FINANCIAL TIMES
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INTERNATIONAL NEWSPAPER OF THE YEAR
ASIA

Texas two-step: when bankruptcy laws can help to bypass justice — BIG READ, PAGE 15

Sunak warns UK faces 'economic crisis'

- New premier assembles 'unity' cabinet and cites Truss errors
- Hunt retained as finance minister in focus on stability and confidence
- Gilt yields return to levels last seen before disastrous 'mini' Budget

GEORGE PARKER, JIM PICKARD AND JASMINE CAMERON-CHILESHE — LONDON

Rishi Sunak became Britain's third prime minister in the space of two months yesterday and immediately started to assemble a "unity cabinet" to tackle "the profound economic crisis" facing the country.

Sunak, who had been invited to form a government by King Charles, said he would prioritise "economic stability and confidence", and added: "This will mean difficult decisions to come."

Jeremy Hunt, the man charged with clearing up the economic mess left by Liz Truss's calamitous 49-day premiership, will remain as finance minister and will present a debt-cutting plan in the coming days.

In an attempt to stabilise the governing Conservative party after months of chaos, Sunak retained a number of senior ministers who had previously backed an abortive comeback bid by former premier Boris Johnson.

In a move which astonished some Tory MPs, Sunak made Suella Braverman home secretary, only six days after she resigned from Truss's government following a security breach and a dispute about immigration levels.

Braverman's appointment was seen as a concession to the pro-Brexit Conservative right but it was billed by Sunak's allies as evidence of his desire to build "a unity cabinet using all the talents of the party".

James Cleverly, another Johnson supporter, remains as foreign secretary in a cabinet which broadly maintained a balance between Brexiters and Remainers in the higher echelons.

Dominic Raab, a Sunak ally, became deputy prime minister and justice secretary, but Penny Mordaunt, who challenged Sunak for the Tory leadership, remained in the low-profile post of Leader of the House of Commons.

Sunak arrived in Downing Street after several months of turmoil. Johnson was forced to resign in July following a series of scandals while Truss, who became prime minister on September 5, quit after her economic policy had to be unwound when it sent financial markets into a tailspin.

The former chancellor said Truss had made mistakes and he was standing in Downing Street "in part, to fix them". But already signs were emerging that his election as Tory leader had eased turmoil in the markets. Gilt yields returned to levels last seen before Truss's "mini" Budget in September as investors welcomed Sunak's appointment as prime minister. The 30-year gilt yield fell to 3.67 per cent.

In contrast to Johnson's shambolic administration, Sunak promised that: "This government will have integrity, professionalism and accountability at every level."

Aged 42, he is Britain's youngest prime minister in modern times and the first British-Asian to lead the country. He has been an MP for only seven years and is about to be tested in extremely tough political circumstances.

With opposition parties demanding an immediate general election, Sunak claimed he derived his legitimacy from the 2019 Tory manifesto, upon which Johnson built an 80-seat majority.

The new prime minister said he would deliver that manifesto's commitments on a stronger NHS, safer streets, better schools, environmental protection and the "levelling up" of the regional inequalities across Britain.

"I have work to do to restore trust after all that happened," he acknowledged, but insisted: "I am not daunted."

Earlier, Truss gave her final speech as prime minister, urging Sunak to be "bold" and making no apology for the chaos that engulfed her party and the markets during her brief time in office.

Ten members of Truss's cabinet, including Jacob Rees-Mogg, business secretary, Kit Malthouse, education secretary, and Wendy Morton, chief whip, resigned or were sacked by Sunak.

Truss made no mention of her disastrous fiscal package, with its £45bn of tax cuts. Sterling fell, gilt yields rose, the Bank of England was forced to intervene and she sacked her chancellor.

Hunt wants to unveil a new fiscal plan next week, showing how the government will cut debt as a share of gross domestic product in the medium term, ahead of a Bank of England decision on interest rates on November 3.

Day in markets page 11
Janan Ganesh & Sylvie Kauffmann page 17

> "I have work to do to restore trust after all that happened. I am not daunted"

Who's in

Jeremy Hunt
Chancellor of the Exchequer
James Cleverly
Foreign secretary
Suella Braverman
Home secretary
Dominic Raab
Deputy prime minister
Grant Shapps
Business secretary
Penny Mordaunt
Leader of the House
Ben Wallace
Defence secretary

Who's out

Jacob Rees-Mogg
Business secretary
Brandon Lewis
Justice secretary
Kit Malthouse
Education secretary

Daniel Leal / AFP

Franco-German strains on the table at Paris lunch

Analysis ▸ PAGE 2

Adidas faces €250mn hit as it drops rapper West over anti-Semitic remarks

OLAF STORBECK — FRANKFURT

Adidas has cut its ties with Kanye West, condemning his anti-Semitic remarks in a move that is likely to halve the sportswear maker's profits this year.

The German company said it did not "tolerate anti-Semitism and any other sort of hate speech", adding that it would end the partnership "immediately".

"Ye's comments and actions have been unacceptable, hateful and dangerous, and they violate the company's values of diversity and inclusion, mutual respect and fairness," said Adidas.

The company warned that the move might lead to a hit of up to €250mn to this year's profits, pushing its shares down almost 6 per cent yesterday. Last week, it warned on profit for the second time in three months, saying net income was set to reach €500mn in 2022.

The decision to drop the rapper and fashion designer, now known as Ye, comes after an interview in which he claimed he could "say anti-Semitic things and Adidas can't drop me".

Those remarks followed West's wearing of a "White Lives Matter" shirt at the Paris Fashion Week. He also claimed in a Drink Champs podcast, which has since been removed, that Jewish people "own the Black voice" because of all the prominent Black people "being signed to a record label, or having a Jewish manager, or being signed to a Jewish basketball team, or doing a movie on a Jewish platform like Disney".

The sportswear maker, which developed the Adidas Yeezy brand with West for almost a decade, said it would "end production of Yeezy branded products and stop all payments to Ye and his companies". The line had become a significant source of profit for Adidas. While the company does not disclose the figures, analysts estimate it accounts for 8 per cent of total sales.

The impact of the decision to cut ties with West pointed to "remarkable profitability for the Yeezy franchise", said James Grzinic, a Jefferies analyst. "After this update, the 2023 profit challenges have clearly increased."

The relationship between Adidas and West was already strained. He previously accused the retailer of stealing his designs and also claimed that he was offered a $1bn buyout by the company to walk away from their partnership.

Adidas had put its tie-up with West under review after "repeated efforts to privately resolve the situation", the company said.

Kering's Balenciaga brand ditched West this month.

World Markets

STOCK MARKETS

	Oct 25	Prev	%chg
S&P 500	3845.88	3797.34	1.28
Nasdaq Composite	11166.12	10952.61	1.95
Dow Jones Ind	31757.72	31499.62	0.82
FTSEurofirst 300	1614.64	1591.70	1.44
Euro Stoxx 50	3585.20	3527.79	1.63
FTSE 100	7013.48	7013.99	-0.01
FTSE All-Share	3837.27	3820.96	0.43
CAC 40	6250.55	6131.36	1.94
Xetra Dax	13052.96	12931.45	0.94

CURRENCIES

Pair	Oct 25	Prev	Pair	Oct 25	Prev
$/€	0.996	0.989	€/$	1.004	1.012
$/£	1.146	1.131	£/$	0.873	0.884
£/€	0.869	0.874	€/£	1.151	1.145
¥/$	147.815	148.765	¥/€	147.201	147.048
¥/£	169.412	168.313	£ index	77.072	76.402
SFr/€	0.992	0.989	SFr/£	1.141	1.132

CRYPTO

	Oct 25	Prev	%chg
Bitcoin ($)	19790.35	19328.92	2.39

GOVERNMENT BONDS

Yield (%)	Oct 25	Prev	Chg
US 2 yr	4.42	4.48	-0.06
US 10 yr	4.07	4.21	-0.13
US 30 yr	4.25	4.33	-0.08
UK 2 yr	3.28	3.31	-0.03
UK 10 yr	3.63	3.73	-0.10
UK 30 yr	3.67	3.74	-0.07
JPN 2 yr	-0.01	-0.01	-0.01
JPN 10 yr	0.25	0.25	0.00
JPN 30 yr	1.57	1.65	-0.08

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

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Nikkei	27250.28	26974.90	1.02
Hang Seng	15165.59	15180.69	-0.10
MSCI World $	2493.06	2462.42	1.24
MSCI EM $	842.76	865.04	-2.58
MSCI ACWI $	574.70	569.93	0.84
FT Wilshire 2500	4933.98	4881.52	1.07
FT Wilshire 5000	38533.52	38128.26	1.06

Ethereum	1407.91	1343.68	4.78
COMMODITIES			
	Oct 25	Prev	%chg
Oil WTI $	85.04	84.58	0.54
Oil Brent $	93.36	93.26	0.11
Gold $	1649.15	1643.25	0.36

GER 2 yr	1.96	2.00	-0.04
GER 10 yr	2.17	2.33	-0.16
GER 30 yr	2.13	2.33	-0.20

Prices are latest for edition
Data provided by Morningstar

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INTERNATIONAL

Economic links

Turkey finance chief defends Kremlin ties

Nebati rejects western concerns over sanctions evasion by Moscow

LAURA PITEL AND ADAM SAMSON
ISTANBUL

Turkey's finance minister has defended Ankara's economic ties with Russia as "good neighbourly relations" even as western governments raise concerns that the country is serving as a backdoor for Moscow to evade sanctions.

Nureddin Nebati said "opposition elements" inside and outside Turkey were "deliberately raising question marks" about the country's financial links with Russia, while conceding there had been a rush of cash into its financial system.

US and EU officials fret that Turkey, a Nato member that shares a Black Sea border with Russia and Ukraine, is helping Moscow by not participating in western sanctions. Nebati insisted the economic ties were "legal".

"Turkey is a country that acts carefully within the international financial system. It's not a country that behaves in ways that will cause breaches of the international financial system. We're clear on this," Nebati said. "Everything is coming to us through legal routes."

Turkey's economy, which relies on inflows of foreign capital, is under heavy strain from high commodity prices, a soaring US dollar and unorthodox monetary and fiscal policies that have sent traditional investors fleeing one of the world's biggest emerging markets.

Nebati also shed light on the mystery funds that have played a key role in financing a large current account deficit caused by an import bill that exceeds the value of the country's exports.

Net inflows which the Turkish central bank put as "net errors and omissions", whose origin is unclear, hit a record $28bn in the first eight months of 2022. The inflows have financed about 70 per cent of the $40bn current account deficit in the same period and have vexed economists and western governments.

Nebati said unaccounted-for tourism revenues were a key component. Some came from Russians, many of whom used cash as they were unable to use the financial system owing to western sanctions on Moscow, he said. Russians were Turkey's second-largest group of foreign visitors this year.

'Turkey is a country that acts carefully within the global financial system'
Nureddin Nebati

Nebati cited the fact that Turkey was "surrounded by war" in Russia, Ukraine, Syria and Iraq as another source of inflows. He added that Turkish companies and individuals had repatriated money that was kept offshore back to the country, a phenomenon he said was also sometimes cash-based.

All the money was legitimate, despite concerns in western capitals that using cash makes it impossible to track the true origins of funds, he said.

Nebati predicted that the inflows would continue and voiced confidence that Turkey would "very comfortably" avoid a balance of payments crisis over the next year despite the $100bn energy import bill it is facing.

He said Turkey was pushing hard for a discount on the vast quantity of gas it buys from Russia, which would ease the pressure on the Turkish lira and bolster President Recep Tayyip Erdoğan ahead of critical elections scheduled for next summer. Turkey is also asking Russia's Gazprom for an option to delay payment. Nebati said he expected "good news" on both fronts.

The minister also confirmed that money had been transferred by Russia's state nuclear agency to Turkey for the building of an atomic power plant on the south coast, a move that analysts say has boosted the Turkish central bank's foreign currency reserves by an estimated $5bn to $10bn.

Franco-German relations. Friction

Scholz and Macron seek to calm rising tension

Paris suspects Berlin is seeking to shift its focus eastward and away from its traditional ally

GUY CHAZAN — BERLIN
LEILA ABBOUD — PARIS

Gap to bridge: Emmanuel Macron, fourth left, and Olaf Scholz, third right, attend an EU Council meeting in Brussels this month
Olivier Hoslet/EPA-EFE/Shutterstock

The relationship between France and Germany has long been the motor that drives the EU. Today's meeting between Chancellor Olaf Scholz and President Emmanuel Macron in Paris is a chance to put it back on the road after months of problems.

Franco-German tensions were laid bare at last week's EU summit in Brussels, when Macron said Berlin risked "isolating itself" in Europe.

Although Scholz said he did not feel isolated "in any way", the two countries were on opposing sides of an acrimonious debate over whether to introduce an EU-wide cap on gas prices. French finance minister Bruno Le Maire acknowledged that relations were "difficult" and required a "reset".

"The war in Ukraine, the gas and energy question and the issue of China should lead us to a strategic redefinition of Franco-German relations," he said ahead of the summit.

Officials in Berlin dismiss talk of discord. "We differ on some things but not on the really fundamental issues," one said, adding that "on supporting Ukraine and helping companies affected by the war we're very closely aligned".

But Pierre Sellal, France's former permanent representative at the EU, expressed concern that the two countries seemed incapable of working through their differences as they had in the past. "The machine to produce compromises appears to be blocked up," he said in an interview.

The row over the gas price cap was emblematic of this, even though Scholz eventually dropped his opposition.

Germany and France would usually co-ordinate closely in the run-up to EU summits. Once an agreement is reached, their positions on key issues form a road map for European action.

But the absence of such carefully choreographed diplomacy at last week's meeting was symptomatic of an increasingly fractious relationship. In recent weeks, Paris and Berlin have clashed over everything from fighter jets and air defence systems to gas pipelines.

The extent of the discord was underlined last week with the postponement of a joint meeting of the French and German cabinets, which was due to take place today. Officials blamed the tight schedules of senior ministers, but both sides admitted privately that more talks were needed on a number of dossiers.

Instead, Macron and Scholz will have a working lunch in Paris today with a small group of aides. While defence and energy issues will be on the table, an Elysée source said Paris wanted a broader discussion aimed at discussing a shared vision for the Franco-German relationship. "We need to ask the hard questions now on how we can drive forward European goals," the person said.

Observers ascribe some of the tensions to Russia's war in Ukraine, which has put the French and German economies under huge strain. Germany in particular is facing acute challenges to an economic model that has long been based on cheap Russian gas, low spending on defence and unlimited access to the Chinese market. Macron told Les Echos this month that one "shouldn't underestimate the destabilising nature" of the change in Germany's economic and political model.

But in Paris, the concern runs deeper than short-term worries about Russia's war and its economic impact. Doubts are creeping in about the overall direction of France's relationship with Germany, as fears grow that Berlin is seeking to shift its focus eastward.

"The French worry that Germany will end up becoming closer to eastern Europe, with potential EU member states like Ukraine and the countries of the West Balkans, than it is to France," said Jacob Ross, research fellow at the German Council on Foreign Relations (DGAP) think-tank. "And they fear that in the long term, that could strengthen Germany's dominance in Europe."

Concern about Germany's outsized role in Europe partly explains the wariness in Paris and other European capitals about Scholz's "double ka-boom", the €200bn plan announced last month to protect both households and businesses from high gas prices. Some saw the move, which Germany did not co-ordinate with its EU partners, as potentially distorting the bloc's single market.

'We need to ask the hard questions now on how we can drive forward European goals'

Defence strategy is another issue, as are recent decisions by Berlin on military procurement. Germany decided to spend part of its €100bn investment fund for armed forces on US F-35 fighter jets, a decision that irritated Paris.

Macron sees such moves as counterproductive to Europe's long-term need to ensure more of its own defence. Paris is also frustrated about slow progress on the Future Combat Air System, Europe's flagship defence project launched by Paris and Berlin in 2017 to bolster the continent's military capability.

"Germany is going it alone, even though there are European initiatives in this area," said Valérie Hayer, an MEP from Macron's Renaissance party.

DGAP's Ross said it would be wrong to call time on the Franco-German alliance. "Both governments realise that their bilateral relationship must open up and expand in the future. But there is no serious alternative to it right now."

Additional reporting by Sam Fleming in Brussels

Ukraine war

Estonia spy boss signals higher threat of Russian nuclear strike

JOHN PAUL RATHBONE — LONDON

The likelihood that Russia would resort to using a nuclear weapon in its war on Ukraine was "higher than a couple of months ago" and "requires full attention", a top European spy chief has warned.

Mikk Marran, head of Estonia's foreign intelligence service, said the use of a nuclear weapon was one of President Vladimir Putin's "potential scenarios for escalation".

The recent series of calls from Russian officials alleging Ukraine was preparing a "dirty bomb" — a conventional explosive laced with radioactive material — for use on the battlefield was "out of pattern", he warned.

"The likelihood of [Russia] going nuclear is certainly more than zero and higher than couple of months ago," Marran said in an interview with a small group of journalists.

"It's a priority issue . . . The intensity of [Russia's] rhetoric is strange," he said of the dirty bomb claim issued by Moscow.

"Whether [the Russians] are actually planning a false flag or [something else], we don't know. But certainly this is out of pattern and requires full attention."

'The likelihood of [Russia] going nuclear is certainly more than zero and higher than couple of months ago'

Washington, Paris and London, the three Nato nuclear powers, rejected Moscow's accusations that Kyiv was making a bomb as "transparently false".

Marran, who is known among his western peers for his frontline understanding of Russia, said the aim of Moscow's nuclear sabre-rattling was to deter the west from aiding Ukraine, but that "giving in to Russian nuclear rhetoric would only increase Russian demands [which] would never stop".

He said that Estonia's security services had not seen any increased "preparedness from the Russian side to go nuclear, but obviously some of our western partners have more capabilities on that front".

But he also cautioned that "when analysing Russia and the activities of the Russian leadership, we tend to do it in a very pragmatic western way of thinking and in the case of Russia, we can't exclude that they will do it anyway".

Marran, who steps down next week after seven years leading Estonia's intelligence service, added that the risk of Russian attacks on European energy infrastructure had "increased considerably".

European countries have stepped up military patrols to protect energy supplies in the North Sea in the wake of the apparent sabotage of the Nord Stream pipelines in the Baltic Sea.

Marran said he remained confident that Ukraine would win the conflict, although Russia remained a threat to European security as long as it "retained its imperialistic ambitions".

"Putin's plans in Ukraine haven't changed," he said. "He's still on a kind of a religious or messianic mission."

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Escalation fears

Moscow 'dirty bomb' claim fuels western anxiety

HENRY FOY — BRUSSELS
JOHN PAUL RATHBONE — LONDON
MAX SEDDON — RIGA
FELICIA SCHWARTZ — WASHINGTON

A flurry of phone calls from Russia defence minister Sergei Shoigu warning of a "dirty bomb" attack has sent alarm bells ringing in western capitals, where nervousness over Moscow's threats to use nuclear weapons against

In calls with Lloyd Austin, Ben Wallace, Sébastien Lecornu and Hulusi Akar, defence ministers of the US, UK, France and Turkey, respectively, Shoigu claimed Ukraine, with western help, was planning to use a dirty bomb.

In a statement on Monday in Europe, the foreign ministers of France, UK and US "made clear" they rejected "Russia's

deal with the fallout of radioactive contamination. Foreign minister Sergei Lavrov then said Moscow would bring its allegations to the UN. Russia's armed forces head, Valery Gerasimov, held phone calls with his British and US counterparts to discuss the claims.

But the signals from Moscow did not appear to reflect a change in Russia's

decision to employ nuclear weapons," adding that the US was monitoring closely. Austin is to speak to his Ukrainian counterpart and other allies.

Two western officials said they believed the threats were a means to maintain fear of a potential nuclear event in Ukraine and to test how western capitals would respond.

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Ukraine has been rising.

The threat, which was condemned by the US, UK and France as an attempt to pave way for a "false flag" attack blamed on Ukraine, has heightened fears that the war will go nuclear. Analysts warn whichever weapons are used, Ukraine should prepare for further escalation.

"Ukraine has neither the need nor the ability to use a dirty bomb. It is Russia that is losing. The worry is that Russia may use the claim that Ukraine is poised to use a dirty bomb as a pretext for its own attack," said Nigel Gould-Davies at the International Institute for Strategic Studies, a London think-tank.

Shoigu's statement that the war is also becoming more "uncontrolled" is "intended to frighten people", he added.

world would see through any attempt to use this allegation as a pretext for escalation. We further reject any pretext for escalation by Russia," they added.

The pushback maintained US and Nato messaging policy since before Russia launched its invasion in February: calling out potential Russian false flag operations and condemning any nuclear rhetoric from Moscow.

But the statement carried greater weight given its rapid co-ordination among Nato's three nuclear-armed powers. The sense of urgency was reinforced by recent nuclear threats issued by Russian president Vladimir Putin following Moscow's military setbacks.

Russia's ministry of defence said it had "readied forces and capabilities" to

alert" early in Putin's invasion.

A senior US military official said on Monday: "We still have seen nothing to indicate that the Russians have made a

Sergei Shoigu: claims the Ukraine war is becoming more 'uncontrolled'

material that contaminates an area around the blast site with radiation, but is not technically a nuclear weapon.

Pavel Podvig at the UN Institute for Disarmament Research in Geneva, said: "That kind of a bomb is probably the least efficient way of dispersing these materials. We are talking about tens of metres in diameter of contamination.

"It's not like anyone would get the doses that would lead to immediate harm," Podvig added.

Ukraine has said it welcomed the UN nuclear watchdog to confirm it has no such weapons. Nato has warned that any use of nuclear weapons by Russia would have "severe consequences".
Additional reporting by Felicia Schwartz in Washington

INTERNATIONAL

'Bidenomics' struggles to resonate with voters amid inflation pressures

Huge levels of federal spending are not being rewarded in the polls as household budgets suffer

JAMES POLITI AND LAUREN FEDOR
WASHINGTON

Joe Biden put a brave face on his economic record last week as he stood before a recently rebuilt bridge in Pittsburgh, Pennsylvania, and pleaded for voters to stick with his party in next month's midterm elections.

"For a lot of families, it's still kind of tough," the US president acknowledged. "But there are bright spots where America is reasserting itself, like here."

Based on most measures of the labour market, Biden should not have any trouble making the case for his economic agenda, which has involved sweeping increases in public spending along with higher tax burdens and stricter enforcement for the wealthy and for large companies.

Under the Democrats' watch since January 2021, the recovery generated 10mn jobs and the unemployment rate shot down to 3.5 per cent.

But months of unrelentingly high inflation — with consumer prices still rising at an annual rate of 8.2 per cent in September — have made "Bidenomics" an almost impossible sell on the campaign trail.

According to a RealClearPolitics polling average, 57.9 per cent of Americans disapprove of Biden's handling of the economy, while just 38.9 per cent approve, a critical weakness that has left Democrats with a strong chance of losing control of the House of Representatives and possibly the Senate.

"I think the broad policies are very positive for the economy, both near and long term. So I think he deserves credit. He's not getting any, though," said Mark Zandi, an economist at Moody's Analytics who has advised Republican and Democratic politicians.

"People are having to pay a lot more at the pump, at the grocery store, for rent, and the high inflation is an acid on people's perception of how well they're doing and how well the president's doing on the economy. I think it just colours everything."

Biden's economic policies have been executed as a 21st century cross between Franklin Delano Roosevelt's New Deal and Lyndon Johnson's safety net expansion, under the assumption that Americans were ready to embrace a stronger government hand in the economy in the wake of the coronavirus pandemic.

Over months of negotiations with Congress, Biden's plans were somewhat watered down and split between at least four big pieces of legislation. But what he signed into law included trillions of dollars in federal money for direct stimulus payments to households; funding for infrastructure projects; subsidies and incentives for clean energy investments and chip manufacturing; and measures to bring down the costs of prescription drugs.

All of these were top priorities for Democrats that were seen as broadly popular, but they are not being rewarded in the polls.

"[Producing] a boom with these really tight supply chains and complicated international economic relationships is really hard to do," said Felicia Wong, the president of Roosevelt Forward, the progressive think-tank, who served on Biden's transition team.

Heading into the final stretch of their election campaigns, some Democratic strategists and pollsters say the party is struggling to figure out when and how to speak clearly about the economy — in contrast to other matters, such as what it regards as former president Donald Trump's extremism and the gutting of abortion rights by the Supreme Court.

"Democrats need to understand that we have a winning message on the economy and inflation, but rising costs will beat us if we avoid the issue," wrote Patrick Gaspard, Stan Greenberg, Celinda Lake and Mike Lux in The American Prospect last week.

"Inflation and the cost of living is [people's] number one concern right now, and they are thinking and talking about it all the time in part because they believe it is getting worse with no end in sight," they added.

The attacks from the Republicans have been relentless and politically effective. In campaign ads, on social media and at public events, they have pounded the cash infusions and large-scale spending for sparking and then fuelling inflation, even though the war in Ukraine and supply chain disruptions linked to Covid-19 were also big factors.

In recent months, Biden and his economic team have rushed to showcase their economic achievements.

Treasury secretary Janet Yellen, who framed the administration's economic philosophy as "modern supply-side economics", has been travelling across the country to talk about everything from electric vehicles to tax incentives for clean energy.

Brian Deese, the director of the National Economic Council, visited Cleveland to talk about the administration's efforts to protect domestic supply chains and revitalise American manufacturing.

These efforts have led to a flurry of plans by top companies such as Intel and General Motors to build plants in Ohio, the Midwestern state that has drifted towards the Republicans in recent years.

The Biden administration has scrambled to take action to bring down prices in the near term, including through oil releases from the Strategic Petroleum Reserve and threats to do more if needed to bring down the cost of petrol, which is the most politically sensitive good in the US.

Tim Kaine, the Democratic senator from Virginia, said he believed there was a chance voters would give their party the benefit of the doubt. "They know that none of us have a magic wand.

"They have different ideas about what the causes are, and I think they get some of the global issues. But what they want to see is a Congress that's trying to respond."

Top priorities: Joe Biden, in Los Angeles this month, has signed off on four big pieces of legislation
Apu Gomes/Getty Images

'Inflation and the cost of living is [people's] number one concern right now'

Doing the maths

How president's act will work

Summary of the Inflation Reduction Act

Measures	Revenue raised $bn
Corporate minimum tax rate 15%	313*
Prescription drug price reform	288**
IRS tax enforcement	124**
Total	725

Spending	$bn
Energy security/climate change	369
Affordable Care Act subsidies extension	64**
Medicare, low-income drug subsidies, vaccines	34
Total	467

*Joint Committee on Taxation estimate
** Congressional Budget Office estimate
Source: Democrat Senate

Investor conference

Saudis hint at pumping more oil if energy crisis deteriorates

TOM WILSON — RIYADH

Saudi Arabia's energy minister has signalled a willingness to pump more oil if the global energy crisis worsened, while describing this month's decision by the Opec+ cartel to cut crude supply during a period of high prices as a "mature" decision.

Prince Abdulaziz bin Salman said the move to produce less oil from next month, which has caused a rift with the US, was necessary to provide extra capacity if sanctions on Russian exports, or any other unforeseen events, led to a major drop in global supply.

"You need to make sure you build a situation where if things [get] worse you have the ability to [respond]," Prince Abdulaziz, who also chairs the oil producers' group, told the Future Investment Initiative investor conference in Riyadh. "Running out of capacity has a much dearer cost than what people can imagine." He added: "We will be the supplier of those who want us to supply."

'We will be the supplier of those who want us to supply'
Prince Abdulaziz bin Salman

The Opec+ output cut, announced this month, pushed oil prices higher just as much of the world was struggling with soaring energy costs and rising inflation. The decision by its member countries, which includes Russia, provoked a backlash from the White House, which accused the cartel of helping to prop up Russia's war in Ukraine.

Prince Abdulaziz used the onstage interview to present Saudi Arabia, the world's biggest oil exporter, as a responsible energy provider. He criticised the US for withdrawing millions of barrels oil from its Strategic Petroleum Reserve, the world's largest, to prevent prices rising faster. "We, as Saudi Arabia, decided to be the maturer guys. People are depleting their emergency stocks . . . [using] it as a mechanism to manipulate markets when its profound purpose is to mitigate shortages of supply."

OECD stocks were 243mn barrels below the five-year average at the end of August, said the International Energy Agency. US stocks are at their lowest since 1984. Relying on emergency stocks "may become painful in months to come", Prince Abdulaziz warned.

Riyadh said production cuts were needed now to restore its spare capacity and avoid the possibility of a more dangerous rise in crude prices later. Critics said the kingdom's aim was to prop up its own revenues by maintaining oil above $90 a barrel, almost twice the long-term historical price. Brent, the international oil benchmark, was trading at about $93 a barrel yesterday.

Prince Abdulaziz insisted Saudi Arabia was ready to send more oil to Europe if EU sanctions on Russian crude, which come into full force on December 5, led to shortages that needed to be filled.

Italy

Meloni vows to work with EU and attacks Putin 'blackmail'

SILVIA SCIORILLI BORRELLI — MILAN

Italy's new leader, Giorgia Meloni, has

forms of extremism "including fascism", voicing her pledge to defend democratic values multiple times.

Xinjiang region

Uyghur activists sue UK over imports of cotton products

YUAN YANG — LONDON

Uyghur rights activists are suing the UK

She added that the hearing would "give them cause to reconsider the risks involved, which could include . . . crim-

Midterms

US Senate hopefuls boosted by late-stage Trump funds

COURTNEY WEAVER — WASHINGTON
CAITLIN GILBERT — NEW YORK

endorsing his party's primary — a boon for many fringe candidates, some of whom went on to defeat better-known sought to reassure EU partners by vowing to respect the bloc's rules and supporting Ukraine against "blackmail" from Russian president Vladimir Putin.

Addressing parliament for the first time after being sworn in as prime minister, the far-right politician said her ruling rightwing coalition would not stand against EU integration, would work with other member states in a "pragmatic and non-ideologic" way and would protect "freedom and democracy".

"We have been faced with great challenges the EU was not prepared for," said Meloni, amid the cheers of her Brothers of Italy lawmakers. "Giving in to Putin's blackmail on energy would not solve the problem, it would make it worse by opening the way to further demands and blackmail."

Meloni's party has roots in post-fascism but she has worked hard to appease concerns at home and abroad about her party's Euroscepticism and geopolitical stances that could hinder European unity, especially over the war in Ukraine.

The 45-year-old politician used her 60-minute address to condemn all

"I am aware of the prejudice toward me and my government, after all I am what British people would define as an underdog and I am going to work to surprise everyone once again," she said.

Meloni has been known for her attacks against Brussels' "bureaucrats" and French mainstream politicians, but surprised her coalition partners, including the anti-immigrant League party and Silvio Berlusconi's Forza Italia, by meeting Emmanuel Macron, a staunch Europhile, on Sunday night. The French president was paying a visit to the Pope.

The meeting has been hailed by Italian commentators as a sign of continuity in the relations between Rome and Brussels, which improved under Meloni's pro-EU predecessor, Mario Draghi.

Meloni said she would seek to amend the temporarily suspended European Stability and Growth Pact, which imposes a stringent ceiling on public debt and deficits, "from within the European institutions, not outside".

Italy would not be submissive and her government would defend the country's business and industrial interests, she cautioned, warning against any "predatory behaviour" from foreign investors.

government over its failure to investigate imports of cotton products made using forced labour from Xinjiang, in a move that will increase pressure on companies sourcing from the Chinese region.

The hearing for the case, which was filed by the World Uyghur Congress (WUC), began in London's High Court yesterday. It is the first of a wave of lawsuits across Europe aimed at blocking imports from Xinjiang, taking advantage of recently tightened laws on companies' supply chain liability.

The US this year implemented a ban on imports from Xinjiang, while the UN in September said China's abuses against more than 1mn detained Uyghurs and other Muslims in the region "may constitute . . . crimes against humanity".

Beijing denies such accusations, saying its policy in Xinjiang is aimed at countering terrorism and boosting economic development.

Dearbhla Minogue, a lawyer from the Global Legal Action Network involved in preparing the case, said "many UK companies know or suspect they are importing forced-labour cotton".

inal prosecution, fines and even prison for company officials".

WUC president Dolkun Isa said the hearing "could set an important precedent for other countries" and vowed to continue "challenging countries and companies invested in Xinjiang". The WUC, together with a broader coalition of charities and law firms, has filed a similar case against the Irish government. They plan to launch further cases across Europe after the passage of an EU directive on corporate due diligence, which has proposed a ban on goods made using forced labour.

