet a minimum-quality threshold, decided by peer review. All those making the grade will enter a lottery, with grants of up to £10,000 allocated using a random number generator.

"We modelled what would have happened with our small grants if we had allocated them via partial randomisation over the past three years," says Hetan Shah, the academy's chief executive, "[and] they would have been more geographically and institutionally dispersed, outside of the 'golden triangle' of Oxford, Cambridge and London." That modelling partly clinched the academy's decision to pilot a lottery. Shah additionally hopes the strategy, to take effect next year, will lighten panel workloads and nurture ideas that challenge current thinking.

Both the British Academy and NERC have drawn on work by the Research on Research Institute at Sheffield university, an organisation dedicated to improving the research landscape. Professor James Wilsdon, its director, says that randomised allocation can particularly help with "grey zone" proposals: those not stellar enough to earn unanimous approval but not shoddy enough to be junked outright.

In that situation, yes-or-no calls can end up being made on very fine margins, with the difference sometimes boiling down to biases. "Panel members might say, 'Oh, she's had grant money before so she must be good', or, 'He's at Oxford so he must be brilliant'," Wilsdon says, revealing it can take just one sceptic to scupper a pro-

---

Letters

Email: letters.editor@ft.com
Include daytime telephone number and full address
Corrections: corrections@ft.com
If you are not satisfied with the FT's response to your complaint, you can appeal to the FT Editorial Complaints Commissioner: complaints.commissioner@ft.com

Give Ukraine the arms it needs to defeat Putin's invasion

This week, across Ukraine, homes and energy infrastructure have come under fire again ("Russia bombards Kyiv with kamikaze drones", Report, October 18).

Humiliated by his battlefield losses, Vladimir Putin is using the attack on the Crimean Bridge as a pretext for a longstanding plan to plunge Ukraine into the darkness and cold. And he will, should we fail to defend ourselves.

Don't think candlelit dinners in woollen socks. Think colossal catastrophe: no water, no sewage, thousands freezing in sub-zero temperatures, surgeons working in the dark, military supply lines crippled. We can beat Putin but, with winter closing in fast, the clock is ticking.

Ukrainians have been waiting for the NASAMS air defence systems since May. One German system, IRIS-T SLM, has at long last arrived.

But it will hardly protect from the carpet-bombing, for which Putin specially employed Sergei Surovikin, the man who levelled Aleppo and Mariupol.

While Ukraine is still mostly using the Soviet-made S-300 anti-aircraft systems, nearly a thousand MIM-104 Patriot air defence systems are languishing in the US. Plenty of NASAMS lie unused in Norway, as are various other anti-air and missile systems across the EU.

Nothing stops President Joe Biden from authorising a swift and steady supply of weapons needed by Ukraine to avoid annihilation.

The US Lend-Lease Act, which revives a second world war tool removing bureaucratic hurdles for the US to quickly send weapons to Ukraine and other eastern European countries with the promise of repayment later, came into force on October 1.

We are not asking our American and European friends to take up arms, to die on the Ukrainian steppe, to militarise their economies or even change their lives much. We will fight this war with everything that we have, and we will fight it to the very end.

But if we fail to stop Putin's army, it is Polish, German, French and American soldiers who will be fighting on the banks of the Vistula, Oder and Somme.

Anastasia Piliavsky
Reader in Anthropology and Politics
King's College London, London WC2, UK
Vitaly Oplachko
Retired Ukrainian Navy Captain
Odessa, Ukraine

A better use for the billions spent on energy subsidies

I can't help thinking if the war in Ukraine ended earlier and more decisively, the challenges of higher global energy prices and interrupted supply channels could be obviated far more quickly.

In turn, this would help bring down elevated global inflation and perhaps mitigate future recessionary pressures ("Nato scrambles to meet Ukraine's demand for missile defence systems", Report, October 13).

In this respect, rather than European governments earmarking hundreds of billions of dollars for energy subsidies, would just a small portion of these diverted towards further support of the Ukrainian efforts to recapture their lands and defeat Russia's invading forces be a better investment for everyone?

Chico Khan-Gandapur
Managing Partner, Diversitas Consulting
London SW15, UK

Now is the right time to lift the Iran sanctions

As energy costs have risen in the wake of Russia's invasion of Ukraine, the economic pain has spread across the globe and is felt most harshly in developing countries (Report, October 13).

There is no endgame, no plan to change the situation. We are spiralling into a wider war and an economic depression. I think the best first step would be to end the economic sanctions imposed on Iran. They have failed. Violence and brutality and the suffering of the Iranian people are their only product ("EU warns Iran of

"WE'RE LOOKING AT MASSIVE GROWTH IN CUTS"

Let's call out oil bosses who play down climate change

Mike Wirth, chief executive of Chevron, claims the Intergovernmental Panel on Climate Change concluded that "anthropogenic climate change is a real thing and that the use of fossil fuels has contributed" ("Chevron pins energy crisis on climate policy rush", Interview, October 14).

