FINANCIAL TIMES

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NATIONAL NEWSPAPER OF THE YEAR

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What will be left of Gaza when the war ends?
BIG READ, PAGE 19

Inflation's last stand in the global prices war
CHRIS GILES, PAGE 21

Airport crash
Japan struck by second disaster

A Japan Airlines plane bursts into flames on a runway at Tokyo's Haneda Airport yesterday after colliding with a coastguard aircraft.

In Japan's second disaster in as many days, five people died aboard the smaller aircraft with only the captain surviving. All 367 passengers and 12 crew on board the commercial flight, which was arriving from the Japanese island of Hokkaido, survived after escaping down emergency slides before the plane became engulfed in flames.

The coastguard aircraft had been taking emergency supplies to Niigata, one of the regions affected by New Year's Day's earthquake.

The quake, which triggered big tsunami warnings along Japan's western coast and caused a large number of fires, landslides and building collapses, has claimed at least 55 lives.

Reports page 6

Jiji Press/AFP

Tesla loses crown as world's top electric car maker to China's BYD

- US group posts fewer quarterly sales
- Rival gains ground in Europe
- Shift to cheaper vehicles

EDWARD WHITE — SHANGHAI
STEFF CHÁVEZ — NEW YORK

Elon Musk's Tesla has been knocked off the top spot as the world's best-selling electric-vehicle maker for the first time by BYD after recording fewer deliveries than its Chinese rival in the past quarter.

The US group handed over 484,000 cars in the fourth quarter, more than the 473,000 anticipated by analysts but not enough to hold on to its title after BYD reported record sales of battery-only vehicles of 526,000 for the same period.

Tesla's dethroning by BYD reflects the rise of what was a little-known Chinese group only a decade ago, which Musk himself had publicly dismissed.

While growth at the Warren Buffett-backed Chinese company has been mostly achieved on its home turf, BYD is sharpening its focus on finding new foreign markets including in Europe.

Danni Hewson, head of financial analysis at AJ Bell, said BYD's electric cars were "becoming increasingly visible on European roads thanks to keen pricing".

The group's success also underlines the struggle of legacy groups from the US, Europe, Japan and Korea to adapt to fast-changing consumer preferences for cheaper, smarter electric cars.

In a statement published in China, the Shenzhen-based group called itself the "world champion" for "new energy vehicles" after notching total annual sales of more than 3mn for 2023 across its vehicles — which also include plug-in hybrid cars.

Tesla's annual sales were 1.81mn vehicles in 2023, while BYD delivered 1.58mn fully electric cars.

Through much of the past 12 months, BYD benefited from price cuts sparked by Tesla's attempt to chase market share, pushing consumers to consider China's lower-cost models, according to analysts.

"For any doubters left in the west, I hope this is the final data point that points to BYD's strength and, as importantly, how 'China EV Inc' has bullied its way on to the global stage," said Tu Le, founder of Beijing-based advisory company Sino Auto Insights. He added that while both companies cut prices on some cars over the past year, Tesla did so "much more dramatically", signalling that BYD could distance itself further from the US group in the coming year.

> 'I hope this points to BYD's strength and how "China EV Inc" has bullied its way on to the global stage'

Still, Wedbush Securities analyst Dan Ives said it was an important quarter for Tesla to show strong deliveries and momentum heading into 2024.

Tesla's sales of 1.8mn annual sales last year was a "major achievement in a choppy macro [economic environment]" for the EV sector, he said.

BYD was founded by Wang Chuanfu, a former university professor, in the mid-1990s. After focusing on manufacturing rechargeable batteries, including for mobile phones, the company expanded into the car sector in the early 2000s. Its early success prompted Buffett's Berkshire Hathaway to invest in it in 2008.

Following years of state support and industrial planning by Beijing, China's carmakers now leverage their country's control over the production of almost every resource, material and component used to make electric vehicles.

BYD's vertically integrated structure — it controls mines and produces batteries and chips — has made it the envy of foreign rivals as the car industry transitions away from the combustion engine.

At the end of last year six out of the top-selling EV models in China, the world's largest car market, were BYD cars, according to Shanghai-based consultancy Automobility.

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Briefing

▸ Israeli drone in Beirut kills senior Hamas leader
A Hamas leader has been killed in a strike on one of its Beirut offices that Lebanon blamed on a drone attack. Militant group Hizbollah said that Hamas's deputy political leader Saleh al-Arouri was one of the dead.— PAGE 4; BIG READ, PAGE 19

▸ BNPL fees hit young hard
Nearly a quarter of buy now, pay later users have been hit with late repayment charges, with younger people the most affected, says research that points to how living costs are being navigated.— PAGE 2

▸ Harvard president quits
Claudine Gay has stepped down as Harvard University president following a congressional hearing on campus antisemitism that led to scrutiny of plagiarism allegations against her.— PAGE 6

▸ HSBC takes on Revolut
The UK-based bank is to launch a payments app that will offer cheap foreign exchange to retail consumers as it seeks to take on fast-growing digital rivals such as Revolut and Wise.— PAGE 10

▸ Use of consultants soars
Labour has quadrupled its use of consultants, despite shadow chancellor Rachel Reeves vowing to reduce their usage in the civil service if the party takes power at the next general election.— PAGE 2

▸ Iberdrola cancels US deal
The Spanish renewables group has called off its planned $8bn buy of PNM, ending a deal that would have transformed its Avangrid unit into one of the biggest groups in the US utilities sector.— PAGE 7

▸ Moscow pounds Kyiv
Russia has fired its second barrage of the new year on Kyiv, as Ukraine's president urged his allies to accelerate their financial and military support to refill depleting air defences.— PAGE 4

▸ Adani stocks regain value
The billionaire's listed businesses have regained $46bn in value over the past month, which is nearly half the losses incurred after a damaging short seller report nearly a year ago.— PAGE 9

Private equity groups hunt for ways to spend investors' $2.6tn cash pile

ANTOINE GARA — NEW YORK
IVAN LEVINGSTON AND WILL LOUCH — LONDON

Private equity firms have entered 2024 with a record $2.59tn of unspent investor cash and an unprecedented stockpile of ageing deals that they must sell in coming years.

According to S&P Global Market Intelligence, nearly a quarter of the cash pile was held by 25 of the buyout industry's largest groups, including Apollo Global, Blackstone, KKR, CVC Capital and Advent International.

Industry executives and their advisers believe that the new year presents a big test for private equity investors as they seek ways to sell down large investments while searching for new opportunities.

With the market for initial public offerings still lukewarm and global dealmaking slow, the number of private equity exit transactions in the past quarter was near a decade low, according to consultancy Bain & Co.

That has left buyout groups with a record $2.8tn in unsold investments and what Bain described as "a towering backlog" of companies to exit.

"What we are seeing from private equity owners is a lot of anxiety because it's unclear how [asset sales] will evolve," said a senior mergers and acquisitions banker.

The conditions have frustrated many large institutional investors that normally expect a regular flow of cash to be returned to them as private equity groups sell down profitable investments.

Instead, these investors have received just a trickle of money over the past five years, even as they committed enormous sums to fund new buyout deals.

Bankers expect groups to put their cash to work in the months ahead while also striking deals to sell off old investments — especially as optimism grows that US interest rates have peaked.

"Hopefully, 2024 will be a reset for an acceleration in deals again," said Elizabeth Cooper, partner and co-head of Simpson Thacher & Bartlett's private equity M&A practice.

Carsten Woehrn, co-head of Emea M&A at JPMorgan, added: "We expect that a good number of [deals] will go through as planned."

Bankers and private equity executives are also turning to spending their cash on corporate carve-outs, where a buyout firm acquires a business division from a large corporation.

Lex page 22

Year of Big Four mis-steps sparks governance rethink

A year of scandals and mis-steps at the Big Four accounting firms has spurred a rethink on improving oversight and making boards more accountable. A revamped governance system for EY's US partners comes into effect in July, while PwC says its reforms in Australia may be a blueprint for other parts of its network. The US audit regulator has also launched a 'culture review', to root out the cause of a rise in the number of audits that miss regulatory standards.

Rethink after miscues ▸ PAGE 9

World Markets

STOCK MARKETS

	Jan 2	Prev	%chg
S&P 500	4749.47	4769.83	-0.43
Nasdaq Composite	14819.51	15011.35	-1.28
Dow Jones Ind	37743.65	37689.54	0.14
FTSEurofirst 300	1887.35	1888.70	-0.07
Euro Stoxx 50	4510.61	4521.65	-0.24
FTSE 100	7721.52	7733.24	-0.15
FTSE All-Share	4220.90	4232.01	-0.26
CAC 40	7530.86	7543.18	-0.16
Xetra Dax	16769.36	16751.64	0.11
Nikkei	33464.17	33539.62	-0.22
Hang Seng	16788.55	17047.39	-1.52
MSCI World $	3169.25	3169.18	0.00
MSCI EM $	1024.67	1023.74	0.09
MSCI ACWI $	727.08	727.00	0.01
FT Wilshire 2500	6197.90	6222.66	-0.40
FT Wilshire 5000	48295.50	48497.60	-0.42

CURRENCIES

Pair	Jan 2	Prev	Pair	Jan 2	Prev
$/€	1.094	1.105	€/$	0.914	0.905
$/£	1.263	1.275	£/$	0.792	0.784
£/€	0.867	0.867	€/£	1.154	1.154
¥/$	141.935	140.980	¥/€	155.327	155.734
¥/£	179.186	179.721	£ index	81.630	81.499
SFr/€	0.929	0.930	SFr/£	1.071	1.073

CRYPTO

	Jan 2	Prev	%chg
Bitcoin ($)	45218.86	44180.70	2.35
Ethereum	2361.65	2352.56	0.39

COMMODITIES

	Jan 2	Prev	%chg
Oil WTI $	70.86	71.65	-1.10
Oil Brent $	76.35	77.04	-0.90
Gold $	2078.40	2069.40	0.43

GOVERNMENT BONDS

Yield (%)	Jan 2	Prev	Chg
US 2 yr	4.34	4.25	0.09
US 10 yr	3.93	3.88	0.05
US 30 yr	4.07	4.03	0.04
UK 2 yr	4.03	3.96	0.06
UK 10 yr	3.84	3.74	0.11
UK 30 yr	4.27	4.14	0.13
JPN 2 yr	0.05	0.05	0.00
JPN 10 yr	0.62	0.62	0.00
JPN 30 yr	1.64	1.64	0.00
GER 2 yr	2.45	2.39	0.06
GER 10 yr	2.06	2.00	0.06
GER 30 yr	2.31	2.25	0.06

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NATIONAL

Cost of living

Buy now, pay later fees hit young most

Credit scores affected as missed payment charges levied on 22% of users

AKILA QUINIO

Almost a quarter of buy now, pay later users have been charged late repayment fees, with younger consumers hit hardest, according to research that points to how people have turned to the unregulated form of credit to cope with rising living costs.

Buy now, pay later (BNPL) products allow shoppers to pay for clothes and food deliveries, for example, in mainly interest-free weekly or monthly instalments. The payment method, where users are charged if they repay loans late, has grown in popularity in the past year, partly because it enables users to avoid paying in full upfront. But regulators and consumer groups have voiced concerns over the risk of indebtedness.

Research commissioned by the Centre for Financial Capability (CFC), a financial education charity, found that 22 per cent of BNPL users missed one or more repayments in the six months to December 2023.

Of those people, more than a quarter took a hit on their credit score as a result or were contacted by a debt collection agency, according to the survey.

Young people were most likely to receive late fees, with 34 per cent of users aged 18 to 34 charged for missing a repayment over the same period.

Although the overall number of BNPL users hit by late fees declined slightly year on year in 2023, the number of people aged 55 or over fined for missing a repayment increased from 7 per cent to 10 per cent in the same period.

CFC trustee Jane Goodland said: "As the ongoing cost of living crisis continues to impact the British public, it is apparent that many users are increasingly reliant on these schemes, without fully understanding the risks involved.

"Our polling shows the high usage of BNPL particularly [among] young people, many of whom are facing difficult financial consequences as a result of these schemes."

The charity found 21 per cent of users were unclear what late repayment fees they would owe the company if they missed a repayment, as well as how this would affect their credit score. Its study discovered that the use of BNPL was on the rise among people aged between 25 and 65, and most popular with younger users. A third of UK adults have used the payment method in the past, compared with 40 per cent of 18- to 34-year-olds.

Fintech groups including Klarna, Clearpay, Laybuy and PayPal Credit pioneered BNPL but a number of banks including NatWest, Virgin Money, HSBC and Monzo now provide the product.

According to the survey, a quarter of all people who have used or intend to use BNPL did so or would do so because of inflation and rising living costs. The figure is higher among people 65 or over, with 30 per cent of people in that age group citing the cost of living crisis as their driver.

BNPL, which is largely interest free, is unregulated in the UK, meaning providers do not have to run affordability checks on prospective users.

Consumer groups have warned that the current set-up can lead people to accrue debt if they rack up bills from various late repayment fees on products from different providers.

The government first said it would regulate interest-free BNPL products in February 2021. The Treasury opened a consultation in early 2023 and set out plans to bring the sector under regulation at the end of last year.

Goodland said the need to protect consumers from "dangerous financial trends" including BNPL was "urgent" and urged relevant stakeholders to educate users about the risks involved.

Politics. Election run-up

Reform aims to steal Tory thunder in every seat

Party positions itself to pile pressure on PM to deliver on NHS and migration pledges

RAFE UDDIN — NEWCASTLE

On a cold Sunday evening in late December, disaffected Conservative voters filtered into a conference hall in Newcastle to be roused by Reform UK's leader Richard Tice.

"After 13 years of Conservative rule, do you feel better off?" Tice asked, to an emphatic "No" from the audience. "Is it easier to see a GP? Is our immigration system under control?" The crowd again shouted: "No."

"We've had all the promises. All the waffle, all the warm words and they've completely and utterly betrayed us. The truth is that the Conservatives have broken Britain," Tice said.

Reform is seeking to capitalise on discontent with Prime Minister Rishi Sunak's ruling Tory party from the mainly anti-immigration rightwing. Averaging 9 per cent in opinion polls, it has vowed to stand in every seat in England, Scotland and Wales in the election expected this year, and it commands enough support to wipe out the majorities held by dozens of Tory MPs.

In the run-up to a national vote, the party threatens to be a thorn in the premier's side, as he tries to "stop the boats" crossing the English Channel and slash NHS waiting lists and record high net immigration.

A press conference in London today will serve as a launch pad for Reform's general election strategy, as speculation grows in Westminster that Nigel Farage, former party leader, will return to frontline politics.

In Newcastle, Tice said his decision to stand in Hartlepool in the North East, a seat held by Labour since 1974 before the Conservatives seized it three years ago, was part of a strategy to tap into voter apathy in the region.

"We've got good representation in the North East; a great team. It's obviously, in a sense, a vibrant part of the Red Wall seats that we are specifically targeting," said Tice, referring to the stretch of working-class, traditionally Labour-voting constituencies that have in recent years backed the Tories.

Rallying cry: Richard Tice addresses supporters in Gosforth Park last month. Below, Reform candidates Steve and Kirsty Alder
Mark Pinder/FT

"There's frustration [and] huge disenchantment about how the Tories have betrayed Brexit," added Tice, who came third in the 2019 by-election in Hartlepool. Other targets for the party include Bolton in the North West and coastal seats in the South East.

Asked if he would step down as leader if Farage, who is Reform's president and majority shareholder but was not in Newcastle, returned, Tice said: "We don't get into titles. I think he [Farage] has made it very clear that he wouldn't stand again in a first-past-the-post election as a candidate. But he could be very involved campaigning."

Farage's decision to step back from frontline politics two years ago led to a fall in donations, throwing Reform's future into question. Tice was forced to loan the party more than £1mn to keep it solvent, although he said donations had since rebounded.

According to the Electoral Commission, the voting watchdog, Reform received £155,000 between January and September, well below the £4.5mn it took in the six weeks before the 2019 general election. Even so, Tory party insiders fear the resignation of Robert Jenrick as immigration minister over the government's emergency Rwanda scheme legislation, and the crunch vote in parliament where Sunak had to fend off rightwing MPs, will help Reform in by-elections this year.

> 'The main thing is illegal immigration. The second is legal immigration'

These include the poll due in Wellingborough, Northamptonshire, after locals signed a petition to remove Peter Bone as their MP. In the 2015 general election, the UK Independence party, led by Farage and campaigning on a anti-EU platform, came second with almost 20 per cent of the vote.

Rob Ford, professor of politics at Manchester university, said Reform had been emboldened by the government's rightward lurch on immigration and had a "disproportionate ability to disrupt local Conservative campaigns".

He noted that its plan to contest every constituency, unlike in 2019, where it unilaterally stood candidates down in Conservative held seats, cut about 5-6 percentage points from the vote share of Tory MPs.

Tice was adamant the party would not repeat the move, saying: "That's not happening. No. I still wear the scars on the back from the last time."

Steve Alder, who attended the Newcastle event and will represent Reform in local elections in May, said he had been "a paid-up member [of the Conservative party] until Liz Truss was removed" as prime minister.

"That was the final straw . . . It was a long journey of falling out of love," said Alder, 49.

Ruth Cross, 61, a physiotherapist who also attended the Newcastle event, last backed the Tories in the 2017 general election and said she would vote for Tice's party because it was focused on her priorities. "The main thing is illegal immigration. Second is legal immigration," she said.

Yet opinion polls show that most voters continue to prioritise the cost of living and the NHS over immigration.

The difficulty for Reform this year is building a ground campaign that matches its ambitions. Two party activists said it was under-resourced and relying heavily on volunteers, forcing it to run a focused campaign.

"You've got to be realistic," one person pointed out.

Despite warning of a "Starmageddon" under a Labour government led by Sir Keir Starmer, neither Tice nor Paul Oakden, Reform's chief executive, was concerned the party would harm the Tories at the next election.

"We're all sick and fed to death with Sunak and the Tories," Oakden added.

Opposition

Labour's use of consultants rises fourfold ahead of poll

ANNA GROSS AND JIM PICKARD

Labour has quadrupled its use of consultants as it prepares for a general election, despite shadow chancellor Rachel Reeves vowing to cut their deployment in the civil service if the party takes power.

The opposition party received £287,000 in donations of staff time from consultancy firms in the year to September 2023, up from £72,000 in the previous 12 months, according to Electoral Commission data.

Labour under Sir Keir Starmer has been critical of the Conservative government's increasing use of expensive consultants in the civil service. At Labour's annual conference in October Reeves vowed to introduce "tough new rules" to "slash government consultancy spending" in half if the party comes to power in the election expected this year.

Government expenditure on consultants in core departments, including the Home Office and Ministry of Defence, rose 130 per cent to £723mn between 2018-19 and 2021-22, the Financial Times previously reported.

Richard Murphy, a leftwing campaigner and professor of accounting at Sheffield university, said Labour's use of consultants was "fairly naive" as it undermined the party's message on limiting expertise outsourcing to corporate advisers.

> Practice gives consultants 'influence, access, phone numbers and a competitive advantage'

Murphy said the practice of offering staff time for free gave consultancies an opportunity to gain "influence, access, phone numbers and a competitive advantage".

He added that Labour could find it harder to wean government off hiring external expertise if it built a dependence on consultants in opposition.

Both Labour and the Conservatives have previously relied on consultants, primarily when in opposition, and stepped up their use in the run-up to general elections as they prepare policy pledges.

Labour under Ed Miliband received a total of £767,000 of donated staff time from PwC, Deloitte and KPMG in 2014, the highest figure for Labour since 2001.

Under Jeremy Corbyn, Labour stopped the practice and no donations from consultants were recorded between 2016 and 2020.

The Tories in 2009, when in opposition, accepted nearly £600,000 in staff time from groups including EY, PwC and KPMG. The party last accepted significant donations of consultant staff time in 2010.

Dame Meg Hillier, Labour chair of the House of Commons public accounts committee, said that it was "completely right" that opposition parties that were preparing for government would use external consultants with "the right skills and expertise at their fingertips".

"One thing that the Big Four do have is expertise in crunching numbers. It doesn't mean they are carrying out a sales pitch to the party at the same time," Hillier added.

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Campaign strategy

Lib Dems set sights on tax changes to win blue wall support

LUCY FISHER

More than 2mn people in London and the South East are set to be pushed into a higher tax bracket, according to research that underlines the electoral threat to the Conservatives in many heartland seats.

Taxpayers in the two regions will be hit hardest by the government's decision to freeze income tax thresholds rather than raise them in line with inflation, the House of Commons library found.

About 1.1mn taxpayers in London and the South East will be pushed into the 40p rate of income tax by 2027-28, research commissioned by the Liberal Democrats found.

Almost 1mn in the regions will be dragged into paying income tax at the lower 20p rate, the research found. The analysis did not include numbers for the highest 45 per cent rate of tax.

The regions, where incomes and living costs tend to be higher than the rest of the UK, include key Tory seats which the Lib Dems hope to win at the general election expected this year.

Chancellor Jeremy Hunt in November confirmed that income tax thresholds would remain static for the next four years, with the resulting "fiscal drag" outweighing cuts to national insurance.

The Lib Dems hope the freezes in the south will propel disaffected Tory voters into their arms as they prepare to target the "blue wall" of marginal Tory-held constituencies across London, the Home Counties and other parts of the South East and South West.