'Many UK companies know or suspect they are importing forced-labour cotton'

Lawyers for the claimants argued there was already overwhelming evidence that Xinjiang prison-processed cotton was present in UK supply chains.

"There are 570,000 forced cotton-pickers in Xinjiang. China provides one-quarter of the world's cotton," said one.

Republican Senate hopefuls are benefiting from funds raised by former president Donald Trump in the final weeks of their 2022 midterm campaign.

After sitting out most of the 2022 election cycle, Trump's political action committees are spending millions of dollars propping up Republican candidates in hotly contested Senate races.

Since the beginning of October, Maga Inc, a newly created Trump super Pac, has spent $8.5mn on ads in Ohio, Pennsylvania, Georgia, Nevada and Arizona, the five key races for Republicans in their push to retake the US Senate.

Maga's spending on ads against Democrats included $2.3mn in Ohio against Tim Ryan — the most of any of the five races. It also spent $1.6mn against John Fetterman in Pennsylvania; $1.6mn in Georgia against Raphael Warnock; $1.2mn in Nevada against Catherine Cortez Masto; and $1.8mn in Arizona, where the Pac spent money on ads against incumbent Mark Kelly and in support of Republican Blake Masters.

Trump has been criticised for not doing more to support Republican candidates financially, despite widely

members of the Republican establishment.

Though his political action committees have put money into some races this cycle, they have only done so selectively. Trump-affiliated groups have raised $185mn from contributors this cycle but have spent less than a tenth of that supporting other Republican candidates. At the end of September, Trump's eight affiliated Pacs still had $118.1mn left in the bank.

One Republican consultant affiliated with Trump said it was unfair to expect groups linked to the former president to be spending as much on the midterms as the traditional party committees. "It's not Trump's job to win back the Senate majority," the consultant said.

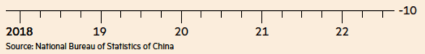
Other Republican donors took a more cynical view of Trump's late-stage spending.

"Basically, he gets to say he spent money, but not spend very much," said Dan Eberhart, a Republican donor. "If they win, he claims victory. If they lose . . . well, they were losers so why should he waste money on them. He'll say he was smart not to have wasted money on losers."

after coronavirus emerged within its borders, but economists point to one big change in conditions that may recovery. "The difference with 2020 is there is no

noted that net export of goods and services contributed 1 percentage point of GDP growth in the first three quarters.

Some analysts, such as those at CCB



Source: National Bureau of Statistics of China

wards a more isolated ideological and geopolitical model, any slowdown elsewhere could have equally big effects.
See The FT View

Chalmers warned that Australia's economic growth would soften to 3.25 per cent this year and further slow to 1.5 per cent next fiscal year.

Energy transition

Colombia tax chief defends oil and coal levies

JOE PARKIN DANIELS — BOGOTÁ

Colombia's tax chief has defended raising levies on oil and coal companies in order to fund the new leftist government's socially ambitious agenda, a plan that has drawn a furious reaction from the extractive sector.

"We don't want just any type of investment in an energy sector," said Luis Carlos Reyes, the director of DIAN, Colombia's tax and customs agency, told the Financial Times. "We're looking forward to inserting Colombia into this energy transition that the entire world has to go through if we want to continue to exist as a species."

Gustavo Petro, a former urban guerrilla and the country's first leftist president, promised on the campaign trail to spearhead Colombia's energy transition and pursue a greener agenda by boosting agriculture and eco-tourism.

Asked if the new tax rise would scare off investment in the oil sector, Reyes said that "we want the industry to continue to exist for the time being.

"We are far more interested in incentivising those sectors that will help us transition into green energy, and all of the industries that are tied with it."

The tax reform bill, if passed in its current form, aims to raise 21.5tn pesos ($4.7bn) altogether. It is essential if Petro is to pay for his ambitious social agenda. During the campaign, he also promised an overhaul of Colombia's oil and mining industries, which produce half of the country's exports.

Luis Carlos Reyes: industry leaders warn burden on the extractive sector will stifle investment

The 2023 budget, approved by Congress last week, allocates 4.08tn pesos ($856mn), a 62.6 per cent increase from 2022, to the agricultural sector, which Petro has championed as a substitute for extractives. Companies would be stumping up nearly half of the revenues raised by the tax reform bill through a surcharge on corporate income tax — at a diminishing rate, from 10 per cent in 2023, 7.5 per cent in 2024 and 5 per cent in 2025 — and the cancellation of a statute that allowed royalty payments to be deducted from their tax bills.

Industry leaders have already warned the burden placed on the extractive sector will stifle investment and output.

Oil and coal are the country's top two exports, valued in 2019 at $12.9bn and $4.8bn, respectively, while oil and mining provide up to 8 per cent of gross domestic product, according to government data.

In a memorandum, the Colombian Association for Oil and Gas (ACP) blasted the reform proposal, claiming it would raise the government take on new projects by 25 per cent and would put 20,000 direct jobs at risk.

"We are worried," Francisco José Lloreda, the ACP's president, said. "We are seeing a government that, contrary to international dynamics, seems not to value this industry."

Ecopetrol, a state-owned company and Colombia's largest producer, told Congress that the investment it could lose because of the reform plan would cause production to fall by 100,000 barrels per day in 2026 and potentially put the balance of payments at risk.

Petro has made no secret of his aversion to extractive industries. On the campaign trail, he promised to halt new oil and gas exploration projects, though his administration's messaging on that pledge has been contradictory. Last month, environment minister Susana Muhamad said the administration was planning on requiring environmental licences for mining exploration.

Luis Fernando Mejía, executive director of Fedesarrollo, a Colombian economic think-tank, said: "Undoubtedly, [the reform] could lead to scenarios of substantial reductions in investment and could generate negative effects in terms of the balance of payments, the availability of foreign currency dollars entering the country, and the financing of the current account."

Security services

Norway arrests researcher suspected of being Russian spy

RICHARD MILNE
NORDIC AND BALTIC CORRESPONDENT

A Brazilian university researcher has been arrested in northern Norway on suspicion that he is Russian and a spy.

Norway's domestic intelligence service told state broadcaster NRK yesterday it wanted to expel the researcher, who is being held in custody, because he represented "a threat to fundamental national interests".

The Police Security Service (PST) believes the researcher is the first Russian spy operating under deep cover to be identified in Norway.

The researcher, whose identity was reported in the Norwegian press and verified by the Financial Times, works at the Arctic University of Norway in Tromsø, including with the Grey Zone, a group looking at irregular warfare methods such as cyber attacks and disinformation campaigns, and WarPed, which studies war and peace. The FT has chosen not to disclose his name for legal reasons.

Thomas Hansen, the lawyer for the researcher, said the man, who was arrested on his way to work on Monday morning and was remanded in custody for four weeks by a court in Tromsø yesterday while his case is considered, denied he was a Russian spy, opposed his detention and rejected the intelligence services' grounds for it.

The researcher graduated from the Centre for Military, Security and Strategic Studies at the University of Calgary in 2018, according to a post by the university on Facebook. He wrote for the Canadian Naval Review the next year on why the country needed an Arctic naval base, before moving to Tromsø in 2021.

"PST is worried that he may have built up a network and information about Norway's policy in the far north . . . we are worried that the information could be misused by Russia," Hedvig Moe, deputy head of PST, told NRK.

Wake-up call Asset manager Amundi says UK pensions tremors serve as a warning on the hazards of hidden leverage ● MARKETS

Companies & Markets

HSBC recasts leadership as rising interest rates lift profit

- Move is part of succession planning
- Quarterly tally proves a solid $6.5bn

HUDSON LOCKETT — HONG KONG
EMMA DUNKLEY — LONDON

HSBC has overhauled its leadership team as part of succession plans for boss Noel Quinn while reporting higher than expected profits in the third quarter.

The bank said yesterday that adjusted pre-tax profit was $6.5bn, compared with $5.5bn a year earlier, surpassing analyst estimates of $6bn as a rise in interest rates helped spur returns.

The solid quarterly results come despite turmoil in the UK foreign exchange and government bond markets, and serve to boost HSBC's defence against calls from largest shareholder Ping An to split its Asian and western operations. While it has repeatedly rebuffed Ping An's demands, the bank is working to reshape its network to focus on Asia and other growth regions.

> 'I'm not stepping down anytime soon. I'm here for many years to come'
>
> Noel Quinn, chief executive

In a surprise move, HSBC announced it was replacing Ewen Stevenson as chief financial officer at the end of the year. Georges Elhedery, co-head of global banking and markets, is to take the position, setting him up to potentially succeed Quinn as chief executive.

Greg Guyett, formerly Elhedery's co-chief, has been made chief executive of global banking and markets.

"My ambition is to provide the board with . . . options for potential succes-

12 per cent." But the bank maintained its guidance for a dividend payout ratio of 50 per cent in 2023 and 2024.

HSBC shares fell more than 6 per cent.

Ian Gordon, analyst at Investec, said: "I'm surprised and disappointed that Ewen is leaving. He has brought much-needed credibility to HSBC's cost discipline and financial targets after a decade of persistent disappointment. A peculiar decision at this juncture."

Pre-tax reported profit for the third quarter was $3.1bn, down from $5.4bn a year ago, though it came in well above analyst expectations of $2.5bn. The drop was largely the result of a hit from the sale of its French retail business and a $1.07bn provision for expected credit losses, reversing a $659mn release made in the same period a year ago. Stevenson said the "weak" China real estate market and a "mild recession" in the UK were the main drivers of the provision.

After adjusting for impairments and foreign exchange impacts, revenues rose 28 per cent from a year ago to $14.3bn, rising across all businesses thanks to interest rate increases.

HSBC has faced pressure this year from Ping An, which holds a more than 8 per cent stake and argues that spinning off the bank's Asia business would create up to $35bn of additional market value. Asia accounted for more than 55 per cent of HSBC's $6.6bn in adjusted pre-tax profits in the third quarter. Quinn said: "We continue to have constructive dialogue with Ping An."

Ping An reiterated yesterday that HSBC should focus more heavily on Asia to boost returns, rather than rely on ris-

Deflated Linde delisting plan from Frankfurt to cost Dax index its most valuable business

Under pressure: Linde said the dual listing structure constrained its stock valuation — Jasper Juinen/Bloomberg

PATRICIA NILSSON — FRANKFURT

Linde plans to delist from the Frankfurt Stock Exchange in a move that would result in Germany's Dax index losing its most valuable company.

The world's largest industrial gas group said that after "due consideration and analysis" it had determined that investors had been "negatively impacted" by the dual listing of its shares in New York and Frankfurt.

Linde, which makes and distributes gases such as nitrogen, hydrogen and helium, was founded in Germany but pursued a double listing four years ago when it merged with US rival

when its shares outperform the wider index, it often exceeds 10 per cent of the combined value of Dax members, forcing index funds that track the index to sell its shares.

European indices, Linde said yesterday, have "less index members [which] coupled with caps creates technical selling pressure", adding that the "US has no caps and much larger, more balanced membership".

Sanjiv Lamba, chief executive, said the decision, which would not affect Linde's commitment to Germany, would merely reduce the number of "stock exchanges that offer trading of the Linde stock".

Investments, the asset manager, said the delisting was a "disappointment".

"It is now clear that ultimately Praxair took over Linde and not vice versa," he said.

IG Metall, the union, said it did not "measure company management by its stock exchange but by how it treats the workforce. It's good that a significant part of the operational management is based in Germany and that we have good connections."

Linde said the delisting would probably take place in March, subject to shareholder approval.

Since the Praxair merger Linde has been incorporated in Ireland, with

EY's break-up opposed by partners at Israel division

STEPHEN FOLEY — NEW YORK
MICHAEL O'DWYER — LONDON

EY partners in Israel will not split their audit and consulting businesses, becoming the largest territory outside China to shun the break-up plan approved by the accounting group's global leadership last month.

The Big Four firm is racing to hash out more details of the complex proposal ahead of country-by-country partner votes which it expects to begin before the end of the year.

A break-up of EY's 365,000-person business would reshape the accounting and consulting landscape and is being watched across the industry.

The firm plans to spin off its advisory business into a standalone company, which it would seek to list on the stock market. EY has said this would fuel faster growth by liberating its consultants and tax advisers from conflict of interest rules that prevent them working for audit clients.

But EY Israel, which has about 90 partners and 2,000 staff, would retain its advisory business after assessing the merits of the break-up proposal, according to Doron Sharabany, its managing partner. "From our point of view in the Israel business, the split will not create benefits," he said. The Israel business was among EY's top 30 by revenues, though it accounted for less than 1 per cent of global turnover, said a person familiar with the figures.

In any country where partners reject the deal, consultants and tax advisers would remain under the same roof as the auditors but could soon face competition from their former colleagues.

EY had planned for its top 70 to 75 countries to join the split, with the exception of greater China. It operates in 150 countries, but the global leadership decided that breaking up the smallest entities would not be practical.

The 22,000-person greater China business, encompassing Hong Kong, Taiwan and Mongolia as well as mainland China, said last month that "differences in the market and regulatory environment" meant it would not split.

sion," Quinn said. "I'm not stepping down anytime soon. I'm here for many years to come."

HSBC upgraded guidance for net interest income to $32bn this year and at least $36bn the next. Quinn said: "Next year will be [the] first year we'll report return on tangible equity above

ing interest rates, according to people familiar with the situation. The insurer also said the bank should "pay attention to geopolitical risks", the people said.

The bank's common equity tier one ratio dipped 0.2 percentage points to 13.4 per cent from the previous quarter, partly as a result of the French sale.

Praxair. With a market capitalisation of almost €145bn, its departure would be a big blow to Frankfurt's status as a global financial centre.

It said the main issue was rules limiting the weighting on the Dax of any of its 40 constituent companies to 10 per cent. The company's size means

While the dual listing structure has served us well since inception, it has constrained our stock valuation through European restrictions in addition to incremental complexity," he said.

Ingo Speich, head of sustainability and corporate governance at Deka

headquarters in Woking, England. Were shareholders to approve its plans, it would create an Irish holding company that would list in New York under the existing ticker. Existing shareholders would receive a one-for-one share swap.

Additional reporting by Olaf Storbeck

But global executives planned to ensure that the new advisory company could operate in China on "day one" after the break-up, said people briefed on the planning. Options include hiring or acquiring local consultants.

Additional reporting by James Shotter in Jerusalem

Sony wants to win over Tesla despite Honda electric vehicle tie-up

INSIDE BUSINESS
ASIA

Kana
Inagaki

When Sony and Honda revealed that they were to develop an electric vehicle together seven months ago, there was much hype in Japan about a tie-up that brought two of the country's greatest companies together.

Some of the initial hopes dimmed this month as the groups confirmed that their first electric car would be sold online in the US and Japan in 2026 — 18 years after Elon Musk launched Tesla's first electric vehicle in 2008.

For all the excitement about a potential electric vehicle champion to challenge Tesla, it is tempting to draw parallels with the 2000s when Sony was outsmarted by Apple with the iPod and then the iPhone, having failed to adapt its hardware to the digital era.

There is a feel of *déjà vu* to Sony's and more broadly Japan's electric vehicle experiment. Honda is quite late to the game, and critics say Sony's effort could be a costly distraction at a moment when it is on the verge of becoming a fully integrated entertainment group.

But with its electric vehicles foray, Sony is turning to the playbook it used to drive the turnround of its sprawling businesses ranging from films, music and games to camera sensors.

There is no exclusivity agreement in the automotive tie-up, and the jointly produced car will not be sold under either the Sony or Honda brand.

The deal will not deter Sony from selling its camera sensors to Tesla even if the product the two Japanese groups develop competes with Musk's vehicles.

Executives stress that the relationship would be similar to the one Sony has with Netflix, which is an important customer that buys Sony's films even though the two companies are rivals in producing content.

Instead of being drawn into the crowded streaming wars by launching its own service, Sony used what it calls an "arms dealer" approach of selling film and TV rights to the highest bidder. For now, that strategy is working well.

Some investors have expressed concern that a tie-up with Honda would hurt Sony's chances of expanding sales of image sensors used in its smartphones to other carmakers.

> The group's sensors can be used to capture objects in low-light conditions, critical in the era of autonomous driving

But Jefferies analyst Atul Goyal thinks that the deal may help promote the shift. And he believes Sony's real objective is to win over Tesla as a customer, not to compete with it.

Sony has not necessarily been discreet about its ambitions for cars, where its sensors can be used to capture objects in low-light conditions, critical in the era of autonomous driving.

It commanded about 45 per cent of the smartphone image sensor market by revenue last year, according to Strategy Analytics.

In the automotive sector, the company wants to supply its image sensors to 15 of the top 20 carmakers by fiscal 2025. Considering the industry transition to battery-powered electric vehicles, one would expect Tesla to be included in that list of 15 manufacturers.

In mobile, Apple is also Sony's biggest customer for image sensors, even though the iPhone competes with the Japanese group's Xperia phone.

Many investors had repeatedly urged Sony to give up selling its own smartphones. But the company has ploughed on, arguing that staying in the market allowed it to stay on top of the technological advances in the industry.

That in turn, it claimed, enhanced its ability to make image sensors. It is hoping the same will be true by getting its hands on carmaking and bringing its entertainment assets such as PlayStation and films to the riding experience.

To plug losses, Sony scaled down the size of its mobile phone business and focused on high-end models that offered richer margins.

People close to the company suggest a similar approach is likely to be taken with cars.

Sony and Honda will make electric vehicles using existing facilities such as Honda's plant in Ohio, and the automotive chips are likely to come from TSMC's new plant in Japan, in which Sony is co-investing.

"People may be disappointed to learn that the scale of the electric vehicle business is likely to be quite small," said one of the people.

It will not really matter whether the electric vehicle Sony makes is a top best-seller or not. The success of this deal for Sony will hinge on whether it can persuade Tesla as well as a majority of the 14 other carmakers on its future client list that its image sensors are good enough for their fully electric and self-driving vehicles.

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Banks

Rich clients' wariness takes toll on UBS

Net profit declines 24% but $1.7bn amassed in quarter beats analyst expectations

OWEN WALKER
EUROPEAN BANKING CORRESPONDENT

UBS posted a 24 per cent fall in net profit as rich clients held back from turbulent markets and investment banking revenues shrank.

The biggest wealth manager generated $1.7bn of net profit in the third quarter, ahead of analyst estimates of $1.5bn, on $8.2bn of revenue.

"Clients remain concerned about persistently high inflation, elevated energy prices, the war in Ukraine, and residual effects of the pandemic," said chief executive Ralph Hamers. "In Switzerland, many of our retail and small business clients will also be impacted by disruptions across the rest of Europe, and we are focused on supporting them through the energy crisis."

Analysts had projected that UBS would be the strongest European bank in the third quarter thanks to its wealth management business benefiting from rising rates but that its performance would be offset by its risk-averse clients making fewer transactions and a sharp fall in investment banking revenues.

Net interest income in the Americas wealth arm rose 38 per cent against a year earlier on the back of a rise in US rates. Its cost-income ratio rose 3.1 percentage points to 71.8 per cent, though still within its target range of 70 to 73 per cent. "Third-quarter results are slightly better than expected, but continue to show a difficult environment for UBS, with pressure on revenues," said Jefferies analyst Flora Bocahut. UBS shares rose 7.6 per cent yesterday.

> Concerns remain over inflation, elevated energy prices, the Ukraine war and residual pandemic effects

Hamers has been given the target by chair Colm Kelleher of raising UBS's stock market valuation to close the gap with US peers. UBS trades at a price to book ratio of 0.9 compared with JPMorgan's 1.4.

Hamers and Kelleher have been courting large US investment managers this year, trying to persuade them to buy big stakes in the bank. Last month UBS said would raise its dividend by 10 per cent and exceed its goal of buying back $5bn of shares this year.

UBS abandoned a $1.4bn takeover of US advisory business Wealthfront, a deal that had been championed by Hamers but proved unpopular with investors.

The five biggest US banks reported $32bn of investment banking revenues for the third quarter this month, down 16 per cent compared with a year earlier.

Fixed income, currencies and commodities revenues for the US banks rose 23 per cent over the same period, while equities revenues were down 13 per cent and advisory revenues fell 54 per cent.

Based on those figures, analysts at Citi projected that European investment banking revenues would be down 33 per cent, FICC up 3 per cent, equities down 26 per cent, and advisory down 72 per cent.

UBS investment banking revenues fell 19 per cent to $2bn.

Energy. Offshore growth

Delays and high costs threaten US wind ambitions

Permit hurdles, leases burden and equipment shortages put goal of 30GW by 2030 at risk

MYLES MCCORMICK
PROVIDENCE, RHODE ISLAND

The Biden administration wants to spark a US offshore wind power boom, raising production from less than 1 gigawatt today to 30GW by the end of the decade — enough for 10mn homes.

But executives are increasingly concerned that myriad challenges facing the sector are pushing that target

Energy

West Texas spot gas price drops below zero as outages trap supply

MYLES MCCORMICK — NEW YORK

The spot price of natural gas in west Texas has fallen below zero, effectively forcing producers to pay to unload it, even as Europe contends with sky-high costs for the fuel.

The negative price of gas comes as surging production in the Permian Basin region butts up against pipeline constraints. Outages at liquefied natural gas terminals used to export US gas overseas have also curtailed shipments.

Gas for next-day delivery at the Waha trading hub dropped as low as minus $2.25 per million British thermal units yesterday on the Intercontinental Exchange, according to S&P Global Platts.

The plunge into negative territory contrasted with a more than 7 per cent daily rise in benchmark US gas futures, to $5.585 a mn Btu. The main benchmark for European gas was €98 per megawatt hour, or $28 a mn Btu.

> 'You have too much production and you don't have enough avenues to get that production out'

"Basically you have too much production [and] you don't have enough avenues to get that production out," said Stephen Schork, an industry analyst, of the negative price at the Waha hub. "You have to pay people now to take this beyond reach: permitting is too slow, leases are too expensive, equipment is in short supply and inflation is soaring, they say.

The mix of trepidation and excitement was on show at the ACP Offshore Windpower conference in Providence, Rhode Island, in the past week, where 2,000 delegates gathered to discuss the industry's future.

"I think you could paint a picture — if there continues to be significant delays and projects that are already in the pipeline getting pushed back — then it will be more difficult to meet that 30 by '30 target," said Molly Morris, incoming US offshore wind chief at Equinor, the Norwegian energy group.

The offshore wind industry, powered by turbines installed at sea, is well established in Europe. The US federal government and coastal states have more recently embraced the technology, with president Joe Biden making it a pillar of his drive to decarbonise the country's power grid and put it on a path to net zero emissions.

Turbine blades are set to begin spinning next year at the 800-megawatt Vineyard Wind development off Massachusetts, the first commercial-scale offshore project in the US. Dozens more are set to follow as investors rush for a piece of the action.

Obtaining permits was a central worry for many developers gathered at the Providence event, who said environmental reviews needed to be speedier and carried out with more consistency and transparency.

"Our concern is that this could end up being a very difficult bottleneck," Morris said. "If we don't get these projects that are in the forefront . . . permitted, then it's very difficult to really get this industry off the ground."

Executives also pointed to problems with the process for leasing. An auction for a section of federal waters off New York and New Jersey in February generated high bids totalling $4.4bn, more than any offshore oil and gas sale. But some developers said the high price point sapped capital and made it difficult to turn a profit.


Turbines at an Orsted wind farm off Rhode Island. Joe Biden has made the technology a pillar of his effort to decarbonise the power grid David Goldman/AP

Companies including Equinor and Denmark's Orsted pulled out of the bidding process as prices escalated. David Hardy, head of Orsted's North American business, told the Financial Times at the time that the auction was a "missed opportunity".

"I don't think it's healthy to have these super-high lease prices," said Mark Mitchell, senior vice-president for project construction at Dominion, a US utility building a wind farm off Virginia. "Right now that money just goes in and it doesn't necessarily benefit those customers that ultimately take that power."

Dominion is also embroiled in a regulatory stand-off over Virginia's insistence on a performance standard that would force it to cover the costs of replacement power if the wind farm underperforms targets. The company has threatened to pull the plug over what it describes as "untenable" costs associated with the provision.

The Biden administration says it is working with developers to resolve concerns as it looks to build the industry up "from the ground floor". Amanda Lefton, director of the US Bureau of Ocean Energy Management, said: "We have significantly evolved our processes and continue to do so."

"We are absolutely going to achieve the goals of this administration for 30 gigawatts of offshore wind by 2030. We are also poised to go well beyond that," she told the FT.

Availability of equipment is a growing challenge for the industry — a problem being exacerbated by some states' insistence on the use of local parts and labour as a condition of winning power sales contracts.

"There are only so many resources that are available that can support the size of the turbines that we're going to be installing here in the US," said Amy McGinty, head of offshore construction at Vestas, the turbine manufacturer. "Whether it's vessels, cranes, transport capacity, factory capacity — we are having to make commitments now . . . for projects that we're going to be building in '25, '26, '27 and beyond."

'There are only so many resources available that can support the size of the turbines that we're going to be installing'

US law prohibits the use of foreign-flagged vessels to transport parts between domestic ports. This restriction could be tightened under legislation being considered in Congress that would also require installation vessels, which operate away from ports, also to be crewed by US mariners. Developers say this could stop the industry in its tracks.

"I think people need to weigh all the factors to make sure there's transition times to make sure you don't immediately strand the market," Mitchell said. "Because these large vessels and resources, they're just not swapped overnight. You've got to have time to do it."

For equipment manufacturers, global inflationary pressures are adding to anxieties. "We're in this industry that's taking off like a rocket ship," said Steven Dayney, head of the offshore wind business at Siemens Gamesa, the turbine maker.

"Yet, many of us across the entire value chain are struggling to do it at a profit that allows us to continue investing . . . technology," he added.

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production away from you."

Analysts said the price differences underlined the regional segmentation of gas markets.

The Freeport LNG terminal on the coast of Texas, one of the country's biggest export facilities, has been out of service since a fire in June, removing a key demand outlet for US-produced gas.

The regional glut has been exacerbated this week by scheduled maintenance on the Kinder Morgan-operated Gulf Coast Express and El Paso Natural Gas pipelines, which carry gas away from the Permian Basin.

The maintenance is expected to last a few days, according to Mark Callahan, director of Americas natural gas and power price reporting at S&P Global Commodity Insights.

Prices for immediate delivery have also declined sharply in Europe in recent days as storage sites are near capacity. Unseasonably warm weather has forced traders to offload supplies despite concerns about shortages this winter.

European benchmark Dutch TTF gas futures are well below levels of more than €300 in August, but still well above a range of €20 to €40 in which they largely traded for the past decade.

It was not the first time that prices at Waha have turned negative: they did so nine times in 2020 and 31 times in 2019.

However, this time the move has occurred as Europe braces for potential winter shortages as Moscow cuts supplies in retaliation for western sanctions.

Natural gas from the Permian Basin comes largely as a byproduct of oil production. Volumes are set to reach more than 21bn cubic feet a day by the end of November, according to the Energy Information Administration, a new record high, and up by 9 per cent since last year.

Additional reporting by David Sheppard in London

Mining

European Lithium to set up US-listed entity

HARRY DEMPSEY

A lithium mining start-up is to create a US-listed company in a blank-cheque merger as a shortage of the metal has become the most serious supply chain bottleneck in the rollout of electric vehicles.

European Lithium, which claims to have the continent's first fully licensed mine with deposits in Austria, is to merge with Sizzle Acquisition, a special purpose acquisition company, to create Critical Metal.

Ths start-up, which is listed in Australia and will continue to trade there, will become the largest shareholder in Critical Metals, which will have a market capitalisation of $972mn.

Other companies have struggled to get permits to mine the metal in Europe, partly out of environmental concerns.

Setbacks in developing supplies of the metal used in batteries have left Europe largely reliant on China, which controls 60 per cent of global lithium processing.

The deal comes during a severe shortage of the metal, with prices plateauing close to record highs of $70,000 a tonne, eight times their level at the start of 2021.

This came after EV sales in China powered ahead this year with the supply of the metal struggling to keep pace.

Problems over winning permits have held back lithium mining in Europe.

Rio Tinto's exploration licences for its Jadar project in Serbia have been revoked, while Savannah Resources has yet to secure environmental approval for a lithium development from Portugal.

Lithium is a vital element in EV batteries because it is lightweight, with demand expected to multiply several times over the next decade as the industry takes off.

"The need for additional battery-grade lithium in Europe will only continue to accelerate as demand for EVs continues to outstrip supply," said Tony Sage, executive chair of Critical Metals.

The Wolfsberg site, 270km south of Vienna, is expected to produce about 10,500 tonnes of lithium concentrate a year starting in 2025 — enough for 200,000 EVs. Lithium concentrate has to then be refined into chemicals that can be used in EV batteries.

High prices for lithium have been spurring a wave of activity to raise capital to develop mines. On Monday Imerys, a mining services group, said it was launching a lithium project in France that aims to produce 34,000 tonnes of lithium hydroxide a year from 2028.

European Lithium holds a memorandum of understanding with BMW, the German carmaker, to pre-pay $15mn in return for supplies of lithium in the future. General Motors, Ford and Stellantis have taken the rare step of pre-financing mines and taking equity stakes in early stage mining groups.

Media

Warner Bros Discovery set to write off $2.5bn

ANNA NICOLAOU — NEW YORK

Warner Bros Discovery expects to write off up to $2.5bn because of shelved shows and movies along with other programming decisions, as chief executive David Zaslav looks to cut costs.

After the merger of Warner with Discovery, Zaslav has led a return to budget discipline following an era of extravagant spending in Hollywood. His team has been scouring the entertainment group, which includes HBO, the Warner movie studio and CNN, for $3bn in cost cuts over the next two years.

Warner warned in an SEC filing on Monday that restructuring costs could total up to $4.3bn through 2024, including between $2bn and $2.5bn in charges because of "strategic content programming assessments".

The company has already incurred more than half of the restructuring charges it outlined on Monday. Warner wrote off $1bn in restructuring costs in the second quarter and expects to report between $1.3bn and $1.6bn in charges in the third quarter.

These charges are related to decisions to halt shows in development, pull existing shows or movies from the HBO Max streaming platform, or change the release strategy for programming, said a person close to the situation. The group is "overwhelmingly done" with these changes, the person said.

Under Zaslav Warner has cancelled projects including the nearly completed *Batgirl* movie, JJ Abrams's HBO series *Demimonde* and the CNN Plus streaming service. *Batgirl*'s directors Adil El Arbi and Bilall Fallah had publicly expressed disbelief with the decision. Zaslav has vowed to adopt a "more sensible" approach to budgets and pricing, after the "spend, spend, spend and charge very little" approach in recent years as groups fixated on streaming growth.


Director's cut: David Zaslav has ended the 'spend, spend, spend' era

"It was a reaction to the capital markets — let's go ahead and collapse businesses and overspend on content," he said when the company's last quarterly earnings were released in August.

Warner Bros Discovery has cut estimates for operating profits this year to between $9bn and $9.5bn, blaming the more difficult outlook for advertising, overspending on streaming content and a budget position that was worse than what was disclosed pre-merger. Warner Bros Discovery declined to comment.

See Lex

COMPANIES & MARKETS

Taiwan chip champion fights to retain its edge

TSMC leads in manufacturing tech but rivals Intel and Samsung stand to gain from output localisation via big subsidies

KATHRIN HILLE — TAIPEI
SONG JUNG-A — SEOUL
RICHARD WATERS — SAN FRANCISCO

MediaTek, the smartphone chip design house, had only praise for Taiwan Semiconductor Manufacturing Company in a presentation at the largest contract chipmaker's technology symposium.

The success of MediaTek's latest flagship processor was "rooted in the work our partners at TSMC have done together with us", it said.

But CC Wei, TSMC's chief executive, winced when the presentation showed that its further miniaturisation of the chip — to create circuits about 4 billionths of a metre wide — had produced only a 2 per cent increase in performance.

"When I saw [that], I almost fell off my chair," Wei said.

Chipmakers are bumping up against the laws of physics as they strive to make semiconductors ever faster and more power-efficient, in order to enable rapidly evolving applications from high-end gaming on smartphones to servers used for climate change simulation.