In fact what the panel's sixth assessment report last year stated was: "Fossil fuel combustion for energy, industry and land transportation are the largest contributing sectors on a 100-year timescale (high confidence)".

It is shocking but perhaps not surprising that some senior figures in the oil and gas industry still do not admit that fossil fuels are the main driver of climate change, while also trying to scare governments about the

What investors fear most is being wrongfooted

Chris Giles points out the virtues of a policy reversal for the UK government (Opinion, October 14) but what investors need is frameworks to be able to anticipate future movements in fiscal as well as monetary policy.

They typically skew their resources to try and quantify the outcomes of decisions made by central bankers, but not finance ministers. Yet fiscal not just monetary policy drives markets and political actions influence central bank decisions as the size of the Bank of England's rate rise in November will confirm.

Bank of England governor Andrew Bailey chastised the former chancellor for "flying blind". Equally, investors need to ensure they focus on decision makers in Threadneedle Street and Downing Street, as it is only by modelling the behaviours of both, that they can pre-empt being wrongfooted and better prepared for the future.

Malcolm Gooderham
Senior Partner, Elgin Advisory
London W1, UK

The FT's executive MBA rankings require a reset

Gideon Rachman wrote why he'd "rather have Liz Truss than Xi Jinping as a leader" (Opinion, October 11), but his opinion was clearly disregarded by those evaluating executive MBAs for the FT (October 17).

It was shocking to see the FT Executive MBA Rankings and understand that freedom of speech, freedom of assembly and freedom of academic inquiry are "nice to haves" for the FT when evaluating executive

Why biodiversity best practice is not enough

You write that the theme of biodiversity is quickly rising to the top of the agenda for investors, policymakers and regulators (Special Report, September 20). Rightly so.

But investing in companies that embrace good practice around biodiversity is not enough. Rather, we must focus on investing across the whole value chain of our economy, targeting companies and economic activities that provide solutions to reduce and reverse biodiversity loss.

Proven technologies in this space are few when compared to climate change, and the role of technology and private investment will vary substantially in different geographies. In most regions of the global south and even in Romania where we find one of the last remaining "old-growth" forests in Europe, the role of technology and private investors can enable collective action on public goods.

However, in Europe and several other developed geographies, the need to restore ecosystems and reverse biodiversity loss in private land presents considerable opportunity for early stage and growth companies who can provide investors with sustainable investment opportunities.

Our current solution of investing in companies which score well on biodiversity metrics is not going to be sufficient to tackle this significant global problem. Instead, we must address this gaping hole in the market.

Frédéric de Mévius
Founder, Planet First Partners
London W1, UK

'Nanny state' jibe puts

some of their research grants by lottery. Given that about £15bn of public money is spent annually on research and development in the UK, the move should prompt other funding agencies to rethink how they can best spread their bets.

Most agencies usually use peer review to pick winners and losers: a selection panel in a particular research field appraises the applicants (their peers, who can also sometimes be rivals). Panels can, however, be as prone to confirmation bias, motivated reasoning and tribalism as other groups. Nesta, which describes itself as the UK's innovation agency for social good, says peer review can be "biased against radical new thinking, geography, ideology and gender".

It certainly tends to reward seniority over youth, orthodoxy over originality, and incrementalism over conceptual leaps. That is why the British Academy, which champions research in humanities and social sciences, is piloting a "partial randomisation" approach for its Small Research Grants programme, which

take just one sceptic to scupper a proposal's chances.

Random allocation, he maintains, can be fairer — and easier on those who miss out. Unlucky applicants can be reassured that they were just that: unlucky, not undeserving. The potential downsides are that abandoning merit-based rankings could undermine the credibility of the research enterprise and foster public mistrust. Shah said the scheme would be evaluated over the coming years and that, so far, the reaction had been surprisingly positive.

Lotteries have been adopted by a handful of progressive grant-giving bodies, including the Volkswagen Foundation, the Swiss National Science Foundation and the Health Research Council of New Zealand. It is encouraging to see British organisations testing the waters. Brexit has all but cut off the UK from the EU's R&D largesse. This makes it essential to find ways of stimulating more innovation from the country's shrinking financial pot.

The writer is a science commentator

their only product ("EU warns Iran of more sanctions over alleged weapon supplies to Russia", Report, FT.com, October 17).

Ending sanctions would drop the price of oil and ease tensions in the Middle East. Second, the west must change course on the war in Ukraine. No matter what people think of who is right or wrong, the war is pushing the world into both economic chaos and dangerous avenues.

Offering a solution that begins with dropping sanctions on Russia, restores its access to the Swift banking system, and allows freedom of movement could provide its leaders with a face-saving opportunity to end the war.

A ceasefire based on a negotiated settlement to be arranged in 2023 would provide a point of readjustment for all concerned, both Nato members and the US and Russia.