The party is planning to make an attack on government "stealth taxes" a pillar of its election campaign, as it aims to make gains in about 20 wealthier seats in London and the South East.

Sir Ed Davey, Lib Dem leader, will host a new year rally in Surrey today, visiting a series of seats, including Hunt's.

The Office for Budget Responsibility estimated in November that more than 7mn people will be dragged into a higher tax bracket over that period as a result of the threshold freezes. The measure is expected to generate an extra £45bn in annual tax revenues by 2030.

The Commons library analysis used the OBR estimates with a tax simulation tool which has been developed at the University of Essex Institute for Social and Economic Research to give a regional estimate of fiscal drag's impact.

Sarah Olney, the Lib Dem Treasury spokesperson, said Hunt's emphasis on tax cuts in the Autumn Statement, including reducing national insurance, amounted to "deception" given millions of families are in line to pay more tax due to the frozen income tax thresholds.

Voters would punish the Tories for fiscal drag at the ballot box. "Across the blue wall, life-long Conservative voters are sick and tired of this chancellor's hot air and are getting ready to kick this government out," she said.

Almost a third of taxpayers affected by fiscal drag live in London and the South East

Individuals brought into the 20p/40p rate of income tax due to threshold freezes, by 2027-28 ('000)

Rough estimates to nearest 50,000, using OBR data
UK=7mn
Source: House of Commons Library

Laura Trott, chief secretary to the Treasury, said: "The Liberal Democrats would hit hardworking people with numerous new taxes on everyday essentials, including household heating, clothes and fuel."

She said the Lib Dems were "not being honest with the British people about their plans to hike taxes", while the Tories were striving to expand the economy and "put more money back into the pockets of hardworking people".

"Labour cannot name a single tax they would cut," added Trott.

Labour is also planning to place an assault on the Conservatives' record on tax at the heart of its election campaign. Yesterday Sir Keir Starmer's party launched an online "Tory tax calculator" that allows people to enter their salary band to work out how much their taxes have risen under the government.

It aims to show that workers are paying more tax thanks to frozen income tax thresholds even after Hunt's two percentage point cut to employees' NI, which comes into effect on January 6.

NATIONAL

Floating turbines prepare to harvest high winds

Innovators take next step in pioneering technology that aims to produce more offshore energy and power efforts to hit net zero target by 2050

RACHEL MILLARD AND LUKANYO MNYANDA

After spending most of his career as an engineer in the oil and gas industry, Dan Jackson has turned his skills to greener ventures. He plans to put hundreds of floating turbines up to 200km off the Scottish coast, making him one of the pioneers of new technology designed to harness the greater wind speeds further out at sea.

The floating structures open up vast new areas offshore by overcoming the limitations of conventional turbines, which are fixed to the seabed and are difficult to install beyond depths of 60 metres. The new ones are more expensive to install, but those higher costs are offset by the fact they can generate significantly more energy.

"The wind resources out there are quite remarkable," said Jackson, founding director of Cerulean Winds, a private company based in England that wants to develop a network of three connected floating wind farms across almost 1,000 sq km of the North Sea.

The technology is key to the UK's goal of cutting carbon dioxide emissions to net zero by 2050. Industry executives believe it could account for more than half the 100-gigawatt target for offshore wind power generation by the middle of the century.

Jackson is aiming to have the initial 600-megawatt phase of his project up and running by 2028, putting it on course to be one of Britain's first large-scale, commercial floating offshore wind farms. The project is designed to supply clean electricity to North Sea oil and gas platforms but increasingly send excess power to the mainland as fossil fuel extraction declines, he said.

Along with executives working on dozens of other floating offshore wind projects in British waters, Jackson will be closely watching two key events this year aimed at kick-starting the sector.

A fresh round of government subsidy contracts is expected to attract bids from several pilot schemes, which would join the two small demonstrator projects that are already operational off Scotland.

Separately, the Crown Estate, which manages the seabed off England, Northern Ireland and Wales, is hoping to attract bids in the first commercial-scale floating wind auction in the Irish Sea, off south-west England. "Floating offshore wind is a new frontier," said Dan Labbad, its chief executive.

So far 29 floating projects have secured seabed leasing deals out of 51 in the pipeline with a combined capacity of 37GW, according to RenewableUK, the trade group. The vast majority of those are in Scotland, a global hub for offshore wind, with most at a very early stage.

At present, the UK has just two small floating wind pilot projects operational with a combined capacity of 80MW, compared to the 14GW from traditional "fixed bottom" wind turbines.

But the two pilots represent more than a third of the installed global capacity from floating turbines, underlining how Britain has exploited its access to the North Sea to become a pioneer in the offshore wind industry. "It's one of the best wind corridors in the world," Jackson said.

One of those pilots, Hywind, was built by Equinor, Norway's state-controlled energy company, off Peterhead in Scotland and became the world's first floating offshore wind farm to generate power in 2017.

The company has hailed it as a success with a capacity factor (a widely used metric calculating electricity generators' output as a proportion of theoretical maximum output) of 54 per cent over its first five years, ahead of the average capacity factor for offshore wind in Europe of 49 per cent.

This has convinced Equinor to explore further projects around Britain and elsewhere, including South Korea and the US. "There also isn't much acreage left for fixed-bottom. Floating will be the new era," said Halfdan Brustad, vice-president for UK renewables at Equinor, who led the Hywind project.

Technology proving for floating projects is taking place alongside an increase in turbine size, which means each turbine can generate more power, improving the financial case for floating projects.

But the UK faces several hurdles to make the leap from test bed to commercial powerhouse in floating wind. Tim Pick, the government's offshore wind industry champion, warned in a report in April that getting more offshore projects into operation in the UK had become "more rather than less difficult", partly due to lengthy planning processes and slow grid connections.

Ministers have taken some steps to address those issues in recent months. Meanwhile, the Crown Estate's forthcoming leasing round will offer floating offshore wind developers a 50 per cent discount on their option fees if their projects are delayed in obtaining planning approval or other consents.

"We're trying to de-risk this as much as possible for developers," said Labbad. "It's essential that we maintain the UK's position at the forefront globally."

Pick has also warned that more needs to be done to encourage ports to invest so they can handle and store the large pieces of equipment required for floating offshore wind.

"Ports need to be able to invest as soon as possible and ahead of floating wind projects being ready to award contracts," Pick said last month. "It's not clear that the right policy measures are there to get them comfortable with that."

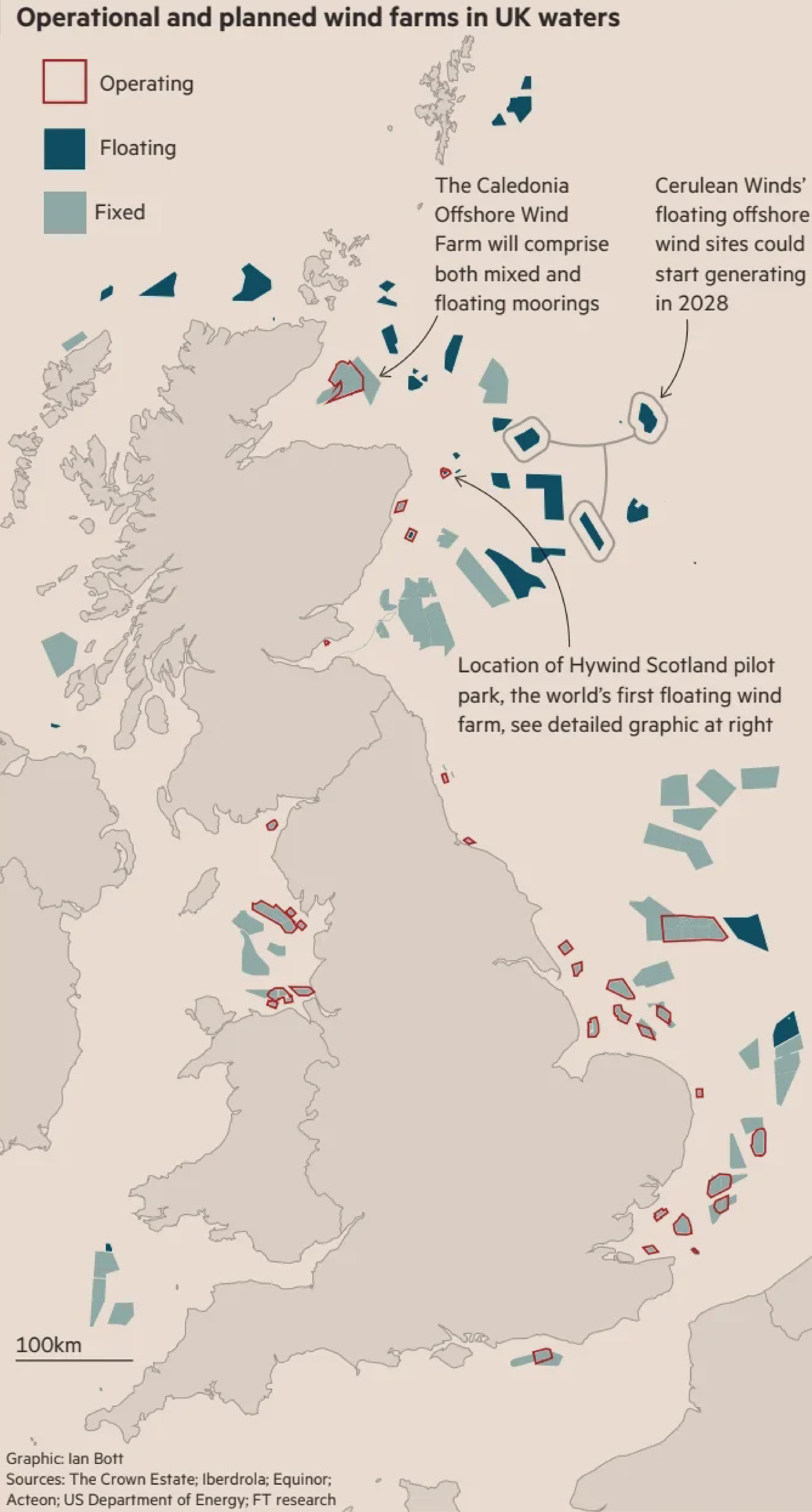
The next auction for government subsidy contracts must include some floating wind, said Ryanne Burges, director for offshore and Ireland at EDF Renewables UK and Ireland, whose 58MW Blyth 2 project is expected to be among the bidders.

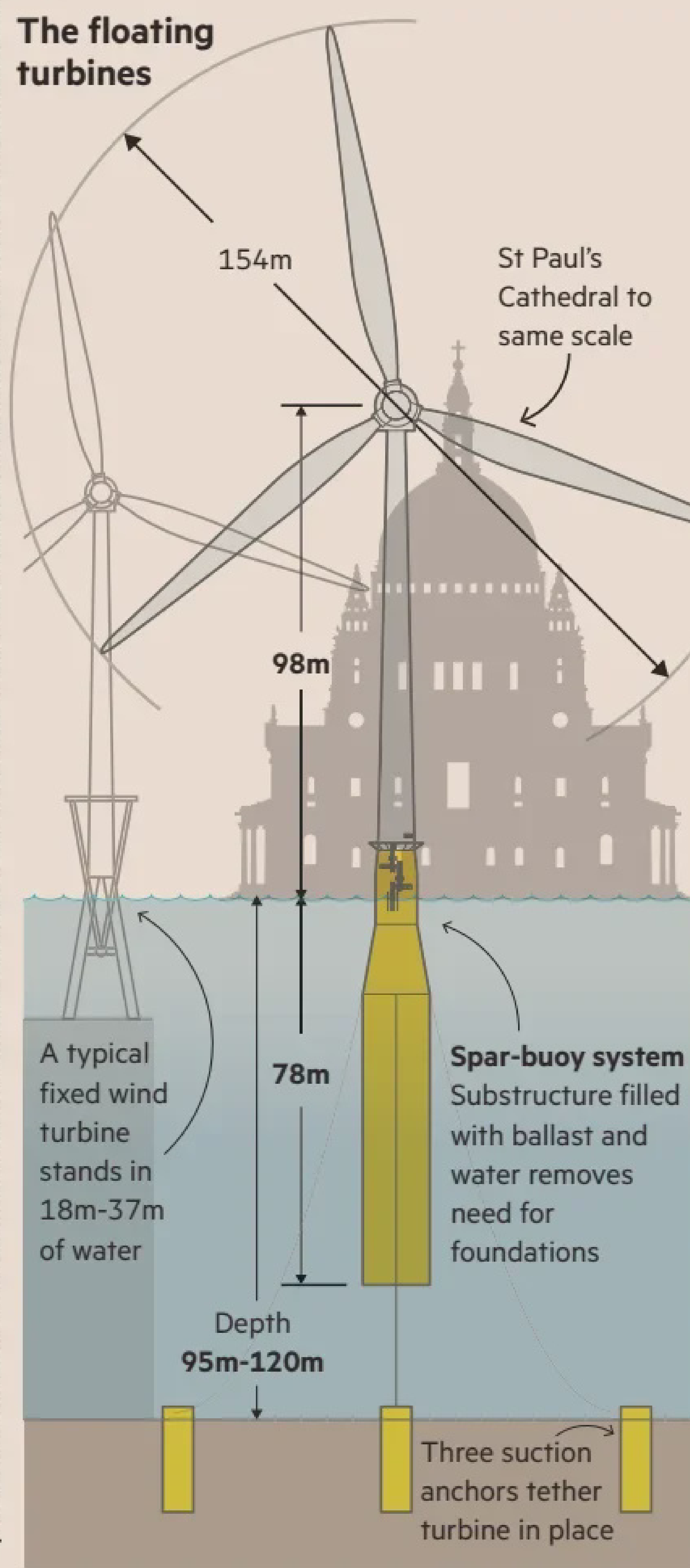
"If we don't get these sites off the ground now, there will be a massive walk back in terms of investor confidence and supply chain confidence in the UK," she warned.

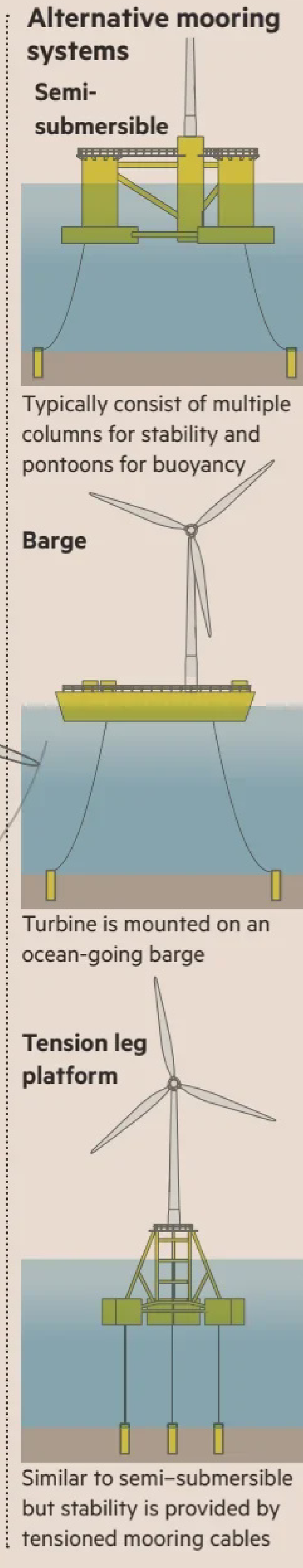
While his project is not yet ready to bid, Jackson said he had been encouraged by the decision by ministers to increase the support on offer after the 2023 auction failed to attract any bids from offshore wind farm developers.

"The government . . . [has] recognised there needs to be a pathway to making [the contracts] work for floating," said Jackson.

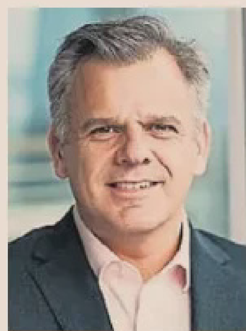
"The changes are terrific for both sides. It means the UK is attractive for floating wind."







Dan Jackson, founding director of Cerulean Winds, says the North Sea is 'one of the best wind corridors in the world'



'We're trying to de-risk this as much as possible for developers. It's essential that we maintain the UK's position at the forefront globally'

Labour consultation

Welsh minister backs council tax shake-up

JIM PICKARD AND PETER FOSTER

Welsh economy minister Vaughan Gething has defended the Cardiff government's plans for the biggest shake-up to council tax in the UK since the levy was introduced in 1993.

The Labour government in Wales has proposed an increase in council tax on the most expensive houses to fund a cut for smaller homes, a move likely to be seized on by the Conservatives in the general election.

The proposals, launched via a consultation in November, have been called by the Institute for Fiscal Studies "the most radical reforms to council tax anywhere in the UK" in the history of the levy.

Gething, the frontrunner to become the next first minister of Wales, said the current tax was "broadly regressive".

"The council tax consultation is not about trying to raise the average council tax or hit people in the middle or lower scale, it's about how can you rebalance how that works," he said.

"You could have people at the top end paying more and people at the bottom paying less," he added.

Council tax in Wales raises about £2bn a year, hitting 1.5mn households with an average bill of more than £1,400 every year. The tax is levied on nine different bands according to the value of the property as it was in 2003.

Other regions have had a more lethargic approach to council tax. The English and Scottish systems are both still based on 1991 property values.

The Welsh government is reviewing three options as part of a consultation that ends in February.

The first is a simple revaluation. The second is to add new tax bands, one at the top end, to raise rates for more expensive properties and cut them for cheaper properties, within the existing bands.

'You could have people at the top end paying more and people at the bottom paying less'

The third is to add three new bands, one at the bottom and two at the top, and change the rates at each level to be more progressive.

The Welsh government has not yet put precise figures on the proposals.

The Welsh Conservative party has accused Labour of "stealthily planning on hiking up council tax for hard-working people" during a cost of living crisis. Gething said the proposed reforms had been mischaracterised as an attempt to lift "everyone's bills".

The attacks mirror the Tory strategy on the national stage of arguing that Labour will tax and spend more if it wins power in Westminster.

Labour leader Sir Keir Starmer has emphasised the party's "fiscal discipline" ahead of the general election expected this year as the Tories take aim at his plans to borrow billions for green infrastructure spending.

The plans come as the Scottish National party introduces a more progressive set of income tax bands, including a 48 per cent top rate.

Gething, who was Welsh health secretary during the pandemic, is one of just two candidates to become the next first minister after Mark Drakeford announced his retirement in December.

About 18,000 members of Welsh Labour will vote for either Gething or his rival Jeremy Miles, education minister, between February 16 and March 14, with the winner named two days later.

The review of council tax is just one area where the Welsh government has been experimenting with its limited fiscal autonomy.

Labour in Wales has recently brought in new rules allowing local authorities to impose council tax of up to three times the usual rate on owners of second homes, a move designed to make it easier for local people to buy their own property.

FAMILY STORIES FROM UKRAINE

unicef for every child

MATVEE FINDS SAFETY

Matvee, age 2, fled with his mum Hanna from their home in Kharkiv. They made a 48–hour train journey without food or water. Thankfully, local people helped them on route. They have now found safety at a UNICEF Blue Dot centre in Romania.

"I never thought I would be a refugee. He's scared, he hasn't slept. The attacks came too close, just two houses away there was a bomb. It was time to go." Hanna

SIVLANA AND MILANA

Sivlana and her daughter Milana, age 3, had to flee their home in Odessa. The explosions got closer and closer until the windows shook. The family managed to find safety across the border in Moldova.

"Milana does not understand what is going on, but my older children do, and it is frightening. We hardly slept for days, and I did not know how to keep them safe." Husband Mikail

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INTERNATIONAL

Missile attacks

Zelenskyy plea after Ukraine pounded again

President urges allies to provide more air defence systems following barrage

ROMAN OLEARCHYK — LVIV

Russia fired a second huge barrage of the new year at Ukraine's capital and its second-largest city yesterday, with President Volodymyr Zelenskyy calling on allies to accelerate financial and military aid to restock air defences.

The Ukrainian president said five were killed and more than 120 injured in Kyiv and Kharkiv after 100 missile and drone attacks on the two cities.

Without directly mentioning delays in US and EU financial and military assistance, Zelenskyy nudged them to act, especially by providing more air defence systems.

"Our air defence warriors have been doing an incredible job for the past three days. Since December 31, Russian monsters have already fired 170 [Iranian] Shahed drones and dozens of missiles of various types. The absolute majority of them targeted civilian infrastructure," Zelenskyy said.

"I am grateful to all of our partners who are helping us," he said, calling upon "everyone around the world who values life to bolster our air shield and hold Russia accountable for everything it has done".

UN officials estimate that nearly 70 Ukrainians have been killed and at least 360 injured due to air strikes across the country since December 29, as Russia has intensified its air campaign nearly two years into its full-scale invasion.

"The enemy repeated a mass strike with various types of air attack, as it happened a few days ago," said Valery Zaluzhny, commander-in-chief of Ukraine's armed forces, referring to the record air assault on December 29.

Describing Kyiv as yesterday's "main direction of the attack", Zaluzhny said air defences intercepted 72 of the drones and missiles.

Air strikes were also reported in the north-eastern city of Kharkiv, which was heavily battered by air strikes on Saturday night.