Some 75 years after the invention of the transistor, a switch that controls electrical current and forms the heart of every semiconductor, the principle that the number of transistors packed on

Samsung's yield problem is making it struggle to attract big customers for the cutting-edge chip production. Analysts do not expect its earlier adoption of GAA to help it catch up with TSMC any time soon, but said it could attract big customers such as Google and Tesla once it introduced a second-generation GAA N3 process next year and secured a stable yield.

TSMC executives indicated that their decision to stick with the previous architecture at N3 was paying off.

"It allowed us to bring N3 to the market faster," Zhang said.

The company said it was achieving "good yields", and customer demand for N3 was so strong that it was putting a strain on its engineering capacity. TSMC has commitments from Apple, Intel, AMD and several other customers for N3.

'As moving to the next node gets more difficult, anyone could stumble'

Chris Miller, Tufts University

Meanwhile, Intel has laid out a goal of matching TSMC's process tech by 2024 and overtaking it a year later, though each chip will double about every two years, enabling explosive growth of computing power, is crumbling. Shrinking them is becoming too difficult.

> 'Just relying on transistors is no longer enough to meet our demands today'
>
> CC Wei, chief executive

"Just relying on transistors is no longer enough to meet our demands today, and to meet [the requirements of] the products you design," Wei told an audience of TSMC customers.

In 1965, Gordon Moore, co-founder of Fairchild Semiconductor and later Intel, had observed the doubling of the transistor count per chip about every 24 months, and predicted such exponential growth for the next decade.

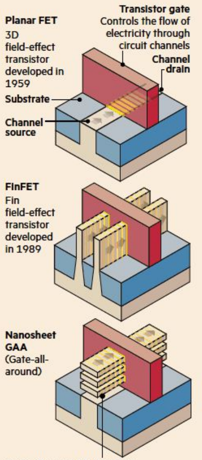
Moore's Law held true much longer than its inventor had foreseen. One IC device can contain up to 100bn transistors today, according to TSMC. However, it is reaching a limit.

This challenge of finding technical alternatives is making competition between top chip manufacturers more unpredictable, although for now TSMC has a clear lead in manufacturing tech.

Its foundry model of manufacturing semiconductors only to other companies' designs has helped it capture more than half of the market for made-to-order chips, with more than 12,000 different products made and close engineering relationships with over 500 customers.

Previously, Intel squandered its manufacturing lead over TSMC with a series of missteps in its last two process node transitions, and is reckoned to be about two years behind. But analysts say that could change, especially as governments from the US to Japan are pushing chipmakers to localise production with big subsidies that could favour Intel and Samsung, TSMC's other main rival.

The next generation of transistors struggles to deliver



Gate-all-around technology completely surrounds the channels, maximising the contact surface, enhancing control, and allowing the device to operate with very low voltage and bring power efficiency gains

Source: FT research

TSMC "could stumble. As moving to the next technology node becomes more difficult, anyone could stumble", said Chris Miller, a historian at Tufts University.

"Or, if the next couple of process technology node transitions are harder than we expect, TSMC's edge could become less meaningful."

Chipmakers have battled the slowdown of Moore's Law successfully for more than a decade. When packing more transistors ran into problems, they started stacking them on top of each other.

They are also packaging different chips together on one piece of silicon, rather than across a PC motherboard. TSMC uses such multi-die package tech to make the Epyc, AMD's data centre processor.

But now the industry is being forced to look at other enhancements. As the FinFET process used for the past decade can no longer deliver enough gains in speed and power, it is adopting a new transistor architecture.

Beginning from N2, the generation of chips that TSMC plans to mass-produce from 2025, it will use a tech it calls Nanosheet, also known as gate-all-around.

Under that architecture, the transistor gate, which controls the flow of electricity through circuit channels, completely surrounds the channels rather than being on three sides, as in the previous solution.

This maximised the surface and "allows the device to operate with very low voltage and bring power efficiency gains", said Kevin Zhang, vice-president at TSMC.

The transition is proving difficult. Samsung, which tried to pioneer GAA at the N3 generation, has struggled to raise its yield — the proportion of non-defective chips that are produced. It started mass production in June at N3 just before TSMC, which is to start volume production before the end of the year.

TSMC's factory in Nanjing. The transition to newer technologies is posing challenges across the chipmaking industry — VCG/Getty Images

the continuing slide in its stock price shows that Wall Street is not yet persuaded that it can both fix its previous missteps and catch up with TSMC's headlong tech advances by then.

The US chipmaker plans to make a belated switch to the most advanced EUV manufacturing equipment next year and adopt its own version of GAA in 2024, to produce a chip with features 2nm wide.

But as much as TSMC is confident in its leading position, even larger challenges loom. Chipmakers expect that tools and materials used for making semiconductors for decades will need to be changed or even replaced before long, and eventually the days of silicon itself, the base material of the industry since its inception, will be numbered.

Retail

Made on brink after failing to secure funding

JONATHAN ELEY

Made.com, the online furniture retailer, is facing financial collapse just over a year after an initial public offering that valued it at £775mn.

The group, which sells sofas, bean bags and antique brass lamps to younger shoppers, said in an update to investors yesterday that it had failed to find a buyer or secure emergency funding after it launched a "strategic review" looking at options last month.

It warned that if it could not raise extra funds or secure an offer for the company before its remaining cash reserves were depleted, "the board will take the appropriate steps to preserve value for creditors".

It added it was considering suspending trading in its shares, which crashed 93 per cent yesterday to close at 0.5p.

Amid predictions that it could quadruple sales of its upmarket, design-led furniture ranges to £1.2bn by 2025, the group floated in June last year to 200p a share.

Founders Li Ning and Brent Hoberman, along with some of the investors who had backed it as a private company, sold shares worth about £90mn in the IPO, which after expenses raised a similar amount of capital for the company.

But after a series of profit warnings and with its cash reserves dwindling, the group put itself up for sale in September. Yesterday it said that all discussions had been terminated because none of the counterparties were able to meet the necessary timetable.

After a series of profit warnings and with its cash reserves dwindling, Made.com, which has a retail shop showroom in London, put itself up for sale in September Chris Batson/Alamy

Made has no pre-arranged credit or overdraft facilities and this month told potential lenders and acquirers that if it remained a listed company, it would need interim funding of between £45mn and £70mn to see it through to sustainable profitability.

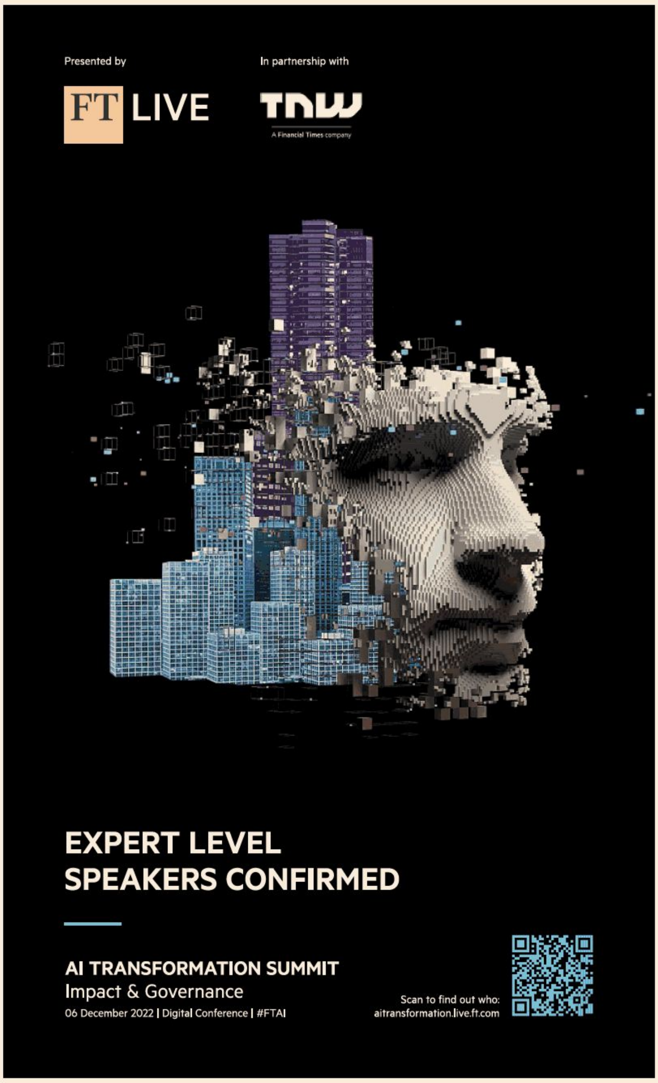
The group was hit by a Covid-related crunch in global supply chains that forced it largely to abandon a capital-light "just in time" business model and hold more stock close to its main markets in Europe.

But that tied up a substantial portion of the funds raised at the IPO in inventory just as consumer confidence began to crumble in the face of soaring food, fuel and energy prices. It was forced to sell furniture at a discount, squeezing its profit margins.

It hoped to capitalise on a shift to buying online that has been accelerated by the pandemic.

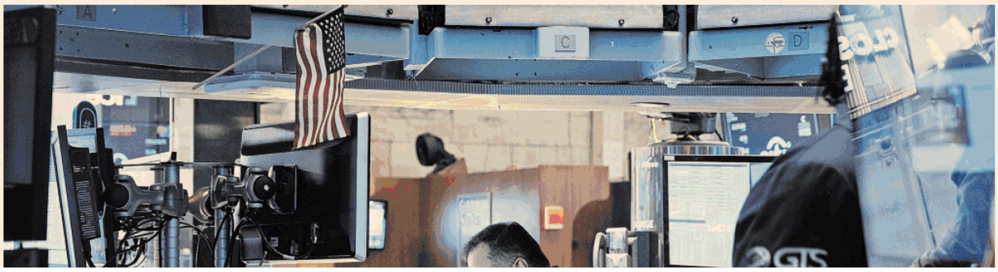
It also suffered from upheaval in the boardroom, with both its chief executive and chief financial officer leaving the business during 2022.

In July it warned on profits for a third time and last month began the process of shedding a third of its staff, many of whom had only been hired in the past year. Last week it said it had received several non-binding proposals and it invited "a select number of parties" to submit offers by the end of October.



Equities. Emerging markets

Wall Street divided over EM outlook after $2tn rout



Currencies

Renminbi hit as Xi taps hardliners for leadership

HUDSON LOCKETT, WILLIAM LANGLEY AND CHENG LENG — HONG KONG

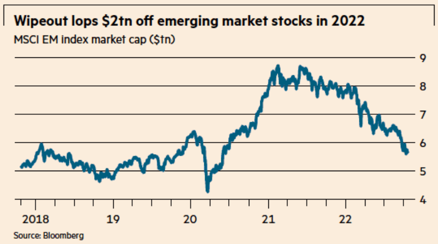
China's renminbi has hit its weakest level against the dollar since 2007 as concerns over Xi Jinping's appointment of a harder line leadership team and a struggling economy spread from equities to currency markets.

The renminbi, already hit this year by a widening interest rate differential with the US, fell as much as 0.6 per cent yesterday to Rmb7.3084 per dollar. The fall came after the People's Bank of China moved the midpoint of the currency's trading band to the lowest level since the global financial crisis.

An MSCI index of emerging market stocks is down 30% since early January
Spencer Platt/Getty Images

Morgan Stanley calls bottom of dip while Goldman Sachs is sceptical, especially over Asia

HUDSON LOCKETT — HONG KONG
LEO LEWIS — TOKYO
JONATHAN WHEATLEY — LONDON



Wipeout lops $2tn off emerging market stocks in 2022

MSCI EM index market cap ($tn)

Source: Bloomberg

Wall Street's biggest banks are split on the outlook for emerging market equities, with Morgan Stanley and Goldman Sachs taking diametrically opposed views after a $2tn sell-off this year.

An MSCI index of EM stocks has slumped about 30 per cent since early January, reflecting a rout in markets ranging from China to South Korea.

Those steep declines have fuelled debate among analysts about how much worse things can get, with Morgan Stanley identifying bargain opportunities just as Goldman casts doubt over a possible recovery.

The divergence comes at a critical point for emerging markets, particularly in Asia, which has been hard hit by the global sell-off. The deteriorating sentiment is due in large part to an economic downturn in China, which has weighed on growth across the region, as well as a slump in semiconductor demand and a tech rout aggravated by rising US interest rates.

Investors have grown increasingly sceptical on China's economic outlook in the wake of Xi Jinping's consolidation of power at the party congress in Beijing, which helped spark a sell-off in Chinese equities. Hong Kong's Hang Seng tech index fell almost 10 per cent on Monday, its second largest one-day drop.

South Korea's benchmark Kospi index is down 38 per cent this year after adjusting for currency depreciation against the dollar, while Taiwan's Taiex has fallen almost 40 per cent by the same measure.

The EM turmoil has spurred more than $70bn of outflows from emerging market bond funds and wiped $2.1tn off the market capitalisation of stocks tracked by the benchmark MSCI Emerging Markets index, which is down 29.8 per cent this year.

But strategists at Morgan Stanley have called the bottom for EM equities, forecasting a 14 per cent rise for the MSCI index by next June.

"It's basically the beginning of a new cycle after a substantial drawdown in emerging markets equities and the longest bear market we've ever had — it's really exciting," said Jonathan Garner, chief Asia and emerging markets strategist for Morgan Stanley and lead author of a report recommending investors dive back into EM equities.

The report ranked South Korea and Taiwan at the top of strategists' recommended markets.

Both, the analysts said, were dominated by semiconductors and technology hardware stocks — such as TSMC and Samsung Electronics — that have done particularly poorly this year. But Morgan Stanley expects the industry's inventory cycle to pass its nadir by the first quarter of 2023, priming the Taiex and Kospi to rise 24 per cent and 21 per cent respectively by June.

It also said Chinese equities were poised to benefit from the broader rebound. But unlike previous EM recoveries, it did not expect China to lead the charge thanks to a structural reduction in return on equity for Chinese stocks, as well as "a lack of clarity on geopolitics, exit from Covid zero, and the situation in the property market," where a growing number of developers have defaulted on dollar bond repayments.

The forecast from Morgan Stanley stands in stark contrast to the outlook at Goldman Sachs, where strategists Caesar Maasry and Jolene Zhong say there is not a "coherent EM story".

Despite forecasting a 15 per cent rise for the MSCI EM index over the next 12 months — double the timeframe of Morgan Stanley — the Goldman strategists warned there "is not a consistent 'floor valuation', and we recommend investors remain defensively positioned".

Goldman's recommendations also differ from Morgan Stanley within the different regions covered by emerging markets, with stable commodity prices, higher interest rates and relative insulation from risks to Chinese economic growth leading the bank's strategists to favour Latin American markets over both South Korea and Taiwan.

Latin American stocks have outperformed those in other emerging markets this year, as commodity exporters ride a wave of soaring prices for food, fuel and industrial inputs.

In contrast to the benchmark MSCI EM index, MSCI's EM Latin America index is up 2.5 per cent and its Brazil index up more than 10 per cent on the year to date, with bellwether oil company Petrobras up more than 13 per cent on the local exchange.

Robin Brooks, chief economist at the Institute of International Finance, said the turning point for EM assets would be a slowdown in US inflation signalling that the Federal Reserve's cycle of interest rate rises was nearing an end.

"That will be the key market driver going forward," he said. "If we get a pivot from the Fed we should get an across the board rally, especially in EM equities and local currency fixed income. That's where the inflation scare has hit the hardest, so it's where we'll see the rebound."

The split over EM markets extends to investors. Bill Maldonado, chief investment officer of Asia-focused asset manager Eastspring, said calling the floor for EM stocks "sounds a bit punchy", although he added that some markets in Asia were attractive.

> 'If we get a pivot from the Fed we should get an across the board rally'

FT

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ft.com/markets

China's currency has lost 13 per cent of its value in the year to date. Yesterday's decline followed a global sell-off of Chinese equities this week, with the Hang Seng China Enterprises index losing more than 7 per cent on Monday and the Nasdaq Golden Dragons index of large technology stocks trading in New York dropping more than 14 per cent.

The sell-off follows the Chinese Communist party congress in Beijing last week in which Xi unsettled global investors by stacking the ranks of China's senior leadership with loyalists focused more on national security and strict zero-Covid-19 policies than on economic growth or supporting markets.

"Something had to give," said Sean Callow, senior currency strategist at Westpac. "The PBoC had been defying reality for about three weeks in terms of the trading band's midpoint."

> 'The PBoC had been defying reality for about three weeks in terms of the trading band's midpoint'

He added that the renminbi exchange rate was touching the weak end of the trading band by the close of trading on Monday, meaning that unless the central bank was willing to intervene in markets, "the best option they had was to set a more realistic midpoint".

Markets in mainland China also face sustained selling pressure from foreign financial institutions, which have reversed almost all of their net purchases of Shanghai- and Shenzhen-listed stocks this year.

Financial Times calculations show that offshore investors using Hong Kong's Stock Connect programme have sold more than Rmb52bn ($7.1bn) of mainland stocks this month, leaving just Rmb1.6bn in net purchases for 2022.

Shares in Hong Kong pared losses slightly yesterday, with the Hang Seng China Enterprises index up about 1 per cent. However, a trader with one Chinese brokerage in the city said trading volumes were far lower compared with the sell-off on Monday and that buy orders were "devoid of global long-only investors".

China's benchmark CSI 300 index of Shanghai- and Shenzhen-listed stocks edged down another 0.1 per cent yesterday, taking losses to 3 per cent for the week.

Asset management

Amundi investment boss warns over hidden leverage

HARRIET AGNEW AND JOSEPHINE CUMBO
LONDON

Europe's largest asset manager has warned that the tremors in the UK pensions market should be a "wake-up call" to investors and regulators about the dangers of hidden leverage in the financial system.

Vincent Mortier, chief investment officer at Amundi, which has €1.9tn in assets, said the turmoil caused by the UK "mini" Budget was "a reminder that shadow banking is a reality. I don't believe that anyone before the crisis had any idea of the magnitude of this shadow banking in the pension fund industry".

Then chancellor Kwasi Kwarteng shocked markets with £45bn of unfunded tax cuts on September 23, driving up UK government bond yields and wreaking havoc on the country's £1.4tn defined benefit pension industry, which uses specialised hedging strategies to help schemes better match assets and liabilities.

The strategies, known as liability-driven investing, have leverage embedded in them: they use a variety of derivatives that allow pension schemes to increase exposure to gilts, without necessarily holding the bonds outright.

The drop in gilt prices led to a rush of margin calls as counterparties demanded more cash as collateral to keep the hedging arrangement in place. Funds were forced to sell assets, including gilts, to meet the calls, depressing prices further in a vicious circle that led to Bank of England intervention.

Reliable data on leverage in the UK pension fund market is hard to come by, but experts estimate that LDI leverage turned £500bn of underlying assets into £1.5tn of invested money.

"The amounts at stake were huge, and it's a further reminder of the depth of leverage in the system, which is in multiple places that are difficult to track," said Mortier.

Increased capital requirements imposed on banks to make them safer following the financial crisis have moved risk off their balance sheets to less heavily regulated parts of the system, namely asset managers, insurance companies and pension funds. Investors have fuelled the shift by pouring money into alternative strategies such as private credit as they search for yield in a low-interest-rate environment.

In 2000, non-banks held $51tn of financial assets, compared with banks' $58tn, according to the Financial Stability Board. Its latest data showed that non-banks held $227tn in financial assets at the end of 2020, outstripping banks at $180tn.

Mortier said that the shift in leverage from banks to non-banks made it very difficult for regulators to have a true picture of the risks.

"It's much more difficult than in 2007, when leverage was predominantly in the banks," he said. "The issue is that we don't know exactly where it is. When you can't measure something, it's difficult to act upon it."

Mortier singled out several areas where hidden leverage might be a concern: over-the-counter derivatives, which are negotiated privately, away from exchanges; real estate; and parts of the private credit market, including leveraged loans.

Vincent Mortier: UK crisis revealed magnitude of shadow banking role

The BoE's Financial Policy Committee recently warned of risks lurking in the US private credit markets. It noted that leveraged lending increased from about $2tn in 2017 to $3tn at the end of last year, and said that companies with such debt "were likely to be particularly vulnerable to the tightening in financial conditions and the weaker growth outlook".

Mortier highlighted collapsed family office Archegos Capital Management as an example of how leverage can build up under the radar. Archegos founder Bill Hwang borrowed billions of dollars from blue-chip banks to amass huge positions in US-listed companies. By using derivatives, where the bank it traded with bought or sold stocks on Archegos's behalf, the firm left no visible footprint of its activity to the investing public.

Archegos's collapse caused billions of dollars of losses for investment banks including Credit Suisse, UBS, Nomura and Morgan Stanley after it defaulted on margin calls, with more than $100bn wiped from the valuations of nearly a dozen companies as Archegos's positions were unwound.

Commodities

ChemChina-Mercuria tie-up falls foul of global tensions

HARRY DEMPSEY AND LESLIE HOOK

A six-year partnership between Chinese chemical group ChemChina and Swiss oil trader Mercuria has been wound down as geopolitical tensions test ties in the commodities world.

Mercuria said yesterday it had bought back the 12 per cent stake ChemChina purchased in 2016, after a "successful" partnership. The company did not give a reason for buying back the stake.

Tensions between the US and China, and the pressure of complying with Russian sanctions, have made life more difficult for the trading houses that move commodities around the world.

Despite disruptions to global trade flows providing a huge boost to trading houses' profits, smaller outfits have often struggled with rising margin requirements as volatility jumped following Russia's invasion of Ukraine.

Mercuria, which is among the world's largest independent oil traders, was founded in 2004. Its 2016 partnership with ChemChina, which valued Mercuria at $3bn, was seen as a key strategic move for both companies.

The Geneva-based group signalled two years later that ChemChina could increase its stake to as much as a third, and that Mercuria might take a stake in ChemChina at the same time. However those deals never came to pass.

Mercuria and ChemChina will continue to collaborate as trading partners, even though ChemChina no longer owns a stake, said a person close to the group.

ChemChina in 2021 merged with Sinochem, one of China's top four oil companies, to create a state-backed industrial powerhouse with $152bn in sales.

The repurchase of ChemChina's stake, which was first reported by Reuters, ends what Mercuria described yesterday as a "successful six years of commercial and strategic co-operation consistent with the investment terms and time horizon initially contemplated".

Mercuria's gross profits last year rose by half to $2.8bn on revenues that jumped by the same percentage to $180bn.

The stake sale comes weeks after Abu Dhabi National Oil Company entered talks with Mercuria's rival Gunvor about acquiring part of the Geneva-based business. ChemChina could not be reached for comment.

COMPANIES & MARKETS

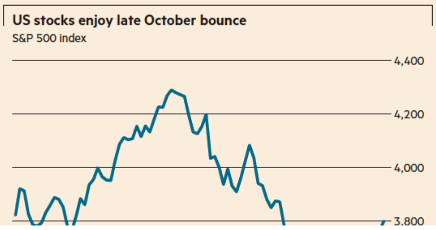
The day in the markets

What you need to know

- **Wall Street gains ahead of tech results**
- **European stocks up despite German gloom**
- **Xi appointment knocks China markets**

US stocks rose yesterday ahead of a busy day of third-quarter corporate results, while Asian equities fell further following historic declines in the previous session.

The broad S&P 500 index added 1.4 per cent and the Nasdaq Composite rose 2.1 per cent in New York morning trading as investors looked ahead to earnings reports after the close from some of the world's largest tech companies including



US stocks enjoy late October bounce

S&P 500 index

A persuasive case for active bond management

Ellen Carr

Markets Insight

Equity investors have been shifting from actively managed funds to passive strategies for decades. Passifica-

tive sample, outperformed the index over the past five years, net of fees.

Why is that the case? First, true indexation: that is, investing in all the securi-

the ratings trajectory downwards. Third, a meaningful component of alpha in investment grade comes from asset allocation decisions among the

Alphabet, Spotify and Microsoft.

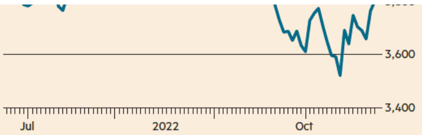
Investors have been sifting through the raft of corporate earnings over the past two weeks for signs of strain from high inflation and rising borrowing costs.

The US Federal Reserve has raised interest rates aggressively this year, implementing extra-large increases of 0.75 percentage points over each of its past three meetings to a target range of 3 to 3.25 per cent. The central bank's rate-setters meet again next week.

The pressure of tighter monetary policy has weighed heavily on equity and bond markets in recent months, with the S&P last month closing out its longest streak of quarterly losses since 2008. Higher interest rates mean higher borrowing costs for companies, while also biting into future projected cash flows.

Traders have also contended with elevated volatility in recent months.

Europe's Stoxx 600 rose 1.4 per cent and Germany's Dax reversed losses to rise 0.9 per cent even as the country's Ifo Institute noted domestic business sentiment "continues to be grim".



Source: Refinitiv

Martin Wolburg, senior economist at Generali Investments, said he expected the European Central Bank to raise interest rates by 0.75 percentage points to 1.5 per cent tomorrow in an attempt to tackle rising consumer prices, which rose 10 per cent in the eurozone in the year to September.

London's FTSE 100 finished flat, while yields on 10-year gilts fell 0.11 percentage points at 3.63 per cent after Rishi Sunak was confirmed as the UK's third prime minister in seven weeks. Sterling jumped 1.8 per cent against the dollar to $1.147 and advanced 0.9 per cent against the euro to €1.152. Hong Kong's Hang Seng index fell 0.1 per cent following its biggest one-day drop since 2008 on Monday and confirmation of President Xi Jinping's third term. The CSI 300 index of Shanghai- and Shenzhen-listed equities fell 0.2 per cent, while the renminbi was at its weakest against the dollar since 2007.

Prices for European natural gas rose, erasing some of the decline in the previous session, with Dutch TTF gas futures, the benchmark regional contract, up 4.2 per cent to €99 per megawatt hour. **George Steer**

tion, if that is a word, has been slower to take off in fixed-income strategies, though.

There are several reasons but perhaps the most significant is that the case for active bond management is supported by its outperformance, net of fees, versus indices and passive strategies.

This might be different from what you've commonly heard and read. However, the case against active management typically focuses on mutual funds and exchange traded funds. The performance of institutional fixed income, that is separately managed accounts (SMAs) for pensions, endowments, foundations, etc, is better.

The focus on mutual funds and ETFs is for two reasons. First, data are easier to come by thanks to Morningstar, the largest provider of ratings for funds. Second, funds are the main exposure for retail investors. But with a substantial amount of bonds held outside fund structures, it's important to analyse returns for this category.

Take data from PSN, a widely used database of manager returns used by consultants, and compare the performances against the Bloomberg Aggregate index, the most commonly used benchmark for investment-grade fixed-income portfolios and known as the AGG.

The Agg's performances would rank in the fourth quartile for the 150 core bond managers in the PSN database over three and five-year periods as of September 30 and are barely in the third quartile over the past year. That means more than 75 per cent of those 150 core bond managers, a large and representa-

ties in an index is impossible in fixed income. It's not just that the AGG contains more than 12,000 bond issues. It is also the challenges of trading corporate bonds privately between counterparties, or "over the counter".

The average corporate bond trades infrequently a month after issuance, resulting in potentially large spreads between bids and offers, a cost that the indices don't incur. With that backdrop, it's remarkable that the two largest passive vehicles have managed to generate (lacklustre) results in line with the AGG.

> 'Larger institutions would be wise to embrace the adage of you get what you pay for'

Second, by definition, the index overweights issuers with the most debt, which suggests a bias towards lower-quality companies. Take two examples in the same industry, Oracle (rated Baa2/BBB+ by Moody's and S&P, respectively) and Microsoft (an AAA-rated "unicorn"). Since Oracle is a larger component of the index than Microsoft, a passive strategy must own more of the former, while active managers might choose to avoid it given its negative credit rating trajectory.

The index has also experienced an increase in BBBs, the lowest rating rung of the investment-grade corporate universe, over the past decade. Passive strategies have no choice but to follow

three primary sectors of the index, Treasury bonds, mortgage-backed securities and corporate bonds.

A common criticism of active fixed-income investing is that managers blindly overweight higher-yielding, riskier MBS and corporates to juice returns (and subsequently blow up when risk appetite declines sharply). But the reality is more nuanced. According to JPMorgan data, the level of average risk-adjusted returns, the Sharpe ratio, in MBS and corporates is higher than in Treasuries, over virtually all time periods. Most active managers overweight these sectors accordingly; a decision not available to passive strategies.

A fourth reason is that in periods of dislocation, fixed-income index funds can be whipsawed by outflows, whereas SMAs are by and large static pools of capital. While an institution might redeploy cash from bonds to stocks in a downturn, institutional behaviour tends to be less herd-like than retail.

Index funds in fixed income can make sense for smaller institutions underserved by investment managers and individual investors lacking the critical mass to achieve liquidity or diversification. But larger institutions would be wise to embrace the adage of "you get what you pay for"; active fixed-income strategies are worth the fees they charge.

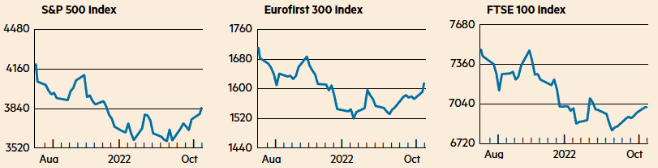
Ellen Carr is a bond portfolio manager at Barksdale Investment Management and co-author of Undiversified: The Big Gender Short in Investment Management

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	3845.88	1614.64	27250.28	7013.48	2976.28	115785.91
% change on day	1.28	1.44	1.02	-0.01	-0.04	-0.20
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	111.994	0.996	147.815	1.146	7.309	5.311
% change on day	0.004	0.708	-0.639	1.326	0.651	0.489
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	4.074	2.168	0.252	3.634	2.729	12.725
Basis point change on day	-13.460	-15.900	0.040	-9.900	1.500	-12.400
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	384.15	93.36	85.04	1649.15	19.22	3539.20
% change on day	1.40	0.11	0.54	0.36	4.51	-0.46

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

Main equity markets



Biggest movers

%		US		Eurozone		UK	
Ups	Iqvia Holdings	9.45	Sap	7.11	Segro	7.09
	Centene	8.85	Air Liquide	6.65	Land Securities	5.92
	Ross Stores	6.85	Saipem	6.15	Flutter Entertainment	5.57
	Intuitive Surgical	6.70	Dassault Systemes	5.07	Ocado	5.30
	Paypal Holdings	6.63	Gecina	4.90	Hargreaves Lansdown	4.89
Downs	Cadence Design Systems	-4.28	Wartsila	-7.24	Hsbc Holdings	-6.83
	Wr Berkley	-3.84	Adidas	-4.45	Shell	-2.37
	Cvs Health	-3.79	Linde	-4.21	Standard Chartered	-1.28
	Corning	-3.22	Ageas	-3.93	Compass	-1.19
	Valero Energy	-2.55	Galp Energia	-2.71	Harbour Energy	-1.07

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

PayPal jumped on news that Amazon would be offering Venmo as a payment option for orders placed on its website and mobile app. The online payments platform owns the digital wallet.

Venmo will be rolled out to select Amazon customers this week and be available to US customers by Black Friday on November 25.

Health insurer **Centene** jumped on news it had signed a strategic collaboration with Express Scripts, which would manage the pharmacy benefits for around 20mn Centene members.

Centene's third-quarter earnings of $1.30 per share also surpassed the $1.24 analysts polled by Refinitiv had estimated.

Bank holding company **Limestone Bancorp** rose sharply on news it was being bought by Peoples Bancorp in an all-stock merger. Under the terms of the deal, Limestone investors would receive 0.90 shares of Peoples stock for each stock they owned — the equivalent of $27.25 per share. The bid represented a 39 per cent premium on Monday's closing price.

An earnings miss helped send **Brown & Brown** to the bottom of the S&P 500 benchmark, the insurer reporting third-quarter earnings of 50 cents per share, 11 cents below what Wall Street had expected. *Ray Douglas*

Europe

Apple's announcement that it was raising the price of its subscriptions services sent **Universal Music Group** rallying.

The Netherlands-based label, which counts Taylor Swift and Drake among its artists, stood to benefit from the move, said Citi. Assuming no churn, the broker calculated that the rise would increase UMG's music streaming revenue by about 3 per cent and improve its earnings by between 4 and 5 per cent.

Swedish streaming company **Viaplay**, formerly the Nordic Entertainment Group, fell after cutting its full-year guidance and missing analysts' revenue estimates.