This would give the world economy a breathing space for recovery and drop energy costs and arrest inflation.

Niccolo Caldararo
Department of Anthropology
San Francisco State University
San Francisco, CA, US

trying to scare governments about the consequences of reduced dependence on their products.

Perhaps the heads of other fossil fuel companies could demonstrate their commitment to a rapid and orderly transition away from oil, coal and gas by calling out Wirth and others within the industry who attempt such obfuscation?

Bob Ward
Policy and Communications Director
Grantham Research Institute on Climate Change and the Environment
London School of Economics and Political Science, London WC2, UK

Truss is a Marxist – a Groucho Marxist

We now see Liz Truss ("Liz Truss apologises for chaos caused to Britain by mini-Budget", Report, October 17) revealed as a Marxist — a Groucho Marxist, living the great man's rule of life: "Those are my principles and if you don't like them . . . well, I have others." (*Duck Soup*, 1933).

Anthony Murray
London KT1, UK

for the FT when evaluating executive education. I note that three of the top five schools are based in places where the internet is censored and where national security laws permit the authorities to jail people for expressing "wrong opinions" online, even outside the countries where these supposedly leading business schools were located.

How can business education flourish where dissertation topics on corruption, embezzlement and nepotism could land a student in prison, where the internet is censored and where students, journalists and academics cannot freely express their opinions in class or online without fear of arrest?

The FT's executive education rankings make a mockery of the spirit of free discussion, of the open sharing of ideas and opinions, and of high quality, transparent research. Rachman is right — and maybe next year these important criteria which lie at the heart of executive study could be considered as well.

George Horsington
ESCP Business School Executive PhD Candidate, Zug, Switzerland

Nanny state jibe puts politics on naughty chair

Use of the negative term "nanny state" by commentators unfortunately concedes the point that state guidance is not just unnecessary but somehow demeaning, for example to suggest ways of saving energy this winter ("Liz Truss vetoed campaign urging UK public to cut energy usage", Report, FT.com, October 7). After all, who needs a nanny above a certain age?

Ironically, I would guess that libertarians fond of this expression may well have had a nanny themselves and retain a sentimental attachment to those worthy persons for the very best of reasons.

Wasn't it business secretary Jacob Rees-Mogg who took his nanny with him when canvassing a former mining town in Fife during the 1997 election, introducing her to nonplussed voters? Driving a Bentley around the constituency at the time can't have helped. Let's keep the nanny by all means, but drop the expression.

Conor Magill
London E1, UK

Opinion

Labour's progressive dream has died along with the Tory libertarian one

POLITICS

Janan Ganesh

Don't assume, even now, even after everything, that Britain will elect a Labour government next time. Sir Keir Starmer would make a fine prime minister. From afar, in the US, he always struck me as Joe Biden-like in his low standing among pundits who over-index charisma. But the exorbitant privilege of having Liz Truss as an opponent will soon end. And his party has liabilities of its own that time will expose. Vestiges of the hard left survive in its grassroots, its backbenches, its bureaucracy. Little in recent UK history suggests the soft left is much more electable. Midterm polls, like sterling, are only worth so much.

Even if Labour wins, there is no social democratic Shangri-La at hand. What has died in Britain over recent weeks is the progressive dream, not just the libertarian one. With little money to spend, the point of the next Labour government is — what, exactly? A more equitable kind of fiscal restraint? A bit more stress on tax rises and a tad less on spending cuts? That is something. But it is also much less than the party and its keenest supporters are prone to expect. Tony Blair tripled NHS spending in cash terms and still ended up persona non grata with the left. Starmer should brace for a similar fate as a disappointer of millions.

When Labour last took office in 1997, the budget was heading towards balance, public debt was 45 per cent of national output and inflation was low. There was scope to borrow in order to spend. Even at the time, it felt strange that Labour did not begin the process sooner. Now, on all three counts — the deficit, debt and prices — Starmer is hemmed in. And if he can't borrow, nor can he raise taxes, at least not much. He will inherit a corporation tax rate that is already going up. The top rate of income tax will be higher than the last Labour government thought appropriate for 12 of its 13 years in office. And this is before the present government raises other levies (value added tax, I suspect), as it surely must.

> The left has to adjust its view of the future. But it also has to revise its account of the recent past

"In the end," goes an old Tory line, "Labour governments run out of money." This time, through no fault of its own, a Labour government will run out of money at the start. The implications should induce a shiver in the shadow cabinet. Improvements in healthcare and other services will have to come from structural reform of the kind that unions loathe, not raw cash. Higher benefits for the poor will force the government to economise on state pensions or other kinds of social security. Power is still better than its absence. But Labour will hate every minute of it.

The left has to adjust its view of the future, then. But it also has to revise its account of the recent past. And this will be much more painful. Progressives have got through the last decade or so with a story about an ogre called "austerity". Had the Tories not been so tight from 2010 — according to this tale — Britain would have grown faster, at minimal risk to its financial stability.