Posting photos on social media of bombed-out residential buildings, Oleg Synegubov, the region's governor, said a 91-year-old woman was killed and 44 people injured, including five children, by what he described as a "massive missile attack" that caused fires and damage to infrastructure.

Ukrainian officials said strikes also hit the southern port city of Mykolayiv and Kropyvnytsky, a central provincial capital.

On the Russian side, one person was killed and five injured in a missile attack on the city of Belgorod just across the border with Ukraine. "A man was driving a car next to which a shell exploded. He died on the spot," Vyacheslav Gladkov, regional governor, wrote on his Telegram channel.

Vladimir Putin, Russian president, on Monday vowed retaliation for Ukraine's weekend attack on Belgorod, in which 24 civilians were killed, saying that the strike "will not go unpunished".

Ukraine has blamed Saturday's Belgorod explosions on the "unprofessional" actions of Russian air defence forces.

The Russian defence ministry said that one of its missiles fired at Ukraine on Monday fell in its own border region of Voronezh and severely damaged several homes.

Additional reporting by Anastasia Stognei

Ukraine conflict. Military components

Chinese exports of machine tools to Russia surge

Kyiv's allies alarmed by rising supply of advanced kit vital to Moscow's defence industries

JOE LEAHY — BEIJING
CHRIS COOK, MAX SEDDON AND MAX HARLOW — LONDON

Chinese shipments to Russia of an important class of advanced machine tools have increased tenfold since the full-scale invasion of Ukraine, with the country's producers now dominating trade in high-precision "computer numerical control" devices vital to Moscow's military industries.

The soaring shipments of CNC units, which permit extremely precise metal milling, have become a major concern to Ukraine's allies as they seek to crack down on Russia's access to the equipment. Russian customs returns show Chinese producers shipped $68mn worth of CNC tools in July, the latest verifiable figure available, up from just $6.5mn in February 2022 when Moscow launched its assault.

Michael Raska, assistant professor at Singapore's S Rajaratnam School of International Studies, said CNC exports were an example of how China and Russia were being drawn into a deepening military-industrial partnership.

"China and Russia share the same political interest, which is to challenge and confront the US," Raska said. "The fact is, Russia has been cut off from importing European machinery, it has no choice but to rely on China."

Russian imports of CNC tools from the EU, historically its main source, have dramatically fallen as restrictions have tightened since February 2022. Analysts said Moscow was seeking to obtain CNC tools from sources that would not be closed off by international controls.

The customs returns show Chinese-origin CNC devices made up 57 per cent of Russian imports by value in July, up from just 12 per cent before the war. They suggest Moscow also continued to import substantial amounts of CNC tools made in Taiwan and South Korea.

In November the US imposed sweeping sanctions on all big Russian importers of CNC tools, including some that had moved less than $200,000 of equipment since the invasion. Chinese companies that continue to trade with Russian importers now risk US action that could imperil their ability to trade in other markets.

On patrol: Russian troops in Ukraine. Beijing denies support for Moscow's war effort but also rejects sanctions
Alexander Nemenov/AFP/Getty Images

Beijing insists it does not ship lethal weapons to Moscow and denies supporting its neighbour's war effort, but also rejects the use of sanctions. Chinese shipments of products including oil, machinery, consumer goods and cars are helping to sustain Russia's sanctions-hit economy. Xi Jinping, president of China, told Russian counterpart Vladimir Putin in October that annual trade between the two countries had hit a "historic high" of nearly $200bn.

Allen Maggard, an analyst at the Washington-based conflict analysis organisation C4ADS, said CNC tools could "rapidly produce complex components from metal and other rigid materials with a consistent degree of precision and accuracy. These qualities make CNC machine tools particularly valuable for defence manufacturing."

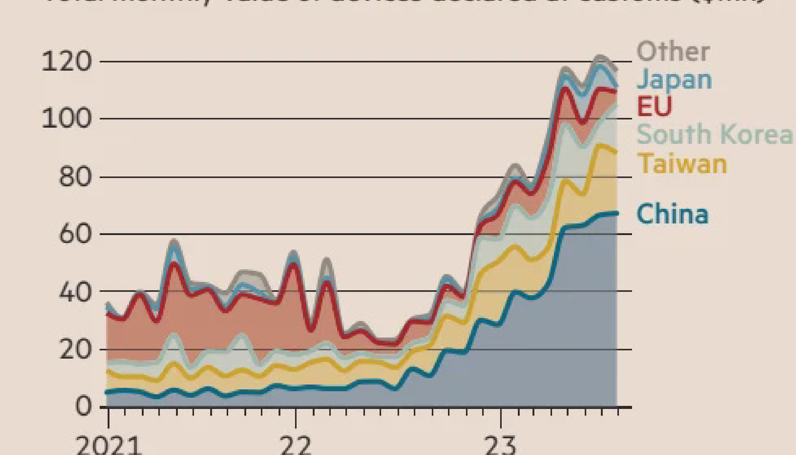
They are also often large pieces of equipment, making them harder to smuggle into Russia from the west than smaller parts such as microchips.

Financial Times analysis of export records shows some big winners from the Russian surge have strong links with China's People's Liberation Army. Wuhan Huazhong Numerical Control, for example, has increased exports to Russia. In 2017 it was the main contractor in a Brain Switch Project, a scheme to replace foreign CNC systems with domestic ones in the defence industry, and has worked with Chinese jet fighter maker Shenyang Aircraft Corporation.

HuazhongCNC was itself the subject of US sanctions between 2008 and 2010 under an act banning the transfer of weapons technology or equipment to Syria, Iran and North Korea. The company did not respond to comment.

> 'The fact is, Russia has been cut off from importing European machinery, it has no choice but to rely on China'

Russia is importing more CNC machine tools and China is now its main source
Total monthly value of devices declared at customs ($mn)



Countries refer to listed original manufacture location
Source: Russian customs returns

Emily Kilcrease, a former deputy assistant US trade representative, said Washington had been reluctant to use financial sanctions to target Chinese companies helping Russia as doing so would reduce the effectiveness of such measures in case of a crisis with Beijing.

"That dynamic about overuse is very much on the administration's mind," Kilcrease said. "They know that these sanctions and export controls are never going to be perfect. And so what they're really focused on is making sure that what Russia can get is inferior goods. It's cost imposition; making it much more difficult and expensive for Russia to get these sorts of machine tools."

How Russia has deployed the Chinese CNC devices it has imported is unclear. Maggard said he believed Russian defence plants were only "beginning to use Chinese CNC machine tools".

Analysts are yet to positively identify any being used on social media or during hours of propaganda footage filmed inside Russia's high-tech military factories. CNC devices pictured are still all from European, Taiwanese, Korean or Japanese suppliers.

This picture is supported by other sources. For example, customs records show CFT, a large, now-sanctioned Russian importer of CNC devices, imported very few Chinese-origin products up to July. A leaked internal document from CFT shows it is a supplier to Russian defence manufacturers including Aeroscan, which produces the Lancet kamikaze drone that has inflicted serious losses on Ukrainian forces. CFT did not respond to a request for comment.

Olena Yurchenko, an analyst at investigative and advocacy organisation the Economic Security Council of Ukraine, said it would be "almost impossible" to use a Chinese CNC machine in a plant that had based its production processes around a tool from another producer with different specifications.

A preference among defence manufacturers for equipment from other countries may also reflect scepticism about the quality of Chinese machines.

Maggard noted recent comments from a Russian sector expert who said Chinese tools were less precise and had a shorter operational life than German and Japanese equipment.

See Markets Insight

Gaza war

Lebanon blames Israel for death of Hamas leader in Beirut

RAYA JALABI — BEIRUT
ANDREW ENGLAND — LONDON
NERI ZILBER — TEL AVIV

A senior Hamas leader has been killed in an explosion at one of the group's offices in Beirut, an attack that Lebanon blamed on an Israeli drone strike.

Hizbollah, the powerful Lebanese militant movement, told the Financial Times that one of the dead was Hamas deputy political leader Saleh al-Arouri. Hamas also released a video of Arouri describing him as a "martyr", apparently confirming his death.

Lebanese state media alleged that an Israeli drone struck Hamas's political office in southern Beirut — a Hizbollah stronghold — killing at least six people and wounding about a dozen others. It also said Palestinian factions had been meeting in the building that was hit.

Lebanese Prime Minister Najib Mikati condemned the strike and called it "a new Israeli crime".

If confirmed, the Israeli strike would mark the first targeted attack against a Hamas leader outside Palestinian territories by the Jewish state since the militant group's October 7 assault.

The strike and Arouri's death would heighten tensions across the region and risk a further escalation between Iranian-backed Hizbollah and Israel, which have traded almost daily exchanges of fire in the past three months across the Lebanon-Israel border.

"The assassination of Arouri in the heart of Hizbollah's zone in Beirut is a humiliation and a major test for Hizbollah," said Emile Hokayem, director of regional security at the International Institute for Strategic Studies in London. "Will it risk a major war over a non-Lebanese commander? If it does not, can Hizbollah sustain the credibility of its deterrence?"

Israel did not immediately comment on the alleged drone strike. It usually neither confirms nor denies accusations that it has carried out an assassination.

A veteran Hamas member, Arouri helped establish the group's military wing in the occupied West Bank. Israeli leaders and security chiefs have said no Hamas leader would be safe, both inside and outside the Palestinian territories.

Following the reports, Bezalel Smotrich, Israel's far-right finance minister, tweeted that all the country's enemies "will perish". Benjamin Netanyahu, Israel's prime minister, has vowed to destroy Hamas and eradicate it from the Gaza Strip since the Islamist group's October 7 attack on southern Israel killed about 1,200 people.

The militants also seized about 240 hostages, more than 100 of whom are still held in the besieged strip.

Israel responded to the attack by launching a ferocious air and land offensive on Gaza, which has killed more than 22,000 people, according to Palestinian health officials.

It has also made clear its determination to kill or capture Hamas's leadership in Gaza, including Yahya Sinwar, who is believed to have masterminded the October assault. However, it has also been negotiating indirectly with Hamas's exiled political leadership in Qatar to secure agreements for the release of hostages held in Gaza.

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Afghanistan

Women and girls flock online to evade Taliban education ban

ANDREW JACK — NEW YORK
BENJAMIN PARKIN — NEW DELHI

Tens of thousands of Afghan women and girls have been able to join online study programmes despite the Taliban government's ban on female education, according to internet-based course providers.

The providers say they have seen strong demand from Afghanistan for courses on subjects including English language, science and business since the Taliban extended their ban on female attendance at schools to include higher education in December 2022.

The Taliban say the restrictions are justified by their conservative interpretation of Islamic law. Unicef, the UN children's fund, estimates the ban has affected more than 1mn girls.

But online learning has surged as a way to get around the curbs, despite the dangers of discovery and difficulties with internet connectivity and power supplies.

Access to the internet remains low and uneven across Afghanistan. A Gallup survey in 2022 found 25 per cent of men reported having access compared with 6 per cent of women. In rural areas, just 2 per cent of women said they had internet access.

FutureLearn, a UK-based online learning platform, said it had enrolled more than 33,000 Afghan students, the vast majority of them female, since it offered free access to its premium digital platform a year ago for the duration of the Taliban female education ban.

The platform, which was launched by the Open University in the UK in 2012 and has been owned by Global University Systems since December 2022, offers more than 1,200 courses, with English language accounting for four of the five most popular classes among Afghan students.

University of the People, a US-accredited non-profit higher education institution, said more than 21,000 Afghan women had applied in the past year for its degree courses, with more than 3,100 enrolled to study subjects including business, computer science, health and education.

UoPeople said power cuts and erratic digital connections were big issues for Afghan women and that it provided asynchronous sessions and online textbooks to allow students to catch up as well as scholarships to cover their costs.

Since the Taliban regained power in 2021 after a 20-year insurgency, they have set about creating one of the world's most repressive regimes for women. Despite initially saying there would be no blanket ban on girls' education, the country's rulers have systematically imposed tight restrictions on women's right to study, work and travel.

Amnesty International, the human rights group, has documented how women and girls found violating Taliban restrictions on gender freedoms have been subjected to arbitrary arrest, detention and even corporal punishment.

Schools out: Afghan women face tight curbs on study, work and travel

"To protect their safety, UoPeople asks our Afghan female students to study behind closed doors so they are not detected by the Taliban," said Daniel Kalmanson, the online university's vice-president for public affairs. "In addition, we allow them to use a fake identity in their classes."

Kalmanson said that while women were the focus of the Taliban's restrictions, the curbs were "also impacting Afghan boys since there are not enough male teachers left to educate all of the male children".

Despite the ban on girls' education, some community and underground schools have continued to educate women in Afghanistan.

Maaz Arabi of the UK-based Sabar Afghan Online School said the YouTube channel of video classes it launched in 2022 had been viewed 200,000 times, with the most popular courses being in science and English. "We continuously receive feedback messages from parents and students [on] how our YouTube channel is helping them," he said.

INTERNATIONAL

Swabian housewife rolls up her sleeves to oppose liberals in debt brake battle

Clamour to drop Germany's deficit spending curb conflicts with deep-seated aversion to fiscal guilt

GUY CHAZAN — BERLIN

It is Germany's version of Brexit — an act of national self-harm that has placed it at a massive disadvantage to its peers and "strangled its own investments in the future".

That was the conclusion that Max Krahé, Philippa Sigl-Glöckner and Alexander Thiele, young academics, reached when assessing the "debt brake", the constitutional curb on deficit spending.

It was "high time" to change it. "Without it there are only two options left — a permanent emergency without limits on debt, or a Germany that doesn't invest and falls massively behind in economic terms," they wrote in the newspaper Frankfurter Allgemeine Zeitung.

Their take was typical of the wave of passionate commentary and polemic set off by a landmark constitutional court ruling in November that touched off a political crisis and threw the public finances into turmoil.

The judges in Karlsruhe said the government's use of an off-budget fund to finance green projects and Germany's industrial transformation had violated the debt brake, a fiscal rule enshrined in the German constitution since 2009.

For many left-leaning politicians, there was only one sensible response to the verdict — the debt brake had to go. But that is not how the public sees it.

For many, it has a hallowed place in the national consciousness, with echoes of the role of the National Health Service in the UK. According to a recent poll by Wahlen, 61 per cent of Germans want to maintain the debt rule in its current form, and 35 per cent want it loosened.

Among economists, however, opinion is more mixed. A poll of economists by the Ifo Institute and FAZ found 48 per cent wanted to keep it as it is, 44 per cent advocated its reform and 6 per cent favoured its abolition.

"The debt brake divides the profession into two equally large camps," said Niklas Potrafke, head of Ifo's centre for public finances and political economy. "Some see it as an anchor of stability, others as an investment blocker."

In force since 2016, the rule limits Germany's structural deficit to 0.35 per cent of gross domestic product, adjusted for the economic cycle.

For years, politicians on the left have denounced it as an unnecessary constraint on the government's freedom of action. Robert Habeck, the Green economy minister, told a party congress in November that the debt brake was an anachronism, stemming from a time when "climate policies weren't taken seriously, when wars belonged to the past, when China was the cheap workbench of the world".

"With the debt brake in its current form we're like a boxer who's entered the ring with both hands tied behind his back," he said. "The others put horseshoes in their gloves and we don't even have our arms free."

Others in the government, particularly the Social Democrats of Chancellor Olaf Scholz, share his view. But the third party in Scholz's coalition, the fiscally hawkish Free Democrats (FDP), differ.

Christian Lindner, finance minister and FDP leader, told public broadcaster ARD on December 17 that the priority must be to reduce public debt to "ensure we're able to act in future crises".

Change of plan: Robert Habeck, economy minister, left, joins Olaf Scholz, chancellor, centre, and Christian Lindner, finance minister, to present the 2024 budget in December, a month after the debt brake bombshell
Liesa Johannssen/Reuters

He said the country had already made great progress on this path: its debt-to-GDP ratio had fallen to 64 per cent, from 69 per cent when Lindner entered government in 2021. And that, he added, must continue. "For that reason and unless there's a real need, we can't just take on more debt than is allowed."

Supporters of the debt brake recall the dire situation Germany faced in 2009, with its state coffers emptied by reunification and the stimulus measures and bailouts pushed through during the global financial crisis.

"We are in a vice of debt," Peer Steinbrück, finance minister, said as it was voted into law. Some 15 per cent of the budget was going towards servicing the national debt, he said.

Angela Merkel, then chancellor, even evoked a national symbol of thrift and prudence, the Swabian housewife, to justify the new fiscal orthodoxy.

In a speech in December 2008 touching on the financial crisis, she said the *"schwäbische Hausfrau* . . . would have shared with us this worldly wisdom: that in the long term you can't live beyond your means".

But the popularity of the debt brake also taps into something deeper: Germans' aversion to debt.

The word *Schuld* means both debt and guilt, a blurring of morality and finance that, according to Carl-Ludwig Holtfrerich, the economic historian, is unique among big trading nations.

Ever since its introduction, the rule has been contentious. Critics of the brake, suspended during the Covid-19 pandemic and the first two years of the Ukraine war, say that it makes no distinction between debt raised to finance public investments and that taken out to cover normal state spending.

"[It] might work in theory but in practice it's too inflexible," said Harald Fadinger of Mannheim university, a participant in the Ifo/FAZ poll. When faced with the need to make savings, governments tend to slash investments rather than welfare spending, he said.

The result, some experts say, is clear to see in Germany's decaying infrastructure, chronically late trains and hopelessly analogue public administration.

> 'Some see it as an anchor of stability, others as an investment blocker'

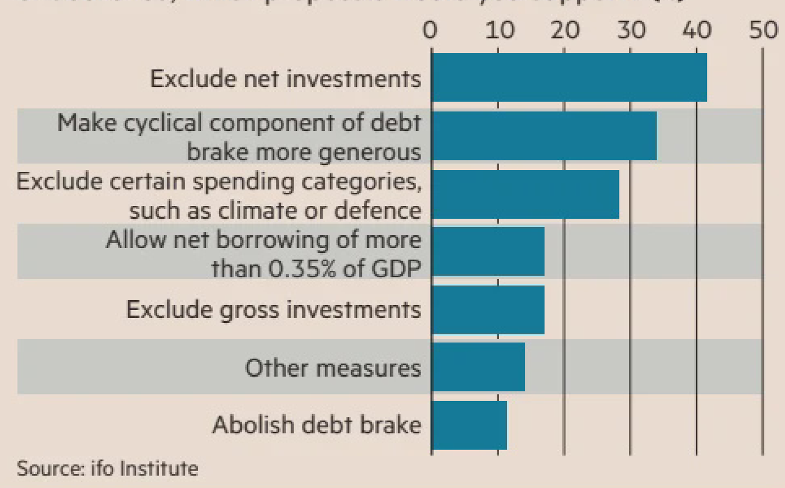
"Considering how Germany ran down its public capital stock over the past 30 years and now faces additional challenges in the areas of climate and defence, reforming [the brake to allow exemptions for investments] would be important," Fadinger said.

Some economists have proposed solutions that would leave the debt rule more or less intact. Michael Hüther, head of the German Economic Institute in Cologne, has called for the creation of a €400bn, debt-financed "transformation and infrastructure fund" to pay for badly needed investments in Germany's railways and roads, its electricity grid, G5 mobile network and in charging infrastructure for electric cars.

The fund would be along the lines of the €100bn special investment fund for the German armed forces, created after Russia's full-scale invasion of Ukraine in February 2022.

But the chances that such a proposal could garner the necessary two-thirds majority in the Bundestag are slim. The opposition Christian Democrats (CDU) have shown little interest in the idea.

They also oppose any attempt to tinker with the debt brake itself, a rule they say prevents governments piling debt on to the shoulders of future generations. Carsten Linnemann, the CDU's general secretary, said: "Doing so is like taking away the air they need to breathe."



Judicial overhaul

Netanyahu's allies berate court and vow to press on with reforms

NERI ZILBER — TEL AVIV

Benjamin Netanyahu's rightwing allies have blasted Israel's top court for harming wartime "unity" while signalling they will wait to resurrect contentious judicial reforms struck down in a landmark ruling.

The so-called "reasonableness bill" to overhaul the power of judges, which was passed in the summer and annulled by the supreme court on Monday, was a key priority for the prime minister's governing coalition and cast by its critics as a power grab.

But any attempt to revive the divisive policy, which triggered widespread protests, is expected to take a back seat to the overriding importance of Israel's offensive against Hamas and the constraints of the broader coalition formed to fight the war.

The supreme court, in an 8:7 decision, deemed the law, which would have eliminated the ability of the judges to review government decisions and appointments, as undermining the country's "core [democratic] character". It marked the first time that Israel's top court has struck down a quasi-constitutional law passed in parliament, and in a 12:3 ruling, the justices deemed they had the authority to do so.

Yariv Levin, justice minister, insisted the ruling would "not deter us". "The judges' decision to publish the ruling during a war is the opposite of the spirit of unity needed at this time for the success of our fighters on the front," he wrote on Facebook.

But signalling that a second push on the reforms may be deferred until after the Israel's offensive in Gaza, he added: "While there is a war under way on multiple fronts, we will maintain restraint and responsibility."

Israel was rocked for much of 2023 by the government's legislative drive, with months of mass protests, the largest in the country's history, ending only after the Hamas attack on October 7. The issue had split society, with analysts and politicians warning of a looming constitutional crisis and even civil strife.