Net sales slid 23 per cent year on year to SKr3.97bn ($357mn), falling short of the Refinitv-compiled estimate of SKr4.17bn, while Nordic organic sales were expected to rise 10 per cent in 2022 against 20 per cent previously forecast.

Viaplay blamed this performance on a "general economic slowdown on advertising and subscription sales", lower than expected premium subscription sales in Norway and a decision to end an "unfavourable distribution agreement".

French fragrance group **Interparfums** jumped off the back of a "record" third-quarter for net sales, it said.

Michel Atwood, chief financial officer, said the group remained "on track to achieve our 2022 goal of approximately $1bn in net sales". *Ray Douglas*

London

An unexpected executive reshuffle helped leave **HSBC** languishing at the bottom of the FTSE 100 index.

The Asia-focused lender reported an adjusted pre-tax profit of $6.5bn in the third quarter, topping analyst estimates, but the announcement that its chief financial officer would be stepping down came as a surprise.

Ewen Stevenson, who will depart at the end of this year, was "well respected", said Danni Hewson, analyst at AJ Bell.

"Stevenson had a good track record in his previous job helping to rehabilitate NatWest . . . and shareholders will be disappointed not to have his steady hand at the tiller during the current turmoil," said Hewson.

THG, the fast-moving consumer goods group, leapt after leaving its full-year earnings and cash guidance unchanged and agreeing to a £156mn banking facility with three lenders "on highly attractive terms", said Matthew Moulding, chief executive.

Pharma group **DeepVerge** surged on news that its fundraising process, co-ordinated by brokers Turner Pope, was continuing "to progress".

The group said this month there could "be no guarantees that sufficient equity funds" could be raised to help it repay loans and "reach profitability and cash generation during 2023". *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 $
1.28%	1.95%	0.82%	-0.01%	1.44%	1.02%	-0.10%	1.40%	0.708%	1.326%	-0.639%	-0.572%	-0.93%	0.36%

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

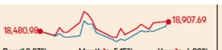
Day ↗ 1.28% Month ↘ -9.04% Year ↘ -13.23%

Nasdaq Composite New York

Day ↗ 1.95% Month ↘ -12.12% Year ↘ -25.79%

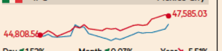
Dow Jones Industrial New York

Day ↗ 0.82% Month ↘ -5.72% Year ↘ -8.11%



Day ↗ 0.83% Month ↘ -5.15% Year ↘ -6.90%

IPC Mexico City



Day ↗ 1.52% Month ↗ 0.03% Year ↘ -5.51%

Bovespa São Paulo

Day ↘ -0.20% Month ↗ 4.11% Year ↗ 6.65%

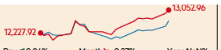
Day ↘ -0.01% Month ↘ -7.07% Year ↗ 1.63%

FTSE Eurofirst 300 Europe

Day ↗ 1.44% Month ↘ -6.25% Year ↘ -7.71%

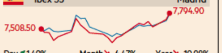
CAC 40 Paris

Day ↗ 1.94% Month ↘ -3.78% Year ↘ -4.87%



Day ↗ 0.94% Month ↘ -0.27% Year NaN%

Ibex 35 Madrid



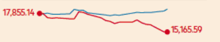
Day ↗ 1.49% Month ↘ -6.47% Year ↘ -10.98%

FTSE MIB Milan

Day ↗ 1.40% Month ↘ -1.15% Year ↘ -13.36%

Day ↗ 1.02% Month ↘ -5.85% Year ↘ -10.69%

Hang Seng Hong Kong



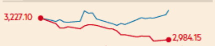
Day ↘ -0.10% Month ↘ -23.23% Year ↘ -39.09%

Shanghai Composite Shanghai

Day ↘ -0.04% Month ↘ -8.65% Year ↘ -17.64%

Day ↘ -0.05% Month ↘ -10.34% Year ↘ -28.83%

FTSE Straits Times Singapore



Day ↗ 0.48% Month ↘ -8.11% Year ↘ -2.87%

BSE Sensex Mumbai

Day ↘ -0.48% Month ↘ -0.24% Year ↗ 0.82%

Country	Index	Latest	Previous
Argentina	Merval	142524.90	139733.39
Australia	All Ordinaries	6993.70	6978.40
	S&P/ASX 200	6798.60	6779.40
	S&P/ASX 200 Res	5353.80	5432.30
Austria	ATX	2863.26	2820.48
Belgium	BEL 20	3540.32	3495.19
	BEL Mid	9155.21	9030.71
Brazil	IBovespa	115785.91	116012.70
Canada	S&P/TSX 60	1154.44	1146.06
	S&P/TSX Comp	19075.52	18918.40
	S&P/TSX Div Met & Min	1456.86	1378.03
Chile	S&P/CLX IGPA Gen	28094.56	27773.85
China	FTSE A200	9694.98	9700.64
	FTSE B35	9000.71	8988.96
	Shanghai A	3119.20	3120.10
	Shanghai B	283.94	283.22
	Shanghai Comp	2976.28	2977.56
	Shenzhen A	2012.26	2021.50
	Shenzhen B	1099.29	1102.16
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1165.50	1171.40
Denmark	OMXC Copenahgen 20	1636.34	1609.59
Egypt	EGX 30	10320.88	10258.24
Estonia	OMX Tallinn	1661.43	1667.53
Finland	OMX Helsinki General	10473.98	10357.55
France	CAC 40	6250.55	6131.36
	SBF 120	4800.72	4713.68
Germany	M-DAX	23807.17	23241.83
	TecDAX	2857.33	2771.68
	XETRA Dax	13052.96	12931.45
Greece	Athens Gen	863.00	866.25
	FTSE/ASE 20	2094.20	2097.61
Hong Kong	Hang Seng	15165.59	15180.69
	HS China Enterprise	5180.31	5114.48
	HSCC Red Chip	3122.90	3128.69
Hungary	Bux	40588.89	40091.49
India	BSE Sensex	59543.96	59831.66
	Nifty 500	15158.10	15198.75
Indonesia	Jakarta Comp	7048.38	7053.04
Ireland	ISEQ Overall	6920.27	6731.16
Israel	Tel Aviv 125	1930.19	1917.57
Italy	FTSE Italia All-Share	24232.50	23877.38
	FTSE Italia Mid Cap	37846.39	36713.27
	FTSE MIB	22289.85	21982.95
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	27250.28	26974.90
	S&P Topix 150	1636.61	1617.93
	Topix	1930.17	1935.49
Jordan	Amman SE	2486.95	2502.22
Kenya	NSE 20	1704.60	1705.02
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1065.62	1064.32
Lithuania	OMX Vilnius	902.35	897.88
Luxembourg	LuxX	1348.52	1329.65
Malaysia	FTSE Bursa KLCI	1444.41	1446.42
Mexico	IPC	48489.32	47765.24
Morocco	MASI	10954.52	11066.31
Netherlands	AEX	666.21	653.54
	AEX All Share	901.01	884.10
New Zealand	NZX 50	10902.31	10782.36
Nigeria	SE All Share	44396.73	44332.21
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	42190.03	42347.23
Philippines	Manila Comp	6073.41	6028.79
Poland	Wig	47635.51	47370.66
Portugal	PSI 20	5651.70	5563.32
	PSI General	4302.44	4247.34
Romania	BET Index	10879.55	10827.84
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	12006.59	11963.68
Singapore	FTSE Straits Times	2984.15	2969.95
Slovakia	SAX	337.37	336.11
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	65850.84	64975.95
	FTSE/JSE Res 20	61644.73	61812.05
	FTSE/JSE Top 40	59268.00	58461.97
South Korea	Kospi	2235.07	2236.16
	Kospi 200	291.58	291.47
Spain	IBEX 35	7794.90	7680.50
Sri Lanka	CSE All Share	8516.40	8685.52
Sweden	OMX Stockholm 30	1965.29	1938.73
	OMX Stockholm AS	749.91	733.83
Switzerland	SMI Index	10773.34	10595.53
Taiwan	Weighted Pr	12666.12	12856.98
Thailand	Bangkok SET	1600.66	1591.32
Turkey	BIST 100	3987.51	3977.51
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2333.80	2300.60
	FTSE 100	7013.48	7013.99
	FTSE 4Good UK	6266.24	6257.73
	FTSE All Share	3837.27	3820.96
	FTSE techMARK 100	5958.73	5878.11
USA	DJ Composite	10530.69	10411.63
	DJ Industrial	31757.72	31499.62
	DJ Transport	13265.20	13066.16
	DJ Utilities	887.84	872.10
	Nasdaq 100	11637.35	11430.26
	Nasdaq Cmp	11166.12	10952.61
	NYSE Comp	14397.78	14226.11
	S&P 500	3845.88	3797.34
	Wilshire 5000	38377.82	37805.51
Venezuela	IBC	8843.17	8866.75
Vietnam	VNI	997.70	986.15
Cross-Border	DJ Global Titans ($)	413.44	408.90
	Euro Stoxx 50 (Eur)	3585.20	3527.79
	Euronext 100 ID	1184.60	1163.80
	FTSE 4Good Global ($)	9261.81	9137.44
	FTSE All World ($)	384.15	378.83
	FTSE E300	1614.64	1591.70
	FTSE Eurotop 100	3171.28	3129.69
	FTSE Global 100 ($)	2430.26	2397.15
	FTSE Gold Min ($)	1427.52	1427.15
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	2492.34	2459.31
	FTSE World ($)	699.57	689.49
	FTSEurofirst 100 (Eur)	4242.74	4190.93
	FTSEurofirst 80 (Eur)	4903.92	4810.32
	MSCI ACWI Fr ($)	574.70	569.93
	MSCI All World ($)	2493.06	2462.42
	MSCI Europe (Eur)	1627.17	1605.45
	MSCI Pacific ($)	2299.99	2285.50
	S&P Euro (Eur)	1624.97	1595.59
	S&P Europe 350 (Eur)	1652.68	1629.14
	S&P Global 1200 ($)	2778.00	2737.73
	Stoxx 50 (Eur)	3489.82	3453.24

(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	105.5	222.39	11.14
Apple	52.1	151.69	2.24
Nvidia	34.2	131.90	5.91
Microsoft	28.8	249.75	2.50
Netflix	26.2	292.59	10.14
Advanced Micro Devices	25.7	61.64	2.94
Amazon.com	25.5	120.60	0.78
Alphabet	10.4	103.82	1.30
Paypal Holdings	9.0	88.84	5.52
Alphabet	8.5	104.14	1.17

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Iqvia Holdings	196.53	16.97	9.45
Centene	82.52	6.71	8.85
Ross Stores	93.06	5.97	6.85
Intuitive Surgical	235.03	14.76	6.70
Paypal Holdings	88.84	5.52	6.63
Downs			
Cadence Design Systems	153.37	-6.86	-4.28
Wr Berkley	69.78	-2.79	-3.84
Cvs Health	91.21	-3.59	-3.79
Corning	31.29	-1.04	-3.22
Valero Energy	125.93	-3.29	-2.55

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Glencore	186.7	502.70	0.80
Hsbc Holdings	170.5	442.65	-32.45
Shell	155.5	2289.50	-55.50
Bp	132.1	465.60	-4.40
Astrazeneca	107.8	9753.00	-29.00
National Grid	106.3	940.00	19.00
Unilever	93.0	3926.50	5.00
Rio Tinto	69.4	4714.00	-36.00
Sse	62.2	1523.00	15.00
Compass	61.9	1819.50	-22.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Molten Ventures	295.00	44.60	17.81
Asos	589.00	71.50	13.82
Urban Logistics Reit	140.00	14.50	11.55
Jupiter Fund Management	104.40	10.30	10.95
Warehouse Reit	124.40	10.80	9.51
Downs			
Hsbc Holdings	442.65	-32.45	-6.83
Shell	2289.50	-55.50	-2.37
W.a.g Payment Solutions	79.50	-1.90	-2.33
Energean	1321.00	-29.00	-2.15
Ferrexpo	107.50	-1.90	-1.74

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Asml Holding	307.5	494.70	16.75
Ubs N	293.4	16.44	1.18
Novartis N	288.8	78.48	-0.14
Roche Gs	280.2	334.24	4.39
Nestle N	271.1	109.05	1.05
Sap Se O.n.	260.9	97.83	6.49
Iberdrola	216.9	9.86	0.18
Unicredit	211.5	11.52	0.01
Adidas Ag Na O.n.	188.7	99.20	-4.62
Air Liquide	165.6	132.48	8.26

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Umg	20.95	2.04	10.80
Ubs N	16.44	1.18	7.73
Sap Se O.n.	97.83	6.49	7.11
Air Liquide	132.48	8.26	6.65
Dsv A/s	136.38	8.27	6.45
Downs			
Adidas Ag Na O.n.	99.20	-4.62	-4.45
Siemens Health.ag Na O.n.	45.80	-1.02	-2.18
Orange	9.32	-0.17	-1.84
Basf Se Na O.n.	45.91	-0.69	-1.47
Muench.rueckvers.vna O.n.	259.60	-3.30	-1.26

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Softbank .	1568.1	5949.00	216.00
Tokyo Electron	698.1	39450.00	290.00
Fast Retailing Co.,	539.2	83040.00	260.00
Nippon Yusen Kabushiki Kaisha	482.3	2860.00	82.00
Keyence	457.2	50300.00	1430.00
Toyota Motor	372.1	2016.00	19.50
Mitsubishi Ufj Fin,.	370.6	710.10	4.80
Mitsui O.s.k.lines,	366.6	3110.00	80.00
Sony	354.9	9791.00	177.00
Recruit Hldgs Co Ltd	299.7	4508.00	21.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Softbank .	5949.00	216.00	3.77
Kawasaki Kisen Kaisha,	2458.00	85.00	3.58
Eisai Co.,	8433.00	291.00	3.57
Concordia Fin Ltd	480.00	16.00	3.45
Nisshin Seifun .	1593.00	49.00	3.17
Downs			
Chugai Pharmaceutical Co.,	3396.00	-123.00	-3.50
Trend Micro orporated	7490.00	-120.00	-1.58
M3,.	4283.00	-62.00	-1.43
Marui Co.,	2400.00	-33.00	-1.36
Sumitomo Dainippon Pharma Co Ltd	1019.00	-8.00	-0.78

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Oct 25 price(p)	%Chg week	%Chg ytd
Winners			
Pearson	957.40	7.1	57.7
Land Securities	568.80	6.8	-
Pershing Square Holdings Ltd	2845.00	6.6	-6.9
Segro	798.00	6.3	-
Sage	746.20	5.8	-
Barratt Developments	372.90	5.7	-
Ocado	504.80	5.1	-
Imperial Brands	2099.00	5.1	29.5
Taylor Wimpey	95.08	5.1	-
St. James's Place	1058.00	5.1	-36.9
Entain	1242.00	4.9	-
Unite	891.00	4.8	-19.0
Losers			
Prudential	817.20	-9.1	-
Hsbc Holdings	442.65	-5.0	-1.3
Auto Trader	512.80	-3.8	-30.3
Harbour Energy	371.00	-3.3	6.1
Hargreaves Lansdown	777.00	-2.8	-
Dechra Pharmaceuticals	2648.00	-2.4	-
Smith & Nephew	1001.50	-2.3	-
Diageo	3629.50	-1.4	-
Centrica	68.50	-1.2	-4.1
Kingfisher	213.20	-1.2	-
Vodafone	98.67	-0.9	-
Astrazeneca	9753.00	-0.9	12.3

FTSE 250	Oct 25 price(p)	%Chg week	%Chg ytd
Winners			
Asos	589.00	20.2	-74.7
Wood (john)	137.75	18.5	-
Balanced Commercial Property Trust	89.50	14.5	-
Jupiter Fund Management	104.40	13.9	-60.0
Synthomer	105.30	13.0	-
Jlen Environmental Assets	125.60	12.7	17.3
Bridgepoint	211.60	12.2	-
Uk Commercial Property Reit	62.40	9.7	-
Abrdn	155.55	9.7	-
Centamin	93.60	9.6	6.8
Urban Logistics Reit	140.00	9.4	-
Supermarket ome Reit	106.50	8.5	-12.3
Losers			
Moneysupermarket.com	177.60	-15.1	-17.8
Vietnam Enterprise Investments	526.00	-11.4	-
Fidelity China Special Situations	187.40	-11.2	-
Wizz Air Holdings	1413.00	-8.7	-
Mitchells & Butlers	104.20	-8.2	-
Moonpig	127.00	-7.2	-
Ncc	200.50	-7.2	-
Ferrexpo	107.50	-7.2	-
Hilton Food	611.00	-6.9	-
Future	1250.00	-6.9	-
Just	58.00	-6.5	-
Babcock Int	268.60	-5.4	-

FTSE SmallCap	Oct 25 price(p)	%Chg week	%Chg ytd
Winners			
Trustpilot	107.20	27.6	-
Picton Property ome Ld	85.70	11.2	-
Octopus Renewables Infrastructure Trust	102.00	11.1	-7.6
Record	74.90	10.1	-
Downing Renewables & Infrastructure Trust	113.00	9.7	9.5
Treatt	654.00	9.4	-
Reach	88.85	9.0	-
Gcp Asset Backed ome Fund	81.80	8.5	-16.6
Macfarlane	96.00	8.4	-
Robert Walters	508.00	8.1	-
Ao World	49.62	7.9	-
Vh Global Sustainable Energy Opportunities	105.00	6.7	0.0
Losers			
On The Beach	95.30	-15.7	-
Nanoco	33.20	-14.4	75.1
Abrdn China Investment	460.50	-12.8	-
Restaurant	28.80	-12.7	-
Jpmorgan China Growth & ome	254.50	-12.4	-
Trifast	63.20	-11.5	-
Baillie Gifford China Growth Trust	216.50	-10.7	-
Superdry	115.80	-10.1	-
Provident Fin	149.10	-9.9	-
Esken	5.37	-9.7	-
Invesco Asia Trust	283.50	-8.5	-
Oxford Biomedica	300.00	-8.1	-

Industry Sectors	Oct 25 price(p)	%Chg week	%Chg ytd
Winners			
Personal Goods	29605.41	1.0	-
Aerospace & Defense	4690.80	0.3	12.4
Industrial Transportation	3228.58	0.2	-30.5
Electronic & Electrical Equip.	8576.63	0.1	-
Media	8923.09	-0.3	-8.8
Oil & Gas Producers	8009.98	-0.6	40.1
Tobacco	36626.51	-0.9	25.2
Travel & Leisure	6071.33	-1.1	-
General Industrials	5851.42	-1.9	-
Industrial Engineering	13640.93	-2.1	-
Support Services	9798.86	-2.6	-
Health Care Equip.& Services	10701.87	-2.8	29.8
Losers			
Automobiles & Parts	1156.57	-30.1	-
Real Estate & Investment Servic	2026.29	-18.3	-
Electricity	9279.86	-16.9	-8.1
Real Estate Investment Trusts	2229.77	-15.2	-
Gas Water & Multiutilities index	5197.74	-13.5	-
Banks	2922.68	-13.0	-4.1
Life Insurance	5850.58	-11.8	-
Household Goods	9558.38	-10.6	-
Mobile Telecommunications	2441.63	-9.5	-
General Financial	11748.94	-8.5	1.6
Mining	9419.98	-7.5	-
Food Producers	5180.26	-7.1	-

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

CURRENCIES

Oct 25	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Argentina	Argentine Peso	155.0560	0.3185	154.4121	1.4611	177.7105	2.6404
Australia	Australian Dollar	1.5631	-0.0248	1.5566	-0.0130	1.7915	-0.0051
Bahrain	Bahrainin Dinar	0.3770	-	0.3754	0.0028	0.4321	0.0055
Bolivia	Bolivian Boliviano	6.9100	-	6.8813	0.0511	7.9196	0.1016
Brazil	Brazilian Real	5.3110	0.0258	5.2890	0.0648	6.0870	0.1073
Canada	Canadian Dollar	1.3621	-0.0106	1.3564	-0.0004	1.5611	0.0081
Chile	Chilean Peso	967.6500	-15.7500	963.6317	-8.4149	1109.0291	-3.5906
China	Chinese Yuan	7.3088	0.0473	7.2784	0.1007	8.3767	0.1609
Colombia	Colombian Peso	4970.0000	-18.6250	4949.3631	18.3309	5696.1459	52.0088
Costa Rica	Costa Rican Colon	627.3500	1.9900	624.7448	6.6047	719.0093	11.4765
Czech Republic	Czech Koruna	24.6097	-0.1473	24.5075	0.0363	28.2053	0.1952
Denmark	Danish Krone	7.4696	-0.0557	7.4386	0.0002	8.5609	0.0468
Egypt	Egyptian Pound	19.7079	0.0674	19.6261	0.2123	22.5873	0.3660
Hong Kong	Hong Kong Dollar	7.8500	0.0001	7.8174	0.0581	8.9969	0.1155
Hungary	Hungarian Forint	414.5454	-3.2047	412.8239	-0.1031	475.1128	2.4700
India	Indian Rupee	82.7325	0.0512	82.3889	0.6622	94.8202	1.2745
Indonesia	Indonesian Rupiah	15622.5000	35.5000	15557.6403	150.5780	17905.0388	269.8786
Israel	Israeli Shekel	3.5191	-0.0368	3.5045	-0.0104	4.0333	0.0101
Japan	Japanese Yen	147.8150	-0.9500	147.2012	0.1537	169.4116	1.0987
..One Month		147.8145	-0.9510	147.2010	0.1533	169.4111	1.0978
..Three Month		147.8132	-0.9536	147.2005	0.1524	169.4100	1.0956
..One Year		147.8074	-0.9652	147.1974	0.1460	169.4111	1.0904
Kenya	Kenyan Shilling	121.2500	0.0500	120.7465	0.9458	138.9653	1.8395
Kuwait	Kuwaiti Dinar	0.3098	-0.0006	0.3085	0.0017	0.3550	0.0039
Malaysia	Malaysian Ringgit	4.7355	-0.0025	4.7158	0.0325	5.4274	0.0668
Mexico	Mexican Peso	19.8955	-0.0550	19.8129	0.0927	22.8023	0.2303
New Zealand	New Zealand Dollar	1.7363	-0.0238	1.7290	-0.0107	1.9899	-0.0014
Nigeria	Nigerian Naira	440.7500	-	438.9197	3.2582	505.1460	6.4811
Norway	Norwegian Krone	10.3924	-0.1322	10.3492	-0.0538	11.9108	0.0033
Pakistan	Pakistani Rupee	219.2750	-1.7250	218.3644	-0.0841	251.3123	1.2727
Peru	Peruvian Nuevo Sol	3.9951	-0.0102	3.9785	0.0195	4.5787	0.0472
Philippines	Philippine Peso	58.7900	-0.0800	58.5459	0.3555	67.3795	0.7740
Poland	Polish Zloty	4.7851	-0.0551	4.7652	-0.0191	5.4842	0.0080
Romania	Romanian Leu	4.9205	-0.0481	4.9000	-0.0112	5.6394	0.0179
Russia	Russian Ruble	61.9000	-0.1750	61.6429	0.2846	70.9439	0.7122
Saudi Arabia	Saudi Riyal	3.7590	0.0011	3.7434	0.0289	4.3082	0.0565
Singapore	Singapore Dollar	1.4168	-0.0051	1.4109	0.0055	1.6238	0.0151
South Africa	South African Rand	18.2113	-0.2200	18.1356	-0.0828	20.8720	0.0189
South Korea	South Korean Won	1433.0500	-6.6500	1427.0991	4.0205	1642.4266	13.5486
Sweden	Swedish Krona	10.9892	-0.2087	10.9435	-0.1251	12.5947	-0.0745
Switzerland	Swiss Franc	0.9960	-0.0048	0.9918	0.0026	1.1415	0.0092
Taiwan	New Taiwan Dollar	32.3290	0.0665	32.1947	0.3047	37.0524	0.5506
Thailand	Thai Baht	38.2950	-0.0750	38.1360	0.2090	43.8901	0.4783
Tunisia	Tunisian Dinar	3.2650	-0.0283	3.2514	-0.0039	3.7420	0.0159
Turkey	Turkish Lira	18.5903	-0.0085	18.5131	0.1290	21.3064	0.2637
United Arab Emirates	UAE Dirham	3.6731	-	3.6578	0.0272	4.2097	0.0540
United Kingdom	Pound Sterling	0.8725	-0.0113	0.8689	-0.0048	-	-
..One Month		0.8726	-0.0113	0.8688	-0.0048	-	-
..Three Month		0.8728	-0.0113	0.8685	-0.0047	-	-
..One Year		0.8730	-0.0113	0.8670	-0.0047	-	-
United States	United States Dollar	-	-	0.9958	0.0074	1.1461	0.0147
..One Month		-	-	0.9956	-0.1355	1.1462	0.0147
..Three Month		-	-	0.9951	-0.1356	1.1464	0.0147
..One Year		-	-	0.9932	-0.1356	1.1466	0.0147
Vietnam	Vietnamese Dong	24855.0000	-	24751.8013	183.7084	28486.4575	365.4472
European Union	Euro	1.0042	-0.0075	-	-	1.1509	0.0063
..One Month		1.0039	-0.0075	-	-	1.1508	0.0063
..Three Month		1.0034	-0.0075	-	-	1.1505	0.0063
..One Year		1.0015	-0.0075	-	-	1.1490	0.0063

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

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	£ Strlg Oct 25	Day's chge%	Euro Index	£ Strlg Oct 24	£ Strlg Oct 21	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7013.48	-0.01	6297.36	7013.99	6969.73	7222.82	3.85	1.94	13.41	238.25	7173.28
FTSE 250 (250)	17831.63	2.85	16010.89	17337.55	17206.55	22941.78	3.33	1.07	28.18	471.90	14783.53
FTSE 250 ex Inv Co (174)	17988.68	2.93	16151.91	17476.39	17296.31	23931.98	3.50	1.47	19.39	512.93	15225.84
FTSE 350 (350)	3874.61	0.40	3478.98	3859.16	3834.12	4135.35	3.77	1.83	14.52	127.31	7864.29
FTSE 350 ex Investment Trusts (271)	3809.17	0.27	3420.22	3798.81	3772.61	4031.09	3.84	1.91	13.61	127.89	3995.86
FTSE 350 Higher Yield (131)	3347.42	-0.47	3005.63	3363.07	3344.15	3262.31	5.28	1.86	10.17	141.01	7644.41
FTSE 350 Lower Yield (219)	4003.70	1.32	3594.89	3951.40	3922.14	4765.54	2.19	1.74	26.30	88.38	4925.60
FTSE SmallCap (240)	5820.82	1.43	5226.47	5738.56	5743.38	7444.30	3.60	0.53	51.95	174.44	9742.76
FTSE SmallCap ex Inv Co (127)	4627.10	1.54	4154.64	4557.10	4548.99	6301.84	3.83	2.41	10.85	135.38	8054.24
FTSE All-Share (590)	3837.27	0.43	3445.46	3820.96	3796.89	4117.93	3.77	1.79	14.80	125.76	7864.69
FTSE All-Share ex Inv Co (398)	3739.60	0.29	3357.76	3728.80	3703.34	3973.49	3.84	1.92	13.56	125.33	3982.91
FTSE All-Share ex Multinationals (527)	1011.41	2.22	752.70	989.46	977.96	1321.49	4.12	1.78	13.59	35.34	2144.93
FTSE Fledgling (83)	11118.02	0.02	9982.79	11116.05	11111.91	13498.55	3.79	4.91	5.37	286.16	23941.02
FTSE Fledgling ex Inv Co (33)	14287.96	-0.57	12829.05	14370.20	14336.37	18744.24	3.43	8.32	3.50	365.43	29871.09
FTSE All-Small (323)	4064.83	1.35	3649.78	4010.52	4013.61	5184.04	3.61	0.79	35.13	120.91	8725.74
FTSE All-Small ex Inv Co (160)	3484.07	1.46	3128.32	3434.03	3427.85	4738.80	3.82	2.60	10.07	101.49	7680.10
FTSE AIM All-Share (765)	799.44	1.51	717.81	787.55	785.40	1229.01	1.65	1.57	38.74	10.60	936.77
FTSE All-Share Technology (21)	1893.49	2.88	1498.65	1840.47	1825.23	2268.20	2.00	0.80	62.64	36.68	2738.57
FTSE All-Share Telecommunications (6)	1584.56	-0.14	1254.15	1586.73	1568.50	1730.39	6.61	1.06	14.29	57.66	2358.20
FTSE All-Share Health Care (14)	13058.87	-0.21	10335.79	13086.17	13032.47	12978.47	3.04	1.14	28.77	341.37	12066.36
FTSE All-Share Financials (256)	4185.82	0.10	3312.98	4181.43	4180.31	4948.53	4.02	2.20	11.34	155.98	4648.02
FTSE All-Share Real Estate (55)	810.70	4.97	671.24	772.29	761.01	1156.93	4.29	4.55	5.12	28.35	849.69
FTSE All-Share Consumer Discretionary (85)	4288.33	2.15	3394.11	4197.87	4133.47	5387.31	2.46	1.02	39.84	100.04	4541.24
FTSE All-Share Consumer Staples (24)	19049.29	0.45	15077.08	18964.50	18855.87	18571.06	4.00	1.16	21.64	613.22	17395.77
FTSE All-Share Industrials (84)	5934.28	1.30	4696.85	5858.02	5767.48	7050.77	2.40	1.34	31.01	129.34	6863.10
FTSE All-Share Basic Materials (22)	8031.50	-0.08	6356.75	8037.62	8086.32	8007.81	6.77	2.01	7.34	536.92	10946.61
FTSE All-Share Energy (13)	8282.99	-1.81	6555.80	8435.50	8402.16	6505.58	3.35	2.96	10.07	220.07	9981.68
FTSE All-Share Utilities (10)	7718.56	1.64	6109.06	7593.77	7389.47	7858.73	4.94	0.66	30.50	292.26	11659.59
FTSE All-Share Software and Computer Services (18)	2045.30	2.89	1618.81	1987.81	1969.94	2430.26	2.00	0.80	62.84	39.73	3129.72
FTSE All-Share Technology Hardware and Equipment (3)	4671.16	2.58	3697.11	4553.76	4599.16	7002.02	1.90	0.91	57.98	78.21	6037.08
FTSE All-Share Telecommunications Equipment (1)	598.64	5.02	473.81	570.02	560.63	683.44	2.05	2.31	21.09	11.51	855.70
FTSE All-Share Telecommunications Service Providers (5)	2437.93	-0.35	1929.57	2446.50	2418.88	2654.22	6.81	1.04	14.09	90.35	3302.60
FTSE All-Share Health Care Providers (3)	10753.19	0.59	8510.90	10689.91	10638.66	8633.68	0.54	4.48	41.20	58.27	9980.70
FTSE All-Share Medical Equipment and Services (2)	5077.44	-0.84	4018.68	5120.33	5091.45	6066.77	2.81	0.97	36.84	142.76	4904.61
FTSE All-Share Pharmaceuticals and Biotechnology (9)	18638.97	-0.18	14752.32	18673.19	18598.30	18363.38	3.09	1.14	28.32	489.47	15505.43
FTSE All-Share Banks (12)	2883.48	-3.22	2282.21	2979.39	2961.24	3058.10	4.51	4.27	5.20	128.47	2551.75
FTSE All-Share Finance and Credit Services (8)	10066.24	1.29	7967.20	9937.67	9919.74	10533.50	2.07	2.05	23.52	208.41	13524.87
FTSE All-Share Investment Banking and Brokerage Services (31)	7735.06	3.16	6122.12	7497.89	7383.71	10612.13	5.70	1.86	9.44	379.93	10852.51
FTSE All-Share Closed End Investments (192)	11329.89	2.44	8967.35	11060.25	11076.18	13992.79	2.73	-0.77	-47.38	247.25	7066.93
FTSE All-Share Life Insurance (6)	5955.63	1.13	4713.75	5888.94	6087.14	8189.31	5.14	1.08	17.98	294.59	7288.19
FTSE All-Share Nonlife Insurance (7)	3382.70	1.92	2677.33	3319.04	3294.13	3512.08	4.27	1.24	18.92	130.27	7203.93
FTSE All-Share Real Estate Investment and Services (16)	1953.58	3.22	1546.22	1892.64	1867.96	2951.38	2.58	3.76	10.31	41.03	5825.23
FTSE All-Share Real Estate Investment Trusts (45)	2031.86	5.28	1608.17	1929.95	1901.24	2861.33	4.58	4.63	4.71	76.70	3067.60
FTSE All-Share Automobiles and Parts (2)	1162.50	4.13	920.09	1116.42	1147.39	4283.56	0.84	-19.25	-6.20	14.02	1209.39
FTSE All-Share Consumer Services (2)	3001.34	-1.17	2375.50	3036.94	3004.60	2400.66	1.28	1.71	45.68	38.43	3807.20
FTSE All-Share Household Goods and Home Construction (13)	7974.61	3.09	6311.72	7735.68	7484.41	13694.36	8.89	1.61	6.99	661.61	7134.45
FTSE All-Share Leisure Goods (2)	17971.11	5.58	14223.72	17021.20	16646.03	26786.62	3.76	1.59	16.69	831.45	20084.14
FTSE All-Share Personal Goods (4)	25487.08	3.69	20172.44	24578.93	24754.06	29474.76	2.03	2.86	17.24	402.68	19934.85
FTSE All-Share Media (11)	9149.71	1.76	7241.78	8991.53	8799.12	9353.74	2.42	1.45	28.47	221.28	6437.65
FTSE All-Share Retailers (22)	1625.91	3.56	1286.87	1569.99	1546.47	2709.33	3.11	3.62	8.89	43.59	2109.78
FTSE All-Share Travel and Leisure (29)	5916.69	3.07	4682.93	5740.70	5688.18	8324.84	0.66	-10.97	-13.89	35.41	6114.25
FTSE All-Share Beverages (5)	27721.88	0.65	21941.24	27543.21	27325.12	28204.62	2.16	1.99	23.24	584.47	22216.80
FTSE All-Share Food Producers (10)	5292.92	2.06	4189.22	5186.07	5150.16	6422.80	2.80	2.14	16.66	83.25	5095.46
FTSE All-Share Tobacco (2)	36626.58	0.30	28989.10	36515.54	35901.51	27804.61	6.47	0.92	16.75	1728.22	34232.85
FTSE All-Share Construction and Materials (15)	6766.65	1.42	5355.65	6671.61	6569.01	8273.16	3.39	0.65	45.56	220.73	8244.99
FTSE All-Share Aerospace and Defense (7)	4934.14	-0.54	3905.26	4961.01	4959.03	4648.39	2.39	0.05	851.42	104.10	6018.13
FTSE All-Share Electronic and Electrical Equipment (10)	10050.83	2.39	7955.00	9816.42	9616.67	13721.23	1.71	2.01	29.10	142.02	9921.77
FTSE All-Share General Industrials (8)	4707.55	1.87	3725.92	4620.95	4532.81	5332.85	3.03	1.17	28.34	134.98	6209.21
FTSE All-Share Industrial Engineering (5)	15050.19	2.64	11911.88	14663.32	14280.91	19731.53	1.74	2.01	28.66	261.52	20216.48
FTSE All-Share Industrial Support Services (31)	9438.98	1.02	7470.74	9343.76	9182.94	11496.76	2.01	1.67	29.87	181.51	10854.97
FTSE All-Share Industrial Transportation (8)	4872.81	2.38	3856.72	4759.31	4675.93	6614.54	2.39	3.42	12.23	98.14	5105.43
FTSE All-Share Industrial Materials (1)	13552.53	0.18	407.50	13527.52	13752.57	17878.34	2.43	1.81	22.78	329.06	17118.87
FTSE All-Share Industrial Metals and Mining (9)	7179.77	-0.32	5682.62	7203.08	7262.85	6584.19	7.28	2.01	6.84	517.27	11020.75
FTSE All-Share Precious Metals and Mining (5)	8994.55	1.03	7118.98	8902.50	8958.27	20672.06	3.98	1.86	13.53	358.99	6341.47
FTSE All-Share Chemicals (7)	12674.09	2.01	10031.25	12424.03	12218.87	18673.71	2.80	2.11	16.92	324.25	12702.55
FTSE All-Share Oil. Gas and Coal (12)	8041.08	-1.81	6364.33	8189.15	8156.74	6313.59	3.35	2.96	10.07	213.64	10049.53
FTSE Sector Indices											
Non Financials (334)	**4718.42**	**0.52**	**4236.64**	**4694.17**	**4656.70**	**4922.81**	**3.70**	**1.67**	**16.17**	**148.83**	**8504.89**