What is troubling is not the argument itself, which may be right, but the certainty with which it is held. What began as a plausible thesis has become an article of dinner-party faith. And, like all religions, it is heedless of contradiction. You meet people who say growth is too complex a thing to be stimulated by tax cuts *and* that more largesse in 2010-15 would have had a profound effect.

It is fruitless to revisit the substance of a dispute that is over a decade old. But recent events have at least changed the politics around it. The new intellectual confidence of the austere since the "mini" Budget is unmistakable. Their central point, that governments cannot know what will trigger a loss of credibility, has been made for them. Labour's account of the past 12 years now looks, if not wrong, a shade overconfident.

Politics is downwind of such shifts in the intellectual atmosphere. It is impossible, for now, to picture the Tories salvaging respectable defeat, let alone victory, from the polls. But a Rishi Sunak and Jeremy Hunt hydra of an administration would change a lot. And the hot light of scrutiny turns from government to opposition as an election nears. Everyone says this, I know, but without recalling quite how savage and exposing the beam is. In its market-enforced retreat from pie-in-the-sky economics, the government has been likened to that of François Mitterrand, the Socialist president in early 1980s France. He didn't leave office until 1995.

janan.ganesh@ft.com

Eurozone countries must act together

Martin Wolf Economics

A common energy policy is essential if citizens are to be protected against the worst of the crisis

The economic challenges facing the eurozone are not the same as those facing the US. On balance, however, they are even more difficult.

The eurozone economy is not suffering from overheating of domestic demand to the same extent as the US. This should make the task of monetary policy easier for the European Central Bank than for the Federal Reserve. But the supply shock buffeting the eurozone is far bigger, with a huge rise in the price of energy, especially gas, after Russia's invasion of Ukraine. That shock is both inflationary and contractionary: inflationary, in that it has raised the price level sharply; and contractionary, in that it has lowered real incomes for households and the terms of trade for countries.

Crucially, the eurozone is more fragile than the US. Its national economies are diverse and cross-border insurance mechanisms relatively undeveloped. Above all, politics remain national. As a result, fragmentation is always a risk. Nevertheless, the eurozone does have advantages in handling the Covid and energy shocks compared with the financial crises of a decade ago. Recent shocks have affected members in quite similar

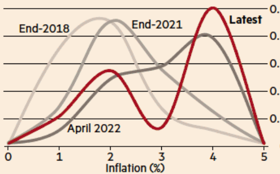
year to August 2022, headline consumer price inflation was 9.1 per cent in the eurozone and 8.3 per cent in the US. But core inflation (without energy and food prices) was only 4.3 per cent in the eurozone against 6.3 per cent in the US. Thus, 4.8 percentage points of eurozone inflation were due to increases in energy and food prices, against 2 percentage points in the US. Data on labour market data similarly indicate substantially less overheating than in the US.

This explains why the ECB has tightened later and less than the Fed — a 1.25 percentage point rise in the intervention rate, from minus 0.5 per cent, in the former, against a 3 percentage point rise, from 0.25 per cent in the latter. Nevertheless, the ECB was right to start normalising monetary policy, too, partly because policy had been so aggressive and partly because it needed to prevent the price effects of the shocks from being embedded in expectations. Its actions were also not premature: the IMF's *Global Financial Stability Report* reveals that the inflation expectations of many market participants have already shifted upwards to about 4 per cent.

Nevertheless, the ECB needs to be cautious about how quickly and how far it moves. One reason for this is that the

Markets show a significant upward shift in eurozone inflation expectations

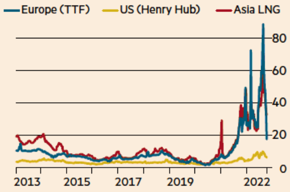
Sub market-implied probability of future eurozone inflation outcomes (probability density)



Source: IMF

European gas prices soared relative to the US, but have fallen sharply

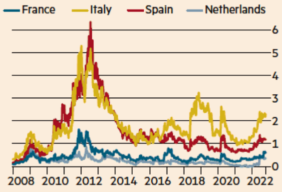
Gas prices ($ per million British thermal units)



Source: Refinitiv

Bond spreads have risen, but not as much as after the financial crisis

10-year bond spreads over Germany (% points)



Source: Refinitiv

economist. A particular worry is the uncertainty about the lags. It is quite possible that headline inflation will be falling fast quite soon, because gas prices have been falling. If so, the main impact of today's monetary tightening may occur long after inflation expectations have already adjusted downwards. Indeed, it is possible that "normal" monetary policy for the eurozone remains very loose, as it was pre-Covid.