The divisions, in which even reservists refused to report for duty, were set aside only after the outbreak of war. An unofficial wartime motto promoted by Netanyahu and his political opponents stated: "Together we will win".

Miki Zohar, culture minister and a Netanyahu ally, said the ruling "could lead to an unnecessary rift and division", but there would be time "once the war is over" to pursue further reform.

Netanyahu's emergency wartime government, formed in October to bring in Benny Gantz, his centrist rival and former army chief, was also likely to be a restraining factor, analysts said.

Coalition partners agreed before the wartime government was formed that all contentious political issues unrelated to the war effort would be put on hold until after the conflict ended.

Zvika Fogel of the far-right Jewish power party wrote the social media platform X: "Patience: First we'll defeat Hamas, then we'll take care of Hizbollah, and for dessert we'll make order in the supreme court."

Environment. Building regulations

Landlords in a bind as France imposes tough green rules on properties

Tighter energy efficiency standards place big burden on owners of older homes

LEILA ABBOUD — PARIS

Michelle Bassano owns a desirable asset: a top-floor studio apartment she rents out in an almost 200-year-old building in the historic Marais district of central Paris.

But the challenge of meeting France's strict new energy efficiency standards is testing her desire to hold on to the property. "It is a nightmare," said Bassano. "I am thinking of just selling."

Bassano's neighbours in the jointly owned building have refused to approve the spending of roughly €100,000 needed to replace and insulate the zinc roof. Adding insulation to the stone facade outside is banned by historical preservation mandates — yet insulating the inside would mean losing precious space in the 25-square-metre flat and cutting its resale value.

Landlords across France are contending with looming restrictions on renting out poorly insulated apartments and homes under strict new rules being phased in gradually, starting from last year. They aim to encourage owners to renovate roughly two-thirds of France's 37mn homes by 2050.

President Emmanuel Macron's government argues that renovations are needed to address a big source of greenhouse gas emissions. Buildings account for almost half of French energy consumption and a third of carbon emissions, with two-thirds of the total coming from homes. Experts say his government's intervention is unique in Europe.

The new rules pose a particular problem for apartment buildings and historic homes in Paris, along with picturesque villages from Provence to Alsace. Homes in the Marais were doomed to remain in the bottom half of the government's energy rating system even with renovations, said experts.

Critics are warning of unintended consequences: they say the policy may worsen France's housing shortage and could even spark social unrest as high inflation also hits households.

Jean-Claude Bassien, deputy chief executive of property group Nexity, thinks the approach is the right one but that the timetable is "unrealistic".

"We will need more time if we want to do this well and avoid a repeat of the *gilets jaunes*," he added, referring to protests that rocked France in 2018 over a proposed carbon tax on petrol.

To encourage renovations, owners are required to get properties rated for energy efficiency, classifying them from A (best) to G (worst), before they can be sold or rented out. The regulations offer both carrot and stick: poorly insulated homes will gradually be excluded from the rental market over the next decade, but public money is available to help pay for insulation, new windows or upgraded heating.

Landlords of F- and G-rated homes may no longer raise rents, and as of this year, the worst of the G-rated properties cannot be rented to new tenants.

By 2028, 5.2mn homes rated F and G, or 17 per cent of total housing stock, will become ineligible for rental. By 2034, all E properties will also be excluded, or about 40 per cent of homes.

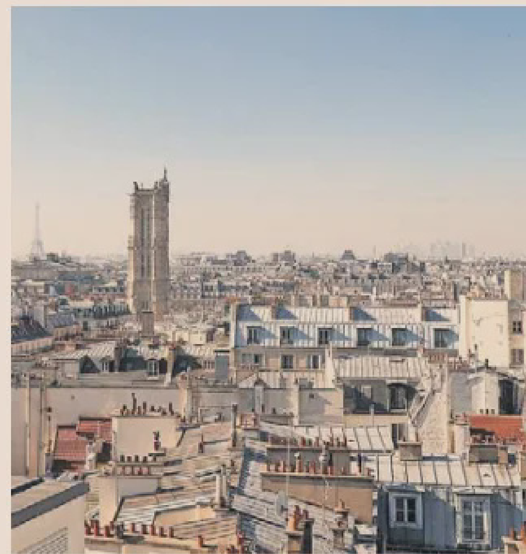
Even some in Macron's camp worry that the approach is too draconian. Bruno Le Maire, finance minister, hinted that he supported softening the rules, but was then forced to backpedal.

While countries across Europe are trying a range of policies to decarbonise and boost the energy efficiency of homes, none had tried what France is doing, said Boris Cournède, a policy expert at the OECD.

"Everyone is looking at the French example to see how it plays out," he said. "It is a good idea on paper even if it is a bit early to judge the results."

Germany has taken a different approach, including banning gas boilers — a politically contentious measure — and creating a carbon dioxide tax on home heating. Belgium and Austria have tweaked rules to allow renovations of multi-owner apartment buildings.

France has pledged to increase subsidies for home renovations from €3.4bn in 2022 to almost €5bn. But a senate report argued more funding was needed — one estimate puts the requirement closer to €25bn a year.



Experts say the rules will be costly in areas such as the Marais in Paris

Real estate agents and property management companies have warned the rules may aggravate housing shortages in cities such as Marseille, Bordeaux and Lyon by shrinking the pool of homes to rent.

Édouard Philippe, Macron's former prime minister and now mayor of Le Havre, said excluding low-rated homes would "mechanically reduce rental options for low-income people".

Another concern is rent control rules in some cities will make it difficult for owners to achieve an acceptable return on renovations where they do carry them out.

In Paris, renovations have become a flashpoint within jointly owned apartment buildings, known as *copropriétés*, because costly projects require majority approval, while a unanimous vote is needed to take out loans.

Laure Gallard has been lobbying her neighbours in a 10-unit, 1920s building to hire an expert to map out the renovations it needs, but has had little success.

"I think they are in denial because they do not want to know and are afraid of the cost that lies ahead of us," said the 34-year-old architect.

Some owners of F- or G-rated homes are simply trying to sell. Almost 20 per cent of homes for sale in the first half of last year were poorly insulated ones, double the level in 2021, according to real estate website Se Loger.

Thomas Lefebvre, data scientist at Se Loger, said there was no guarantee buyers would renovate. "If we are just removing homes from the rental market without spurring renovations, then it is not really a win for the environment."

Jacques Baudrier, a deputy mayor in Paris in charge of construction, refuses to despair. The city has spent €2.5bn in 10 years to renovate public buildings and schools, and plans to update all low-income housing by 2050.

"We have made a lot of progress in the public sector but in the private housing market, things are going far too slowly."

The city holds monthly workshops in town halls to inform people about subsidies and offer advice. At one event in June, 600 came to trade tips on insulation, shutters and heating and cooling systems. "Initially people were really worried but now they are getting into it."

INTERNATIONAL

Stimulus push

Chinese businesses resist lure of cheap loans

Companies loath to take on debt under targeted scheme as economy slows

SUN YU — BEIJING

Chinese authorities have struggled to disperse $740bn in cheap loans to businesses, as banks raise concerns about credit risk and companies are loath to take on more debt in a slowing economy.

The targeted lending programme has been a critical part of Beijing's stimulus effort since the coronavirus pandemic and as authorities have tried to kick-start a sagging economy. But commercial banks have found it difficult to identify eligible borrowers in the industries prioritised by government.

Official data shows half of the 14 People's Bank of China loan programmes, which range in focus from nursing homes to distressed real estate developers, have deployed less than 50 per cent of their quota since they began in 2020. The remaining programmes, or "structural monetary policy instruments", have disbursed between 62 and 87 per cent of their lending quotas.

The slow take-up underscores the challenges faced by Chinese policymakers to revive the country's ailing economy, battered by a real estate meltdown and a lack of private sector confidence.

"China's [financial regulators] are quite aware of the fact that using these targeted measures goes against their attempts to commercialise the banking system and stop interfering in credit allocation," said Eswar Prasad, an economics professor at Cornell University and the former head of the IMF's China division.

"But I think they have decided that targeted credit allocation may be the lesser of two evils, with a larger evil being broad monetary stimulus that could raise all sorts of medium-term financial and other risks."

China already had a long history of wielding targeted loans to achieve policy goals. But authorities increasingly relied on the strategy to support the economy following the outbreak of Covid-19, with the PBoC rolling out more than a dozen short-term, low- or zero-interest lending programmes worth more than Rmb5.3tn ($745bn).

Targeted lending differs from broad western-style monetary easing, according to the central bank, by channelling cheap credit into strategic areas to boost the economy without stoking inflation.

The strategy has only partially paid off, with some newer programmes suffering even lower adoption rates.

Three targeted lending facilities launched in January to allocate as much as Rmb230bn to social housing companies, distressed real estate developers and private companies were not exhausted by the end of September. Two funds backed by the PBoC to funnel Rmb240bn into stalled property projects and affordable nursing homes have deployed only Rmb7.2bn since beginning in June. A state-backed loan programme for logistics, launched at the end of 2022, has dispersed less than half its Rmb100bn quota.

Credit demand is also weak. Official data shows a Rmb40bn PBoC-backed fund for small business loans has dispensed only Rmb22bn since March.

"Business owners are scared of increasing leverage because of the huge economic uncertainty," said an official at Zhongyuan Bank.

Inside Business see Companies

Asia-Pacific. Panguna complex

Bougainville aims to work mine closed after war

Copper deposit seen as critical to push for independence from Papua New Guinea

NIC FILDES — SYDNEY

Backlash: apart from the human toll, the revolt brought widespread destruction to the Panguna mine itself
Friedrich Stark/Alamy

A looming shortage of copper is refocusing attention on whether to reopen one of the world's most contentious mines: a vast deposit in the Pacific that three decades ago was at the heart of a civil war.

The Panguna mine in Bougainville, an autonomous region of Papua New Guinea, closed in 1989 after pollution sparked a local rebellion. As many as 20,000 people, close to 10 per cent of the island's population, died in the civil war that followed.

Once controlled by Rio Tinto, the Anglo-Australian miner, Panguna has been the subject of intense interest from speculators and smaller companies for more than two decades, but only in recent months has resuming copper and gold mining looked achievable.

The Autonomous Bougainville Government sees the revival of the project as critical to the island's economic destiny following a referendum in 2019 that almost unanimously backed independence from PNG. It has tried to resolve a legal dispute over who has the rights to mine Panguna. Bougainville Copper Limited, the Australian-listed historic operator of the mine that is now majority owned by the island's government, is confident it will be issued a new exploration licence.

Ishmael Toroama, the island's president, also appointed himself as mining minister in September. Advisers say he is determined to set Panguna on the path towards reopening ahead of elections set for 2025 to show progress is being made towards independence.

Melchior Togolo, chair of BCL, said that after years of legal disputes over mining rights it had achieved a breakthrough with the Bougainville government. "The project could provide financial self-reliance for the island. It is good we have worked together for the advancement of the project. It's different to the past," he said.

Panguna is also back in focus because of concerns global copper supplies will fail to meet demand, which is set to rise as it plays an important part in clean-energy projects. Demand is expected to double to 50mn tonnes a year by 2035 compared with 2021, according to Wood Mackenzie, the energy consultancy.

Togolo said the global need for copper had increased the impetus to get moving on Panguna, which is estimated to contain 5.3mn tonnes of copper and 19.3mn ounces of gold. "Copper is the transition metal. The green energy metal," he said.

BCL surged 50 per cent on the Australian stock exchange last month as prospects rose that a new exploration licence would be granted.

Reopening Panguna is seen as critical to making Bougainville economically independent as the island pushes to secede. The island's vote for independence four years ago, part of a peace process agreed in 2001, was non-binding and must be ratified by the PNG parliament.

James Marape, prime minister of PNG, told a Lowy Institute event in Sydney this month that ratification was "at the doorsteps", but would not pre-empt the parliamentary process.

Meg Keen, director of Lowy's Pacific programme, said Panguna's complicated history meant a reopening was not imminent. "It is a Pandora's box," she pointed out, citing issues including revenue sharing and land rights alongside a review of the cost of cleaning the site that is being funded by Rio Tinto and is due to be published in 2024.

The mine's toxic legacy has been highlighted by Melbourne-based Human Rights Law Centre, which has filed a complaint on behalf of Bougainville communities against Rio Tinto. When rivers choked by mine tailings overflowed last year villages were flooded.

Keren Adams, HRLC legal director, said the mine caused "massive environmental and social devastation" that communities still live with 35 years on.

> 'Geopolitics is a factor not just in Bougainville, but in PNG and the Pacific. For us, it is about working with someone who will share the benefits'

"Irrespective of what the people of Bougainville decide about the future of mining at Panguna, Rio Tinto must take responsibility for addressing this disastrous legacy. Communities around Panguna need to be able to live in safety and security on their own land," she said.

Rio Tinto declined to comment.

BCL said it would require a larger partner to develop the site. Australian, US and Chinese mining companies are active in PNG and Togolo said he would not rule out working with any partners.

"Geopolitics is a factor not just in Bougainville, but in PNG and the Pacific," he said. "For us, it is about working with someone who will share the benefits."

PNG signed a bilateral security agreement with Australia this month, which followed a security pact with the US. Bougainville lies between PNG's mainland and the Solomon Islands, which has forged closer ties with China in the past two years.

Toroama, who wants to achieve secession by 2027, met politicians and business leaders in the US in November in what advisers said was a sign the government favours a North American or Australian partner for Panguna.

Japan

Planes collide at Tokyo airport leaving five crew dead

LEO LEWIS AND KANA INAGAKI — TOKYO

Five people died when a Japan Airlines passenger plane was in a collision with a coastguard aircraft at Tokyo's Haneda airport yesterday.

The Airbus A350-900 was carrying 379 people when it caught fire after colliding with a Japan Coast Guard DHC-8 that had six people on board.

Five of the JCG crew were killed in the crash, while the captain was seriously injured, according to the transport ministry.

All 367 passengers and 12 crew from the Japan Airlines flight managed to flee via emergency slides, according to the airline.

Video footage showed the plane skidding along a runway with flames under its wings. The aircraft was later seen engulfed in flames, with emergency services battling to control the blaze.

Passengers from the plane, which was arriving from the Japanese island of Hokkaido, who were interviewed by television news crews after the incident, said they thought the plane had landed safely when they suddenly saw fire outside the windows and smoke filling the cabin.

"We thought we weren't going to make it," said one woman travelling with a small child.

> 'This marks the first time an A350 hull has been destroyed by accident'
> Airbus

Coastguard officials and JAL said the collision appeared to have taken place on the runway itself, but footage from public broadcaster NHK seemed to show the JAL flight already in trouble as it neared the ground.

Mobile phone footage on social media, which appeared to have been shot by JAL passengers, showed the cabin filling with smoke as the plane came to a halt on the runway.

Prime Minister Fumio Kishida has called for a full investigation into the cause of the accident.

Toulouse-based Airbus said it was dispatching a team of specialists to assist the Japanese and French investigators.

"The twin-engined A350 is Airbus's flagship widebody aircraft which entered into service in 2015. It is powered by Rolls-Royce XWB engines," the company said.

Airbus added: "The A350 is made of 51 per cent lightweight composite materials and [this] marks the first time an A350 hull has been destroyed by accident."

Tourism minister Tetsuo Saito told reporters that the JCG aircraft was taking emergency supplies to Niigata to support the region affected by Monday's earthquake.

"We will put all our energy into investigating the cause and ensuring the incident does not occur again," he added. The coastguard service is also investigating the incident.

Haneda airport, which is Japan's busiest and handles 490 flights a day, closed after the incident, but three of its four runways were back in operation last night.

Additional reporting by Sylvia Pfeifer

Plagiarism claims

Harvard president quits in antisemitism row

JOSHUA CHAFFIN — NEW YORK

Claudine Gay has resigned as president of Harvard University following her appearance at a congressional hearing on campus antisemitism that prompted scrutiny of plagiarism allegations against her.

Gay, who took office in July, was Harvard's first black president and her tenure was the shortest in its history.

In a statement yesterday Gay said it had "become clear that it is in the best interests of Harvard for me to resign so that our community can navigate this moment of extraordinary challenge with a focus on the institution rather than any individual".

She noted it had been "distressing" to have her scholarly rigour questioned and "frightening to be subjected to personal attacks and threats fuelled by racial animus".

Her resignation, first reported by the Harvard Crimson, the student newspaper, follows that in December of Elizabeth Magill, the former president of the University of Pennsylvania, who also testified at the hearing before a US House of Representatives committee.

In one exchange, the two presidents, along with Sally Kornbluth, their counterpart from the Massachusetts Institute of Technology, struggled to respond when asked if calling for the genocide of Jews violated their campus codes of conduct. Pressed by Elise Stefanik, the New York Republican, both said it depended on "the context".

That response angered donors and alumni at the elite institutions, who had decried the universities' failure to clearly condemn Hamas's October 7 attack on Israel, and address the rising antisemitism that it has unleashed.

The presidents and their defenders have argued that they were trying to balance their public statements against the need to protect free speech on campus.

Gay issued an apology following her December 5 testimony. After an emergency meeting, the university's board issued a statement saying she enjoyed its unanimous backing.

But the scandal focused fresh attention on complaints about Gay's scholarship, specifically passages in her research papers in which the language was similar to that of other academics.

Gay, the daughter of Haitian immigrants, was a professor of political science at Stanford University before joining the faculty at Harvard, where she had earned her doctorate. Her research focused on the voting behaviour of minorities.

Her appointment last year as the university's 30th president, after a search led by businesswoman Penny Pritzker, was considered a watershed moment for America's oldest university as the nation wrestled with a legacy of racial injustice and inequality following the police murder of George Floyd in 2020.

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Disaster

Japan sends troops to help as quake toll rises

LEO LEWIS AND KANA INAGAKI — TOKYO

Japan dispatched 10,000 of its military forces to help rescue and relief efforts after a powerful earthquake on the west coast on New Year's Day left at least 55 dead and dozens injured.

Prime Minister Fumio Kishida said yesterday that authorities were in a "battle against time" to respond to the emergency, as daylight and the lifting of the previous night's tsunami warnings allowed a fuller picture of the devastation.

"We are going to continue our efforts from overnight to make sure that we can get the necessary supplies and personnel into the areas by fully mobilising not just land transport but also routes via air and sea," Kishida said.

Rescuers were searching for survivors in a seven-storey building that toppled on to its side, as well as in the remnants of more than 100 homes that caught fire in the aftermath of the earthquake.

Efforts have been hindered by damage to roads and other infrastructure, especially in the most heavily hit area of the Noto peninsula in central Japan.

Officials in Ishikawa prefecture, the worst hit, said 55 people had died. Of those, 20 deaths were reported in the city of Suzu, while 24 were in the city of Wajima, where a large fire broke out in a market popular with tourists.

"Our city is in a catastrophic state," said Masahiro Izumiya, mayor of Suzu. "Water and power have been cut off across the entire area and we are concerned that the situation could last a long time."

Aerial footage from Japanese media showed a series of large landslides, collapsed coastal roads, fallen trees and, in one port town, a long defensive sea wall that appeared to have fallen during Monday's tsunami.

Firefighters inspect collapsed houses in Wajima, Ishikawa, yesterday

Other images showed smoke rising from flattened wooden homes, flooded streets and dozens of capsized boats.

The first quake, with a preliminary magnitude of 7.6, struck the Noto region in Ishikawa prefecture on Monday. It caused tsunami waves of about a metre on parts of Japan's west coast, prompting residents to evacuate to higher ground and leaving homes without power, water and mobile service access.

Nearly 200 aftershocks have further complicated efforts to restore power and other basic infrastructure. Tens of thousands of residents in Ishikawa remain in schools and public buildings.

The quake hit during one of Japan's busiest holiday periods. Rail services remain disrupted and authorities said Noto's airport, close to the epicentre, would be shut until at least tomorrow.

More than 33,000 homes in Ishikawa remained without power yesterday, according to the Hokuriku Electric Power Company.

Top cop A vigorous DoJ outshines SEC in crypto 'Wild West', swooping with prosecutions that produce rapid resolutions PAGE 11

Companies & Markets

Iberdrola cancels $8bn acquisition of US utility

- PNM deal was held up by regulator
- Move dubbed a 'strategic positive'

BARNEY JOPSON — MADRID

Spanish renewables group Iberdrola has called off its planned $8bn acquisition of PNM Resources, cancelling a deal that would have transformed its Avangrid subsidiary into one of the biggest companies in the US utilities sector.

Avangrid said yesterday that it was exercising a right to terminate the deal because it had been rejected by one regulator in New Mexico in 2021 and the company was bogged down in appealing against the decision in the courts.

Scrapping the agreement will force a rethink of Iberdrola's plans in the US, where the transaction would have made Avangrid the third-biggest renewable energy company in the country. The Spanish group has a presence in more than a dozen countries but has made the US its principal investment target.

> The $8.3bn price equated to 17 times the target's forecast 2024 earnings, a relatively high valuation

Two years ago New Mexico's Public Regulation Commission rejected the $8.3bn deal, which includes $4bn in PNM debt, partly due to concerns over "quality of service issues" at Avangrid.

It also cited the fact that Ignacio Galán, Iberdrola's chair, had been under criminal investigation as part of a probe into ties between Spanish companies and a former police officer involved in a series of high-profile scandals. A Spanish court closed the investigation into Galán in June 2022 and the company has denied any wrongdoing.