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	7009.89	6987.11	6985.27	6978.52	6970.90	6967.02	6952.90	6995.79	6997.40	7016.57	6949.37
FTSE 250	17366.06	17357.37	17381.51	17362.06	17419.02	17455.91	17443.17	17722.18	17780.15	17831.63	17350.46
FTSE SmallCap	5740.16	5741.27	5740.33	5744.58	5747.44	5758.41	5757.09	5791.41	5803.98	5820.82	5737.48
FTSE All-Share	3820.00	3809.38	3809.27	3805.67	3804.00	3803.55	3796.71	3825.36	3828.08	3837.58	3794.87

Time of FTSE 100 Day's high:15:29:45 Day's Low12:40:15 FTSE 100 2010/11 High: 7672.40(10/02/2022) Low: 6826.15(12/10/2022)
Time of FTSE All-Share Day's high:15:17:00 Day's Low12:40:00 FTSE 100 2010/11 High: 4296.96(10/02/2022) Low: 3712.50(12/10/2022)

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FT 30 INDEX

	Oct 25	Oct 24	Oct 21	Oct 20	Oct 19	Yr Ago	High	Low
FT 30	2333.80	2300.60	2268.60	2282.20	2276.40	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
2300.6	2301.7	2302.8	2303.4	2302.8	2302.6	2297.9	2320.4	2323.3	2334	2296.6

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

FT WILSHIRE 5000 INDEX SERIES

	Oct 24		Oct 24
FT Wilshire 5000	38533.52	FT Wilshire Mid Cap	5084.38
FT Wilshire 2500	4933.98	FT Wilshire Small Cap	4645.48
FT Wilshire Mega Cap	4949.70	FT Wilshire Micro Cap	4594.41
FT Wilshire Large Cap	4972.29		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Oil & Gas Producers	40.32	Beverages	-11.19	FTSE SmallCap Index	-21.97
Oil & Gas	39.65	Media	-11.53	Support Services	-23.03
Tobacco	25.05	Utilities	-11.53	Food Producers	-23.44
Aerospace & Defense	11.70	Gas Water & Multi	-12.71	Life Insurance	-23.44
Mining	4.36	Mobile Telecomms	-12.76	FTSE 250 Index	-24.06
Beverages	31.66	Travel & Leisure	-12.94	Construct & Material	-24.99
Pharmace & Biotech	-0.36	Software & Comp Serv	-13.18	Household Goods & Ho	-26.28
Health Care	-1.01	Technology	-13.31	Industrial Eng	-27.26
Basic Materials	-2.17	Tech Hardware & Eq	-14.43	Leisure Goods	-29.22
Personal Goods	-2.48	Nonlife Insurance	-15.16	Electronic & Elec Eq	-30.75
Banks	-4.20	Telecommunications	-15.17	Chemicals	-31.26
FTSE 100 Index	-5.02	Financials	-17.80	Real Est Invest & Tr	-34.14
Consumer Goods	-5.58	Oil Equipment & Serv	-18.16	Real Est Invest & Se	-38.06
NON FINANCIALS Index	-6.97	Industrials	-19.83	Food & Drug Retailer	-38.33
Electricity	-8.01	Financial Services	-19.86	General Retailers	-39.91
FTSE All{HY-}Share Index	-8.81	Equity Invest Instr	-20.56	Industrial Transport	-47.76
Health Care Eq & Srv	-9.96	Consumer Services	-21.29	Automobiles & Parts	-68.12
		Fixed Line Telecomms	-21.37	Industrial Metals &	-82.82

FTSE GLOBAL EQUITY INDEX SERIES

Oct 25 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9527	644.28	0.8	1.1	-23.9	1030.56	-22.5	2.4
FTSE Global All Cap	9527	644.28	0.8	1.1	-23.9	1030.56	-22.5	2.4
FTSE Global Large Cap	1907	578.39	0.8	1.1	-23.8	953.67	-22.4	2.4
FTSE Global Mid Cap	2264	821.29	0.9	1.1	-23.4	1235.68	-22.0	2.4
FTSE Global Small Cap	5356	853.11	0.6	1.3	-25.5	1227.59	-24.2	2.2
FTSE All-World	4171	378.83	0.8	1.1	-23.8	641.71	-22.3	2.4
FTSE World	2665	689.49	1.1	1.8	-23.2	1567.25	-21.8	2.4
FTSE Global All Cap ex UNITED KINGDOM In	9235	681.75	0.8	1.0	-24.0	1069.61	-22.6	2.3
FTSE Global All Cap ex USA	7718	433.70	0.4	-1.4	-27.7	769.78	-25.6	3.5
[illegible]								

Oct 25 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	24	265.76	0.0	11.0	13.6	489.62	17.4	4.3
Basic Materials	393	533.24	0.1	2.6	-20.7	980.87	-17.4	5.3
Chemicals	196	727.50	0.1	1.6	-24.9	1285.52	-22.9	3.2
Forestry & Paper	20	241.46	1.3	5.4	-20.9	486.01	-18.6	4.0
Industrial Metals & Mining	98	428.41	-0.6	4.0	-22.6	818.57	-18.6	8.5
Mining	79	821.01	0.6	3.1	-11.8	1600.03	-6.4	6.8
Industrials	802	445.61	1.5	2.6	-25.8	710.00	-24.4	2.2
Construction & Materials	154	500.24	1.7	-0.5	-32.3	841.08	-31.0	2.4
Aerospace & Defense	35	818.97	1.1	9.5	2.0	1276.34	3.3	1.6
[illegible]								

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	FTSE 100	Closing Price	Day's Change
3I Group PLC	1146	30.50	International Consolidated Airlines Group S.A.	115.64	2.86
Admiral Group PLC	2009	52.00	Intertek Group PLC	3817	54.00
Airtel Africa PLC	127.10	2.10	Jd Sports Fashion PLC	98.30	2.76
Anglo American PLC	2658.5	-28.00	Kingfisher PLC	213.20	6.40
Antofagasta PLC	1146.5	24.00	Land Securities Group PLC	568.80	31.80
Ashtead Group PLC	4442	110.00	Legal & General Group PLC	235.00	2.70
Associated British Foods PLC	1355.5	24.00	Lloyds Banking Group PLC	42.98	0.44
Astrazeneca PLC	9753	-29.00	London Stock Exchange Group PLC	7440	74.00
Auto Trader Group PLC	512.80	10.80	M&G PLC	181.15	2.80
Aveva Group PLC	3136	-9.00	Melrose Industries PLC	109.20	2.75
Aviva PLC	416.40	1.30	Mondi PLC	1504	17.00
B&M European Value Retail S.A.	320.40	14.60	National Grid PLC	940.00	19.00
Bae Systems PLC	805.40	-7.60	Natwest Group PLC	244.40	3.90
Barclays PLC	150.22	1.28	Next PLC	5032	150.00
Barratt Developments PLC	372.90	11.70	Ocado Group PLC	504.80	25.40
Berkeley Group Holdings (The) PLC	3520	91.00	Pearson PLC	957.40	-7.60
BP PLC	465.60	-4.40	Pershing Square Holdings LTD	2845	75.00
British American Tobacco PLC	3384	4.50	Persimmon PLC	1302.5	29.50
British Land Company PLC	363.10	13.10	Phoenix Group Holdings PLC	548.80	6.00
Bt Group PLC	125.70	-0.20	Prudential PLC	817.20	13.00
Bunzl PLC	2815	60.00	Reckitt Benckiser Group PLC	5966	16.00
Burberry Group PLC	1877.5	49.50	Relx PLC	2312	50.00
Centrica PLC	68.50	-0.36	Rentokil Initial PLC	521.80	9.00
Coca-Cola Hbc AG	1953.5	22.50	Rightmove PLC	489.40	17.60
Compass Group PLC	1819.5	-22.00	Rio Tinto PLC	4714	-36.00
Convatec Group PLC	215.60	-1.80	Rolls-Royce Holdings PLC	73.69	0.19
Crh PLC	3076	44.50	Rs Group PLC	975.00	11.00
Croda International PLC	6848	198.00	Sage Group PLC	746.20	29.40
Dcc PLC	4886	47.00	Sainsbury (J) PLC	190.10	2.85
Dechra Pharmaceuticals PLC	2648	54.00	Schroders PLC	396.50	10.10
Diageo PLC	3629.5	21.00	Scottish Mortgage Investment Trust PLC	766.40	32.00
Endeavour Mining PLC	1538	8.00	Segro PLC	798.00	52.80
Entain PLC	1242	44.00	Severn Trent PLC	2463	42.00
Experian PLC	2740	-13.00	Shell PLC	2289.5	-55.50
F&C Investment Trust PLC	894.00	1.00	Smith & Nephew PLC	1001.5	-8.50
Flutter Entertainment PLC	11375	600.00	Smith (Ds) PLC	290.20	4.10
Frasers Group PLC	647.50	19.00	Smiths Group PLC	1548.5	11.50
Fresnillo PLC	714.20	15.80	Smurfit Kappa Group PLC	2932	72.00
Glaxosmithkline PLC	1383.6	-3.80	Spirax-Sarco Engineering PLC	10945	350.00
Glencore PLC	502.70	0.80	Sse PLC	1523	15.00
Haleon PLC	273.10	-0.60	St. James's Place PLC	1058	31.00
Halma PLC	2170	55.00	Standard Chartered PLC	554.40	-7.20
Harbour Energy PLC	371.00	-4.00	Taylor Wimpey PLC	95.08	3.88
Hargreaves Lansdown PLC	777.00	36.20	Tesco PLC	211.00	0.20
Homeserve PLC	1186	1.00	Unilever PLC	3926.5	5.00
HSBC Holdings PLC	442.65	-32.45	Unite Group PLC	891.00	25.50
Imperial Brands PLC	2099	20.00	United Utilities Group PLC	929.60	17.40
Informa PLC	564.00	8.00	Vodafone Group PLC	98.67	-0.91
Intercontinental Hotels Group PLC	4577	49.00	Whitbread PLC	2622	11.00
Intermediate Capital Group PLC	1054.5	36.50	Wpp PLC	769.60	10.20

UK STOCK MARKET TRADING DATA

	Oct 25	Oct 24	Oct 21	Oct 20	Oct 19	Yr Ago
Order Book Turnover (m)	463.89	116.20	116.20	116.20	91.58	59.98
Order Book Bargains	709373.00	696550.00	696550.00	696550.00	742113.00	697888.00
Order Book Shares Traded (m)	1409.00	1306.00	1306.00	1306.00	1666.00	1401.00
Total Equity Turnover (£m)	1351499.85	6056.02	6056.02	6056.02	4667.00	4962.17
Total Mkt Bargains	920486.00	892146.00	892146.00	892146.00	932788.00	888294.00
Total Shares Traded (m)	6481.00	7945.00	7945.00	7945.00	10175.00	5743.00

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

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

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

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

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Eastinco Mining and Exploration	A	**0.000**	-	**0.233L**	-	**0.000**	-	**0.00000**	-	-	-	
Hidong Estate	Int	**0.000**	0.000	**0.038**	0.085	**0.010**	0.035	**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)
10/24	1.00			Eastinco Mining and Exploration PLC	1.10	-	1.00	1.00	0.0
10/21	55.00	AIM	SND	Sondrel (Holdings) PLC	58.50	0.00	59.94	51.67	5116.5
10/07	10.00		ACG	ACG Acquisition Company Ltd	9.88	-0.13	10.10	9.95	154.3
10/04	1.00		MII	Milton Capital PLC	1.03	-0.08	1.20	1.00	102.5