A particular concern is the rising spreads on government bonds, which would then be transmitted to borrowers in the most vulnerable economies. So far, these spreads are far smaller than during the eurozone crisis. Moreover, the ECB has several tools — on its own or in co-operation with other institutions, notably the European Stability Mechanism — to deal with fragmentation. These include asset reinvestment, a new "transmission protection instrument" and, if all else fails, the "outright monetary transactions" developed in 2012, after Mario Draghi's "whatever it takes" speech. Implementing these pro-

same shape even though they are not.

Will this work? The best answer is that it has to. The survival of the EU and so the eurozone, its economic core, is in the overriding national and collective interest of its members. They confront a brutal enemy of their most fundamental principles in the east and an unpredictable US in the west. The EU must not only survive, but thrive, if Europe itself is to do so. As has been shown repeatedly since Covid hit, the member countries understand this, especially the most important ones. However ram-

everybody. It also means shaping a common energy policy, notably one that accelerates the shift to renewables; helping member states cushion their citizens against the worst of the energy shock, agreeing a common policy towards Vladimir Putin's Russia in conjunction with Nato, shaping a trade and economic policy that manages relations with China, and even moving towards more stable relations with the UK.

The compromises needed to address the energy shock and Ukraine war will be painful. But they must be made.

ways, while the global financial crisis split the eurozone between domineering creditors and humiliated debtors. This time is indeed different.

So, what might the future hold? And what, above all, needs to be done?

Start with monetary policy. In the

energy shock is going to impart a powerful recessionary impulse to the economy. Indeed, recessions are highly probable in the eurozone. Another reason for caution is the complexity of the transmission mechanisms, as laid out in a recent speech by Philip Lane, ECB chief

> All members of the EU are treated as if they are in much the same shape even though they are not

grammes will, however, create conceptual, practical and political difficulties, especially over the distinction between illiquidity and insolvency. Ultimately, though, it is simple: throughout these crises, the eurozone has to treat all members as if they were in much the

shackle and incomplete the structures of the EU and eurozone may be, members must keep everybody together through thick and thin. Right now it is going to be the latter.

This means far more than ensuring that the monetary regime works for

Without the EU, the member countries would be lost. They know this and will, I am sure, act upon that knowledge. Out of these crises must emerge a stronger EU, because there is no alternative.

martin.wolf@ft.com

Russia may prefer sabotage of critical infrastructure over nuclear weapons

EUROPE

Constanze Stelzenmüller

Can he? Would he? Will he? Western capitals are abuzz with alarm over Russian president Vladimir Putin's repeated nuclear threats. Joe Biden, the US president, invoked a possible "Armageddon" at a Democratic party fundraising event. Emmanuel Macron, French president, explained to a primetime television audience how Paris would react to a Russian nuclear attack "on Ukraine or in the region" — not with a nuclear counterstroke, it was said.

In Berlin, senior officials mutter darkly and off the record about various scenarios. On Monday, the head of Germany's national intelligence agency warned in parliament that Moscow might use "substrategic nuclear weapons".

Putin has a tendency to double down when on the defensive — which he is now, both on the battlefield in Ukraine and against a churning undertow of criticism at home. So there can be no question that responsible western leaders must plan for that ghastly eventuality.

But the mistake is to talk or even think about it all the time and, above all, to be distracted by it from other threats that are at least as serious and perhaps more likely.

The top man in the Kremlin is a Chekist: a secret policeman trained in the Leninist tradition of coercion through political terror. The cruelty and malevolence of his war crimes in Ukraine — murder, rape, abduction of children, the indiscriminate bombing of cities and power plants — are intended to cripple the political will and resilience of Ukrainians and of their western supporters. So far, they have achieved the opposite.

> Their use against cities in Ukraine would reinforce efforts to indict Kremlin leaders for war crimes

The threats involving nuclear weapons, as well as the continuous shelling of the nuclear power plant in Zaporizhzhia, have the same goal: instilling fear and paralysis. Policymakers in Berlin should contemplate the possibility that this latest variant of Kremlin messaging is precision-targeted at German public opinion, which has been jittery about nuclear disasters ever since having had front-row seats for "mutually assured destruction" during the cold war.

However, use of substrategic nuclear weapons — so called because they have a shorter range and lower explosive yield — would involve extensive, visible preparation and perhaps even a test. It would require top Russian military commanders to acquiesce.

Such weapons are of limited value on the battlefield, especially against a force that is as agile and dispersed as the Ukrainian military. They might endanger Russian forces. Use against Ukrainian cities would massively reinforce the push to have Kremlin leaders indicted for war crimes. Use against a Nato member state would trigger Article V, a "catastrophic" response — in the words of US national security adviser Jake Sullivan — and very probably war. Russia's allies in the global south would turn away. It seems, in sum, like a really bad idea. Western intelligence officials are careful to say that so far they have seen no signs of Russian nuclear forces going on alert.

Consider, in contrast, the recent explosions which damaged the Nord Stream gas pipelines, the cable cuts which brought trains across northern Germany to a halt and the hacking of the computers of several US airports. All three incidents were deliberate attacks involving elaborate preparation and highly specialised technological expertise. These are signs that point to Russia as the probable perpetrator.