The PNM deal had been approved by five federal agencies and Texas's public utility commission. Avangrid had appealed against the New Mexico decision, but yesterday the company said: "With the close of 2023 there is still no clear timing on the resolution of the court review." It said the terms of the deal allowed both parties to terminate "if the merger had not yet been consummated" by December 31 2023.

Abe Silverman, who previously worked at the Federal Energy Regulatory Commission, said that utility commissions were "increasingly prioritising local control over their utilities over merger benefits".

"The perceived trade-off is that utility commissions lose control when large multinational utilities take over the local utility and that their ability to address things like service quality decreases," Silverman said.

Iberdrola's cancellation "is certainly going to cause potential foreign investors to sit up and more seriously evaluate state regulatory requirements".

Goldman Sachs analysts said Iberdrola's decision was a "strategic positive" for the company, partly owing to questions about whether it was paying too much given that interest rates had soared since the deal was announced.

Although the deal was agreed during depressed market conditions amid the pandemic, the $8.3bn price tag equated to 17 times PNM's forecast 2024 earnings, a relatively high valuation by sector standards.

Goldman analysts said terminating the merger would prevent a €9bn increase in Iberdrola's net debt, which would have taken the total to about €55bn had the deal been completed.

In Iberdrola's 2023-25 strategic plan, the US was due to receive 47 per cent of the company's global investments in both power grids and renewable energy production, including the cost of the PNM acquisition and €2bn it planned to invest in the business.

Despite the cancellation, Avangrid said it remained "steadfast" in its commitment to New Mexico and the US.

Bending it Smartphone makers put faith in foldable devices to revive lacklustre market

Power compacts: the Galaxy Z Flip 5 and Z Fold 5 phones help Samsung dominate the segment — Kim Hong-Ji/Reuters

TIM BRADSHAW — LONDON

Every large smartphone maker except Apple is betting that foldable phones will help revive a lacklustre mobile market, despite the devices still largely failing to attract mainstream consumers.

Foldables, which have a screen that opens like a book or compact mirror, barely exceed a 1 per cent market share of all smartphones sold almost five years after they were introduced.

But Samsung has doubled down on the product, investing heavily in marketing. In July, the Korean group released its 5G Galaxy Z series.

The world's largest smartphone manufacturer points to estimates from Counterpoint Research that foldable devices may surpass a third of all smartphones costing more than $600 by 2027.

"We will continue to position our foldables as a key engine for our flagship growth with the clear differentiation, experience and flexibility these devices have to offer," said Samsung.

Other handset makers, such as Motorola, China's Huawei and its spin-off Honor, are also pinning their hopes on the product helping to revive a market that suffered its worst year for more than a decade.

"This is the year [the industry] really dived in," said Ben Wood, an analyst at CCS Insight. "Everybody now is betting on this, except Apple."

The iPhone-maker has yet to show any interest in the category, though patent filings suggest it may one day introduce an iPad that folds. Every other big smartphone maker has followed Samsung, including Google's Pixel Fold and Chinese alternatives from Huawei, Oppo and Xiaomi.

"We believe foldables are the future of smartphone devices, just like electric cars were to the auto industry," said Bond Zhang, UK chief executive of Honor. "We're approaching a crucial tipping point where foldables may soon become mainstream."

But market data shows foldables are still far from mainstream. Counterpoint Research estimates about 16mn foldable phones will be sold this year, just 1.3 per cent of the 1.2bn smartphone market total. Analysts say consumers are deterred by price, reliability and utility.

"I do wonder if there are too many products chasing too little market share at the moment," Wood said.

The high price point of foldable phones does fit with a broader pattern of polarisation in the market between premium devices, where Apple dominates, and lower-cost handsets.

Foldable phones' premium prices are helping makers offset sluggish sales of cheaper devices. In the US, Samsung's Z Fold 5 costs upwards of $1,800, while Honor's Magic VS2 starts at Rmb6,999 ($979) in China.

BNP Paribas to settle over risky Swiss franc loans

SARAH WHITE — PARIS

BNP Paribas has agreed to pay up to €600mn to settle a long-running dispute with French customers who alleged they were misled into taking out risky mortgages in Swiss francs.

French consumer group CLCV said yesterday that it had reached a deal with BNP on behalf of some 4,400 customers who were hit when the Swiss currency started to strengthen against the euro at the onset of the eurozone's debt crisis in 2010.

The settlement with the customers, who were pursuing BNP for compensation through a civil case in the French courts, will cost the bank between €400mn and €600mn, according to a person familiar with the matter.

While the French customers were attracted by the lower interest rates on mortgages denominated in Swiss francs, they claim they were not sufficiently warned of the currency risks that the loans carried.

Many of those affected lived in the Alpine region near the Swiss border and took out a mortgage product called Helvet Immo, which was supplied by a subsidiary of BNP Paribas, to acquire small buy-to-let properties.

The strengthening of the Swiss franc left some with monthly payments that exceeded the original size of the mortgages, which averaged €130,000.

CLCV said it was "satisfied to have reached a friendly outcome, in the interest of the consumers concerned and without having to wait for [court] decisions to be taken".

BNP said in a statement that the settlement was available to all affected customers, but declined to give further details.

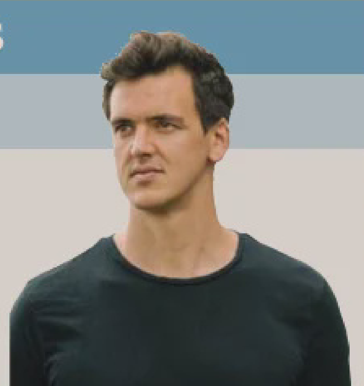
The agreement comes after judges in a separate criminal case centred on the same loans had ruled against BNP in an appeals hearing in November, when the bank was found guilty of deceptive commercial practices and ordered to pay some €200mn in damages.

BNP was not the only eurozone lender to offer Swiss franc mortgages. Polish consumers were among the biggest users of such products, sparking legal action that ended up at the European Court of Justice with a decision in favour of the borrowers in 2019.

More than half a million Poles took out loans linked to the franc in the years after Poland joined the EU, drawn by the prospect of lower interest rates.

China's 'dinosaur' state-owned enterprises make a green pivot

INSIDE BUSINESS
ASIA
Edward White



For decades, China watchers have labelled the country's state-owned enterprises "dinosaurs" that inefficiently soaked up precious state resources for mixed economic gain.

But now there is evidence that a green pivot by some of China's biggest energy SOEs is helping Beijing achieve its goal of moving towards energy independence while extending the country's lead in clean technologies.

As a result of SOEs channelling capital expenditure towards clean technologies, China has increased the share of renewable electricity generation capacity — mostly solar, wind and hydro — to about 50 per cent in 2023, from 38 per cent in 2019 and 29 per cent in 2013, according to the Shanghai-based consultancy Rystad Energy.

According to analysis by Xuyang Dong of Climate Energy Finance, an Australian think-tank, China is on track to exceed Beijing's target for a 50 per cent boost in the installed capacity of renewable energy generation over the period of the state's 14th five-year plan, from 2021 to 2025.

While European and US politicians complain about Beijing's generous state support for manufacturing of clean tech products, Dong points to benefits stemming from China's centralised command and control structure as well as governance continuity. When Beijing ordered the SOEs to pivot towards renewables, "they do it", she said. Dong argued that among western countries there were barriers to decarbonisation in the "myopic short-termism" of financial markets, the struggle to establish carbon pricing, and policy disruptions when governments changed.

The SOEs' renewable investment drive was sparked by Xi Jinping's 2020 climate pledges. China is the biggest emitter of greenhouse gases, responsible for about 30 per cent of the total, but has promised to reach peak CO_2 emissions by 2030. The country has pledged to achieve net zero emissions by 2060.

China's SOEs are a pillar of the second-biggest economy, accounting for 66 per cent of gross domestic product in 2023, Tsinghua University public policy experts Zhang Fang and Zuo Jialu wrote in February. And in energy, size matters.

> The SOEs have the backing to develop at scale the country's best wind and solar resources in the remote north-west

The SOEs have the backing to develop at scale China's best wind and solar resources in the remote north-west, areas where smaller private sector groups have struggled to operate.

Another feature of Chinese policymaking is that leaders' publicly stated targets are seldom missed. The investment drive in renewable energy, coupled with China's rapid transport electrification, means many international experts forecast that China's emissions peak will probably occur sooner than 2030.

And the implications of this green turn by China's SOEs go beyond the high-level climate targets. Whereas once the groups were known for being deeply conservative, they are investing more in unproven technology, including start-ups.

"They are actually on the edge of trying out new technologies and putting those into commercial use," said Yicong Zhu, senior renewables and power analyst at Rystad Energy.

This is boosting private sector research and development efforts at a time of capital market weakness, and means China is well placed to extend its lead across clean technologies. In one example cited by CEF, China State Shipbuilding Corporation is developing the largest prototype offshore wind turbine, with the rotor 260 metres high and powering about 40,000 households.

While Xi's climate promises meant the SOEs had little choice but to join the green transition, there are signs that groups are finding the move is increasingly good business. Last year, Zhu and colleagues delved into the financial performance of 14 electricity generators over three years to the end of 2022, finding that new renewable energy was more profitable for the groups than relying on coal and gas.

Yet as Zhang and Zuo from Tsinghua point out, across the SOE sector, opacity remains a problem. "Very few" SOEs publicly disclose their exact emissions data. And coal was still responsible for about 60 per cent of the country's generated electricity in 2023.

Simeng Deng, also of Rystad, says that providing secure electricity supply and avoiding blackouts remains paramount.

"Reliability is the most important thing. They don't want to make their portfolios too risky," she says.

Still, she adds: "Don't call them dinosaurs any more."

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Financials

Vanguard erodes BlackRock's US ETFs lead

Challenger leverages reputation for low-cost, broad-based strategies

WILL SCHMITT — NEW YORK

BlackRock's lead in the US exchange traded fund market is being eroded by Vanguard and smaller rivals as firms jockey for a larger slice of the $8tn industry.

BlackRock's iShares managed about 32 per cent of the US ETF market as of November. That compared with 33.7 per cent in late 2022 and was down more than 7 percentage points from the end of 2018, when the $9.1tn asset manager controlled nearly two out of every five dollars invested in US ETFs, according to data from Morningstar Direct.

While BlackRock's iShares line-up aspires to "be everything to everyone", Vanguard's ETF suite "takes a different take" by focusing only on stocks and bonds while leveraging the group's reputation for low-cost, broad-based strategies, said Bryan Armour, Morningstar's director of passive research for North America.

"When iShares competes directly with Vanguard on cost, like S&P 500 or total stock market ETFs, investors still reach for Vanguard's ETF because those cheap, broad-market index funds are what [Vanguard is] best known for. And cheap index funds have been on fire in terms of flows," he said.

The market share erosion suffered by the world's largest asset manager in the US stands in contrast to BlackRock's success in Europe. There, the firm's ETF line-up has maintained a steady 44 per cent share of the $1.7tn market over the past five years, putting it far above its competitors.

Asked for comment on the market share trends, BlackRock pointed to its $220bn in global inflows in 2022 and said it was on pace to be a global inflows leader again in 2023.

"We are proud to see that clients globally — from first-time investors to large active asset managers — continue to entrust iShares with more of their new assets than any firm to meet their investment needs, whether for liquidity instruments or core allocation tools," a BlackRock spokesperson said.

BlackRock has built on a first-mover advantage in Europe-domiciled ETFs by developing a web of relationships with institutions there, said Debbie Fuhr, founder of ETFGI, a consultancy. Retail investing is also far more prominent in the US than in Europe, where institutional clients that know BlackRock hold greater sway, she said.

Vanguard has increased its share of the US market from about 25 per cent to about 29 per cent since 2018. A spokesman said the firm would "continue to take a thoughtful approach to product development to build on an ETF line-up that has earned clients' trust".

Behind iShares and Vanguard in the US ETF market, State Street Global Advisors has slipped from almost 17 per cent in 2018 to just under 15 per cent as of December 2023, while Invesco has crept from 5 per cent up nearly to 6 per cent, according to Morningstar.

Two less established players, JPMorgan and Dimensional Fund Advisors, have developed their ETF line-ups to reach combined control of 3 per cent of the US market, up from less than 1 per cent in 2018.

The European ETF market has grown from about $765bn at the end of 2018 to more than $1.7tn. Amundi (now at 12.7 per cent) and DWS's Xtrackers (10.1 per cent) hold sizeable shares of the market, with Vanguard managing about 6.6 per cent, according to data from ETFGI.

Technology. Diversification

DoorDash ready to sprint for growth

Meal delivery group targets expansion into new business lines and non-US markets

IVAN LEVINGSTON

DoorDash is looking to use its financial clout to diversify beyond its core business of delivering restaurant meals to home diners, as the US group seeks ways to invest a growing cash pile.

"The two largest areas of investment are expansion and penetration outside of the US, as well as the same outside of restaurants," CEO Tony Xu said.

His declaration of a push into new markets comes 18 months after DoorDash completed its €7bn all-stock acquisition of Finland's Wolt, a transaction that extended the US meal delivery company's reach to 27 countries.

The San Francisco-based group generated $878mn of free cash flow in the 12 months to the end of September, setting it up with financial muscle to look around for opportunities.

'We went from zero to a multibillion-dollar business' for non-restaurant deliveries

DoorDash, keen to target smaller geographies often avoided by its competitors, last year expanded into Austria and Iceland through Helsinki-based Wolt. Its interest in smaller countries mirrors a US focus on suburbs and small cities. Job postings suggest the group is looking to move into Luxembourg.

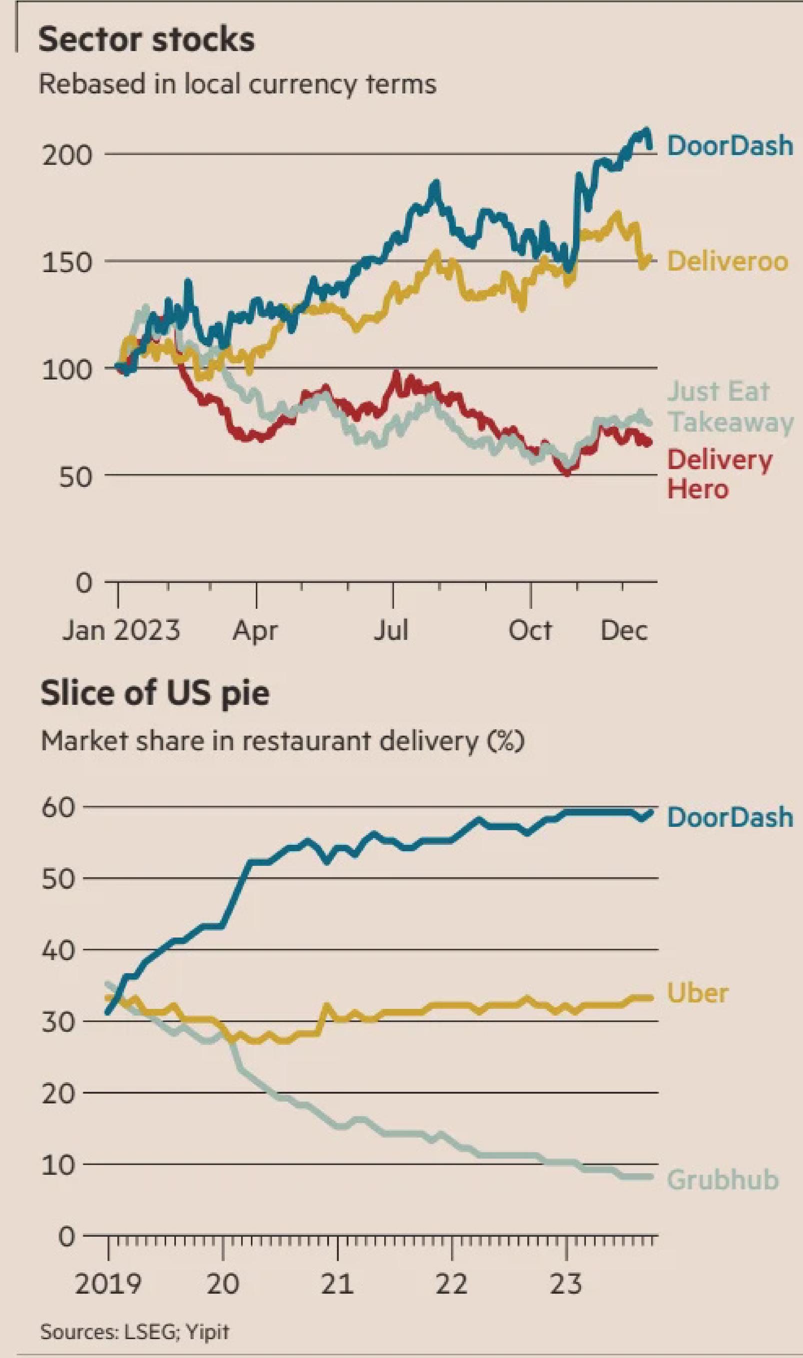
Food delivery companies have had a tumultuous few years. Business at DoorDash and its competitors flourished during the Covid-19 pandemic when consumers stuck at home during lockdowns pushed up delivery orders. However, as rules eased, growth slowed.

Analysts predict further consolidation in the crowded food delivery sector as industry valuations have slipped from those pandemic highs.

Deliveroo, for example, could face uncertainty this year as the expiry looms of dual-class shares owned by its co-founder and chief executive Will Shu. The shares give Shu extra voting powers, including the ability to block a hostile takeover, until the third anniversary of Deliveroo's 2021 IPO.

DoorDash, however, has maintained some momentum and enjoyed a more bullish 2023 than its rivals such as Delivery Hero and Just Eat Takeaway. Third-quarter revenue rose 27 per cent to $2.2bn, compared with the three-month period to September 2022, its latest earnings report showed.

"We're not going to invest behind inefficient growth" and will keep a "high bar" for acquisitions, Xu said. "We're not investing into every single project at the maybe levels that we like . . . but we're always looking to reinvest."



The 10-year-old online platform has nearly doubled its market share over the past five years to build a commanding position in US restaurant delivery, according to researcher YipitData. DoorDash accounts for 59 per cent of the market — nearly double the share of Uber, its nearest rival.

Last year, its shares more than doubled to outperform the sector and give DoorDash a market capitalisation of $39.4bn. That share price, of about $100 apiece, is still, however, well below a 2021 peak of about $246. The company had a $70bn valuation when it listed its shares in New York three years ago.

The group has also authorised stock buybacks, approving the repurchase of up to $750mn of shares in February.

Miki Kuusi, chief executive and co-founder of Wolt who is now steering DoorDash's business outside the US, said the company was still "investing into growing the population coverage" in its 29 active markets. "We don't in most of our countries cover 100 per cent of the population," he said.

As part of its overall expansion strategy, DoorDash added alcohol delivery in 2021, shipping beer, wine and spirits quickly to consumers' doors in 20 US states as well as in Australia and Canada in a follow-up to similar moves by rivals including Uber and Gopuff.

Delivering: DoorDash chief Tony Xu, below, has a big cash pile to invest outside its core US markets
Carlo Allegri/Reuters

It is also building up an advertising business that it launched two years ago for restaurants and other brands to market to its customers. That business, which rivals have also adopted for its high-margin sales, has helped drive DoorDash's revenues. Mirroring other delivery groups such as Deliveroo, DoorDash is targeting an expansion into retail and grocery.

"If you already have a large consumer base, and a large driver base that is interacting with you many times a week, you just have more shots on goal to be able to launch into these adjacent categories," Xu added. "We went from zero to a multibillion-dollar business" for non-restaurant deliveries.

The company at the end of 2022 had more than 32mn monthly active users and more than 6mn drivers. Supermarkets such as BJ's Wholesale Club, which was previously exclusive to competitor Instacart, have partnered with DoorDash. The company is also working with retailers such as Dick's Sporting Goods, the largest of its kind in the US, and French beauty group Sephora.

"Grocery and convenience is the big push and the one that has the cleanest use case" among the company's expansion plans, said Nikhil Devnani, an analyst at Bernstein.

Telecoms

BT misses UK deadline for removal of Huawei equipment

YASEMIN CRAGGS MERSINOGLU AND DANIEL THOMAS

BT has failed to fully hit an end-of-year UK government deadline for removing telecoms equipment supplied by Huawei after delays in migrating its 2G and 3G services, as providers race to strip the kit from their networks owing to security concerns.

UK telecoms operators were required to rip out Huawei equipment from their core infrastructure; in effect, the central parts of the network, by December 31 as part of a wider ban on kit from the Chinese vendor over national security concerns.

BT has removed almost all of the telecoms infrastructure supplied by Huawei but is yet to finish the process. Other groups have also been racing to hit the deadline, and face potential fines if they do not comply with the ban.

However, government officials said they would be given some leeway given the difficulties in taking out essential parts of a network while still running services.

BT said that 4G and 5G data and voice calls were "now delivered by non-Huawei core equipment". It said that more than 99 per cent "of all core traffic is now being served by non-Huawei kit".

The FTSE 100 company is still working on its older 2G and 3G voice and data services, however, which also enable calls and internet usage over its networks.