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ Bank	25.70	0.11	28.75	20.78	5.65	11.20	49159.07
BHP Group	38.50	-0.56	53.72	35.56	10.27	9.40	124686.94
CmwBkAu	101.78	1.30	110.19	86.98	3.31	19.89	110451.58
CSL	276.00	2.95	319.78	240.10	1.05	41.08	85145.43
NatAusBk	31.95	0.32	33.75	25.43	2.70	17.69	64464.01
Telstra	3.87	0.06	4.20	3.62	2.48	32.72	28606.8
Wesfarmers	44.59	0.41	61.34	40.03	3.84	23.83	32344.45
Westpac Bank	23.90	0.03	26.44	18.80	3.57	18.07	53532.35
Woolworths	33.38	0.06	41.13	32.62	3.11	39.57	25977.68
Belgium (€)							
AnBshInBv	47.41	0.26	58.72	45.56	1.09	24.47	82018.2
KBC Grp	51.08	0.98	86.50	45.53	6.51	8.60	21205.98
Brazil (R$)							
Ambev	14.97	-0.21	18.12	12.81	3.67	23.22	44394.35
Bradesco	16.67	0.11	17.72	13.53	4.85	7.92	15287.48
Cielo	5.63	-0.12	6.22	2.01	2.52	19.57	2879.96
ItauHldFin	24.87	-0.13	26.04	18.86	3.03	10.11	23218.14
Petrobras	37.04	-0.41	42.08	26.54	12.61	5.42	51904.72
Vale	72.46	0.53	107.11	61.85	17.44	3.32	65199.58
Canada (C$)							
Bausch Hlth	9.53	0.34	36.26	5.10	-	-3.13	2525.68
BCE	59.82	0.44	74.09	55.66	5.34	21.93	40050.22
BkMontrl	124.58	1.29	154.47	113.73	3.31	10.49	61944.18
BkNvaS	65.04	0.39	95.00	63.19	5.20	8.91	56887.46
Brookfield	53.53	1.30	79.04	51.07	1.12	19.43	64511.23
CanadPcR	97.63	0.38	106.93	86.12	0.71	25.60	66665.04
CanImp	60.10	0.43	167.50	55.35	9.12	4.56	39926.28
CanNatRs	80.73	0.29	88.18	48.42	2.26	13.70	65782.24
CanNatRy	156.94	1.33	171.48	137.26	1.43	24.96	78309.5
Enbridge	51.79	0.10	59.69	46.88	5.88	19.78	76987.52
GtWesLif	30.30	0.02	41.50	27.99	5.81	9.32	20728.36
ImpOil	65.68	-0.97	72.96	40.96	1.43	20.68	29487.07
Manulife	22.21	0.12	28.09	20.81	4.81	6.87	30947.75
Nutrien	111.14	2.81	147.93	82.48	1.91	17.47	43495.21
RylBkC	123.74	-0.80	149.60	116.75	3.28	12.03	126497.91
SHOP	40.93	1.44	222.87	33.00	-	1.55	29970.77
Suncor En	45.42	-	53.62	28.22	2.11	17.97	45312.81
ThmReut	141.97	1.58	156.62	119.23	1.32	10.71	50247.56
TntoDom	87.34	0.77	109.08	77.27	3.41	11.98	116343.47
TrnCan	57.80	-0.41	74.44	54.60	5.49	34.06	42941.33
China (HK$)							
AgricBkCh	2.37	0.02	3.15	2.30	8.50	3.28	9280.36
Bk China	2.63	0.02	3.20	2.52	7.99	3.44	28015.97
BkofComm	4.03	-	5.74	3.97	8.20	3.52	17974.39
BOE Tech	0.70	0.05	0.90	0.57	-	11.91	17.74
Ch Coms Cons	3.16	-0.01	5.17	3.14	6.08	2.77	1778.66
Ch Evrbrght	2.10	-0.01	3.11	2.09	10.77	3.00	3391.82
Ch Rail Cons	3.91	-0.02	5.95	3.85	6.33	2.19	1034.18
Ch Rail Gp	3.82	0.06	5.88	3.61	5.08	3.24	2047.44
ChConstBk	4.43	0.02	6.23	4.37	7.91	3.40	135674.71
China Vanke	12.06	-0.04	21.70	11.92	11.15	5.74	2929.01
ChinaCitic	3.05	-0.02	4.08	3.02	8.69	2.99	5782.32
ChinaLife	8.88	-0.05	15.04	8.77	7.26	4.10	8417.61
ChinaMBank	28.45	0.70	70.80	27.50	4.74	5.54	16638.48
ChinaMob	48.50	-0.20	58.65	45.90	6.27	7.90	126410.02
ChinaPcIns	12.20	-0.18	25.90	12.10	10.17	4.20	4313.23
ChMinsheng	2.31	0.04	3.29	2.19	10.05	3.15	2448.41
ChMrchSecs	12.50	0.09	18.56	12.06	3.51	11.13	12693.63
Chna Utd Coms	3.34	-0.02	4.18	3.30	3.36	16.71	14149.2
ChShenEgy	22.90	0.55	27.65	15.74	8.45	7.33	9852.86
ChShpbldng	3.57	0.01	4.49	3.36	-	-264.71	10786.83
ChStConEng	5.00	0.01	6.40	4.52	4.31	3.86	27935.88
ChUncHK	3.37	-0.02	4.43	3.32	4.41	7.84	13135.77
CNNC Intl	6.07	-0.15	8.92	5.78	2.06	15.83	15655.45
CSR	2.48	-0.04	3.80	2.42	7.88	7.19	1380.95
Daqin	6.65	-	7.25	5.95	7.24	10.05	13526.82
GuosenSec	8.64	-0.03	11.72	8.43	2.67	9.90	10434.89
HaitongSecs	3.95	0.01	7.34	3.87	6.88	4.53	1715.66
Hngzh HikVDT	29.02	-0.58	55.70	28.10	2.76	15.91	36432.56
Hunng Pwr	3.66	0.03	5.74	3.08	5.10	-4.34	2191.55
IM Baotou Stl	1.82	0.01	3.21	1.75	-	30.91	7887.94
In&CmBkCh	3.66	0.04	4.94	3.59	7.84	3.54	40467.72
IndstrlBk	15.36	0.06	23.22	15.26	5.07	4.20	43658.74
Kweichow	1479.75	-21.53	2216.96	1472.01	1.31	33.24	254331.63
Midea	0.38	-0.01	0.61	0.38	-	-4.35	14.57
New Ch Life Ins	13.20	-0.34	24.70	13.10	10.96	2.64	1738.89
PetroChina	3.31	-0.01	4.49	3.18	6.81	7.05	8896.56
PingAnIns	33.05	0.30	69.40	32.00	7.16	5.54	31355.94
PngAnBnk	10.65	0.03	20.59	10.60	1.64	6.34	28276.79
Pwr Cons Corp	7.67	0.06	9.81	5.99	1.16	15.90	11534.6
SaicMtr	14.19	0.28	23.45	13.90	4.20	7.08	22683.44
ShenwanHong	0.09	0.00	0.18	0.05	-	2.90	104.39
ShgPdgBk	6.84	0.03	9.09	6.80	6.75	4.36	27469.52
Sinopec Corp	3.39	0.01	4.28	3.25	3.89	4.31	10994.48
Sinopec Oil	1.85	-0.02	2.56	1.70	-	613.47	3434.68
Denmark (kr)							
DanskeBk	101.60	-0.45	133.25	91.28	1.90	7.20	11727.26
MollerMrsk	15975	95.00	24070	13185	2.06	2.69	17906.49
NovoB	807.10	11.80	863.60	604.40	1.12	40.27	188286.31
Finland (€)							
Nokia	4.48	0.12	5.71	4.12	-	15.98	25401.91
SampoA	46.06	-0.37	48.74	35.85	3.59	10.14	24450.85
France (€)							
Airbus Grpe	104.06	1.52	120.36	86.52	-	19.74	81680.01
AirLiquide	132.50	8.28	153.40	114.48	2.01	25.30	69060.9
AXA	24.97	0.14	29.09	20.34	5.53	8.70	58101.37
BNP Parib	47.34	0.37	68.07	40.67	5.47	7.05	58184.46
ChristianDior	643.00	24.00	733.50	513.00	1.05	24.29	115584.35
Cred Agr	9.09	0.07	14.27	8.09	8.50	5.14	27554.16
Danone	48.59	0.19	58.41	46.48	3.86	17.10	32699.23
EDF	11.95	0.01	12.67	6.64	3.94	9.51	46251.79
Engie SA	13.04	0.36	14.61	9.79	3.93	9.50	31629.09
EssilorLuxottica	165.00	4.95	195.00	132.70	0.63	52.06	73518.22
Hermes Intl	1354.5	62.50	1678	957.60	0.32	60.16	142399.96
LOreal	321.65	5.55	433.65	300.45	1.20	40.54	171921.93
LVMH	658.00	22.10	741.60	535.00	1.03	28.50	329768.19
Orange	9.41	-0.09	11.94	8.93	6.16	3230.03	24913.93
PernodRic	177.55	2.05	214.50	166.60	1.70	27.74	45608.37
Renault	31.84	-0.19	38.07	20.47	-	-24.60	9376.7
Safran	110.34	0.86	123.12	87.85	0.38	1141.90	46946.16
Sanofi	82.29	0.10	106.08	76.45	3.76	17.21	103867.79
Sant Gbn	41.49	0.89	64.82	35.20	3.17	10.27	21309.88
Schneider	131.30	3.70	173.78	110.02	1.91	23.96	74673.11
SocGen	23.27	0.26	37.68	18.34	2.30	4.07	19694.67
Total	53.25	-0.25	57.41	40.09	4.90	10.59	138889.57
UnibailR	47.06	2.11	73.09	39.68	-	-6.94	6502.22
Vinci	90.19	1.56	103.74	80.74	2.88	20.70	53708.51
Vivendi	8.32	0.37	12.16	7.59	6.97	-15.38	9184.93
Germany (€)							
Allianz	177.36	0.68	232.50	156.22	5.23	11.59	72143.25
BASF	45.95	-0.65	69.15	37.90	6.94	7.87	42024.26
Bayer	50.87	-0.13	67.99	43.91	3.80	51.61	49768.38
BMW	78.22	0.31	97.60	67.58	2.35	4.31	46892.52
Continental	51.74	-0.14	111.96	44.44	-	8.25	10305.34
Deut Bank	9.27	0.15	14.64	7.46	-	9.43	19071.19
Deut Tlkm	18.52	0.22	19.61	14.47	3.13	22.03	91975.63
DeutsPost	35.59	0.92	58.31	29.68	3.75	9.32	43915
E.ON	8.31	0.14	12.54	7.28	5.47	4.78	21852.95
Fresenius Med	28.24	0.79	63.66	26.19	4.59	8.83	8240.08
Fresenius SE	22.15	0.37	42.50	19.76	3.93	7.25	12319.45
HenkelKgaA	59.05	0.60	75.05	56.55	2.99	16.25	15277.24
Linde	286.65	-10.25	315.35	244.00	1.26	46.09	142263.26
Mercedes-Benz	58.30	-0.14	77.90	50.19	2.24	6.03	62112.52
MuenchRkv	261.80	-1.10	282.25	205.15	3.62	12.94	36525.59
SAP	97.25	5.91	129.74	81.35	1.84	22.57	118975.91
Siemens	111.24	1.40	156.98	93.67	3.04	17.31	94161.35
Volkswgn	169.80	0.45	301.40	158.80	2.73	5.94	49898.17
Hong Kong (HK$)							
AIA	58.10	-1.60	92.50	57.65	1.95	15.65	87874.98
BOC Hold	24.75	-0.85	32.75	23.20	4.28	13.37	33334.81
Ch OSLnd&Inv	17.32	-1.00	27.35	16.10	5.91	4.53	24148.57
ChngKng	44.20	-0.80	57.00	43.75	3.42	10.65	20299.42
Citic Ltd	7.61	0.30	9.26	6.96	6.02	3.71	28200.97
Citic Secs	12.10	-0.26	21.32	11.94	3.37	6.56	4038.61
CK Hutchison	40.30	-0.30	60.45	40.10	4.82	5.38	19685.44
CNOOC	9.76	-	12.54	7.55	3.95	8.97	55455.34
HangSeng	111.90	-4.40	169.50	110.60	4.64	18.95	27253.07
HK Exc&Clr	224.00	-4.20	490.60	221.00	3.48	26.58	36178
MTR	33.85	0.25	43.70	33.15	3.10	25.80	26744.09
SandsCh	13.72	-0.28	24.90	13.20	-	-15.95	14145.11
SHK Props	85.95	-2.75	103.50	85.15	4.91	10.34	31728.11
Tencent	206.40	0.20	509.00	198.60	0.66	8.55	252645.61
India (Rs)							
Bhartiartl	802.30	0.20	816.75	628.75	-	182.12	57753.77
HDFC Bk	1450.9	-10.15	1722.1	1271.6	-	26.15	97681.71
Hind Unilevr	2505.4	-67.70	2734	1927	1.20	71.36	71153
HsngDevFin	2356.7	-36.30	3021.1	2026	0.92	21.33	51768.1
ICICI Bk	925.05	-1.25	943.25	642.15	0.20	31.20	77927.34
Infosys	1526.3	8.45	1923.3	1360	1.87	32.06	77628.57
ITC	346.30	-1.40	353.20	207.00	2.92	30.59	51900.23
L&T	1949.1	39.35	2035	1456.35	0.87	34.37	33102.64
OilNatGas	130.75	-2.05	189.80	119.85	6.55	3.94	19881.75
RelianceIn	2441.55	-38.30	2856.15	2222	0.27	29.70	199673.82
SBI NewA	578.55	8.05	586.20	430.70	0.65	17.16	62409.99
SunPhrmInds	991.55	4.55	997.35	733.70	0.71	39.29	28756.06
Tata Cons	3162.1	0.40	3920	2950.1	1.08	32.11	139851.76
Israel (ILS)							
TevaPha	30.28	1.10	37.23	23.83	-	27.15	9445.67
Italy (€)							
Enel	4.38	0.09	7.37	3.96	8.09	21.08	44335.06
ENI	12.32	-0.03	14.85	10.43	5.29	5.37	44243.64
Generali	14.86	0.02	21.55	13.67	9.56	8.64	23389.25
IntSPaolo	1.86	0.01	2.92	1.58	1.89	59.81	36079.65
Unicred	11.52	0.01	15.93	7.75	1.01	17.70	25666.23
Japan (¥)							
AstellasPh	2016	36.50	2205	1739	2.48	28.62	25038.57
Bridgestne	5286	122.00	5509	4042	3.41	11.34	25522.5
Canon	3392	66.00	3516	2467	3.13	15.48	30606.67
CntJpRwy	17070	165.00	17920	14660	0.83	-30.18	23789.33
Denso	7306	171.00	9575	6549	2.08	18.88	38945.48
EastJpRwy	7960	60.00	8280	6373	1.36	-7.53	20352.08
Fanuc	20315	5.00	25300	18740	2.42	22.79	27749.48
FastRetail	83040	260.00	88230	54310	0.69	36.76	59590.41
Fuji Hvy Ind	2334	28.50	2684	1664.5	2.61	25.29	12145.29
Hitachi	6571	155.00	7460	4750	1.90	9.08	43057.11
HondaMtr	3330	72.00	3755	3043	4.21	6.64	40808.15
JapanTob	2453.5	49.50	2458.5	2000	6.05	11.78	33196.9
KDDI	4402	133.00	4636	3237	2.96	13.91	68575.85
Keyence	50300	1430	75090	44880	0.43	39.64	82761.2
MitsbCp	4125	52.00	4845	3355	3.63	8.68	41138.24
MitsubEst	952.76	6.73	972.04	876.51	-	-	-
MitsubishiEle	1417	20.00	1611	1225.5	3.07	11.94	20583.74
MitsuiFud	864.88	14.30	949.18	684.38	-	-	-
MitUFJFin	710.10	4.80	828.30	601.40	3.98	6.79	63806.44
Mizuho Fin	1636	16.50	1683.5	1397	5.18	7.37	28104.14
Murata Mfg	7200	169.00	9410	6604	1.81	13.63	32917.46
Nippon T&T	4073	81.00	4128	3054	2.80	12.09	99803.51
NipponTT	4073	81.00	4128	3054	2.80	12.09	99803.51
Nissan Mt	466.20	8.00	654.30	436.50	-	13.96	13311.88
Nomura	479.90	4.80	562.20	460.30	5.21	-30.43	10498.18
Nppn Stl	2094.5	-	2318.5	1690.5	4.15	3.05	13465.81
Panasonic	1067.5	17.00	1541	1006.5	2.54	9.95	17722.88
Seven & I	5577	-14.00	6083	4552	2.00	19.57	33445.09
ShnEtsuCh	15220	25.00	20870	14185	2.07	13.44	42902.33
Softbank	5949	216.00	7217	4210	0.80	4.71	69342.43
Sony	9791	177.00	14745	9213	0.67	11.53	83531.79
SumitomoF	4212	45.00	4461	3672	5.16	7.56	39171.94
Takeda Ph	3772	62.00	4063	2993	5.18	12.48	40377.44
TokioMarine	2657	19.50	2787.33	1886	8.99	3.98	36669.35
Toyota	2016	19.50	2375.5	1805	2.75	8.38	222514.73
Mexico (Mex$)							
AmerMvl	17.81	0.22	21.44	15.66	1.80	14.62	38061.01
FEMSA UBD	138.59	2.06	173.50	120.63	1.44	115.00	15054.55
WalMrtMex	75.15	0.34	82.93	64.81	0.66	38.01	65955.91
Netherlands (€)							
ASML Hld	496.00	18.05	777.50	376.10	0.66	39.63	200774.11
Heineken	88.18	1.06	100.95	77.50	1.07	15.82	50580.99
ING	9.89	0.04	14.00	7.90	5.86	8.32	37099.97
Unilever	45.23	0.37	48.81	39.36	3.17	23.22	131534.39
Norway (Kr)							
DNB	180.05	-2.00	220.50	168.05	9.64	11.54	27016.01
Equinor	358.65	-1.15	410.95	213.25	1.37	15.51	109588.02
Telenor	90.38	-0.30	148.80	89.32	9.93	15.31	12170.72
Qatar (QR)							
QatarNtBk	19.27	-0.08	27.00	18.40	2.45	16.61	48873.73
Saudi Arabia (SR)							
AlRajhiBnk	87.50	-0.20	117.40	78.60	2.26	17.97	93116.08
NatnlcomBnk	65.90	0.20	82.00	59.60	1.82	26.79	78510.18
SaudiBasic	93.70	1.20	141.40	86.10	2.86	14.76	74785.5
SaudiTelec	39.50	0.50	48.88	37.10	8.36	8.46	52544.05
Singapore (S$)							
DBS	32.76	0.37	37.49	29.45	3.34	14.26	59505.89
JardnMt US$	45.07	-2.79	62.10	43.25	3.23	8.86	13044.84
OCBC	11.70	0.17	13.54	10.98	3.19	12.39	37147.29
SingTel	2.43	0.05	2.88	2.31	2.74	43.55	28312
UOB	26.13	0.14	33.33	25.47	3.37	12.35	30884.77
South Africa (R)							
Firstrand	62.36	0.12	79.34	53.25	4.07	11.52	19208.35
MTN Grp	123.15	8.90	211.49	112.62	-	17.14	12742
Naspers N	1754.2	42.85	2853.25	1392.5	0.33	9.63	41950.63
South Korea (KRW)							
HyundMobis	199000	1000.00	272500	189500	2.05	7.61	13092.87
KoreaElePwr	16750	50.00	25100	16500	7.47	-9.59	7503.51
SK Hynix	93500	1700	134000	80400	1.68	6.55	47498.85
SmsungEl	57700	200.00	80800	51800	2.55	9.79	240365.95
Spain (€)							
BBVA	5.23	0.04	6.29	3.97	6.86	7.37	31406.54
BcoSantdr	2.74	0.01	3.48	2.32	2.70	5.68	45800.52
CaixaBnk	3.53	0.02	3.64	2.22	0.74	24.01	28327.93
Iberdrola	9.86	0.18	11.49	8.47	4.13	17.51	62482.44
Inditex	23.61	0.71	32.41	18.55	0.91	25.77	73278.6
Repsol	13.10	-0.21	16.23	9.60	4.43	8.26	18940.15
Telefonica	3.25	-0.03	5.06	3.24	10.28	2.46	18697.33
Sweden (SKr)							
AtlasCpcoB	106.74	4.80	133.60	22.08	7.02	7.00	15161.13
Ericsson	60.59	-0.57	117.32	58.81	3.81	8.77	16940.02
H & M	116.68	3.34	191.86	98.25	5.54	15.79	15509.05
Investor	181.24	5.24	228.75	158.22	1.98	7.65	30048.53
Nordea Bk	107.40	0.86	113.78	85.25	13.97	12.31	36508.5
SEB	119.75	1.40	141.85	91.64	8.66	9.83	23478.58
SvnskaHn	103.55	-1.35	105.40	80.88	4.96	9.98	18325.5
Swedbank	161.20	0.55	196.70	124.50	9.27	8.46	16605.4
Telia Co	29.04	0.96	41.70	28.05	7.07	10.06	10807.3
Volvo	176.04	2.34	218.65	148.24	3.79	11.26	25446.31
Switzerland (SFr)							
ABB	27.81	0.42	33.86	23.84	2.77	13.71	54861.75
CredSuisse	4.79	0.09	10.18	3.52	1.93	-7.73	12743.39
Nestle	108.16	1.04	128.90	103.42	2.35	19.30	298649.53
Novartis	77.84	-0.14	88.42	73.01	3.59	8.69	187866.51
Richemont	103.10	2.45	146.10	90.28	1.76	25.26	54037.05
Roche	331.50	4.35	404.20	298.60	2.45	22.82	233846.61
Swiss Re	76.38	0.28	102.20	68.18	7.16	18.96	24349.06
Swisscom	456.30	2.00	587.40	443.40	4.46	13.95	23733.35
UBS	16.31	1.17	19.90	13.10	1.97	8.63	57702.87
Zurich Fin	420.40	3.20	461.70	376.00	4.41	14.39	63510.67
Taiwan (NT$)							
Chunghwa Telecom	110.50	3.00	132.50	105.50	3.83	24.35	26514.8
Formosa PetChem	81.70	1.10	104.00	75.20	0.71	15.93	24073.43
HonHaiPrc	103.50	0.50	116.00	99.50	3.82	10.56	44381.81
MediaTek	563.00	-25.00	1200	533.00	6.50	8.11	27851.52
TaiwanSem	371.00	-16.00	650.00	371.00	2.85	14.95	297570.82
Thailand (THB)							
PTT Explor	35.00	0.25	41.25	32.75	5.60	9.52	26105.44
United Arab Emirates (Dhs)							
Emirtestele	24.30	0.70	38.98	11.60	2.75	27.17	57535.64
United Kingdom (p)							
Anglo American	2658.5	-28.00	4292.5	2487.5	6.71	5.26	42797.53
AscBrFd	1355.5	24.00	2066	1223	0.46	22.40	12299.02
AstraZen	9753	-29.00	11540	8090.32	2.12	1651.37	141563.23
Aviva	416.40	1.30	606.58	341.92	5.13	54.79	19152.71
Barclays	150.22	1.28	209.45	132.06	2.00	3.65	29378.34
BP	465.60	-4.40	474.15	310.53	3.38	16.89	106355.36
BrAmTob	3384	4.50	3645	2508	6.37	11.45	72311.23
BT	125.70	-0.20	201.40	117.05	-	12.20	14293.99
Compass	1819.5	-22.00	1970.5	1435	0.77	44.27	34295.27
Diageo	3629.5	21.00	4364.1	3282.5	2.00	27.92	104720.44
GlaxoSmh	1383.6	-3.80	2753.96	1280.92	5.78	15.98	77985
Glencore	502.70	0.80	548.30	346.40	1.76	18.40	83107.71
HSBC	442.65	-32.45	567.20	344.46	3.65	9.67	101719.13
Imperial Brands	2099	20.00	2105	1434.23	6.58	7.02	22943.82
Jardine Mathes.	62.50	-	60.50	50.06	2.33	12.29	18089.69
LlydsBkg	42.98	0.44	4824.5	38.10	5.98	5.97	35497.46
LSE Group	7440	74.00	8612	6230	1.03	76.07	29503.51
Natl Grid	940.00	19.00	1271.45	844.29	5.23	21.91	36161.62
Natwest Group	244.40	3.90	284.42	196.92	4.30	9.62	33517.7
Prudential	817.20	13.00	1516.5	784.70	1.44	13.27	24232.42
ReckittB	5966	16.00	6824	4905.16	2.93	-25.82	48151.18
RELX	2312	50.00	2634.82	2056	2.06	30.50	50791.85
RioTinto	4714	-36.00	6343	4354	10.66	4.93	72462.5
RollsRoyce	73.69	0.19	161.91	64.44	-	50.13	1570.77
Shell PLC	2289.5	-55.50	2459.23	1534.2	2.64	12.07	120629.26
StandCh	554.40	-7.20	641.00	406.20	1.60	12.43	20947.79
Tesco	211.00	0.20	304.10	194.35	4.34	10.74	19800.19
Unilever	3926.5	5.00	4178	3267.5	3.69	20.16	55431.77
Vodafone	98.67	-0.91	141.60	97.40	7.84	-220.74	30164.34
WPP	769.60	10.20	1231.5	713.00	3.44	14.66	11167.64
United States of America ($)							
21stC Fox A	29.90	0.28	44.95	28.27	1.33	14.30	9128.94
3M	117.63	-0.75	186.30	107.07	4.26	13.74	67000.52
AbbottLb	97.97	-0.32	142.60	93.25	1.55	29.39	171567
Abbvie	150.40	-0.49	175.91	107.75	2.93	27.56	265921.71
Accenture	279.29	3.98	417.37	242.95	1.12	33.51	185667.29
Activision Bli.	72.77	0.26	82.34	56.40	0.55	25.00	56924.54
Adobe	322.87	6.65	699.54	274.73	-	37.54	150102.26
Advanced Micro	61.64	2.94	164.46	54.57	-	28.34	99498.67
AEP	87.10	1.10	105.60	80.22	2.91	20.75	44746.23
Aflac	61.83	-0.06	67.20	52.07	1.81	11.43	39068.24
AirProd	248.77	4.85	316.39	216.24	2.04	30.88	55176.93
Allstate	124.00	-0.87	144.46	106.11	2.21	8.63	33516.65
Alphabet	103.82	1.30	151.55	94.38	-	1.09	622474.74
Altria	45.40	-0.01	57.05	40.35	6.56	40.04	81761.88
Amazon	120.60	0.78	188.11	101.26	-	2.20	1228651.71
AmerAir	14.28	0.18	22.35	11.65	-	-4.51	9277.34
AmerExpr	147.00	5.37	199.55	130.65	1.07	16.87	109843.21
AmerIntGrp	54.11	-0.24	65.73	47.05	2.00	5.91	41146.12
AmerTower	192.30	6.90	291.99	178.17	2.29	40.15	89530.03
Amgen	260.19	-1.13	261.79	198.64	2.29	29.91	139183.66
Amphenol Corp	72.49	0.85	88.45	61.67	0.91	34.13	43116.12
Analog Devices	146.62	2.09	191.95	133.48	1.61	58.18	75412.76
Anthem	482.58	12.71	-	-	-	-	-
Aon Cp	277.93	-6.59	341.98	246.21	0.61	59.18	58621.49
Apple	151.69	2.24	182.13	129.04	0.48	29.73	2437692.02
Applied Materi.	88.00	3.06	167.06	71.12	0.91	14.35	75707.23
Aptiv	90.29	1.71	180.81	77.96	-	55.00	24461
ArcherDan	89.48	0.20	98.88	61.80	1.40	22.08	50159.05
AT&T	17.83	0.32	21.53	14.46	9.87	7.63	127020.95
Autodesk	214.70	7.61	335.48	163.20	-	112.20	46344.94
AutomData	237.67	0.76	261.59	192.26	1.36	43.48	98700.3
AutoZone	2427.21	19.69	2427.21	1703.32	-	25.92	47300.5
Avago Tech	461.27	4.75	677.76	415.07	2.76	30.79	186815.02
BakerHu	25.84	-0.29	39.78	20.42	2.43	70.68	25877.92
Bank of NY	41.36	0.52	64.63	36.22	2.66	11.81	33423.15
BankAm	35.25	0.18	50.11	29.31	1.87	11.67	283202
Baxter	56.34	-0.09	89.70	53.78	1.63	26.32	28373.43
BectonDick	225.13	-0.08	277.29	215.90	1.26	46.03	64205.98
BerkshHat	435051.49	2551.49	544389.26	393012.25	-	8.65	260997.83
Biogen	268.89	-5.74	284.59	187.16	-	30.55	39018.72
BlackRock	629.06	17.62	973.16	503.12	2.22	19.45	94842.22
Boeing	145.64	3.59	233.94	113.02	-	-24.07	86482.96
Booking Holdings	1856.95	48.39	2715.66	1616.85	-	77.90	73732.52
Bristol-Myers	72.85	-0.14	80.59	53.22	2.33	27.59	155553.34
Broadcom	461.27	4.75	677.76	415.07	2.76	30.79	186815.02
Cadence Design	153.37	-6.86	194.97	132.32	-	72.50	42002.07
CapOne	101.59	4.03	170.00	90.27	1.67	4.45	38992.04
CardinalHlth	73.85	0.05	74.52	45.85	2.24	45.22	19348.38
Carnival	8.59	0.37	25.29	6.11	-	-1.21	9558.15
Caterpillar	193.53	2.23	237.90	160.60	1.87	19.33	102166.26
Centene Corp	82.52	6.71	98.53	67.79	-	42.77	47166.85
CharlesSch	71.45	0.75	96.24	59.35	0.85	29.83	129872.3
Charter Comms	347.29	10.22	735.87	297.66	-	16.77	55793.79
Chevron Corp	174.93	1.80	182.40	110.73	2.57	25.40	343704.82
Chipotle Mexic.	1574.26	28.42	1895.99	1196.28	-	81.24	43708.77
Chubb	198.75	-4.63	218.99	173.78	1.35	12.19	83006.23
Cigna	308.68	1.73	310.67	191.74	1.10	23.19	94183.27
Cintas Corp	408.55	2.23	461.44	343.86	0.75	42.33	41486.34
Cisco	44.17	0.63	64.29	38.61	2.86	18.53	181472.86
Citigroup	45.27	1.01	71.89	40.01	3.81	5.28	87674.84
CME Grp	173.74	1.73	256.94	166.58	1.75	28.16	62447.94
Coca-Cola	58.43	0.86	67.20	52.28	2.43	30.69	252688.08
Cognizant	61.18	0.42	93.47	55.40	1.33	17.85	31675.49
ColgtPlm	72.75	0.73	85.18	67.84	2.08	33.72	60682.24
Comcast	31.55	0.47	54.59	28.39	2.68	12.26	138917.68
ConocPhil	124.90	-0.24	126.40	66.06	1.32	24.32	161551.85
Constellation	236.56	6.82	261.53	207.59	1.10	-1258.76	38138.46
Corning	31.29	-1.04	43.47	28.98	2.60	28.89	26450
Corteva	63.79	0.43	64.30	42.07	0.71	31.80	46164.82
Corteva	63.79	0.43	64.30	42.07	0.71	31.80	46164.82
Costco	497.46	0.49	612.27	406.51	0.54	46.93	220177.86
CrownCstl	126.08	3.63	208.69	121.71	3.66	55.80	54597.59
CSX	28.60	0.44	38.63	25.80	1.15	18.67	60129.52
CVS	91.21	-3.59	111.25	86.28	1.86	18.12	119743.12
Danaher	253.45	1.78	331.69	233.71	0.30	34.17	184498.51
Deere	389.37	3.48	446.76	283.81	0.86	25.27	117519.51
Delta	33.57	0.30	46.27	27.20	-	47.61	21524.69
Devon Energy	75.30	0.06	79.40	35.55	2.21	21.24	49306.44
Digital Realty	100.99	3.55	176.53	85.76	3.89	20.09	29025.32
DiscFinServ	99.82	3.96	129.12	87.64	1.59	6.62	27266.59
Disney	103.89	2.17	179.25	90.23	-	71.38	189397.29
Dollar General	250.06	5.08	262.21	183.25	0.57	28.78	56406.47
DominRes	67.04	1.51	88.78	61.70	3.18	24.84	55810.99
DukeEner	90.53	1.84	116.33	83.76	3.65	21.70	69699.09
DuPont	56.56	0.55	84.08	49.52	1.80	20.69	28331.01
Eaton	143.85	2.28	175.72	122.50	1.79	31.83	57295.46
eBay	38.81	0.13	81.06	35.92	1.57	120.70	21321.52
Ecolab	152.96	4.53	238.93	136.94	1.08	46.23	43591.95
Edwards Lifesc.	85.87	0.96	131.73	80.69	-	42.64	53234.51
Eli Lilly	350.91	3.01	351.77	231.87	0.82	67.76	333421.09
Emerson	84.26	0.37	100.47	72.41	2.04	21.74	49822.94
EOG Res	132.86	-1.80	147.99	80.67	1.03	19.65	77861.88
Equinix	549.01	17.85	849.51	494.89	1.77	117.33	50001.19
EquityResTP	66.00	1.85	94.32	60.75	3.09	22.76	24823.81
Exelon	37.64	0.77	50.71	29.10	3.44	25.56	36900.08
ExxonMb	106.18	-0.42	107.68	57.96	2.78	23.28	442519.62
Fedex	156.29	1.53	260.50	141.92	1.55	9.93	40669.75
Fidelity NIS	79.10	1.10	125.77	72.37	1.67	139.52	48091.1
Fiserv	99.14	1.79	111.84	87.03	-	58.88	63408.39
FordMtr	12.93	0.45	25.87	10.61	0.65	3.43	51045.81
Franklin	23.38	0.56	38.27	20.24	4.09	7.31	11651.59
GenDyn	244.85	1.04	254.99	188.64	1.61	25.05	67149.19
GenElectric	72.10	-1.26	116.17	59.93	0.38	-26.22	79061.48
GenMills	78.09	0.47	81.24	61.20	2.23	24.38	46346.23
GenMotors	37.05	1.33	67.21	30.33	-	6.54	54020.71
GileadSci	69.51	0.51	74.12	57.17	3.46	16.66	87121.57
GoldmSchs	331.86	3.16	426.16	277.84	1.66	6.60	113282.38
Halliburton	34.21	-0.38	43.99	20.77	0.65	22.71	31022.03
HCA Hold	218.22	7.86	279.02	164.47	0.74	12.19	62634.55
Hew-Pack	27.35	0.29	41.47	24.08	2.60	5.83	27507.4
Hilton Worldwi.	131.38	0.75	167.99	108.41	-	106.34	36035.88
HiltonWwde	131.38	0.75	167.99	108.41	-	106.34	36035.88
HomeDep	292.08	8.82	420.61	264.51	1.93	22.02	299010.02
Honywell	188.57	1.67	228.26	166.63	1.69	28.17	127038.16
HumanaInc	531.95	10.01	539.44	363.73	0.45	27.73	67320.24
IBM	132.54	-0.15	144.73	114.56	4.18	30.06	119707.52
IDEXX Laborato.	354.91	9.97	672.93	317.06	-	48.77	29547.16
IllinoisTool	202.22	6.60	248.11	173.52	1.98	28.08	62611.7
Illumina	229.81	9.24	425.00	173.45	-	53.89	36103.15
Intcntl Exch	94.13	0.89	139.79	88.60	1.19	15.49	52567.67
Intel	27.39	0.21	55.00	24.59	4.30	6.66	112442.81
Intuit	431.41	13.65	716.86	339.36	0.50	63.85	121601.48
John&John	170.29	-0.69	186.69	155.72	2.08	25.77	447723.04
JohnsonCn	56.22	1.27	81.69	45.52	1.73	30.34	38724.91
JPMrgnCh	122.96	0.58	172.96	101.28	2.62	9.46	360589.1
Kimb-Clark	117.30	1.44	144.53	108.74	3.40	26.01	39601.41
KinderM	17.30	0.02	20.20	15.01	5.44	44.15	38874.7
KLA Corp	305.73	10.34	442.44	250.20	1.08	18.59	43354.19
Kraft Heinz	36.69	0.17	44.87	32.73	3.69	52.87	44955.26
Kroger	44.68	0.69	62.78	39.18	1.49	24.10	31978.65
LasVegasSd	34.74	-0.31	48.27	28.88	-	-27.19	26547.14
LibertyGbl	16.97	0.37	29.84	15.22	-	0.86	2941.96
Lilly (E)	350.91	3.01	351.77	231.87	0.82	67.76	333421.09
Linde	284.93	6.81	346.50	262.47	1.26	46.00	141999.31
Lockheed	459.45	1.99	479.99	324.23	2.05	23.31	120408.57
Lowes	194.88	7.27	263.31	170.12	1.32	18.95	120962.13
Lyondell	81.83	0.54	117.22	71.46	4.59	5.77	26693.44
Marathon Ptl	110.73	-0.73	114.35	59.55	1.77	64.78	55211.79
Marsh&M	153.59	-2.86	183.14	142.80	1.48	27.92	76182.1
MasterCard	309.94	4.34	399.92	276.87	0.61	41.81	297132.01
McDonald's	257.21	1.89	269.72	217.68	1.73	30.28	189232.59
McKesson	381.79	2.68	383.79	202.61	0.39	51.10	54874.85
Medtronic	84.17	0.29	124.80	79.44	2.51	27.14	111874.83
Merck	97.68	0.31	98.42	71.50	2.29	23.75	247438.11
Meta	196.64	0.99	384.33	169.00	-	15.41	450997.53
Metlife	70.20	0.82	73.18	57.05	2.29	11.35	57087.06
Microsoft	249.75	2.50	349.67	219.13	0.78	31.43	1862608.5
Mnstr Bvrg	90.70	0.59	99.81	71.78	-	41.71	47788.51
MondelezInt	58.97	0.23	69.47	54.72	1.91	22.92	80815.43
Monsanto	9.96	0.01	9.95	9.66	-	53.93	248.88
MorganStly	80.60	1.17	109.73	72.05	2.20	11.86	138367.62
Netflix	292.59	10.14	700.99	162.71	-	30.76	130208.55
NextEraE	75.94	2.66	92.91	67.22	1.81	117.89	149205.33
Nike	91.36	3.35	179.10	82.22	1.08	28.22	115447.31
NorfolkS	215.09	1.86	296.87	203.65	1.64	20.99	50518.97
Northrop	523.97	-2.00	534.64	345.90	0.99	14.22	81063.31
NXP	147.78	2.84	239.91	132.08	1.29	25.72	38806.8
Occid Pet	71.03	0.20	77.13	26.05	0.05	40.75	66563.99
Oracle	72.95	0.03	106.34	60.78	1.50	32.59	196671.85
Pepsico	178.01	0.33	181.07	153.37	2.02	38.32	245246.02
Perrigo	41.27	0.41	47.95	31.32	1.97	-49.77	5555.68
Pfizer	45.45	-0.10	61.71	41.45	2.90	13.67	255053.33
Phillips66	99.65	-0.75	111.28	67.08	3.07	39.65	47936.74
PhilMorris	87.72	0.53	112.48	82.85	4.73	17.78	135980.33
PNCFin	163.37	2.93	217.22	143.52	2.49	15.20	67001.96
PPG Inds	113.67	1.72	172.78	107.06	1.77	29.48	26715.56
ProctGmbl	130.52	1.15	165.35	122.18	2.32	26.21	311355.39
Prudntl	100.70	0.58	124.22	85.46	3.87	6.10	37460.4
PublStor	298.50	7.16	421.76	280.83	2.27	35.74	52395.39
Qualcomm	118.74	2.36	192.68	104.66	1.92	16.07	133345.02
Raytheon	87.93	-1.81	106.02	79.00	1.93	40.27	129404.5
Regen Pharm	743.40	6.25	761.05	538.01	-	12.21	79685.18
S&P Global	309.06	8.67	484.21	279.32	0.84	29.20	103071.51
Salesforce	165.00	4.35	311.75	137.59	-	130.51	165000
Schlmbrg	51.89	-0.26	52.54	27.65	0.82	46.46	73393.17
Sempra Energy	146.36	2.22	176.47	119.56	2.54	43.13	46000.89
Shrwin-Will	221.71	9.18	354.15	195.24	0.84	37.54	57463.47
SimonProp	105.92	3.53	171.12	86.02	5.71	18.30	34673.09
SouthCpr	47.54	1.72	79.32	42.42	5.70	12.80	36752.82
Starbucks	85.10	1.34	117.47	68.39	1.83	27.18	97638
StateSt	72.08	1.56	103.76	58.62	2.56	11.85	26498
Stryker	223.14	2.64	279.28	188.84	0.98	50.61	84381.3
Sychrony Fin	34.94	1.87	51.09	27.22	2.19	5.44	16832.66
T-MobileUS	141.02	1.70	148.04	101.51	-	69.15	176844.9
Target	164.75	2.93	268.98	137.16	1.64	13.68	75828.27
TE Connect	115.97	0.49	166.44	104.76	1.44	18.62	37091.73
Tesla Mtrs	222.39	11.14	414.50	198.59	-	53.63	691179.2
TexasInstr	163.97	2.32	202.26	144.46	2.17	23.46	149820.6
TheTrvelers	176.36	-3.43	187.98	145.40	1.74	12.85	41329.53
ThrmoFshr	514.91	9.90	668.94	478.31	0.17	31.27	201736.05
TJX Cos	71.19	2.01	76.94	53.69	1.25	30.87	82655.01
Truist Financial Corp	43.49	0.83	66.10	40.01	3.62	11.50	57678.22
Twitter	52.36	0.84	63.08	31.30	-	-220.99	40068.29
UnionPac	194.05	0.56	278.94	183.70	2.02	21.19	119302.1
UPS	171.17	3.62	233.72	154.87	2.02	13.78	124871.21
USBancorp	41.57	0.44	63.01	38.39	3.58	9.63	61764.04
UtdHlthcre	537.94	-3.66	553.29	436.00	0.88	35.16	503179.78
ValeroEngy	125.93	-3.29	146.81	65.13	2.63	65.56	49612.69
Verizon	36.30	0.33	55.51	34.55	5.91	8.06	152428.64
VertexPharm	312.97	2.47	315.37	179.96	-	41.05	80262.84
VF Cp	28.87	1.01	78.91	27.03	5.77	11.18	11214.4
Visa Inc	193.78	3.41	236.96	174.60	0.58	37.91	316828.07
Walgreen	35.28	0.59	53.46	30.39	4.60	6.04	30510.61
WalMartSto	139.51	0.10	160.77	117.27	1.35	33.53	378663.33
Walt Disney	103.89	2.17	179.25	90.23	-	71.38	189397.29
Waste Manage.	164.08	1.39	175.98	138.58	1.19	45.20	67820.12
WellsFargo	45.23	0.03	60.30	36.54	1.44	10.80	171540.66
Williams Cos	31.63	0.53	37.97	24.86	4.39	30.15	38542.11
Workday	155.27	7.32	307.81	134.10	-	1514.67	31208.27
Yum!Brnds	111.41	2.64	139.85	103.97	1.52	25.27	31700.88
Zoetis	151.74	2.37	249.27	141.87	0.56	42.00	71035.35
Zoom	83.36	2.75	291.31	70.44	-	21.68	20920.03
Venezuela (VEF)							
Bco de Vnzla	1.19	0.04	2.14	0.32	128.81	-	516.87
Bco Provncl	2.63	0.01	798000	1.70	-	0.00	117.45

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 %
ASML Hld	494.70	477.95	16.75	3.50	91.10	22.6	-9.37
Netflix	292.59	282.45	10.14	3.59	51.73	21.5	21.43
Schlmbrg	51.89	52.15	-0.26	-0.50	8.53	19.7	40.02
Applied Materi.	88.00	84.94	3.06	3.60	12.77	17.0	-15.88
AT&T	17.83	17.51	0.32	1.80	2.23	14.3	-3.36
KLA Corp	305.73	295.39	10.34	3.50	36.97	13.8	-17.67
Halliburton	34.21	34.58	-0.38	-1.08	3.75	12.3	17.01
StateSt	72.08	70.52	1.56	2.21	7.66	11.9	-0.15
AirLiquide	132.48	124.22	8.26	6.65	12.52	10.4	-2.99
SAP	97.83	91.34	6.49	7.11	9.08	10.2	12.53
Adobe	322.87	316.22	6.65	2.10	29.89	10.2	-24.00
Illumina	229.81	220.57	9.24	4.19	21.13	10.1	13.51
UBS	16.31	15.14	1.17	7.73	1.49	10.1	4.82
Centene Corp	82.52	75.81	6.71	8.85	7.20	9.6	-14.81
CanNatRs	80.45	80.44	0.01	0.01	6.93	9.4	11.12
Oracle	72.95	72.92	0.03	0.03	5.92	8.8	-7.33
BlackRock	629.06	611.44	17.62	2.88	48.00	8.3	-12.02
TexasInstr	163.97	161.65	2.32	1.44	12.46	8.2	-7.00
GenMotors	37.05	35.72	1.33	3.72	2.80	8.2	-6.59
Devon Energy	75.30	75.24	0.06	0.08	5.53	7.9	9.66

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 %
Naspers N	1754.20	1711.35	42.85	2.50	-484.21	-21.6	-29.08
Ericsson	60.59	61.16	-0.57	-0.93	-12.13	-16.7	-24.80
Tencent	206.40	206.20	0.20	0.10	-40.80	-16.5	-34.41
ChinaPcIns	12.20	12.38	-0.18	-1.45	-2.30	-15.9	-24.88
SandsCh	13.72	14.00	-0.28	-2.00	-2.28	-14.3	-18.57
AIA	58.10	59.70	-1.60	-2.68	-9.55	-14.1	-22.75
Kweichow	1479.75	1501.28	-21.53	-1.43	-238.75	-13.9	-21.91
PingAnIns	33.05	32.75	0.30	0.92	-5.20	-13.6	-24.00
Ch OSLnd&Inv	17.32	18.32	-1.00	-5.46	-2.62	-13.1	-12.53
China Vanke	12.06	12.10	-0.04	-0.33	-1.52	-11.2	-18.21
HK Exc&Clr	224.00	228.20	-4.20	-1.84	-28.20	-11.2	-32.62
JardnMt US$	45.07	47.86	-2.79	-5.83	-5.43	-10.8	-13.77
New Ch Life Ins	13.20	13.54	-0.34	-2.51	-1.58	-10.7	-27.34
Telia Co	29.04	28.08	0.96	3.42	-3.37	-10.4	-25.04
Allstate	124.00	124.87	-0.87	-0.70	-13.38	-9.7	-4.60
ChinaLife	8.88	8.93	-0.05	-0.56	-0.93	-9.5	-21.33
ChinaMBank	28.45	27.75	0.70	2.52	-2.90	-9.3	-29.67
Prudential	817.20	804.20	13.00	1.62	-82.00	-9.1	-14.98
Citic Secs	12.10	12.36	-0.26	-2.10	-0.98	-7.5	-25.58
Hngzh HikVDT	29.02	29.60	-0.58	-1.96	-2.27	-7.3	-6.30

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Oct 25	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 25	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 25	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 25 (Libor: Oct 24)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	3.06571	-0.001	0.000	-0.009	3.57643	4.32686	4.87700	5.36600
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	0.048	2.76970	3.37270	4.16500	0.81363
Swiss Fr Libor				-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor				0.000	-0.06005	-0.02617	0.04761	0.04867
Euro Euribor				-0.004	0.97900	1.55800	2.13200	2.73800
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.020	3.68000	4.29000	4.79000	
Euro CDs				0.020	1.19000	1.45000	1.93000	

Oct 25	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	0.52	0.82	0.53	0.83	1.04	1.34	1.30	1.60	1.78	2.08	2.23	2.53
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	2.87	3.07	2.89	3.09	3.58	3.78	4.19	4.39	4.69	4.89	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	185.24	0.17	-1.76	-15.72	-3.07	-14.96
Corporates(£)	309.72	1.99	2.73	-21.75	-0.36	-20.85
Corporates(€)	202.94	0.46	-0.95	-15.98	-1.93	-16.01
Eurozone Sov(€)	209.55	0.90	-1.10	-17.64	-2.15	-17.77
Gilts(£)	269.46	2.81	2.16	-25.04	2.42	-22.85
Overall(£)	275.94	2.53	2.23	-23.77	1.70	-21.92
Overall(€)	204.43	0.73	-1.04	-17.13	-2.08	-17.23
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	596.93	11.02	-	-	-16.07	-21.48
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	566.63	-18.60	-30.37	-70.16	688.92	566.63
Europe 5Y	116.36	-5.23	-8.55	-13.68	142.08	116.36
Japan 5Y	106.06	-0.30	5.13	1.56	119.29	98.33
Senior Financials 5Y	126.21	-5.08	-10.30	-15.65	155.06	126.21
Markit CDX						
Emerging Markets 5Y	311.96	-2.30	-15.06	-16.76	335.29	288.27
Nth Amer High Yld 5Y	537.62	-5.13	-25.38	-	625.47	537.62
Nth Amer Inv Grade 5Y	93.14	-1.16	-5.42	-16.58	110.98	93.14