Sabotage — another Chekist speciality — offers a far better benefit-to-cost ratio than nuclear weapons. Attacks on physical and digital infrastructure are hard to prevent and even harder to attribute. They undermine confidence in government and exploit the fissures and vulnerabilities of western societies. They permit an adversary to elude retribution and play for time. Expect more such incidents, perhaps many more.

Threats such as these are not amenable to negotiation or territorial concessions. Neither Ukraine nor the European countries which support Kyiv are safe as long as Putin is in power and the Kremlin clings to its imperial ambitions. Only Russians themselves can change these two facts about their country. Both may last a very long time.

But western governments should calmly, collectively and unequivocally spell out the consequences that would ensue if Putin became the first leader to use nuclear weapons in anger since 1945. Otherwise, they should ignore him — and quietly concentrate on thwarting him. One way of doing that is by helping Ukraine win.

The writer directs the Center on the US and Europe at the Brookings Institution

---

Lex.

Twitter: @FTLex

Enel: capital light

European utilities broadly fall into two camps. Those that benefit from the push towards renewables have suffered limited stock price declines. At the other end of the scale, companies that have to buy expensive energy to supply clients have taken a beating. Germany's Uniper even had to be bailed out.

Both trends are affecting Enel to some extent. In talks to extend its credit lines, it is highly geared to the energy transition, although some of its renewable capacity is located outside of Europe. And while it does have a large portfolio of clients in Europe, chiefly in Italy, it seeks to lock in margins in advance, fixing the price for gas for its power plants or supply contracts.

Yet its stock has had a horrible time, down 40 per cent since the beginning of the year, underperforming the utilities sector and the local FTSE MIB index. It also yields 9 per cent — a worrisome sign that a dividend cut could arrive soon. Why is Enel performing so poorly?

First, high commodity prices have taken a chunk out of Enel's business despite its hedges. It did not lock in supply contracts for the whole of its client exposure in the first half of 2022, and took a €760mn hit in the process. Margin calls on its derivatives are absorbing liquidity. European governments are fixing energy prices and vowing to cover any losses for Enel at a later date. And the market fears that, when Enel's fixed-contract clients roll over, they may find bills unaffordable. After all, almost 5mn Italians have stopped paying them, according to one survey.

Worse, all this is happening as Enel's net debt continues to rise — from €37.4bn in 2017 to an expected €61bn at the end of 2022 which, including €5.5bn of hybrid bonds, puts Enel on about 3.5 times net debt to ebitda. Although not egregiously high, Enel will continue to spend more than it makes, at least on current investment and dividend policies, just when financing costs are going up.

In this context, Enel would be well advised to take a hard look at its thinly spread asset portfolio. Thirty is a lot of countries in which to operate, and some of them are subscale, too. Goldman Sachs estimates that disposals of Enel's smaller businesses, mainly in Latin America, might yield €15bn to €25bn.

That would go a long way towards reducing debt, protecting the dividend and thus reassuring the market.

Venture debt: value not added

In the US tech sector, venture funding for big start-ups has begun to seize up. VC firms have managed to raise plenty of funds but they are less willing to put them to use unless valuations come down to earth. Tech start-ups are notorious for burning through cash.

The downturn in public markets has led to down rounds in private markets. Some groups have been forced to do it themselves. Grocery delivery company Instacart, which hopes to go public, is said to have cut its own valuation from $39bn to $13bn in just over a year.

But start-ups unwilling to swallow lower valuations have another option: debt. Founders who hope the market downturn is temporary and believe demand for investment in large private tech companies will soon return can try to use debt as a means of extending their cash lifeline while keeping their valuation intact. Alongside specialists such as Hercules Capital, private equity giant Blackstone is expected to invest $2bn in start-up debt.

As well as avoiding a revaluation, debt has the advantage of not diluting the equity of existing investors. Data from PitchBook show that as of the third quarter of this year, debt transactions in the US hit $22.8bn. This means the total is unlikely to beat the past three years, all of which hovered around $33bn, but will be above previous years recorded.

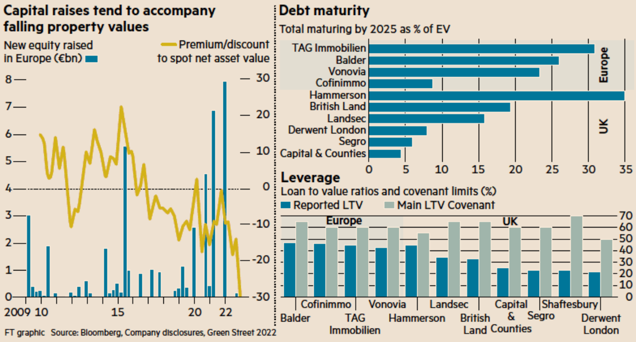
But the cost of taking on that debt is growing heavier. Like equity investors, credit investors want to see solid business plans and rising revenue before putting their money on the line. Any hint that this might be at risk means introducing different terms. That can include covenants that restrict start-ups from making acquisitions and undertaking other activity without the lender's approval.