BT has estimated the cost to the company at £500mn for the total removal of Huawei equipment

The government in 2022 issued legal documents to operators stating that Huawei technology must be removed from 5G networks by the end of 2027, after initially announcing the ban in 2020 following US sanctions on the Chinese company.

The requirement to remove Huawei kit from the "core" network was extended to the end of last year following industry consultation. The original target date was in January 2023.

One mobile executive said it had been "a challenging and lengthy process" that had meant "close communication with government regarding our timescales".

Huawei declined to comment. It has always denied its tech poses national security risks.

The government ban has previously caused disruption. The FT in September reported that the drive to remove Huawei kit had led to mobile outages for Sky customers.

Sky said: "We place the highest importance on the security and resilience of our services and are making changes to our network in line with government objectives."

Outgoing BT chief executive Philip Jansen in 2020 warned of the risks of service blackouts if further measures were taken. BT has estimated the cost to the company to be £500mn for the total removal of Huawei equipment.

UK communications regulator Ofcom will report to the secretary of state by March 31 on providers' progress on the core network deadline.

Virgin Media O2 said it had "removed all required equipment from our core broadband and mobile networks" and was supportive of the government's objective of removing Huawei equipment from UK telecoms networks.

Vodafone said it had "never" had any Huawei kit in its core network and was "on track" to meet the 2027 deadline.

Financials

Asset managers hunt for talent able to sell complex 'alternative' investments to the wealthy

MADISON DARBYSHIRE — NEW YORK

Big asset managers are battling to hire personnel to sell new, more complex investments as they move away from mutual funds and into alternative products aimed at a rich clientele.

Developing products in "alternatives" — asset classes such as credit, private equity and real estate — has received intense focus for asset managers that have otherwise suffered fund outflows in the past few years.

Harder to trade and less liquid than traditional equities, alternatives have historically been the domain of large institutional investors such as pension funds and endowments. But, inspired by the success of retail-focused products such as real estate and credit funds offered by Blackstone, asset managers are turning to affluent investors as a new source of capital.

The so-called wealth channel could bring between $500bn and $1.3tn into alternatives by 2025, McKinsey estimated in a 2022 study.

But firms are struggling to find salespeople who both understand these complex products and have experience bringing them to market, making it difficult to compete with established players and slowing the very growth the groups are depending on.

"Where I'm seeing the biggest resource constraints in the market is really along the marketing and sales function," said Paul Kelly, the global head of alternatives at DWS and former chief operating officer of Blackstone's credit business. "Getting the right level of talent that understands the product and also the client base is harder."

Managers predominantly reach affluent individuals through wealth management, a business that combines asset management with financial planning and advice and is expected to swell from $137tn in assets in 2021 to almost $230tn by 2030, according to Bain, the consultancy.

The size of the opportunity is huge for alternative investment products targeting the wealthy: while individual investors hold roughly half of the more than $275tn in global assets under management, they are estimated to hold just 16 per cent of alternative investment capital, Bain found.

Selling into the wealth channel has proved challenging for alternatives providers used to selling to institutional clients. Wealth managers are often less experienced with alternatives.

"In the wealth channel, [sales] is a blocking and tackling game," said Jenny Johnson, the chief executive of Franklin Templeton. "You have to get the right product in the right vehicle, then convince each gatekeeper to put it on their platform while educating your own salesforce."

She added: "Then it is hand-to-hand combat as you educate each financial adviser on how to handle it in their portfolio."

More established firms have sales staff with experience educating wealth managers, helping sell the products. "To Blackstone's credit, they've been doing it for years," Johnson said. The opportunity is potentially large: 85 per cent of financial advisers want to increase allocations to alternatives in the coming year, according to a survey by alternatives research firm CAIS.

"You need strong salespeople who understand the products and to do a lot of education," said Alexander Blostein, an analyst at Goldman Sachs. "The traditional managers and mutual fund salesforce have not done enough to be equipped to do the job the way someone who has been selling this product for a long time can."

Skilled salespeople exist in alternatives, executives say, but often they are at larger managers with popular products such as Blackstone. Because salaries in sales are also based on commissions, experienced staff with top-selling products have little incentive to leave.

More than $2.5bn has flowed into Blackstone's $61bn Private Credit Fund since the start of 2023. The fund has posted positive net flows every quarter since it was launched at the beginning of 2021.

Kelly at DWS said: "They're not a dime a dozen, and the talent that exists today is already gainfully employed at the larger alternatives shops."

Nicholas Saglimbene, an investment management recruiter with headhunter Selby Jennings, said that was driving up pay for specialists. "Compensation has jumped exponentially across the board within investor relations and sales," especially in "hot" products such as private credit and real estate, he said.

Big Four firms in governance rethink after 2023 troubles

Accounting networks' shortcomings left exposed by scandals and miscues

STEPHEN FOLEY — NEW YORK
SIMON FOY — LONDON

Scandals and strategic mis-steps exposed shortcomings in the governance of Big Four accounting and consulting firms in 2023, prompting a rethink on how best to hold management to account.

EY's US partners voted before Christmas to introduce a governance system that includes a board to oversee management and approve strategy, according to people familiar with the matter. The revamp, which will come into force in July, was proposed after EY's US management team vetoed a plan to spin off the firm's global consulting business, prompting anger from many partners.

PwC's global boss Bob Moritz said governance reforms in Australia, where it was hiring a chair from outside the firm for the first time, could become a blueprint for other countries in its global network.

Meanwhile, the US audit regulator has launched a "culture review" of the firms, to root out the cause of a rise in the number of public company audits that fail to meet regulatory standards. The review would examine whether something had gone wrong with "tone at the top", the Public Company Accounting Oversight Board announced

> 'When it becomes scaled-up, the leadership becomes more and more divorced from the partners'

in December. It would also put the organisational structure of firms under scrutiny.

The debate over governance at the Big Four, which collectively employ 1.5mn people and audit most of the largest public companies, was overdue following years of heady growth, according to Laura Empson, a professor specialising in the management of professional service firms at the University of London's Bayes Business School.

"The current governance of the Big Four encompasses the worst aspects of partnership governance and the worst aspects of corporate governance," she said. "The partnership model eliminates the principal-agent problem, in that owners, managers and major producers are one and the same. At a small scale, that can work very effectively. The problem is, when it becomes scaled-up, the leadership becomes more and more divorced from the partners."

The Big Four firms operate as global networks of locally owned partnerships, making them quite different from multinational public companies, where boards of directors have significant sway.

A common structure is for management to be overseen by a board made up of longtime partners from different parts of the firm, which has the responsibility of appointing the chief executive or senior partner and some role in approving strategy. Critics point out the circularity: even longtime partners owe their jobs in whole or in part to the chief.

This was laid bare in the report on PwC's culture in Australia, where a tax partner used secrets gleaned from his advisory work for the government to help craft tax planning services for multinational tech groups. The report said the governance structure created a clubby atmosphere that gave too much power to the chief. In response, PwC Australia said it would beef up its governance board overseeing management and bring in at least three independent board members, including one as chair.

Moritz, PwC's global chair, said he had been encouraging local partnerships to improve governance by involving independent outsiders for the past six years. "Because of these unfortunate, unique circumstances, Australia's got to leapfrog ahead quite a bit and jump right to that end game," he said.

EY has been an outlier in not having a board overseeing its global management nor requiring that arrangement in its local partnerships. That led to the spectacle of chief executive Carmine Di Sibio playing kingmaker in the appointment of his successor, who was picked by EY's 18-member global executive committee in November. EY's governance council ratified the appointment, but the group is made up of 38 people — too unwieldy for active decision-making, according to governance experts.

Executives at EY have been working on proposals for governance reform, which will be in the in-tray of global chief executive-elect Janet Truncale.

The US is ploughing its own furrow, having approved creation of a new board that will be chosen by elected partners and will have hiring and firing power over EY's US leader. The local board could ultimately include members from outside the firm, according to a person familiar with the plan.

National regulators take divergent views on how the Big Four should be governed. In Europe, some countries have mandated creation of oversight boards and the appointment of at least some independent board members.

In the UK, the Financial Reporting Council first recommended introduction of independent non-executives from outside the firm in 2010 for those auditing 20 or more listed companies.

The regulator's latest audit firm governance code, which operates on a "comply or explain" basis, recommends that larger firms have at least three independent non-executives who are in the majority on a supervisory body that oversees "public interest matters".

Under separate plans for the Big Four in the UK to ringfence their audit businesses from their tax and advisory arms, they will be required to have a separate audit board with a majority of non-executives to oversee audit quality and the activities of their audit arms.

Since 2018, the Netherlands has required firms auditing public interest entities to have an independent supervisory board to oversee their internal activities. In the US, the PCAOB has proposed requiring an audit firm to have at least one person who is not a partner sit on its board or some other kind of advisory body.

Francesca Lagerberg, chief executive of Baker Tilly International, said independent non-executives were a "real positive" as they allowed firms to "break through their own echo chamber".

But Bayes Business School's Empson cautions not to expect too much. "The firms haven't yet come to terms with how much involvement the non-execs need to have to perform the role that the regulators are expecting of them."

"In underestimating the time and commitment of their non-execs, the big audit firms also underestimate how much they need to pay them. As a result, it is not always easy to attract enough of the right people for the job," she added.

Industrials

Adani empire starts to put Hindenburg behind it

CHLOE CORNISH — MUMBAI
HUDSON LOCKETT — HONG KONG

Indian tycoon Gautam Adani's listed businesses have regained $46bn in market capitalisation over the past month, representing nearly half the losses incurred after Hindenburg Research released a damaging short-seller report almost a year ago.

The sprawling infrastructure conglomerate has been rebuilding its stock market value after the report in January last year accused Adani of accounting fraud and stock market manipulation.

The allegations plunged the group into a public relations crisis, forced it to call off a $2.4bn share sale and wiped as much as $150bn from its market capitalisation despite Adani's strong denials.

India's political opposition also seized on the report to attack Prime Minister Narendra Modi, perceived to be close to Adani. The billionaire denies benefiting from a personal connection with Modi.

Following a brief recovery rally in March, the market capitalisation of Adani's 10 listed companies has languished at about Rs10tn ($120bn) for most of the year, roughly half their value before Hindenburg's report.

But since November 24, the stocks have posted average gains of 36 per cent, delivering a recovery of Rs3.8tn in market value and paring overall losses for 2023 to about 25 per cent.

Most of the gains came after a decision on November 24 by the Securities and Exchange Board of India not to request more time for its probe into Adani businesses from India's Supreme Court, with one official telling justices the regulator had finished investigating all but two of two dozen cases related to the group.

An Asia-based equities analyst at one large European asset manager said the regulator's decision was "not quite a clean bill of health". He added that the market value of the group's listed companies was unlikely to fully recover from the short-seller report.

The gains for Adani stocks follow a broader rally for India's stock market, with the benchmark Nifty 50 index up 20 per cent over the past year. Sentiment towards the group's listings was also buoyed in November, when the US government announced it was lending $553mn to an Adani-led container terminal project in Sri Lanka.

As its share prices tumbled following the short-seller report, Adani moved to reassure its bankers by paying off more than $2bn in share-backed loans that had been taken by the Adani family. It launched a bond buyback at its ports unit and found a new investor — US-based firm GQG — which initially bought $1.9bn worth of stock in March.

"They needed a few billion dollars on a personal level to pay off those loans," said Samir Arora, founder and fund manager of Helios Capital, who has also invested in Adani stocks. "To get $2bn-$3bn was not an issue and then of course GQG came and solved it for them."

Adani has insisted the Hindenburg report has not changed operations. "After the first few days of confusion and market volatility, life inside the organisation continued as normal," said an Adani executive who asked not to be named.

The company said its earnings grew by 47 per cent — its best performance — in the first six months of India's financial year, which begins in April.

Although domestic flight demand in China has remained strong, flights on international routes from hubs such as Beijing lag behind peers Zhong Rui/VCG via Getty

High alert

Plane lessors grow vigilant on China risk

Global aircraft leasing companies are reassessing their risk appetite for China amid heightened tensions with the US and in the wake of big losses following the grounding of planes in sanctions-hit Russia.

Some international lessors have begun to reduce their exposure to the country, industry executives and analysts said. Friction between the US and China, coupled with uncertainty over war risks surrounding Taiwan, were adding to wider concerns over geopolitical risk, they added.

China is the single largest market for airline lessors, according to aviation consultancy Cirium, with nearly 20 per cent of their global portfolio leased to operators within the country, and it is forecast to remain a critical market.

But western lessors "may be at the start of a trend to de-risk" from China, said Eddy Pieniazek, head of advisory at aviation consultancy Ishka.

"The major risk is about whether there would be war in [the] coming few years" across the Taiwan Strait, which could put many aircraft assets at risk, said an executive from a big aviation leasing company. "If you look at Russia, the aircraft got detained in Russia . . . that could also happen in China if the same sanctions [are] imposed on China."

Hundreds of planes owned by western aircraft leasing companies were stranded in Russia after it invaded Ukraine in 2022. Many lessors are still embroiled in legal disputes with insurers over claims.

Aircraft leasing companies' experience in Russia "probably alerted some lessors to review or reconsider their exposure concentrations", including that of China, Pieniazek added.

Los Angeles-based Air Lease Corporation, one of the biggest aircraft lessors, owning about 448 planes and with a fleet net book value of $25.6bn, said it had over the past five years reduced the share of its portfolio in China from about 20 per cent to about 7 per cent as of September.

The lessor last year was forced to write off more than two dozen aircraft detained in sanctions-hit Russia at a cost of $802mn. It said it was still looking for ways to recover losses including through insurance claims and litigation.

Steven Udvar-Házy, Air Lease executive chair, told an investor conference in September that the company watched China "very closely". He said: "We're in the process

> Sino-US rift tensions on Taiwan have prompted some operators to start reducing exposure

of selling a number of our Chinese assets to other Chinese leasing companies." Air Lease, he added, aimed to have "about 4-5 per cent" of its total portfolio in China.

Dublin-based Avolon, which owns a fleet of more than 520 jets, has reduced its China exposure from 13.4 per cent of its total portfolio at the end of 2019 to 9.5 per cent in September this year.

The lessor, which counts China's Bohai Leasing and Japanese financial services group Orix as its owners, had to write off $304mn last year as 10 of its planes were stuck in Russia. Avolon declined to comment on the reasons behind its decision to lower its China exposure.

However, others, including Dublin-based AerCap and SMBC Aviation Capital, have in recent years expanded their portfolios in China, according to Cirium data.

AerCap, which owns more than 1,800 aircraft, grew its Chinese exposure from about 13 per cent of its portfolio in 2019 to nearly 17 per cent last month, Ishka data showed. AerCap declined to comment.

BOC Aviation, a state-backed lessor majority owned by the Bank of China, which owns more than 400 planes, said it still hoped to grow its market share in China.

The Singapore-based lessor added that although the proportion of its fleet leased to Chinese airlines over the past five years was down, it was "largely due to the fact that the Chinese market was closed and shrank . . . while other jurisdictions grew".

As some western lessors reassess their presence in China, the market share from Chinese aircraft lessors has increased and now stands at around 52 per cent of a total of 922 leased planes in China, compared with 48 per cent of 690 planes in 2020, according to Cirium's analysis.

China's domestic flight demand has remained strong in the past year despite the economic slowdown, but the resumption of international routes still lags behind many peers.

However, analysts still believe that the long-term opportunity in China for aircraft lessors remains optimistic. "The demand for aircraft in China remains strong and cannot be solely met by Chinese lessors," said Herman Tse, valuations manager at Cirium. *Chan Ho-him and Sylvia Pfeifer*

Energy

Chevron says 'harsh' California policies harm investment plans amid rift with lawmakers

JAMIE SMYTH — NEW YORK

Chevron said yesterday a deepening rift with lawmakers over energy policy in the state of California would dent its earnings in the fourth quarter and further reduce its investment plans for its home state.

"Continuing regulatory challenges" in California will contribute to a non-cash charge of $3.5bn-$4bn, the oil giant said, reflecting a writedown in the value of its US upstream oil and gas assets, primarily in the state. The charge will also include a loss related to decommissioning obligations linked to assets it previously owned in the Gulf of Mexico.

The disclosures follow moves by California regulators to implement a bill signed into law last year by the state's Democratic governor, Gavin Newsom, which aims to penalise oil companies for allegedly "price gouging" consumers.

The so-called "margin penalty" law seeks to limit the profits that local refiners can make in the state, where motorists pay among the highest gasoline prices in the US.

Chevron, which is headquartered in San Ramon, California, is lobbying furiously against the new law. In a filing to California regulators the company said it was part of an "increasingly harsh regulatory environment" in the state that has resulted in higher gasoline prices for consumers, reduced production and decreasing investment.

"Setting a margin penalty would absolutely discourage investments here," Andy Walz, president of Americas products at Chevron, wrote in a letter to the California Energy Commission dated December 12. "Further, these arbitrary attacks on a disfavoured industry do more than this — they signal to every industry, entrepreneur, manufacturer, and employer that California is closed for business," he wrote.

Chevron said it had already slashed investment in California by hundreds of millions of dollars since 2022 and rejected capital projects because the state's energy policies have "made it a difficult place to invest".

California's local crude oil production has declined by 28 per cent to 305,000 barrels per day over the past four years, according to EIA data.

Chevron has clashed repeatedly with the administration of Newsom, who has introduced some of the nation's toughest climate policies, including plans to phase out sales of gasoline cars by 2035.

In September, the state sued several of the world's biggest oil companies, including Chevron, alleging they deceived the public for decades about how the burning of fossil fuels is destroying the planet.

Mike Worth, Chevron's chief executive, rejected the lawsuit's claims in an interview with the Financial Times, saying: "We have never deceived anybody."

Last month Wall Street analysts revised lower their estimates for Chevron's fourth-quarter earnings, citing operational setbacks in Kazakhstan and other locations.

Mapping the path to cleaner capitalism in 2024

Simon Mundy

For much of the past few years, the agenda on environmental and social issues in business and finance has been driven by voluntary action by companies. Now, regulation and government policy are starting to kick into gear, moving this story into a pivotal new chapter.

Five key themes are set to drive the agenda for cleaner capitalism in 2024.

First, this will be the year when companies get serious about assessing environmental and social risks in supply chains. A raft of looming regulations on scope 3 emissions — linked to a company's suppliers or use of its products — have sent bosses scrambling to respond.

From the start of 2025, larger companies operating in the EU will be required to disclose their scope 3 emissions. Authorities in the US and UK are also considering introducing national scope 3 reporting rules.

Last month EU officials reached an agreement on the bloc's new Corporate Sustainability Due Diligence Directive, which requires companies to report on global supply chain risks related to human rights and the environment. The full details are set to be agreed this year.

Financial companies have been excluded for now from the full scope of CSDDD requirements. But the trend towards more rigorous supply chain disclosure requirements seems clear.

Economists have also been saying for decades that an international carbon pricing regime is vital to tackle climate change — and it was eight years ago that Nobel laureate William Nordhaus offered the "climate club" model, in which countries would agree to apply a minimum carbon price and tax imports from nations that didn't do so.

This year, we'll see whether a global climate club is finally taking shape. The EU has been the first mover. In October it began the first stage of introducing a "carbon border adjustment mechanism", under which the EU will charge a corresponding levy on imports of those products from countries without an equivalent carbon price.

The UK, which already has a trading scheme, last month announced plans for a CBAM of its own.

The EU's move has also sparked discussions among US politicians on how to respond. The bipartisan "Prove It" bill, which will be discussed by legislators this year, would lay the groundwork for such a policy.

Meanwhile, for the past two years, Republican-led states have attacked environmental, social and governance investing to protect local oil and gas businesses, or simply to spite green-minded Democrats.

Some of these attacks are expected to continue. On December 18, Tennessee's attorney-general sued BlackRock for alleged ESG malfeasance.

But there is evidence that Republicans will shift their attacks from environmental "E" concerns to the "S" part of the acronym. This week a Texas law went into effect that bans state universities from maintaining diversity, equity and inclusion (DEI) departments. Other states are making plans for anti-DEI bills. How these DEI attacks will affect companies remains an open question.

At last month's COP28 climate summit in Dubai, the push for an agreement to move away from fossil fuels dominated the headlines. At this year's COP29 in Azerbaijan, international climate finance will take centre stage. The burning question here is how to mobilise capital for green investment in the developing world — both to deal with the impacts of climate change, and for low-carbon development. There is a colossal amount of work to do.

> 'Regulation and policy are starting to kick into gear, moving this story into a pivotal new chapter'

The year is also going to be historic for democratic elections — with worldwide implications for corporate sustainability and ESG investing.

Taiwan kicks off, with voters heading to the polls next week in a presidential election that puts semiconductor production on the agenda. Indonesia, the world's biggest coal exporter, follows a month later.

Narendra Modi — whose government has presided over a wave of green investment, while stressing its continued need for coal — is expected to win a third term as India's prime minister in the spring. And the European parliament will hold elections in early June.

In the UK, Prime Minister Rishi Sunak has confirmed the next general election will be in 2024. Green issues are a clear dividing line between Sunak's government and the Labour party.

But the biggest showdown is set to be in the US, where Donald Trump is on course to win the Republican nomination and challenge President Joe Biden again. If Trump returns, it will have severe consequences for the climate and ESG investing. What a Biden re-election means for sustainability is less clear.