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

VOLATILITY INDICES

	Oct 25	Day Chng	Prev	52 wk high	52 wk low
VIX	28.85	-1.00	29.85	38.93	14.73
VXD	26.20	-0.88	27.08	45.37	3.27
VXN	34.50	-1.00	35.50	44.05	15.70
VDAX	27.61	-0.60	28.21	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	2.78	0.00	0.04	-0.09	2.66
	05/32	1.25	77.32	4.14	-0.05	0.13	0.25	-
	02/50	1.00	86.20	2.06	-0.06	-0.02	0.09	1.83
Austria	02/29	0.50	86.77	2.81	-0.10	0.11	0.19	2.87
	02/47	1.50	72.16	3.16	-0.12	-0.02	0.23	2.62
Belgium	06/27	0.80	92.95	2.42	-0.11	0.02	0.18	2.67
	06/47	1.60	71.51	3.31	-0.14	-0.04	0.22	2.48
Canada	03/25	1.25	93.68	4.10	-0.04	0.04	0.37	3.01
	06/30	1.25	84.54	3.59	-0.04	0.15	0.38	2.02
	12/48	2.75	84.14	3.70	-0.04	0.26	0.57	1.66
Denmark	11/29	0.50	86.45	2.63	-0.11	0.03	0.14	2.63
	11/52	0.25	50.12	2.69	-0.12	0.04	0.14	2.25
Finland	09/24	0.00	96.13	2.11	-0.05	0.01	0.18	2.65
	09/29	0.50	85.53	2.84	-0.10	0.09	0.28	2.89
France	05/28	0.75	90.91	2.52	-0.10	0.04	0.16	2.63
	05/48	2.00	78.65	3.24	-0.13	0.01	0.24	2.45
Germany	08/29	0.00	86.33	2.18	-0.10	0.06	0.19	2.41
	08/50	0.00	52.38	2.35	-0.12	0.04	0.25	2.13
Greece	01/23	3.50	100.60	1.18	-0.17	-0.18	-0.11	1.49
	01/28	3.75	97.01	4.40	-0.16	0.04	0.13	3.91
Ireland	-	-	-	-	-	-	-	-
	05/26	1.00	95.83	2.23	-0.07	0.00	0.13	2.53
	02/45	2.00	80.50	3.24	-0.14	-0.01	0.22	2.52
Italy	02/25	0.35	94.04	3.09	-0.14	-0.07	0.01	3.13
	05/30	0.40	88.19	2.10	-0.18	-0.12	-0.17	3.05
	03/48	3.45	83.88	4.52	-0.17	-0.10	0.14	2.77
Japan	04/25	0.05	99.88	0.10	0.01	0.05	0.05	0.02
	12/29	0.10	99.01	0.24	-0.01	0.00	0.02	0.23
	12/49	0.40	75.25	1.51	0.04	0.11	0.19	0.83
Netherlands	07/27	0.75	93.12	2.31	-0.09	0.04	0.19	2.60
	01/47	2.75	99.91	2.75	-0.12	0.06	0.31	2.51
New Zealand	05/31	1.50	78.10	4.63	0.00	0.12	0.36	2.20
	09/40	2.50	112.29	2.74	0.00	0.00	0.17	1.95
Norway	08/30	1.38	84.18	3.75	-0.05	0.15	0.46	2.04
Poland	01/23	2.50	98.88	7.13	-0.48	-0.45	-0.28	5.60
	07/27	2.50	77.27	8.52	-0.43	0.29	1.12	6.17
	04/47	4.00	54.02	8.52	0.12	1.12	1.86	5.64
Portugal	04/27	4.13	106.33	2.60	-0.09	0.08	0.16	2.79
Spain	10/22	0.45	99.96	3.41	0.43	2.02	2.40	3.99
	10/29	0.60	84.75	3.05	-0.12	-0.01	0.12	2.77
	10/46	2.90	86.65	3.75	-0.15	-0.04	0.18	2.57
Sweden	06/30	0.13	113.53	-0.06	-0.05	0.19	0.08	1.66
	03/39	3.50	117.35	2.23	-0.05	0.14	0.14	1.52
Switzerland	04/28	4.00	115.56	1.05	-0.03	-0.03	0.04	1.31
	06/29	0.00	92.64	1.15	-0.02	0.01	0.10	1.32
United Kingdom	07/23	0.75	98.26	3.14	-0.37	-0.08	-0.69	2.53
	07/27	1.25	89.00	3.81	-0.31	-0.12	-0.60	2.96
	07/47	1.50	62.68	3.85	-0.30	-0.61	0.00	2.44
United States	-	-	-	-	-	-	-	-
	03/25	0.50	90.95	4.47	-0.01	0.03	0.23	3.57
	02/30	1.50	82.86	4.25	0.01	0.16	0.37	2.69
	02/50	0.25	65.05	1.90	-0.04	0.11	0.02	-

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

GILTS: UK CASH MARKET

Oct 25	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	98.31	3.08	-0.96	-3.14	-12.50	450.00	100.82	97.34	34.36
Tr 0.125pc '24	96.13	3.28	-1.80	-4.65	-16.96	412.50	99.44	94.34	35.55
Tr 2pc '25	96.27	3.38	-2.03	-4.25	-14.21	397.06	105.99	93.15	39.93
Tr 0.125pc '26	89.50	3.56	-1.93	-4.30	-12.10	381.08	98.77	86.33	35.32
Tr 1.25pc '27	89.31	3.73	-1.84	-2.61	-7.44	360.49	104.30	85.65	40.99
Tr 0.875pc '29	82.69	3.71	-2.11	-4.63	-5.36	278.57	102.36	78.21	43.62
Tr 4.25pc '32	104.94	3.64	-2.67	-6.67	-4.21	213.79	135.62	98.13	40.33
Tr 4.25pc '36	103.94	3.87	-2.03	-7.64	-2.76	204.72	145.94	94.91	31.68
Tr 4.5pc '42	108.34	3.90	-2.01	-11.16	-4.41	186.76	169.96	93.79	28.35
Tr 3.75pc '52	101.15	3.69	-1.86	-13.58	-8.21	173.33	180.27	82.51	25.11
Tr 4pc '60	109.61	3.53	-2.49	-13.90	-8.55	184.68	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 25	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	81.04	0.16	2330.55	2.43	-4.86	3.52
2 5 - 10 Years	146.37	0.59	3087.42	4.18	-14.99	3.70
3 10 - 15 Years	155.96	0.98	3583.31	5.60	-21.56	3.84
4 5 - 15 Years	147.76	0.70	3206.98	4.57	-16.99	3.75
5 Over 15 Years	222.74	1.47	3812.23	13.08	-35.08	3.68
7 All stocks	136.57	0.79	3037.39	6.63	-21.42	3.68

Index Linked	Oct 25	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	324.45	0.14	2.81	2.92	2736.23	2.81	4.08
2 Over 5 years	570.29	-1.23	16.98	-35.33	4341.18	16.98	-35.07
3 5-15 years	447.49	0.71	4.50	-16.38	3613.46	4.50	-15.77
4 Over 15 years	668.30	-2.32	25.78	-42.91	4939.70	25.78	-42.77
5 All stocks	536.03	-1.02	14.58	-31.38	4161.85	14.58	-31.05

Yield Indices	Oct 25	Oct 24	Yr ago		Oct 25	Oct 24	Yr ago
5 Yrs	3.59	3.67	0.77	20 Yrs	3.88	3.96	1.40
10 Yrs	3.79	3.88	1.13	45 Yrs	3.37	3.47	1.17
15 Yrs	3.89	3.98	1.33				

Real yield	inflation 0% Oct 25	inflation 0% Dur yrs	inflation 0% Previous	inflation 0% Yr ago	inflation 5% Oct 25	inflation 5% Dur yrs	inflation 5% Previous	inflation 5% Yr ago
Up to 5 yrs	-1.05	1.50	-0.95	-3.70	-1.75	1.51	-1.66	-4.13
Over 5 yrs	0.06	19.55	-0.01	-2.40	0.02	19.61	-0.04	-2.43
5-15 yrs	0.04	8.57	0.12	-2.96	-0.07	8.58	0.01	-3.07
Over 15 yrs	0.06	25.93	-0.03	-2.34	0.04	25.95	-0.05	-2.36
All stocks	0.04	16.85	-0.02	-2.42	0.00	16.95	-0.06	-2.45

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

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COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	Dec	83.79	-0.79	Corn♦	Dec	678.25	-3.25
Brent Crude Oil‡		93.36	0.10	Wheat♦	Dec	833.00	-5.75
RBOB Gasoline†	Dec	2.73	0.00	Soybeans♦	Nov	1371.50	-0.50
Natural Gas†	Nov	5.32	0.12	Soybeans Meal♦	Dec	410.10	1.40
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)⊕	Dec	1936.00	-41.00
Aluminium		2242.00	65.00	Cocoa (ICE US)♥	Dec	2288.00	-49.00
Aluminium Alloy		1675.00	-905.00	Coffee(Robusta)⊕	Nov	1939.00	-18.00
Copper		7527.50	-44.50	Coffee (Arabica)♥	Dec	186.25	-4.15
Lead		1881.00	-18.50	White Sugar⊕		524.00	-2.20
Nickel		22485.00	135.00	Sugar 11♥		18.10	-0.03
Tin		18400.00	-195.00	Cotton♥	Dec	76.54	0.41
Zinc		2914.50	-60.00	Orange Juice♥	Nov	216.10	-1.85
Precious Metals (PM London Fix)				Live Cattle♣	Dec	154.10	1.68
Gold		1649.15	5.90	Feeder Cattle♣	May	134.88	-
Silver (US cents)		1921.50	83.00	Lean Hogs♣	Dec	88.03	-1.10
Platinum		930.00	25.00				
Palladium		2002.00	4.00		Oct 24	% Chg Month	% Chg Year
Bulk Commodities							
Iron Ore		90.48	-0.96	S&P GSCI Spt	629.61	-6.10	16.77
Baltic Dry Index		1755.00	-42.00	DJ UBS Spot	112.60	-7.93	15.45
Richards Bay ICE Futures		240.00	-1.50	TR/CC CRB TR	292.60	-6.37	23.94
				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 24	Yield Oct 24	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	110.36	1.622	1.719	-0.63	5.25	68687.65	8
Fr 0.25%' 24	102.52	-1.169	-1.107	-0.11	17.92	241822.26	17
Swe 1.00%' 25	124.97	-0.631	-0.662	1.28	35.38	214099.32	6
UK 0.125%' 24	104.37	-2.893	-2.474	2.56	15.24	591453.43	31
UK 2.50%' 24	376.11	-1.983	-1.571	2.84	6.82	591453.43	31
UK 2.00%' 35	240.63	0.123	0.482	-0.01	9.08	591453.43	31
US 0.625%' 24	98.43	1.930	1.966	0.81	40.98	1558688.55	46
US 3.625%' 28	109.24	1.843	1.871	0.70	16.78	1558688.55	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	4.14	1.96	-0.11	Netherlands	2.31	0.12	-1.94
Austria	2.81	0.63	-1.44	New Zealand	4.63	2.45	0.38
Canada	3.59	1.41	-0.66	Norway	3.75	1.56	-0.50
Denmark	2.63	0.45	-1.62	Portugal	2.60	0.42	-1.65
Finland	2.84	0.66	-1.41	Spain	3.05	0.86	-1.20
Germany	2.18	0.00	-2.07	Sweden	-0.06	-2.24	-4.31
Italy	2.10	-0.08	-2.15	Switzerland	1.15	-1.03	-3.10
Japan	0.24	-1.94	-4.01	United States	4.25	2.07	0.00

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

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POWERED BY MORNINGSTAR

African stories in all their variety

The Film Africa festival gives Londoners the chance to sample 48 titles from the continent. By Chipo Muwowo

Left: Babetida Sadjo is the star of new film 'Our Father, The Devil'

A twenty-something Guinean woman works as head chef in the kitchen of a residential home in a French village close to the Andorran border. One day she walks into work and is confronted by a face that brings her past violently into the present.

Marie (Babetida Sadjo) is the protagonist of Ellie Foumbi's *Our Father, The Devil*, the opening film at this year's Film Africa festival in London. Organised by the Royal African Society, the festival showcases African cinematic talent and is a gathering point for African diasporic communities in the UK.

This is the festival's 10th edition and will give Londoners the chance to sample 48 titles from 16 African countries. Yet most people on the continent are unlikely to see these films. According to Unesco, Africa is the most underserved continent as far as cinema distribution is concerned. There are about 1,650 screens across the continent, less than one screen per 790,000 people. In 2020, the US had a total of 44,000 screens: one per 7,500 people.

Nigeria, Africa's most populous country, produces about 2,500 films a year. Although Nollywood, the country's film industry, is "the best example of Nigerians consuming what they produce", as the writer Chimamanda Ngozi Adichie observed in 2009, for too long it's been the de facto representation of "African cinema" on the world stage. Special strands in this year's Film Africa include "Beyond Nollywood", showcasing new-wave content from the country. And throughout, Film Africa challenges preconceived narratives about film from the continent and the diaspora by offering a wider range of cinematic fare.

Our Father, The Devil opens with Marie looking tense and aloof. It's a mood that becomes more familiar as the film goes on. House parties and chats about boys offer light relief but it's short-lived. Her friendship with a quick-witted, irreverent resident at the residential home is what seems to put her most at ease.

Marie connects with Jeanne (Martine Amisse). The older woman taught the younger woman at culinary school a few years earlier. But when the demons from Marie's past start to emerge, these rare moments of laughter disappear, gripping her with rageful, murderous intent.

'No Simple Way Home' is a memoir documentary by Akuol de Mabior

Foumbi directs the film into murky moral waters, challenging our tendency to typecast individuals. She also allows questions of belonging, conflict and forgiveness to hang in the air.

The slow movements of the camera and close-up face shots skilfully build tension, subtle nods to some of Foumbi's own cinematic influences. "I was introduced to the French New Wave by the time I was 11," the Cameroonian director said in a recent interview with Akoroko, an African film platform. "I didn't realise then that ingesting those films so young really started to shape my aesthetic, which expanded when I discovered African cinema."

No Simple Way Home is another female-directed production showing at Film Africa. It's a memoir documentary by film-maker Akuol de Mabior, in which she weaves together stories of her high-profile family with those of their country, Sudan. De Mabior's father, John Garang, died in a helicopter crash three weeks after being appointed first vice-president. In the 1980s and 1990s he had led the Sudan People's Liberation Army, a guerrilla movement that fought against the national government. The family was forced into exile in Kenya, only returning after a peace accord was signed in 2005.

She offers up an evenly paced narration to express the strains of life in the public eye, all while grieving and trying to chart her own course. It's in the context of a fragile peace, personally and nationally, that de Mabior starts to document conversations with her mother Rebecca, conversations that traverse philosophies for life, hopes and dreams. They're reminiscent of the strong oral traditions of many African cultures, when wisdom is passed down from the older to the younger generations.

In *The Last Shelter*, Malian film-maker Ousmane Samassékou delves into the familiar story of migrant journeys from Africa to Europe. But in his documentary, the story isn't told by European politicians, charities or border agencies. It's told by the migrants themselves.

The Caritas Migrant House is a fragile-looking building in Gao, Mali, about 650 km from the border with Algeria. It houses young migrants who have travelled from other parts of north-west Africa and are readying for the arduous journey across the Sahara.

The centre volunteers have first-hand experience of it themselves. And for Samassékou, the story is personal too. "My grand-uncle left on an adventure and 32 years later, we still haven't heard from him," he says. The camera movements are slow, the shots considered. The centre exists to educate, and even dissuade, the young migrants from making the potentially perilous journey across the vast desert. But even in the midst of weighty conversations, there are attempts at normalcy: a makeshift barbershop emerges, a rap battle breaks out among the young men, two 16-year-old girls extend a hand of friendship to a lonely woman in her forties. The lack of narration allows the viewer to hear directly from the characters. Their stories are multi-dimensional and many have different (even surprising) reasons for trying to get to Europe.

All three directors — Foumbi, de Mabior, and Samassékou — have lived cross-culturally, highlighting the role that the African diaspora is playing in shaping African cinema today. One of the triumphs of the festival is the way in which it provides a space for African people to tell the multiplicity of stories that shape our lives. Other films showing at the festival explore themes such as belonging, science fiction or post-partum depression. More than providing a platform for upcoming African film-makers, the festival also gives £1,000 to the makers of the best narrative feature and best short film, judged by a panel of experts. Samassékou says: "Today's generation of African film directors are restoring a sense of dignity to [film across the continent]." That fact is a cause for celebration.

The festival showcases African cinematic talent and has become a gathering point for diasporic communities

October 28-November 6, filmafrica.org

'The Last Shelter' is a familiar story told from an unusual perspective

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Swashbucklers get a new adventure

GAMING

Tom Faber

I have been here before. Mêlée Island is as familiar as my own home: I know the lookout on the mountaintop, the rickety boardwalk by the Scumm Bar, the ocean all around. Yet on closer inspection, I notice differences. A new crowd has moved in, familiar shops are boarded up and closed. While I am still Guybrush Threepwood, hapless pirate wannabe, I now sport a beard flecked with grey. This place has changed, and I have, too.

It has been more than a decade since the last game in the beloved *Monkey Island* series and 31 years since *Monkey Island 2: LeChuck's Revenge*, the last instalment made by the original team of Ron Gilbert, Tim Schafer and Dave Grossman. Since then there have been sequels of varying quality made by different teams, but this year Gilbert and Grossman announced their return, having worked on *Return to Monkey Island* in secret for two years (Schafer now makes games with Double Fine Productions).

The "legacy sequel" is a cultural phenomenon where a dormant franchise that induces soothing waves of nostalgia in audiences of a certain age is resurrected and reanimated. In a media age where IP is prized more for its familiarity than its relevance, these have become common. The recent sequels to, say, *Top Gun* and *The Matrix* have ranged in quality from meaningful narrative continuations to cynical cash grabs.

In the world of gaming, the stakes can't get much higher than *Monkey Island*. For a generation of gamers, few series can rival the heady nostalgia this series invokes. Though the original game from 1990 may look positively Jurassic to contemporary players, the

Monkey Island games have always revelled in breaking the fourth wall, so it's fitting that this new instalment directly grapples with the question of what it means to revisit your past. Guybrush returns for another swashbuckling adventure, planning to face the evil LeChuck and untangle that pesky secret of Monkey Island, but on arriving, he finds that he has been mostly forgotten. Though a new museum of piracy contains relics from his previous adventures, the hipster curator has no idea who he is. Meanwhile the new, ultra-accomplished pirate leaders care little for his haphazard problem-solving.

Witness zany situations ranging from zombies who write poetry to a quest for a sacred tree

Despite these changes, much of this game will be as reassuringly familiar to fans as rediscovering a favourite pair of slippers. It's still a 2D point-and-click adventure where you collect bizarre items which are used to solve puzzles to push the story on. Returning characters are a joy, from Guybrush's wife Elaine to Murray the talking skull and Stan the jargon-spouting used ship salesman.

Most importantly, the comic writing that defined those early games is as sharp as ever. Witness zany situations ranging from zombies who write poetry to a quest for a sacred tree prophesied as

providing the perfect wood for mop handles. It's worth seeking out every line of dialogue because the hit-rate of jokes is high: a sundial Guybrush passes is "running a little fast". When he's asked what he's been doing, he deadpans: "Swashing buckles and so on."

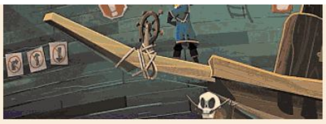
While the game is stuffed with eccentric puzzles that can feel, in Guybrush's own words, "needlessly complicated", these are reliably entertaining and generally have logical solutions. In response to the sometimes obtuse challenges of earlier instalments, here the developers have added a "casual mode" and a handy in-game hint book. This is not the only change they've made: the story takes players to fresh locations such as Terror Island and the icy Brr Muda, all drawn in a charming new art style which resembles a pop-up picture book.

This childlike aesthetic suits the game's framing narrative, which revolves around an older Guybrush telling his son a story from his swashbuckling days. As you play through his memories, the game both comments on and celebrates its substantial legacy. While Guybrush's desire to recapture his glory days is futile, it's relatable. When he goes to the jetty where Stan once sold ships, now in disrepair, you can direct Guybrush to spots and click a prompt to "reflect on happier times". He contemplates in silence for a few moments until you direct him away, onwards to the adventure that still lies ahead.

'Return to Monkey Island' is out now on Nintendo Switch, PC and Mac

Familiar yet brushed with change: 'Return to Monkey Island'

tropical cocktail it offered of charming characters, zany comedy and head-scratching puzzles felt revelatory on release, becoming the standard-bearer for the entire point-and-click adventure genre. Gilbert and Grossman faced a tricky question: how best to approach their return?



FT BIG READ. LEGAL ACTION

US corporations are using complex legal manoeuvres such as the 'Texas two-step' to shield themselves from costly litigation. But some judges are beginning to crack down on the controversial practice.

By Jamie Smyth

When bankruptcy can help bypass justice

The manufacturer of army earplugs 3M is following a trend whereby US corporations, such as J&J, have used the bankruptcy court to manage tort claims
FT montage: Getty Images/Alamy

Nathan Frei first noticed the persistent ringing in his ears shortly after he returned from training with the US military.

"I thought it was a noise from some electronic gadget and started looking around my apartment to find it. But then I realised the ringing was in my head," says the 35-year-old former infantry officer from Langley, Washington.

Frei was diagnosed with tinnitus and now, almost a decade later, is one of 230,000 personal injury claimants who are suing the Minnesota-based conglomerate 3M, which they allege sold the army faulty Combat Arms earplugs that caused their hearing loss.

This is the largest mass tort litigation in US history. Mass tort litigations are held in civil courts and involve numerous claimants who allege to have been wrongfully harmed by a defective product or drug. Unlike a class action, in which multiple plaintiffs join a single lawsuit, each plaintiff in a mass tort is treated as an individual.

But the claims against 3M may never be heard in court if the conglomerate succeeds in deploying a controversial bankruptcy strategy aimed at halting the litigation, which analysts estimate could cost the company tens of billions of dollars.

The conglomerate, which denies its earplugs were faulty and caused hearing loss, is following a recent trend whereby US corporations make use of the bankruptcy court not because they are insolvent but to manage tort claims.

3M is following in the footsteps of healthcare group Johnson & Johnson, which last year utilised a similar but slightly different bankruptcy scheme, known as the "Texas two-step", in a bid to shield itself from almost 40,000 claims that its baby talcum powder caused cancers. J&J denies its products harmed people and did not respond to a request for comment.

> 'If [3M and Johnson & Johnson] succeed, it would open the flood gates for others to follow suit'

The strategy got its catchy name from a Texas state statute that allows companies to split themselves into two separate entities and ringfence all legal liabilities into one of them.

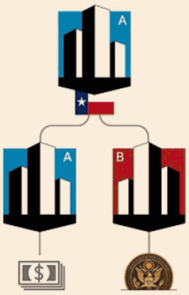
The companies' legal teams claim the Texas two-step and other similar loopholes can be positive for plaintiffs, as settlements can be reached more equitably and more quickly. They argue the mass tort system is broken, posing grave financial risks to companies, and no longer an efficient forum to deliver justice to victims.

But tort lawyers say bankruptcy schemes deployed by solvent corporations are an abuse of bankruptcy courts and deny wronged people their right to trial by jury. Far from hastening a settlement, they argue, the bankruptcy process puts the tort cases on hold, thus removing a key incentive for companies to negotiate a settlement.

"These companies are weaponising the bankruptcy system against mass tort victims and the standard legal mechanisms used to compensate people who are injured by defective products," says Adam Levitin, a professor of law at Georgetown University.

The legal manoeuvre has attracted criticism from Congress. In February, Senate Democrats said they were drafting a bill to outlaw the Texas two-step and similar schemes. Senate judiciary committee chair Dick Durbin called it a "get out of jail free card" for large corporations.

Now the courts are set to weigh in. The bankruptcy schemes being used by a pair of defendants — J&J and 3M — are the subject of high-stakes litigation that experts say could determine how mass torts are handled in the future. "If [the companies] succeed," says Levitin, "it would open the flood gates for others to follow suit."



How the Texas two-step works

1 Company A uses Texas's divisive merger statute to split itself and create a new subsidiary, Company B

2 Company A transfers legal liabilities to Company B

3 Company B files for Chapter 11 bankruptcy. It may move to a more favourable jurisdiction

4 The mass tort litigation is put on hold by the bankruptcy process. Company A is free to continue with its business and pay dividends to shareholders

bankruptcy judge. If claimants agree a settlement with the debtor over the tort claims, then the company, and in certain cases third parties, can gain protection from any future lawsuits related to injuries allegedly suffered by people.

One of the biggest proponents of using bankruptcy to handle mass torts is Jones Day, a Cleveland-based law firm that devised the Texas two-step scheme deployed by J&J.

It lauded the scheme as "the greatest innovation in the history of bankruptcy" at a legal conference in Washington in April, during which it explained how J&J was anticipated to face a torrent of talc litigation over the next 50 years.

"What do you do about that as a company, no matter how big you are?" asked Greg Gordon, the Jones Day lawyer who has litigated all four Texas two-step Chapter 11 cases.

The first of these cases was filed in 2017 by Georgia Pacific, a subsidiary of privately held Koch Industries which still faces billions of dollars of asbestos claims. French cement group Saint-Gobain, Trane Technologies and J&J all followed when hit with a swath of asbestos-related tort cases.

The scheme utilises a business-friendly divisional merger law introduced in 1989 in Texas, which enables companies to divide their assets into assets and liabilities. They then place the entity facing all the tort claims into Chapter 11 and ask a judge to pause all cases against both the subsidiary and the parent.

The Texas two-step and related strategies, such as the one used by 3M, enable the parent companies to remain free from restrictions commonly associated with the bankruptcy process, such as withholding dividend payments to

to streamline the process by consolidating individual lawsuits filed in federal courts into a single court.

In MDLs, a single judge oversees a process that facilitates a number of "bellwether" trials, which can be used as a guide by defendants and claimants towards how much the overall potential liability and global settlement might be.

Prior to deploying bankruptcy schemes, 3M and J&J were both involved in MDLs. The judge overseeing the 3M case had dismissed about 50,000 of the 280,000 claims and organised 16 bellwether trials to try to set the parameters for a global settlement. Plaintiffs had won 10 of these, and juries had awarded almost $300mn to claimants.

In court documents justifying its bankruptcy manoeuvre, 3M said the litigation had become a "lottery" whereby some of the 230,000 claimants against the company would receive outsized awards from juries swayed by emotional testimony and "outright false" claims, while others got nothing.

Bankruptcy, however, could provide an "equitable, timely, and certain ending to this behemoth litigation", it claimed.

"Most of those folks, if we stay in the MDL process, aren't going to have their claims heard or addressed for a long time," says Eric Rucker, 3M vice-president, associate general counsel, litigation. "It would take many, many years or decades to do it."

Claimants did not see it that way. After a 3M subsidiary liable for the litigation filed for Chapter 11 in July, halting all cases against the company, a storm of controversy broke out.

Veterans' groups criticised 3M, accusing the company of "betraying" military personnel for a second time by using the bankruptcy court to avoid accountability to members.

is losing its arguments in court. "3M is attempting to game the system," says Bryan Aylstock, a court-appointed lead counsel representing earplugs litigants. "Asking the bankruptcy court to halt cases is a strategy to gain an unfair advantage."

Judge Casey Rodgers of Florida, who spent three years sorting through almost 280,000 earplugs claims as overseer of the MDL process, was scathing in her own assessment of 3M's scheme.

"If successful, hundreds of thousands of individual plaintiffs will be deprived of their constitutional right to a jury trial while 3M — a fully solvent and highly profitable Fortune 500 company that will never actually file a bankruptcy petition itself — will reap all the benefits of the bankruptcy system without the attendant burdens," she said in an August ruling.

But 3M's strategy is in danger of unravelling following an August 26 ruling by Judge Jeffrey Graham, who is overseeing its subsidiary's bankruptcy in Indiana.

Judge Graham refused a request to halt all earplugs litigation against 3M, paving the way for the trials to continue, which would undermine the rationale for its bankruptcy manoeuvre.

The company has since been granted leave to appeal. But Aylstock says Judge Graham's ruling is "hugely significant" and would give solvent companies pause for thought before they attempt to "pervert the bankruptcy system" in the future.

An upcoming ruling in an appeal by talc claimants against J&J's use of bankruptcy would be another important moment, he adds. Legal experts are divided on whether 3M's initial legal defeat will blunt companies' use of bankruptcy schemes to handle mass torts — and whether this would be a positive step.

The benefits of bankruptcy

Supporters of the bankruptcy option point to the dismissal by a New Jersey judge of an initial appeal by talc claimants against J&J's use of the Texas two-step scheme.

Judge Michael Kaplan concluded the bankruptcy court was the "optimal venue" for redressing the harms of present and future talc claimants and would ensure a "meaningful, timely, and equitable recovery".

"There is nothing to fear in the migration of tort litigation out of the tort system and into the bankruptcy system," he wrote. An appeal against Kaplan's ruling concluded last month and a verdict is expected in coming months.

Bankruptcy can indeed benefit claimants when compared to fighting cases in MDLs, say some legal experts. "There are a lot of great features of bankruptcy that don't exist outside of the process. You can have this accelerated resolution and really a great outcome for victims," says Samir Parikh, a professor at Lewis & Clark Law School.

MDLs are less effective in resolving mass torts, Parikh says, where liability is disputed and there could be significant numbers of future victims. Because MDLs can only resolve claims pending in federal court, it does nothing for those who suffer harms from defective products or drugs much later. In most MDLs, only a small fraction of cases are heard before a jury — meaning most claimants do not get their day in court.

At the same time, because MDLs cannot offer a comprehensive settlement with the possibility of finality, defendants are disinclined to put forward their best and highest settlement offer.

Chapter 11, however, provides the option of securing a global settlement whereby all claims are channelled to a trust established for the sole purpose of compensating victims, says Parikh.

> 'Without the pressure of trials, companies can delay and engage in a breath-holding contest over settlements'

The problem with the likes of 3M and J&J isn't merely the use of Chapter 11, he says. "The problem is a number of these mass tort defendants have tried to have their cake and eat it too and have muddied the waters by trying to access the bankruptcy system on their own terms," he says.

Delay, delay, delay

Although proponents of bankruptcy strategies say they can theoretically provide a speedier resolution for claimants, that is not always the case in practice.

So far, the law firm Jones Day has raked in more than $70mn in court-appointed bankruptcy fees related to the four Texas two-step cases it has litigated. But as of yet, no money has been paid out to claimants.

Clay Thompson, a lawyer who represents claimants who allege J&J's baby talc caused their cancers, says the bankruptcy scheme deployed by the company had delivered a "financial windfall" to shareholders, bankruptcy experts and professionals. But money is not going to victims, he adds.

The strategy is best understood as a delaying tactic, says Levitin of Georgetown University. "Without the pressure of trials to focus the minds of executives, companies using these bankruptcy schemes can delay and engage in a breath-holding contest over settlements with claimants, many of whom, particularly in asbestos cases, are very sick."

Even prominent critics of the MDL process, including Elizabeth Burch, a law professor at University of Georgia, doubt defendants that deploy bankruptcy schemes are motivated by a desire to provide a fairer outcome.

What's in it for companies

Companies have used the bankruptcy process to manage large tort liabilities in the US since the early 1980s, when insulation manufacturer Johns Manville Corporation filed for Chapter 11 — the section of US bankruptcy law that permits restructuring — to help it reorganise in the face of $2bn of claims related to asbestos.

The strategy enables companies to reorganise their business, keep their doors open and estimate their total tort liabilities without the disruption caused by defending multiple civil lawsuits. Litigation is typically placed on hold during the process and all cases are drawn into a single forum that is overseen by a

shareholders.

In each case, the company established a trust designed to pay out settlements to victims that are agreed during mediation within the bankruptcy process.

What's in it for claimants

The companies who utilise bankruptcy to settle mass tort cases frame it as advantageous for claimants who otherwise have to navigate complex legal mechanisms to seek compensation.

Gordon told the Washington conference the tort system was "literally a lottery for claimants" and the "large majority" lost.