Also, rising rates mean borrowing costs are increasing. PitchBook notes rates of up to 20 per cent.

The risk is that onerous debt repayments hamper performance. Instead of loading up with debt, start-ups need a reality check.

UK property: in a real state

In the past, falling property valuations have prompted landlords to ask shareholders for extra cash to shore up balance sheets. Loan to value ratios are currently lower for UK listed property companies than those in the rest of Europe. More important, so are maturing debt volumes over the next three years.


Capital raises tend to accompany falling property values

Debt maturity

Leverage

FT graphic Source: Bloomberg, Company disclosures, Green Street 2022

Anyone fooled twice proverbially must accept some blame. Investors trapped in illiquid British property funds should then expect little sympathy. Gates that descended during the financial crisis and after the Brexit vote slammed shut again during the recent pensions debacle. Locked-in shareholders, including pensions, must await liquidations to get their money back.

As forced sellers abound, fears of a commercial property fire sale are rising, the FT reported today.

Property valuations already compressed by rising borrowing costs should suffer further. Public markets have reflected this pessimism. Real estate share prices have dropped about 40 per cent since the start of the year. Steep discounts to reported net asset values signal the risk that shareholders will need to open their purses to provide support.

Any immediate risk to UK investors had seemed to diminish. Lockdowns forced many of the most distressed borrowers to raise capital, admittedly with debt, during the pandemic. Average loan-to-value ratios in the UK are 28 per cent, about 10 percentage points lower than European peers.

Overall, UK landlords have reasonably conservative balance sheets with debts equal to 11 per cent of enterprise value maturing to 2025. On the continent, it is double that.

More worrisome is a capital shortfall for those developers with approaching debt maturities, says Peter Papadakos of Green Street Research. As rates rise, lenders are tightening financial conditions. LTV covenants for new borrowing have fallen from about 50 and 60 per cent to the 40s.

Meanwhile, lending rates have doubled to about 7 per cent today. Stagnating rent income will erode interest cover ratios. New equity might then be needed to patch over any financing gaps. London-listed shopping mall operator Hammerson has some of the largest exposure with debts worth almost £1bn, nearly 35 per cent of its EV, maturing by the end of 2025, according to Bloomberg. Plans that rely on further asset sales next year will be tested.

Never mind the blame game, short-term pessimism is duly warranted.

Foxconn: Apple tie

Foxconn probably made your iPhone. One day it may build your Tesla too. Hon Hai — the name under which it is listed in Taiwan — has just released two new electric cars. It plans to build EVs for global brands. But being Taiwanese does little to shield it from the latest US-China trade sanctions.

Foxconn yesterday launched prototypes of its Model B crossover SUV and Model V pick-up. These back up its hopes to attract new outsourcing clients for electric vehicle production. It already makes electric cars for Taiwanese automaker Yulon Group.

For now, profits remain dependent on its consumer electronics business — half of its sales. It is Apple's main contract manufacturer of iPhones and also makes iPads and MacBooks. Cloud and computing products make up another 45 per cent of revenue.

Assembly and contract manufacturing earn razor thin profits. Foxconn's operating margin of less than 2.5 per cent last year is not far from its 10-year average.

It is in a tricky position for other reasons. It is a key supplier for Apple and has also worked closely with other US tech groups including HP, Google and Amazon. Meanwhile, its consumer electronics manufacturing is still mainly based in China. At Zhengzhou, the world's largest manufacturing base for iPhone production, it employs about 350,000 people.

Shares fell nearly a third in the past year. At 9 times forward earnings they trade at half that of Chinese rival Luxshare. The gap reflects growing uncertainties in its core business.

Given this, its move into electric cars and components makes some sense. Despite a large presence in China, none of its electric car-related production is in China — with most of that in Taiwan, Thailand and the US. That speaks volumes about US-China trade risks.

Foxconn must navigate the twisty road between retaining US tech clients and narrow profit margins, dependent on Chinese manufacturing. That effort will keep its valuation depressed.

Goldman Sachs: we need to talk about Marcus

Years ago, IBM built an artificial intelligence system called Watson. This starred in nifty TV commercials beating human geniuses at chess and in quizzes. It is unclear whether Watson ever produced much hard cash as opposed to soft power for the computing giant.

The precedent is ominous for Goldman Sachs, the most famous securities firm in the history of Wall Street. It has its own mononymic offshoot. This is a nascent online consumer bank called Marcus.

Yesterday, the ambitious parent confirmed in quarterly earnings that Marcus was not getting the grades it was hoping for. Marcus has helped attract more than $100bn in deposits, stabilising Goldman's funding base. But spending billions of dollars to attract retail customers is no longer sensible.