Either way, 2024 is set to be a wild year for democracies. Better buckle up.

Patrick Temple-West also contributed to this article

Financials

HSBC's Zing app aims to rival Revolut and Wise

AKILA QUINIO

HSBC is set to launch a payments app in the UK that will offer cheap foreign exchange to retail consumers as the global lender seeks to compete with fast-growing digital rivals such as Revolut and Wise.

The UK-based bank yesterday said that it would launch a multi-currency app and debit card that will allow customers to hold money in 10 currencies, spend it abroad cheaply, and make international transfers across more than 30 currencies.

The app will be available in the UK from today, while the lender plans to expand into new markets later this year. Zing has plans to be available in at least two more continents by the end of 2024, according to the fintech.

"Now is the time for a new kind of international payments solution; one that combines cutting-edge innovation with the support of an experienced global bank," said Zing chief executive James Allan.

The move is an attempt by the bank to compete with fintechs that have soared in popularity over the past decade, with London-based Revolut attracting more than 38mn users, and cross-border payments rival Wise reporting about 10mn customers in its latest annual filings.

Shares in Wise, whose 2021 flotation was hailed as a success for London capital markets and the UK's fintech sector, retreated as much as 6 per cent yesterday.

Benjamin Toms, an analyst at RBC, described the launch as a "defensive" move to attract a younger generation of customers and convert them to other HSBC products. Zing will be free to download for people who do not bank with the lender, unlike similar services it already offers to existing clients.

The Zing app, which will be available on Google and Apple app stores, will be regulated by the Financial Conduct Authority as an e-money institution rather than a bank. Its deposits will not be protected under the Financial Services Compensation Scheme.

HSBC's push into fintech also follows a foray by US-based investment bank JPMorgan into the UK's digital banking market with the launch of Chase UK in 2021, as the Wall Street bank sought to compete with incumbents and neobanks such as Monzo and Starling.

The move by HSBC comes despite a souring outlook for fintechs. Payment companies and the wider sector's valuations boomed in the run-up to the pandemic as the availability of cheap cash fuelled a frenzy of deals. Even so, in the past year, investors faced with higher interest rates have cut their valuations as they focus on profitability over growth.

HSBC made a push into the UK fintech sector in 2022 with a $35mn investment in Monese, a UK-based start-up that offers current accounts to people underserved by mainstream banks. The bank said the "strategic partnership" would help HSBC "deliver digital wealth and financial tools at pace and scale".

In accounts filed yesterday, Monese posted a £30.5mn loss for 2022, a near-70 per cent increase on the previous year. The fintech also warned of "material uncertainty over the success of raising future fundraising and therefore the going concern status of the company".

See Lex

Asset management

High rates and costs drag fund launches to 20-year low

SALLY HICKEY

Asset managers have launched the lowest number of funds for UK investors in two decades, as higher living costs and interest rates have prompted investors to move out of investment funds.

Some 397 funds started in the UK in 2023, according to data from Morningstar, down a quarter from the number of a year before, and far below the most recent peak of 899 in 2010. This marks the lowest number of launches since 2003, when markets were reeling from the dotcom crash.

UK investors have fled funds, unsettled by volatile markets and lured by the high returns on offer from cash products as interest rates hit their highest level in a decade.

"The regime shift in inflation and rates is impacting how investors think about their portfolios, with many clearly allocating to cash investments as a result," said Doug Abbott, head of wealth UK client group at Schroders.

Money has been flooding out of funds in the UK in recent years as soaring inflation and the cost of living have pushed retail investors to raid their investment pots; 2022 was the worst on record, with £50bn redeemed on a net basis from funds. Retail and institutional investors pulled a further £37bn in the 10 months to October 2023, the Investment Association found.

The outlook for the investment management sector has deteriorated alongside this as the impact of the outflows on asset managers has been compounded by investors' flight to passive funds, a downward pressure on fees and rising regulatory costs.

This has led to a range of cost-cutting and bulking up by these companies to shore up businesses. Jupiter chief Matthew Beesley is restructuring the group to try to revive growth, and last month, Abrdn cut staff benefits as it battles to contain expenses and outflows.

On song

Female voices dominate as music booms

Success story: Dua Lipa was among the artists who helped boost the UK music industry 10% last year — Kevin Winter/Getty Images/iHeart Radio

Music consumption in the UK increased by a tenth in 2023 thanks to the growth in streaming platforms and the continued resurgence of vinyl.

The BPI, which represents the UK's record companies and labels, said that music fans bought 182.8mn albums, or their equivalent in streaming, last year, the ninth consecutive annual rise for the industry.

Driving the growth over the past 12 months has been the success of female artists in particular, with women spending a record-breaking 31 weeks at the top of the singles charts.

That is the longest run in a calendar year since the chart was launched in 1952, boosted by new songs from artists including Miley Cyrus, Dua Lipa, Ellie Goulding and PinkPantheress.

Jo Twist, chief executive of the BPI, said there was a "more diverse range of recording artists than ever achieving great success with the backing of their labels".

In total, the BPI measured 179.6bn streams in the UK, a figure that has doubled in the past five years and that shows the financial reliance of many of the world's leading music labels on digital sales.

Streaming in the UK increased by about 13 per cent in 2023, and now accounts for 88 per cent of the market.

88%	6.1mn
UK music market that is made up of streaming	Number of vinyl LPs sold in 2023, up 11.8% year on year

Vinyl LP purchases rose 11.8 per cent year on year to 6.1mn units, their fastest pace in more than 30 years, showing the continued popularity of a format that had been written off by many as old fashioned. Sales of CDs fell almost 7 per cent to 10.8mn units — with Take That's *This Life* the best-selling CD. More than 100,000 cassettes were also purchased.

The latest music data shows the strength of the recorded music industry in the UK — which is a comparatively mature market — although music executives warn of challenges ahead from AI-generated music copying the work of their artists.

However, last year also saw legitimate uses of AI, with the return of The Beatles to the top of the singles chart for the first time since 1969. 'Now and Then' was created using a John Lennon demo from the 1970s and finished using AI technology.

Miley Cyrus had the longest stretch at the top of the charts — with her song 'Flowers' staying at number one for 10 weeks. Four of 2023's five biggest tracks and seven of the year's top 10 songs were by women. The Weeknd's retrospective *The Highlights* was the top album of the year followed by Taylor Swift's *Midnights*. *Daniel Thomas*

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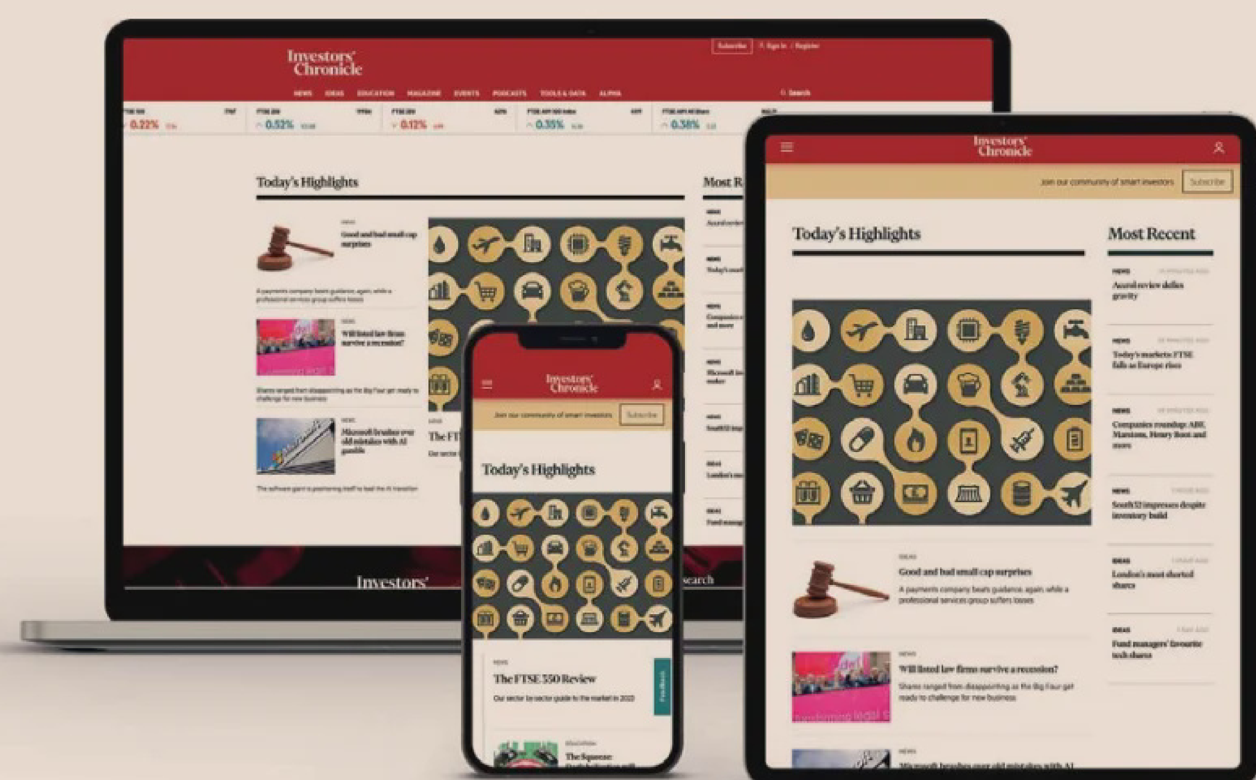

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A service from the Financial Times

Asset management. Record inflows

Stampede into US money funds delivers fees bonanza for sector

Retail investors focus on high yields and perceived safety of government debt

BROOKE MASTERS, HARRIET CLARFELT, MADISON DARBYSHIRE AND KATE DUGUID — NEW YORK
ALEXANDRA HEAL — LONDON

Record inflows into US money market funds in 2023 have triggered a multibillion-dollar fee bonanza for the asset management industry, which for years treated the product as a loss-leader.

US money market fund providers — such as Fidelity, Vanguard and Charles Schwab — collectively earned $7.6bn in fees last year as assets passed $6.3tn, according to government figures.

That was more than $1bn higher than in 2022 and a jump of around 35 per cent from 2021, before US interest rates began to rise, according to the data from the Office for Financial Research, a government agency.

"We've been hit by a wall of cash. It's just too hard to ignore an asset class that is giving you 5.5 per cent, risk free," said Kim Hochfeld, global head of cash at State Street Global Advisors, where cash funds grew 34 per cent last year.

Much of the phenomenon is due to retail investors keen to capitalise on high yields and the perceived safety of government debt.

Money funds, which invest in very short-term securities and offer daily access, are dominated by a handful of very large players led by Fidelity, Vanguard, JPMorgan and BlackRock.

The providers compete for cash with bank accounts and have benefited from more than $1tn in inflows driven by rising interest rates and, earlier in the year, concern about instability among regional banks.

For the year as a whole, the total has eclipsed even 2020, when cash flooded into money funds during the early stages of the pandemic.

The big jump in revenues comes as a relief for money market funds. It follows a period when returns on short-term safe assets were so low many providers had to forgive part of their fees to avoid charging customers to put money in. BlackRock reported waiving $607mn in fees between 2020 and 2022.

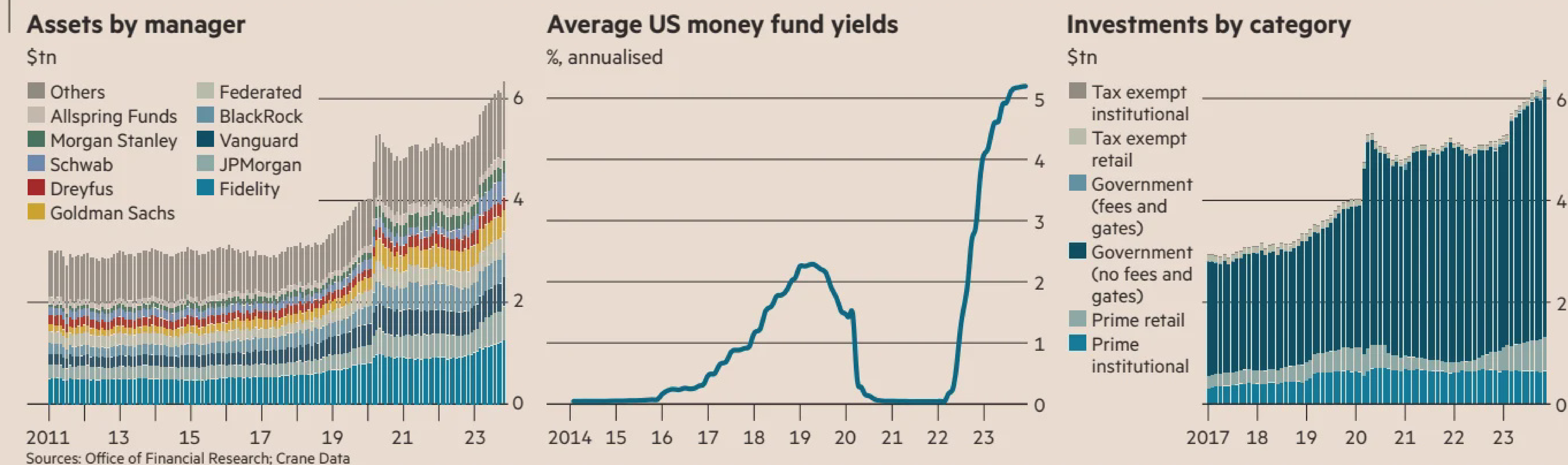
The fees are calculated by multiplying average assets under management with asset-weighted average fees. The Investment Company Institute, a trade association, reports that average fees were 13 basis points in 2022, the most recent figures available.

"The fees they get are not amazing," said Alex Blostein, an analyst at Goldman Sachs. But they "are still a meaningful tailwind and the only asset class for traditional asset managers that has shown any material growth [in 2023]".

Since the start of last year, EPFR data shows investors have poured a record $1.17tn into US money market funds. Total assets reached $6.35tn by the end of November, according to the OFR.

The huge flows were triggered by the Fed's aggressive campaign of interest rate rises, which pushed official US borrowing costs up to a range of 5.25 to 5.5 per cent, from near zero as recently as March 2022. That in turn pushed the average yield on a bucket of government-focused institutional money market funds tracked by the ICI to 5.21 per cent as of December 15.

The crisis at Silicon Valley Bank and other US regional lenders was one factor pushing retail investors towards money market funds
Steven Senne/AP



Sources: Office of Financial Research; Crane Data

Inflows into money market funds accelerated in March, when the collapse of Silicon Valley Bank and other lenders piled pressure on the broader financial sector and sparked a flight to safety from ordinary deposit accounts. The regional banking ructions eventually subsided, but they prompted many customers to take a hard look at the returns they were getting on deposits. Cash has continued to flood into money funds: November marked the biggest month for net inflows since the spring, according to the ICI.

Fidelity is the single largest manager of US money market funds with more than $1.26tn in assets, up 29 per cent from the start of the year to the end of November, the most recent comprehensive OFR data shows. JPMorgan has leapt into second place with $700bn after growth of more than 55 per cent. Vanguard is third at $575bn, up 29 per cent. Charles Schwab saw the biggest percentage increase, with assets jumping more than 68 per cent to $465bn.

The 10 largest money fund managers control about 80 per cent of the assets, the data shows. "It's a relatively consolidated space, fewer than 10 players control a vast chunk of the market," said Blostein. "The fact that it's a relatively concentrated market collecting those fees is important. The revenue pool is being split among fewer managers."

Not all asset managers break out their revenue from cash management products. But BlackRock's revenue from the business shot up from $470mn in 2021 to $864mn in 2022, and it should handily beat that figure in 2023. Goldman has reported that it is on track to reap about $1.1bn for 2023, up from about $970mn the year before, and Federated's third-quarter money market revenue was triple the comparable figure in 2021.

"A couple of years ago we were writing cheques to support our money funds," said State Street's Hochfeld. "Those days are long over. Margins are back."

By contrast, Schwab's money fund flows came at the expense of its bank, where it had been holding customer cash balances and earning profits from investing that money. Schwab was forced to draw down on expensive lines of credit in order to cover the outflows without selling assets at a discount.

Investors are now betting that the Fed will start aggressively cutting rates this year — a scenario that could push down short-term Treasury yields and prompt some investors to start moving out of cash. But some of the biggest participants, including BlackRock, Goldman Sachs and Federated Hermes, said they believed the inflows would persist.

Peter Crane, who has been collecting and publishing data on the US money fund market for 18 years, said the pile-in shows "no signs of stopping". He said the gap between money market yields and interest on deposits — which, while rising, remain below 1 per cent on many bank accounts — would still be "humongous", even if the Fed were to slash rates to 3 per cent.

Indeed, falling interest rates are likely to add to the inflows, at least initially, if history is any guide. While rates are rising, institutional investors such as pension funds and insurers typically buy short-term assets such as government bills and commercial paper directly because they can earn a slightly higher yield on those instruments versus money market funds.

But when rates are levelling off, they have historically shifted into money vehicles, because yields on funds normally remain elevated for a few weeks longer than their underlying holdings as Treasury yields start to fall. The average maturity of money market funds in mid-December was 36 days, according to Crane Data.

> 'We've been hit by a wall of cash. It's too hard to ignore an asset class that is giving you 5.5 per cent, risk free'

"We don't see some of the drivers changing in terms of asset gathering," said Beccy Milchem, BlackRock's head of International Cash Management. "For institutional investors, in past cycles when we have been approaching interest rate cuts, money market funds have been able to outperform."

Money market fund inflows have also picked up across the Atlantic, following $10bn of outflows in 2022. But an injection of $83.2bn into western European money market funds is still dwarfed by the cascade into US funds.

Investors and analysts attribute disparity in large part to the asset class being dominated by institutional investors, which — like their US peers — prefer to buy assets directly during periods of monetary policy tightening.

But European money funds are also expected to gain inflows next year if rates stabilise or start to decline and commercial investors look for ways to hold on to yields for as long as possible. "Europe is catching up," BlackRock's Milchem said. According to Milchem, the failure of Credit Suisse and several US banks "has caused clients to focus on diversification and not putting all their eggs in one basket. Money funds are an automatic way to spread risk.

"We are seeing new use cases where people are looking for a place to put collateral and regulatory cash."

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Regulation

US justice department overshadows SEC to become top cop in crypto 'Wild West'

JOE MILLER — NEW YORK
STEFANIA PALMA — WASHINGTON

Securities and Exchange Commission chair Gary Gensler once vowed that the regulator would be the "cop on the beat" policing the "Wild West" of the cryptocurrency industry.

The SEC would go on to file dozens of civil lawsuits against some of the sector's big players, including exchanges Binance and Coinbase and leading crypto lenders Genesis and Celsius.

But the headlines in 2023 were stolen by another arm of the US government, as the Department of Justice swooped in with high-profile criminal prosecutions that produced rapid resolutions.

In less than 12 months, prosecutors had won the conviction of FTX's Sam Bankman-Fried — who faces potentially decades behind bars — and dethroned Changpeng Zhao, or CZ, the former head of Binance.

"You always get people's attention when other executives in the industry are rolling up their sleeves to be fingerprinted," said Widge Devaney, a former federal prosecutor now at law firm Baker McKenzie. "It is a lot more real than whether something is a security or not," he added, referring to the SEC's ongoing battle to get courts to define the status of various tokens.

"The DoJ has led the way in defining the boundaries of the crypto industry," said another former senior prosecutor, who asked not to be named, "and in some respects it reflects a missed opportunity for the SEC".

Many of the justice department's high-profile crypto indictments have been accompanied by parallel complaints by the SEC. Both have brought cases against Alex Mashinsky, the former head of Celsius, and Do Kwon, the Korean mastermind behind the TerraUSD and Luna tokens, alongside lesser-known crypto personalities.

The SEC scored a big legal win last week when a US federal judge found that the digital assets at the heart of its case against collapsed stablecoin operator Terraform Labs and its chief executive Kwon qualify as securities. A Terraform spokesperson said it "strongly" disagreed with the decision and that the tokens were not securities.

But some of the SEC's flagship enforcement actions have been stuck in a legal quagmire, with competing rulings by judges in the same New York federal court as to whether various crypto assets are indeed securities, and thus under the agency's jurisdiction.

The SEC's cases against Binance and Coinbase have been challenged by the defendants in pre-trial motions. The regulator in November chose not to join a settlement between the DoJ, other agencies and Binance, instead continuing its fight to determine that tokens traded on the exchange qualify as securities.

A final verdict is likely to face an appeal. "The big players are not settling," according to one senior white-collar lawyer who is working on several large crypto cases. As is often the case with civil actions, "the SEC cases are just taking a long time to litigate", he said.

The SEC has, however, reached settlements with several defendants, including cryptocurrency exchanges Kraken and Bittrex.

Since taking office in 2021, Gensler has adopted a tough stance against the crypto sector, within which he says noncompliance and wrongdoing are pervasive. The SEC has brought a broad range of cases during his tenure, alleging everything from fraud to failure to register as an exchange and celebrities not disclosing the payments they received for promoting crypto.

"We are not afraid to litigate matters, whether against the best-resourced founders, the oldest firms, the newest industries, and yes, the largest crypto exchanges," Gensler has said.