Mass torts are typically handled in so-called multidistrict litigation (MDL), introduced by Congress in the late 1960s

Some claimants say the uncertainty over the future of the tort cases has increased their stress and frustration as they seek redress. "I think it's a dirty move," says Lakobi Hopson, a 39-year-old Iraq war veteran who claims 3M's distinctive yellow and black earplugs, nicknamed bumblebees by troops, caused his tinnitus.

Hopson, who is from Louisiana, wants his case heard before a jury. "We decided to defend the country," he says, "and the fact that [3M] would use us for profit and then throw us away, again, based on profit is disgusting."

Claimants' lawyers accuse 3M of "forum shopping" — trying to choose a court that will manage their claims in a more favourable manner — because it

Nathan Frei is one of the 230,000 personal injury claimants suing 3M

"Have defendants ever been concerned about speed or fairness for the plaintiffs? I think defendants are all about delay," says Burch. "I think bankruptcy is qualitatively worse for the plaintiffs," she adds, both in terms of delays and compensation.

And for some claimants, the prospect of not getting the chance to have a trial before a jury is upsetting.

"There are very few ways as a citizen in the US that you can hold a company to account and this is one of the ways," says Frei, who still serves with the rank of captain in the reserve National Guard.

"If they can get away with it, then other companies are going to think well, you know, I can just hurt people and it doesn't matter."

it more robust against accidental or deliberate interference.

While most of us rarely think about the role precision timing plays in everyday life — except, perhaps, when the clocks change by one hour to mark the shift in seasons, as will happen in much of Europe this coming weekend — efforts by NPL to protect the integrity of time signals affirm how important this invisible utility is.

The global standard for civil timekeeping is co-ordinated universal time, or UTC. It is derived from data collected from atomic clocks kept in more than 70 timing laboratories worldwide. The data is averaged monthly and published in a bulletin. Leap seconds are occasionally added to ensure the time measured by atomic clocks does not drift out of alignment with the Earth's rotation. GNSS satellites, which have onboard atomic clocks, are synchronised to UTC.

"Pretty much all digital infrastructure relies in some fashion on GPS or GNSS for time," says Leon Lobo, who heads NPL's National Timing Centre and is leading its Resilient Enhanced

the City of London, enabling market transactions to be timestamped to the microsecond (the precision allows forensic analysis of unusual trades). Another option is to use communications satellites rather than GNSS. The key, Lobo says, is to build a terrestrial timing network with different modes of operation — and therefore different modes of failure — so there is always a back-up.

The US Federal Aviation Authority, which is yet to report on what caused the incidents in Denver and Texas, wants to move away from GNSS by 2025, a timeline that Lobo describes as "incredibly aggressive". The UK government's 2018 Blackett review revealed that a loss of GNSS services would cost the domestic economy about £1bn a day — and advised this was added to the National Risk Register.

That was, of course, before the pandemic. Our digital infrastructure has since become even more critical. Times have changed — and the way we certify time must change too.

The writer is a science commentator

secretary of state Antony Blinken recently cautioned that Beijing has advanced the timetable to seize the island. Russia's invasion of Ukraine resulted in foreign businesses losing tens of billions of dollars on their Russian assets. Investments in Hong Kong are likely to suffer a similar wipeout in the event of a war in Taiwan.

Businesses should pay attention now and not be lured in by Hong Kong's self-serving actions.

Mark L Clifford
President, Committee for Freedom in Hong Kong Foundation
Washington, DC, US

A sceptical take on the 'planetary perspective'

Anne-Marie Slaughter's vision of a united world, described in her column "America must be serious about cross-border challenges" (Opinion, October 21), would be such a lovely place to live: no borders, no nationalities. The "planetary perspective" magically would focus on "all human beings, regardless of the countries they live in, each other.

You might call it love, and this love is not one they would willingly sacrifice to the planetary perspective.

Deborah Lewis
Washington, DC, US

Peace and progress go hand in hand, in that order

Anne-Marie Slaughter's advice to follow the Joe Biden administration in giving transnational problems like climate change the same attention it does to "geopolitical threats" errs in placing the two sets of issues in separate categories ("America must be serious about cross-border challenges", Opinion, October 21).

Although co-operation in managing transnational problems may supersede geopolitical rivalry, the latter more often vitiates the former. Peace and progress go hand in hand, usually in that order.

Ken Weisbrode
Department of History
Faculty of Economics, Administrative and Social Sciences, Bilkent University
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challenges they are facing, including stagnating pay, and responding with genuine change. If they do this, the government might have a chance of turning the tide on the staffing crisis before it's too late.

Anas Nader
Chief Executive, Patchwork Health
London EC2, UK

England's investment zone plan is a zero-sum game

The sooner England's "investment zones" plan is scrapped, the better (Report, October 20). As with their predecessor, enterprise zones, they will be a zero-sum game.

Either occupiers just outside the arbitrary boundary will have higher costs than their neighbours or, more likely, those within will pay rents which are adjusted upwards to reflect the tax benefit. Far better for the government to use this capital to reduce the insufferable business rates burden on all businesses.

David Hunter
Managing Director, Hunter Advisers
Glasgow, UK

levels of protection. To avoid this scenario, all countries that decided to exit the treaty or that have been critical must now vote against the reform and create a blocking minority. The old ECT will then remain in place and as the EU already concluded the old ECT is incompatible with its climate objectives, member states and the EU will have to leave the treaty.

If Spain, the Netherlands, France, Germany and other EU countries want an effective and co-ordinated withdrawal, they need to vote down the ECT reform.

Paul de Clerck
Trade Expert, Friends of the Earth Europe, Brussels, Belgium

PM should heed this wry observation about markets

I think that Liz Truss forgot, and any future prime minister should remember, George Soros's aphorism: "Financial markets have a very safe way of predicting the future. They cause it."

Julian Agnew
London SW1, UK

Opinion

Sunak will be a cleaner but not much better prime minister

POLITICS

Janan Ganesh

As a British Asian of the same generation, intense feelings overwhelm me when I see Rishi Sunak cross the door into 10 Downing Street. All that envy and bitterness will pass, though.

The question then becomes what to expect from the youngest UK prime minister since Napoleonic times. There is much hope of a restoration of competence. There shouldn't be. Yes, Sunak understood the folly of unfunded tax cuts at a time of fiscal and current account deficits. But that is not proof of a more general wisdom. This is still the man who subsidised people to dine out amid a pandemic with no vaccine in sight.

He has crammed a lot of misjudgments into a short career. Among the prime ministers since the EU referendum of 2016, two voted Remain (Theresa May, Liz Truss) and one (Boris Johnson) embraced Leave with the tardiness of an opportunist. Britain is now led for the first time by someone who believed with real fervour that Brexit was a good idea. The lost trade, the forfeited fiscal receipts: he failed to anticipate these costs, or overrated the ease of making them up elsewhere.

He does not even have the excuse of being a nostalgic. There was and is a coherent traditionalist case for Brexit. There was never a liberal or free-market one. How a man of modernist, pro-growth sensibilities came to believe otherwise is not just an academic mystery. It forces the question of what other eccentric choices he might make as head of government. Even the perception of competence is worth something, of course, in the form of lower borrowing costs for the UK. Just hope that bond investors don't examine too deeply what their perception is based on.

If his competence is overrated, why does Sunak's rise feel such a relief? To answer that, it helps to recount the degeneration of public life in recent years.

Britain is a lot closer to US-grade civic rot than it realises. Much of the governing party — MPs, not just grassroots — entertained the return of Boris Johnson. I can't explain their keenness to abase themselves for a man who wouldn't give them the shirt on his back if it was one of 10 he was wearing. I merely note it. I also note that Britain's institutional erosion both pre- and postdates him. May, who has been allowed to pose as an elder stateswoman, ran a foul, judge-baiting premiership. She put some odd characters on the Downing Street payroll. Truss undermined the Treasury and the budget watchdog.

If all he does is give institutions their due and obey the law, he'll be a reprieve for democracy

And this mob is in power, remember, because the alternative was yet more feral. Labour was under investigation for anti-Semitism by the Equality and Human Rights Commission as recently as 2020. The present leader of the opposition asked the country to make Jeremy Corbyn prime minister.

It is in this context that Sunak's elevation is welcome, even precious. His virtue isn't competence. It is rectitude. If all he does for a couple of years is give institutions their due and obey the law (not that he is perfect at that), he will be a reprieve for British democracy. He reminds me of no one so much as the former Speaker of the US House of Representatives Paul Ryan. He, too, was a laissez-faire true believer. He was a stilted performer in the way ideologues so often are. But he had the moral clarity — eventually, after years of vacillation — to see that his party had crossed into the dark side. Ryan's answer was to take his sheepish leave of Washington. Sunak's was to quit the Johnson cabinet and wait to live again. Neither is a profile in courage. But it is possible to think of things they wouldn't be prepared to do or say, however expedient.

Britain has a three-word constitution: "have good people". There are few formal constraints on scoundrels and vandals. Sunak and Jeremy Hunt, whose services he is likely to retain as chancellor, won't need constraining.

The prime minister's first contribution to Britain's civic health will be an act of omission, not commission. There will be no general election anytime soon. Nor should there be. The UK system does not recognise the concept of a direct prime ministerial "mandate". Those who demand one aren't just hypocrites (how quiet they were when Gordon Brown passed three years as an unelected premier). They are encouraging a demagogic interpretation of representative parliamentary democracy.

The world awaits Sunak's fiscal plans, but the UK is a fading economy regardless. What it can still salvage is its democratic pride. For some Tories, the new prime minister is a company man: a creature of institutions, not a shaker-up of them. What was a slur is now the highest commendation.

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Immigration policy cannot fix the job market

EMPLOYMENT

Sarah O'Connor

Britain's economy is in a tough spot — a fact not lost on new prime minister Rishi Sunak. One question he will have to grapple with is whether more immigration could help. It's a touchy subject in the Conservative party. Some believe additional immigration would raise growth and improve the outlook for the tattered public finances; others say it would be a betrayal of Brexit voters who wanted less immigration, not more. "Mass immigration has already made our economic problems worse: we cannot expect a cause of our illness to be its cure," Nick Timothy, former aide to previous Conservative prime minister Theresa May, wrote recently.

But "immigration is good" versus "immigration is bad" is a stale debate that has never served the country well. Sunak would do better to look at what is actually going on in the real economy.

Since January 2021, the UK's immigration policy has had two quite different strands. It is now fairly welcoming for people coming to do jobs above a certain skill and salary threshold, but for the most part it does not allow employers to try to wean the British economy off lower-paid migrant labour, which the government argued was bad for local workers and disincentivised employers from investing in technology and training.

On the higher-paid side, the policy has been pretty smooth so far. Plenty of people have come on skilled worker and healthcare visas — indeed, experts think it is possible that overall net migration is now running at higher levels than before the pandemic (though we don't have official statistics on that yet). The academic evidence suggests that skilled migrants help to increase gross domestic product per capita and innovation. And the British public doesn't seem to mind so far: opinion surveys suggest immigration has slipped well down the list of people's concerns.

But there is a certain arrogance to the notion the UK government can just order up more skilled workers from abroad whenever it wants. With the pound so weak and the economy probably heading into recession, that isn't a given. Other countries are seeking to attract skilled migrants too as they try to recover from the pandemic. Over the past year or so, Germany, the US, Bulgaria and New Zealand among others have made changes to their immigration systems to make it easier to attract skilled workers.

If the UK wants to compete, it should reconsider the high fees it charges for its visas. The total cost for a single person

ple, compared with about £270 for Canada and £1,900 for the US, according to a report by the All-Party Parliamentary Group on Migration.

The question of whether Britain should become more open to low-paid migrant workers is trickier. It's clear that a number of sectors that had relied on EU workers under freedom of movement are now struggling with labour shortages, from hospitality to food and drink manufacturing. In a sense, that was the point of the government's policy — to put those employers under pressure to do something differently. It's also hard to disentangle the effect of Brexit from other factors such as the pandemic, which has caused labour shortages in countries all around the world.

I think it's clear that in some occupations, local workers have benefited from the end of freedom of movement. Many HGV drivers, for example, have seen pay rises in the range of 10 to 20 per cent since they found themselves in short supply, unions say. Brexit wasn't the only cause of the shortage, but for many years migration from the EU helped employers to limp on with an employment model based on relatively low pay for antisocial hours and a lot of responsibility.

There is an arrogance to the notion that the UK can just order up more skilled

That said, there are plenty of other sectors that have struggled to raise wages even though they can't find enough staff. A study by the Institute for Fiscal Studies found that vacancies for lower-paid jobs rose a lot between 2019 and 2021, but there was no correlation between vacancy growth and wage growth. Chris Forde, an academic who has been studying employer responses to Brexit, says there is also little sign yet of companies investing in automation as an alternative: "Employers we've spoken to have spoken about the quite pro-automated . . . [but] they're really expensive and they're long-term investments."

The lesson from this experience is that cutting off immigration isn't the best tool with which to tackle problems such as low pay, poor working conditions or weak investment — especially when government action or inaction in other policy areas (such as dreadful enforcement of employment law) is pulling in the opposite direction.

But issuing a spree of visas for people in low-paid sectors isn't risk-free either. Visas that tie workers to their employer and potentially expose them to illegal recruitment fees in their home country could be a recipe for a new and exploited group of workers in Britain's economy. Nor would it change the country's underlying problems with lax labour market rules and under-investment in technology and skills.

Immigration wasn't the cause of all Britain's problems. But it won't be an easy solution to them either.

American businesses must stand with Europe

Suzanne Clark

One of the great lessons of the 20th century has been driven home yet again this year: America ignores trouble in Europe at its own peril.

As the war in Ukraine reaches an inflection point, the US business community is assessing how the energy and food price shocks and other economic consequences will reverberate in the country's economy — and worldwide — in the months and years to come.

We are particularly concerned about the impact on our friends and allies across the Atlantic, where the US chamber partners with a network of more than 40 American chambers of commerce in Europe. We anticipate that Europe's energy crisis will persist for years. This winter may not be as bad for Europeans as initially anticipated — Europe's gas storage sites are now at more than 90 per cent of capacity with dramatically expanded exports of liquefied natural gas from the US and additional supply from Norway. But a lot can go wrong — from a colder than expected winter to malfunctioning pipelines. Natural gas prices are already up 10-fold and European energy costs have risen to 12 per cent of gross domestic product, nearly triple its historical average. This is driving up the cost of electricity, manufacturing and nearly all other economic activities across Europe.

Added to that, thousands of European companies are nearing the end of their fixed energy contracts and will be forced to renew at much higher prices. European households may have enough gas to stay warm this winter, but we are already seeing industries scaling back or completely shutting down. Many other production facilities will probably close or move abroad over the coming months, and next winter may be even tougher after existing energy reserves have been depleted.

A recession affecting the US's biggest trading partner will reduce output and slow growth at home

As a result, many American companies are concerned about shortages, especially those with manufacturing facilities in Europe or that rely on European inputs. The US imported $775bn in goods and services from Europe in 2020. There is no way around it: a recession affecting Europe, America's largest trade and investment partner, will also reduce output and slow growth in the US. Some American companies, including consumer goods manufacturers, steel and chemical manufacturers, auto companies and more have already scaled back production due to conditions across the Atlantic.

The declining values of the euro and British pound versus the dollar will also ers to hire people from abroad to do low-paid jobs. This was a deliberate decision

entering the UK as a skilled worker for three years would be £5,681, for exam-

workers whenever it wants

found challenges associated with automation — yes some processes can be

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have unpredictable impacts, positive and negative, for US companies.

So, what can we do to help the transatlantic business community? The immediate answer is that the US has an opportunity — and a responsibility — to increase its energy leadership to help our allies, and our own nation, weather this storm. That is why the chamber and others are urging the American government to pass permit reform to support timely development of new energy infrastructure, from pipelines and critical mineral mining to renewable generation. Bolstering our domestic production and transport will be critical to helping our European partners.

The stakes are high. The economic fallout from the war in Ukraine will ripple throughout the global economy for years to come. A long and deep recession will chip away at Europe's competitiveness. The continent's share of the global economy has been declining over the past 15 years and this could accelerate that decline.

Moreover, a weakened Europe is not in the interest of the US. We are partners for a reason, having built prosperous societies based on democracy, free enterprise and a rules-based international order. Those very principles are being challenged by Russia's invasion of Ukraine. For the sake of America's own interests — and the world — we need to make sure Europe remains strong and prosperous.

The writer is president and chief executive of the US Chamber of Commerce

A wary EU greets Britain's new premier with relief

Sylvie Kauffmann

From a European perspective, the only good news from London came on Sunday when Boris Johnson made it known that he would not run for the leadership of the Conservative party. "After two difficult days considering the possibility of his return, this was a big relief," one senior EU official admitted.

Not that Liz Truss will be missed — any early hopes of goodwill from her government in the relationship with the EU had quickly evaporated. But having to cope with Johnson's antics again was more than Brussels could bear.

Then came another cause for relief: Rishi Sunak's acclamation as the next prime minister. In EU circles, Sunak was seen as the voice of reason in the Johnson government and the most reluctant to engage in a trade war with Brussels.

When chaos hits, you take comfort where you can.

For many Europeans, the only surprise of the British political and economic mayhem of the past few weeks is the lack of debate about its real cause: no one involved seems to blame Brexit.

On the other side of the Channel, Brexit is the elephant in the room. Six years on, the prevailing view in the EU is that it was, as former French president Nicolas Sarkozy put it last week, "a major aberration of historic proportions".

Brexit has become the best advertisement for EU membership — populist politicians, east and west, have now dropped any pretence of leaving the bloc. Indeed, many observers credit the Brexit experiment with convincing the new far right prime minister of Italy, Giorgia Meloni, to strengthen her European credentials. Comparing Britain to Italy is definitely unfair — the last thing Italy wants is to end up like Britain.

"Brexit was based on an act of immense stupidity," says one European leader (on the condition of anonymity). "It was sold by politicians who promised a sort of great Singapore but voted for by people who were unhappy about globalisation." As the leader went on to spell out, this is an impossible mandate to deliver on.

None of Brexit's promises could be fulfilled. The City of London did not take over world finance, foreign investment did not flood in, major free trade agreements could not be concluded.

> For many Europeans, the only surprise of the recent mayhem is that no one seems to blame Brexit

Brexit ambitions clashed with real-world conditions: a pandemic, the rise of protectionism, tensions with China and the war in Ukraine.

Finally, the financial markets took back control. "This is what happens when you cut your country off from your biggest and most important market," noted German liberal MP Alexander Lambsdorff. "Brexit devours its children."

Yet there is no schadenfreude on the EU's part about this self-inflicted wound. Britain's travails are another challenge to the west's standing on the global scene. A selection process which sends unelected prime ministers to Downing Street does not reflect well on the strength of democratic systems two weeks from midterm elections in the US, where voting rights will again be a big issue. Declining turnouts, weakened political parties and loss of trust in political institutions have become a common feature of western democracies.

Britain may have left the EU, but the populist trend that brought Brexit has not. Many European governments are grappling with shaky coalitions, including with far-right parties which claim to have become mainstream.

In France, Marine Le Pen's Rassemblement National now has 89 members of the National Assembly. They look with envy at the electoral victory of Meloni's post-fascist party, Brothers of Italy. Meloni's professed goodwill towards EU leaders puts some of them, like Emmanuel Macron, in an awkward position. Her ideology will bring her closer to the Polish leadership than to the Franco-German tandem — which is also, incidentally, going through a rough patch.

If Sunak makes the right choices, the powerful shock of the war in Ukraine, which has upset so many internal European dynamics, could actually push London and the EU to resume talks and work through their remaining differences.

Truss's trip to Prague to participate in the summit of 44 European countries earlier this month, a French initiative, was seen as a positive step which EU leaders will want to build on. Sunak and Macron, both former bankers in their early forties, may find some chemistry.

Meanwhile, while perfectly aware that Brexit is here to stay, the EU has started a dialogue with the Labour party. Just in case a general election comes sooner than planned.

The writer is a columnist at Le Monde and fellow of the Robert Bosch Academy in Berlin

Lex.

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Buy-to-let lenders: generation rent strike

Views from the top make a hillwalker's arduous climb worthwhile. It is getting down that strains the sinews. UK challenger banks have a similar problem. Many specialise in buy-to-let residential mortgages. Some senior bankers privately believe higher interest rates will expose these to exceptional strains.

Banks such as OSB Group and Paragon, at peak profitability, say they see no signs of stress on their BTL loan books. But markets have walked their share prices down 30 per cent since mid-August, a steeper fall than for high street banks. They trade at mid single-digit forward price/earnings ratios.

There is genuine reason for concern. Typical fixed five-year UK mortgage rates have soared this year, from below 2 per cent to more than 6 per cent today. BTL mortgages are typically interest-only, which means they lack the safety valve of lower capital repayments.

For a landlord who has borrowed perhaps 70 per cent against the value of a home, higher rates will crimp cash flow. Passing these on to tenants will be difficult during a cost of living crisis.

The most recent ONS lifestyle survey of households shows almost a third of respondents struggle to keep up with rent. Landlords face added costs to meet new environmental regulations, points out Ray Boulger at John Charcol. Some may instead try to offload properties into a weakening market.

Paragon and OSB have £11.8bn and just over £9bn of BTL loans on their books, making up the majority. Their capital buffers are decent. Paragon had a common equity tier one capital ratio of 15.9 per cent, and OSB 18.9 per cent, as of June. The latter has not released any of its pandemic-era provisions.

Both lenders say that would-be UK renters healthily outnumber rental properties. Average rental listings at agent branches have dropped nearly 60 per cent in just two years, according to Zoopla, a listings service. Everyone needs a place to shelter.

They need to eat as well. Some tenants with unaffordable housing costs will move in with friends or family instead. At the same time, rising costs will give even the most prudent BTL landlords pause for thought about raising debt to buy new properties.

Expect the BTL business to grind ever slower as fixed-rate mortgage borrowers are forced to refinance. BTL lenders and investors should watch for stumbles on their way downhill.

Warner Bros Discovery: losing the plot

Warner Brother Discovery seems to be losing the plot. In early spring, Discovery closed its blockbuster acquisition of Warner Media assets from AT&T. Broadcasting group HBO was the biggest trophy.

The fortified US media group was supposed to be a serious rival to Disney, Netflix and Comcast. For now, it looks like the latest M&A meltdown.

Late on Monday, WBD said that it would take as much as $4.3bn in restructuring charges. The bulk of these consist of content impairments and development write-offs. This will not be the last we hear of the money pit created by the streaming wars

Hollywood was left in shock earlier this year when WBD shelved the release of the Batgirl film adaptation. In summer, it admitted it had reduced its $10bn operating profit target for 2022 by as much as a tenth.

Media integrations are messy. WBD is trying to smash disparate companies together amid an economic slowdown and ads slump. Still, front-loading bad financial results is an age-old plot device to set up a happy ending.

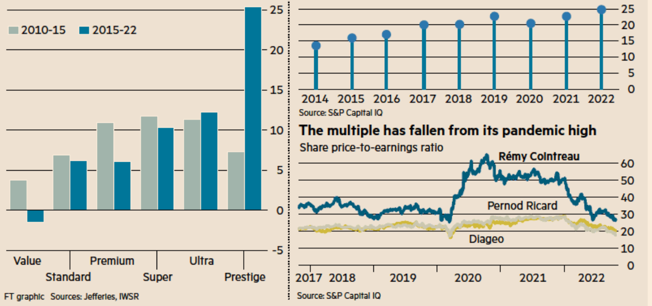
Yesterday, shares of WBD moved little. Wall Street was already braced for bad news. Since the deal closed, WBD shares are down by nearly half. Investors now worry that a $50bn debt load looks bloated compared with a market capitalisation of just $30bn.

WBD says that of $4bn in potential charges, cash costs only represent about a quarter. That might be comforting except that just months ago it shelled out $42bn to AT&T and gave shareholders in the telecoms group 71 per cent of the new WBD. According to filings, the transaction has generated $21bn alone in goodwill, representing the excess purchase price that cannot be allocated to specific assets.

WBD believes that in the next year or two it will become a streamlined cash machine. At that moment of triumph, accounting charges from yesteryear would mean little. Today's write-offs are an ominous warning against assuming that is a foregone conclusion.

Rémy Cointreau: sober reflections

The French cognac maker has benefited from the growing popularity of expensive spirits, as it has shifted its portfolio towards high-end brands. That has helped Rémy Cointreau lift operating profit margins. Its valuation multiple has fallen back. But it is still valued more richly than its peers.



Sales of expensive spirits have boomed

Global compound annual growth rate by value (%)

FT graphic Sources: Jefferies, IWSR

Rémy Cointreau's profitability has risen

Operating profit margin (%)

Source: S&P Capital IQ

The multiple has fallen from its pandemic high

Share price-to-earnings ratio

Source: S&P Capital IQ

Is the party over for Cognac maker Rémy Cointreau? Its shares are down a quarter this year, after falling 6 per cent yesterday. That was after the French premium drinks maker said consumption trends would return to normal in the second half, on the heels of two "outstanding" years.

So far, demand for the strong stuff has held up remarkably well. Organic sales rose a fifth in the first six months, on top of an increase of more than a half for the same period in the previous year. But lower demand is inevitable. The pandemic boost was driven by stuck-at-home consumers with limited spending opportunities.

Now leisure opportunities abound and the economic outlook is deteriorating. But that cyclical phenomenon overlays a secular trend for a growing demographic of better-off people with money to spend on fancy drinks. Rémy Cointreau may be able to contain damage from the first shift by exploiting the second.

Sales were hard hit in the global financial crisis, dipping 13 per cent in 2009. Rémy Cointreau dismisses talk of a big decline this time. It thinks sales will settle at "new normal" levels well above pre-pandemic levels. Its marketing machine is focused on five top global brands. Higher-priced spirits proved more resilient in the financial crisis than cheaper brands.

Boss Eric Vallat reckons the company is on course to push up operating profit margins by nearly a third to 33 per cent by 2030. Input cost inflation is not a big threat, with gross margins close to 70 per cent. Its rising profitability helps explain why the shares trade on a price/earnings ratio that is more than a third higher than peers Pernod Ricard and Diageo.

As the maker of brands such as Louis XIII, which can sell for up to $30,000 a bottle, Rémy Cointreau has something in common with luxury goods makers. And as strong results from handbag maker Hermès exemplified last week, wealthy shoppers are still splashing the cash. That cachet should help fortify Rémy Cointreau against the downturn.

Juul: running on vapour

Seven years ago, San Francisco start-up Juul made electronic cigarettes into an unlikely status symbol. Shaped like USB sticks, they had the sheen of a tech product and a valuation to match, hitting $10bn in record time. Now it is reportedly in talks with two of its investors — Nick Pritzker, the Hyatt Hotels heir, and Riaz Valani, a partner at Global Asset Capital — about a bailout to avoid a bankruptcy filing.

What went wrong? Juul's problems are inextricably linked to its success. E-cigarettes were first marketed as a way to turn smokers into non-smokers. They allow addicts to get their hit without inhaling tobacco chemicals.

But young people who did not smoke were lured into "juuling" by the brand's social media presence and exotic flavours. That sparked new health concerns. This year, the Food and Drug Administration ordered Juul to remove its products from US shelves. There is a temporary stay on that decision but Altria, which paid $12.8bn for 35 per cent of the company in 2018, has written down its investment to $450mn. Altria, which makes Marlboro and other brands, trades on a forward earnings ratio a third below Philip Morris.

Juul cannot take all of the blame for teen vaping. It is no longer the biggest e-cigarette maker in the US. Products from rivals such as BAT subsidiary Reynolds' Vuse are also popular.

Still, Juul's high profile means it is the target for anti-vaping activism. It no longer has a non-compete deal with Altria, so is free to look for another buyer. Going it alone will be difficult. It needs funds. It has agreed to pay $438.5mn to 33 US states and Puerto Rico to resolve allegations that it was marketing to underage users.

Juul has already stopped selling fruit flavours and has changed its marketing. But it needs to draw back further. It should reduce the nicotine content in its vapes and find robust data that proves vapes can stop adults from smoking cigarettes. Health, not fashion, is Juul's way out.

GM: somethin' 'bout a truck

Rising interest rates and elevated prices at the pump have done little to damp Americans' enthusiasm for expensive, gas guzzling pick-up trucks and SUVs.

At General Motors, sales hit a third-quarter record high of $42bn. The Detroit carmaker swerved around supply chain potholes that have tripped up its rivals. Car buyers meanwhile have continued to stump up for new vehicles.

GM's surprisingly strong results stand in contrast to those of Ford Motor. The latter warned last month that parts shortages and rising costs would hit third-quarter earnings.

Yet GM shares, which rose nearly 4 per cent yesterday, remain down nearly 40 per cent this year. At just five times forward earnings, the valuation of the stock is less than half what it was a year ago.

The market is right to wonder how much gas GM has left in the tank. The $54bn automaker run by Mary Barra has had a good pandemic. Demand outpaced supplies of new cars. Financing was easy to come by thanks to low rates and a jump in used vehicle prices.

For now, GM says there has been no slowdown in demand or pushback against price increases. But tougher economic conditions mean 2022 may be as good as it gets.

GM's third quarter numbers do not tell us much about future demand. The 56 per cent jump in revenue looks impressive. But much of the gain can be attributed to the automaker working through a backlog of vehicles that it had not been able to deliver in the previous quarter because of parts shortages.

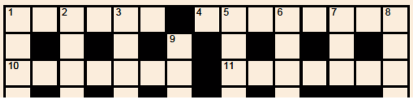
The company said it had cleared about three-quarters of the June backlog of 90,000 vehicles.

Margins remain under pressure from higher input costs. These fell 1.1 percentage points year on year. However, net income still jumped 36 per cent to $3.3bn.

Tellingly, GM left its profit outlook for the full year unchanged. With dealer inventory rising, supply chains still fragile, and the need to continue spending on EVs and Cruise, that may just be as well.

CROSSWORD

No 17,235 Set by STEERPIKE

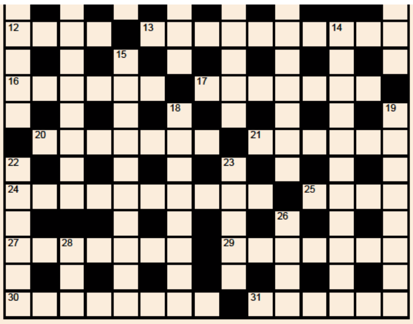


ACROSS

1 Irritating type emptied large kitchen utensil (6)

4 One who fought as revolutionary in rudimentary resistance (8)

10 Steerpike, trapped in dilapidated castle, is resilient (7)

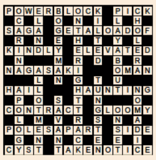


mission (7)
12 Drew on section of omnibus edition (4)
13 Paper regularly follows a lead on employee (10)
16 Copies note about agricultural implements (6)
17 Brutal defeat by Italy disheartened everyone (7)
20 Painter almost captures essence of extremely masculine hunter (7)
21 International award keeps Ireland's foremost bachelor in drink (6)
24 Intrusive editor checks questionable old memes (10)
25 Plant a flower without earth (4)
27 English king consumed by infection around appendage (7)
29 Difficulty arranging route across Bengal's borders (7)
30 Start of trail in coastal reserve (3,5)
31 Wood from Spain is briefly stored in citadel (6)

DOWN
1 Discontented partner avoids making introductions (8)
2 Fail to chastise clumsy head porters (5,3,3)
3 Outdated instrument spoils broadcast (4)
5 Conversation about art in gym goes over everyone's head (8)
6 Well, I'm enthralled by film about renaissance period? (10)
7 Detective finally retracting cruel comment (3)
8 Raising some cash for constituent of Wensleydale (6)
9 Check out room (5)
14 One banal line about European cannot be denied (11)
15 Intractable puzzle involves 70's band smuggling lithium (10)
18 Waste reports teacher wrote (8)
19 Resolute model supports measure adopted by classical beauty (4-4)
22 Those in club initially ignored burning matter (6)
23 Times condemned strike (5)
26 Mad Mexican caught in toilet (4)
28 Fight to get female sport on television, primarily (3)

JOTTER PAD

Solution 17,234



P	O	W	E	R	B	L	O	C	K		P	I	C	K
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N	A	G	A	S	A	K	I				O	M	A	N
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P	O	L	E	S	A	P	A	R	T		S	I	D	E
	G		N		N		C		E		E		I	
C	Y	S	T		T	A	K	E	N	O	T	I	C	E