As a part of a broader reshuffle, Goldman's asset management and wealth division will become a single unit with Marcus stuffed inside it. Goldman will consolidate its stellar investment banking and trading businesses into a single unit too.

Chief executive David Solomon boasted that the firm has 11,000 engineers. These techies, while building cutting-edge gizmos, cannot yet keep up with old school bankers and traders in making piles of money.

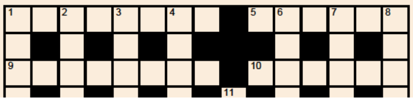
A third division, Platform Services, will house Goldman's newfangled offerings beyond consumer finance. Goldman's nerds there have developed payments and credit card infrastructure it can market to corporate treasurers and the like. The unit has $1bn in annual revenue. Yet that figure still represents less than a tenth of Goldman's turnover.

Unlike IBM, Goldman's core businesses are not only big but remain dominant. The problem for its shareholders is that deal and underwriting fees are erratic and do not attract high valuation multiples.

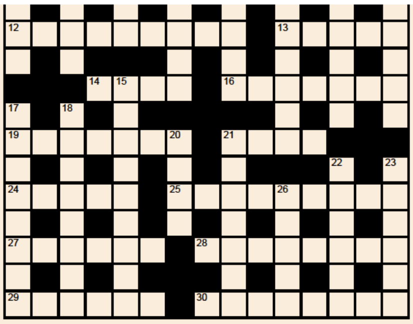
The imperatives set by public investors and regulators have forced Goldman to look to creating intriguing but expensive new businesses. The firm's old school mantra extolled a Goldman that was "long-term greedy". That motto is suffering a severe test, as the travails of Marcus indicate.

CROSSWORD

No 17,229 Set by AARDVARK



ACROSS
1 Part of church painting rebuffed before new month (8)
5 Couple in centre of Brecon retreat for cake (6)
9 I'm surprised daughter embroidered your fabric (8)
10 Working member of staff readily available

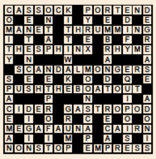


(2,4)
12 Philosopher starts to analyse rhymes TS Eliot constructed (9)
13 Sponge the sheltered side with cold water, then hot (5)
14 Prison disturbance (4)
16 One fights old PM endlessly dividing Britain (7)
19 Bone from bird used in exercise at school? (7)
21 Declare it hurts, sitting on collection of books (4)
24 Swimmer in tropics leaves around a pair of trunks (5)
25 Garden of Eden exhibit's guarded by special rails (7-2)
27 Insect one hears defacing small branch (6)
28 Flimsy edging of villa, full of holes (8)
29 They go out, quietly leaving punt on river (6)
30 Vehicle's parked outside residence of retiring nurses (5,3)

DOWN
1 Signalling system gets twitching feline back (3-3)
2 Dexterous lady from city repeatedly taking centre-stage (6)
3 Having spent millions, US president's backing jet (5)
4 University official trained on cold peak (7)
6 Nick, perhaps bitter, upset extreme artist (9)
7 Mailman regularly maintains place for sorting, unaccompanied (1,7)
8 Anarchist once studied, we hear – is it kept buttoned up? (3,5)
11 Basil maybe the latest to scrub beneath that boat (4)
15 Shade covers short eccentric Scotsman, resident in Africa (9)
17 Wonder about model soldiers, so to speak (2,2,4)
18 Ancient coin having unusual crest, found in Durham, say (8)
20 Smell comes from river alongside motorway (4)
21 Popular type of novel, whichever way you look at it (3,4)
22 Informer might pronounce this refuse centre unavailable (3-3)
23 Rope wife into trading share (6)
26 Sunbathing? Ultimately, not a thing that's worn (5)

JOTTER PAD

Solution 17,228



C	A	S	S	O	C	K	■	P	O	R	T	E	N	D
O	■	E	■	N	■	I	■	Y	■	E	■	D	■	E
M	A	N	E	T	■	T	H	R	U	M	M	I	N	G
I	■	T	■	A	■	T	■	E	■	B	■	F	■	R
T	H	E	S	P	H	I	N	X	■	R	H	Y	M	E
Y	■	N	■	■	■	W	■	■	■	A	■	■	■	A
■	S	C	A	N	D	A	L	M	O	N	G	E	R	S
S	■	E	■	E	■	K	■	O	■	D	■	Q	■	E
P	U	S	H	T	H	E	B	O	A	T	O	U	T	■
A	■	■	■	P	■	■	■	N	■	■	■	I	■	A
C	I	D	E	R	■	G	A	S	T	R	O	P	O	D
E	■	I	■	O	■	R	■	C	■	E	■	O	■	O
M	E	G	A	F	A	U	N	A	■	C	A	I	R	N
A	■	I	■	I	■	M	■	P	■	A	■	S	■	I
N	O	N	S	T	O	P	■	E	M	P	R	E	S	S