The SEC chief has also repeatedly argued existing securities laws are sufficiently clear and new rules specifically focused on digital assets are not necessary. Gensler has said that other SEC measures already apply to crypto, and that while there is widespread misconduct in the sector, crypto accounts for a small portion of the multitrillion-dollar US capital markets.

Gary Gensler, SEC chair, has talked tough but the headlines last year were stolen by the highly active DoJ

Yet while the SEC "have taken their shots on the big [crypto] targets", it is "facing some uphill sledding", said Kayvan Sadeghi, who leads Jenner & Block's blockchain practice in New York.

In July, a judge in Manhattan ruled that XRP, a token offered by Ripple, was not de facto a security when sold to retail investors, but was subject to the SEC's registration requirements when bought by institutional investors. She subsequently denied the regulator's request to immediately appeal against the decision. In August, the SEC lost its attempt to prevent the launch of a US-listed spot-bitcoin fund by asset manager Grayscale, which an appeals court called "arbitrary and capricious".

As a result of such decisions, "there is more optimism on the regulatory front [in the crypto industry] than I think there might have been for a while", said Rob Cohen, a former senior SEC enforcement official now at Davis Polk.

Meanwhile, the DoJ is doubling down. "We plan to . . . continue to target malign actors, money launderers, fraudsters, executives and corporations who use cryptocurrency to commit their crimes," Nicole Argentieri, acting assistant attorney-general at the criminal division, told the Financial Times.

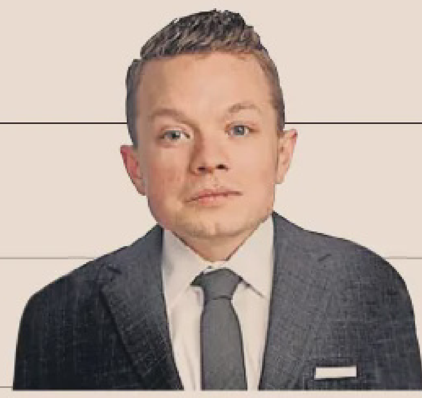
The US attorney's office in the Southern District of New York, which brought several of the crypto criminal cases in 2023, said its leader Damian Williams's message to bad actors remained the same as it was when he first announced the indictment of Bankman-Fried: "I would strongly encourage you to come see us before we come see you."

Still, Gensler remains public enemy number one for the crypto lobby. Kristin Smith, chief executive at the Blockchain Association, said that while the DoJ had "targeted individuals and businesses where the issues in question were relatively clear cut and have focused on bad actors", the SEC "has decided to pursue a punitive campaign against the cryptocurrency industry through enforcement actions, rather than issuing clear guidance on core issues".

Ilan Graff, a former prosecutor in New York now at Fried Frank, said forthcoming SEC actions over allegedly unlicensed exchanges could "loom less large, but may in some ways be more important for defining the future of the [crypto] industry".

However, those seeking regulatory clarification will be kept waiting, said Jordan Goldstein, a partner at Selendy Gay Elsberg. Given the court schedules for high-profile SEC crypto cases, he said, "it feels like we are two or three years out before we have resolution on a number of these issues".

Seizing Russia's reserves is the right thing to do



Simon Hinrichsen

Markets Insight

Of the potential geopolitical flashpoints in 2024, one for investors to watch may be the pressure to seize Russia's reserves in foreign central banks to fund Ukraine. Western nations were said last month to have been exploring the move as political resistance in the US and elsewhere grows to increasing direct financial support to Ukraine in its fight against Russia's invasion.

Seizing the assets has raised worries about the consequences for the financial system, namely that some countries such as China might come to fear that reserves held in euros or dollars were no longer safe. But they shouldn't. If countries don't illegally invade other countries, their money is quite safe.

The EU and the US should take Russia's frozen assets and give them to Ukraine. It is the right thing to do and there are historical precedents for both confiscating foreign assets during a time of war and allocating war reparations claims after.

A classic problem of sovereign finances is how to enforce any such agreement. Allocating Russia's already frozen money to Ukraine would sidestep any problem of enforceability.

War reparations are common in peace settlements. When a state violates international law, the injured party can claim reparations as an established norm under customary international law. The historical norm goes back much further, at least as far as the peace settlement after the first Punic war in 241BC.

Russia has engaged in an illegal war of aggression, which means that Ukraine is justified in claiming monetary compensation for restitution and compensation, as well as "satisfaction", such as an acknowledgment of its crimes in the form of an apology. The latter seems unrealistic, so let's focus on the monetary compensation.

The normal historical procedure since the Napoleonic wars has been to set up a reparations commission, which is governed by a peace treaty. Citizens, businesses, and the state can claim restitution and compensation for destroyed property or ask for acknowledgment of its violations.

In Ukraine's case, there is already a register of damages hosted by the KSE Institute, which as of June 2023 has an estimated loss of more than $250bn, stemming from damages to real estate and infrastructure, as well as economic loss from engaging in a full-scale war. Would a reparations transfer of this size be within the historical norm? The answer to that is yes.

> Confiscating assets of foreign states in response to an unjust war has been normal practice in history

Since the 19th century, most successfully repaid transfers were about 25 per cent of the gross domestic product of the country involved. Russian GDP is estimated by the IMF to be $1.9tn in 2023, so even if we chose a conservative 20 per cent of GDP, that is $380bn in war reparations based on historical standards. It is difficult to get exact figures for how much of Russia's money is frozen in Europe and the US but most estimates are around $300bn.

The largest transfer that was repaid followed the Gulf war, where Iraq made some $52.4bn in war reparations that were paid off only in 2022. Haiti, Germany, France, and Finland have all paid significant damages over the past 200 years. The difference is that the money was transferred after wars, but a peace settlement does not seem likely with the current regime in Moscow, which makes confiscation a good solution.

And confiscating assets of foreign states in response to an unjust war has been normal practice throughout history. During the first world war, the US passed the Trading with the Enemy Act, which allowed for the confiscation of enemy property. Japanese and German assets were frozen during second world war and were later used to settle claims after the war. In 1991, President George Bush signed an executive order that transferred Iraqi funds held in US banks that would later help pay Iraq's war reparation while Iraqi assets were again seized in 2003 under the Patriot Act.

A similar exercise could take place today. The UN has already recognised that Russia should bear the legal consequences of its war, which includes reparations. Under international law, the EU and the US are justified in enforcing state countermeasures to confiscate Russian assets and use them to pay its debt.

Settlements of damages are always a matter of realpolitik of course. But if countries want to be part of global society, there is an obligation to adhere to international laws and norms. Russia's blatant violations of international laws require a response, and investors should be comforted that rules are enforced.

Simon Hinrichsen is the author of When Nations Can't Default: A History Of War Reparations And Sovereign Debt

FT LIVE

LOOKING FOR CAREER ADVANCEMENT?

FUTURE OF BUSINESS EDUCATION: SPOTLIGHT ON MBA

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The day in the markets

What you need to know

- **Tech sector suffers hangover with worst day in more than two months**
- **Japan earthquake, Mideast tensions and profit-taking cited**
- **Investors await minutes from Fed's December meeting**

Wall Street stocks have begun the year with a tech-led hangover after the rally that ended 2023 turned cautious, putting tech stocks on course for their worst day in more than two months.

The Nasdaq was 1.4 per cent lower by late morning trading, having earlier slipped 1.8 per cent. A fall of 1.5 per cent or more would give the tech bellwether its worst day since October 26. The S&P 500 was off 0.7 per cent, eyeing its worst day in almost a fortnight.

Chipmakers and Apple headlined the tech fallers. The consumer tech group lost as much as 3.7 per cent after Barclays analysts downgraded it to the equivalent of a "sell" rating — only the company's second such rating in at least two years.

Yesterday's declines followed a year in which stocks defied early gloom to roar higher, pushing the S&P up nearly 25 per cent for 2023 — its third best performance in the past decade — to within sight of a record.

Optimism surged anew last month after the Fed surprised investors by signalling an end to its rate rises and hinting at potential cuts. The S&P's 4.4 per cent rally in December took its rise from its October low to 15 per cent. The strength of those gains prompted yesterday's caution, participants said.

"It's natural that after such an amazing rally we see the market taking a bit of a breath and reassessing the odds of a perfect soft-landing scenario," said Amélie Derambure at Amundi. "We can't have it all."

Some cited Monday's earthquake in Japan and Middle East tensions boosting oil prices as reasons for the sell-off.

Analysts at Bespoke said the culprit was probably "a round of profit-taking after a monster rally to close out 2023".

Investors are expecting fresh US data this week, including the minutes from the Fed's December meeting, due today, and monthly employment figures on Friday.

Of the Magnificent Seven tech stocks that powered markets higher last year, only Tesla was higher yesterday. Microsoft, Meta, Amazon, Alphabet and Nvidia all joined Apple in negative territory, each losing at least 1 per cent in morning trading.

Advanced Micro Devices led the big Nasdaq decliners, down 5.6 per cent, with fellow chip-related stocks also suffering. Intel was 4.4 per cent lower while ASML dropped 3.7 per cent. The sector's potential problems selling to the Chinese market were highlighted by a Bloomberg report on Monday.

Jennifer Hughes and Stephanie Stacey

Tech-heavy Nasdaq falls sharply after strong year-end rally

Nasdaq Composite index

Source: Bloomberg

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4749.47	1887.35	33464.17	7721.52	2962.28	133248.80
% change on day	-0.43	-0.07	-0.22	-0.15	-0.43	-0.70
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	102.090	1.094	141.935	1.263	7.132	4.905
% change on day	0.747	-0.995	0.677	-0.941	0.559	0.970
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	3.933	2.064	0.621	3.844	2.597	10.930
Basis point change on day	5.410	6.000	0.000	10.700	0.800	75.900
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	476.50	76.35	70.86	2078.40	23.79	3762.10
% change on day	-0.62	-0.90	-1.10	0.43	-1.92	-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	Moderna	13.55	A.p. Moller - Maersk B	6.38	Gsk	2.04
	Viatris	4.71	Ferrovial	3.51	Astrazeneca	1.77
	Wynn Resorts	4.31	Fresenius	3.17	Vodafone	1.75
	Pfizer	4.03	B. Sabadell	3.05	British American Tobacco	1.57
	Tapestry	3.84	Kbc	2.83	Marks And Spencer	1.32
Downs	Norwegian Cruise Line Holdings Ltd	-6.36	Casino Guichard	-6.96	Fresnillo	-3.94
	Royal Caribbean	-5.82	Grifols	-3.85	Diploma	-3.69
	Advanced Micro Devices	-5.03	Lufthansa	-3.09	St. James's Place	-3.63
	Carnival	-4.02	Pernod Ricard	-2.63	Prudential	-3.49
	Uber	-3.94	Asml Holding	-2.49	Jd Sports Fashion	-3.22

Prices taken at 17:00 GMT. Based on the constituents of the FTSE Eurofirst 300 Eurozone. All data provided by Morningstar unless otherwise noted.

Financials

Reinsurance costs in Turkey surge after quake

IAN SMITH
INSURANCE CORRESPONDENT

The cost of reinsuring properties in Turkey against natural catastrophes has doubled in areas devastated by last year's earthquake, according to new figures, as the industry assesses the impact of another big quake in Japan.

The earthquake in Turkey and Syria last year, which killed tens of thousands of people and left insurers with an estimated bill of $6bn, prompted a "radical tightening" in some types of property catastrophe reinsurance, according to broker Gallagher Re.

The price of such reinsurance, which insurers buy to share the cost of claims for events such as hurricanes and earthquakes, rose by between 50 per cent and 100 per cent in Turkey in end-of-year policy renewals, Gallagher Re said yesterday.

This added up to the "most challenging renewal faced by Turkish [insurers] in a generation", the broker said.

The quake was the biggest single contributor to natural catastrophe-related insurance losses reaching $100bn last year for the fourth year running. This set the backdrop for negotiations for the many policies renewing on January 1.

A powerful earthquake off Japan's west coast on New Year's Day, which had a preliminary magnitude of 7.6, left at least 55 dead and caused significant damage to roads and infrastructure. Industry figures said it was too early to gauge the size of the likely claims, but that the event would be a factor in another round of renewals on reinsurance contracts in April.

The devastation caused by powerful earthquakes in Turkey last February

Initial estimates from the US Geological Survey indicate a 36 per cent chance that economic losses caused by the quake — whether covered by insurance or not — will fall in the $1bn to $10bn range.

Another report yesterday by London-based broker Howden said the cost of global property catastrophe reinsurance had risen 3 per cent in the January renewals, more modest than the previous year, but disappointing insurers who had hoped for some reprieve. Reinsurance prices have surged over the past 18 months, squeezing insurers and their customers.

David Flandro, head of industry analysis at Howden's reinsurance broking arm, said "generationally strong pricing" had "enticed" reinsurers to take on more business.

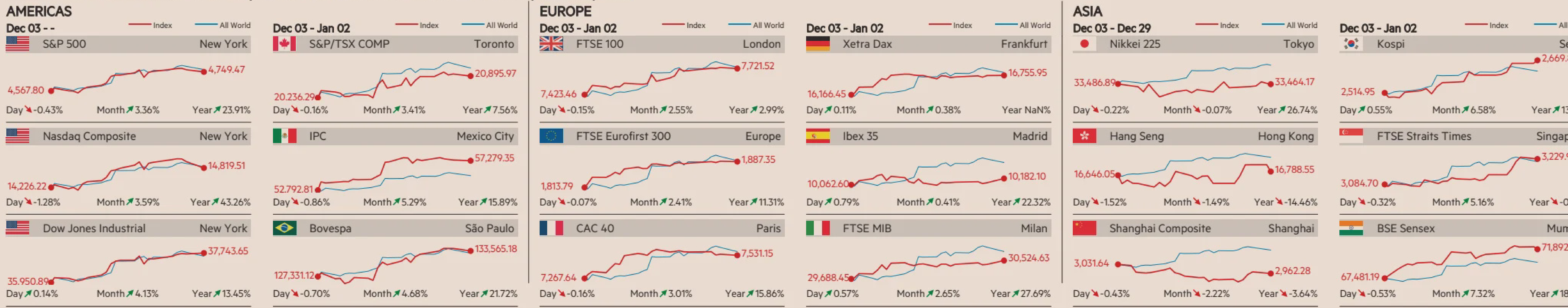
However, that was not enough to prevent the cost of reinsurance rising sharply in some other parts of the world, including areas of the US afflicted by extreme weather last year. The cost of reinsuring such areas rose by between 10 per cent and 50 per cent, according to Gallagher Re's report.

MARKET DATA

WORLD MARKETS AT A GLANCE
FT.COM/MARKETSDATA

Change during previous day's trading (%)

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



Country	Index	Latest	Previous
Argentina	Merval	921288.19	929704.19
Australia	All Ordinaries	7867.40	7829.50
	S&P/ASX 200	7627.80	7590.80
	S&P/ASX 200 Res	6393.20	6352.70
Austria	ATX	3412.02	3434.97
Belgium	BEL 20	3718.22	3707.77
	BEL Mid	10890.53	10897.95
Brazil	IBovespa	133248.80	134185.24
Canada	S&P/TSX 60	1263.04	1264.83
	S&P/TSX Comp	20924.41	20958.44
	S&P/TSX Div Met & Min	1735.01	1746.47
Chile	S&P/CLX IGPA Gen	31427.28	31437.03
China	FTSE A200	8899.23	9024.81
	FTSE B35	9000.71	8988.96
	Shanghai A	3105.84	3119.10
	Shanghai B	232.42	231.60
	Shanghai Comp	2962.28	2974.93
	Shenzhen A	1907.91	1922.57
	Shenzhen B	1076.58	1081.00
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1422.34	1414.02
Denmark	OMXC Copenhagen 20	2283.27	2283.53
Egypt	EGX 30	25501.94	24894.26
Estonia	OMX Tallinn	1768.95	1768.56
Finland	OMX Helsinki General	10167.09	10097.69
France	CAC 40	7530.86	7543.18
	SBF 120	5724.05	5732.18
Germany	M-DAX	26838.34	27137.30
	TecDAX	3324.59	3337.41
	XETRA Dax	16769.36	16751.64
Greece	Athens Gen	1307.63	1293.14
	FTSE/ASE 20	3162.15	3122.79
Hong Kong	Hang Seng	16788.55	17047.39
	HS China Enterprise	5672.53	5768.50
	HSCC Red Chip	3286.69	3350.45
Hungary	Bux	60744.59	60620.01
India	BSE Sensex	71892.48	72271.94
	Nifty 500	19418.40	19469.50
Indonesia	Jakarta Comp	7323.59	7272.80
Ireland	ISEQ Overall	8739.47	8760.36
Israel	Tel Aviv 125	1926.35	1887.08
Italy	FTSE Italia All-Share	32634.01	32479.11
	FTSE Italia Mid Cap	44336.03	44543.93
	FTSE MIB	30524.63	30351.62
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	33464.17	33539.62
	S&P Topix 150	2061.95	2058.66
	Topix	2366.39	2362.02
Jordan	Amman SE	2408.69	2397.75
Kenya	NSE 20	1501.16	1508.91
Kuwait	KSX Market Index	6633.44	6503.51
Latvia	OMX Riga	1336.34	1334.66
Lithuania	OMX Vilnius	946.76	938.86
Luxembourg	LuxX	1542.52	1524.53
Malaysia	FTSE Bursa KLCI	1453.10	1454.66
Mexico	IPC	56891.68	57386.25
Morocco	MASI	12092.88	12046.61
Netherlands	AEX	783.11	786.82
	AEX All Share	1065.91	1071.54
New Zealand	NZX 50	11770.49	11768.68
Nigeria	SE All Share	75990.88	74773.77
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	64349.60	64661.78
Philippines	Manila Comp	6554.04	6450.04
Poland	Wig	77370.71	78459.91
Portugal	PSI 20	6454.32	6396.48
	PSI General	4719.76	4722.28
Romania	BET Index	15371.11	15285.85
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	12123.08	12037.04
Singapore	FTSE Straits Times	3229.95	3240.27
Slovakia	SAX	313.30	313.30
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	75709.14	76893.15
	FTSE/JSE Res 20	55956.93	57532.73
	FTSE/JSE Top 40	69337.93	70494.80
South Korea	Kospi	2669.81	2655.28
	Kospi 200	360.55	357.99
Spain	IBEX 35	10182.10	10102.10
Sri Lanka	CSE All Share	10684.28	10654.16
Sweden	OMX Stockholm 30	2394.93	2396.07
	OMX Stockholm AS	900.25	902.88
Switzerland	SMI Index	11137.79	11057.55
Taiwan	Weighted Pr	16815.54	16942.30
Thailand	Bangkok SET	1433.38	1415.85
Turkey	BIST 100	7624.29	7624.29
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2758.20	2771.40
	FTSE 100	7721.52	7733.24
	FTSE 4Good UK	6989.11	7007.83
	FTSE All Share	4220.90	4232.01
	FTSE techMARK 100	6522.45	6584.57
USA	DJ Composite	12259.51	12249.97
	DJ Industrial	37743.65	37689.54
	DJ Transport	15826.00	15898.85
	DJ Utilities	890.81	881.67
	Nasdaq 100	16602.45	16825.93
	Nasdaq Cmp	14819.51	15011.35
	NYSE Comp	16866.38	16852.89
	S&P 500	4749.47	4769.83
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	57832.46	56366.66
Vietnam	VNI	1131.72	1129.93
Cross-Border	DJ Global Titans ($)	545.06	549.63
	Euro Stoxx 50 (Eur)	4510.61	4521.65
	Euronext 100 ID	1395.11	1395.52
	FTSE 4Good Global ($)	11968.11	12075.29
	FTSE All World ($)	476.50	479.48
	FTSE E300	1887.35	1888.70
	FTSE Eurotop 100	3746.33	3747.75
	FTSE Global 100 ($)	3211.37	3242.90
	FTSE Gold Min ($)	1908.73	1924.54
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3324.77	3334.43
	FTSE World ($)	873.76	879.34
	FTSEurofirst 100 (Eur)	5056.00	5059.18
	FTSEurofirst 80 (Eur)	6112.24	6121.66
	MSCI ACWI Fr ($)	727.08	727.00
	MSCI All World ($)	3169.25	3169.18
	MSCI Europe (Eur)	1917.00	1917.00
	MSCI Pacific ($)	2940.03	2940.03
	S&P Euro (Eur)	1989.30	1990.98
	S&P Europe 350 (Eur)	1941.63	1943.29
	S&P Global 1200 ($)	3462.02	3480.65
	Stoxx 50 (Eur)	4088.35	4093.37

(c) Closed. (u) Unavailable. † 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

AMERICAS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Tesla	149.1	250.48	2.00
Nvidia	110.9	482.32	-12.90
Apple	62.4	185.76	-5.78
Advanced Micro Devices	46.3	140.00	-7.41
Microsoft	37.9	370.98	-5.16
Meta Platforms	31.2	345.74	-8.22
Amazon.com	31.0	150.30	-1.65
Alphabet	13.6	137.92	-1.77
Alphabet	11.0	139.26	-1.67
Broadcom	10.7	1097.13	-19.12

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Moderna	112.93	13.48	13.55
Viatris	11.34	0.51	4.71
Wynn Resorts	95.04	3.93	4.31
Pfizer	29.95	1.16	4.03
Tapestry	38.23	1.42	3.84
Downs			
Norwegian Cruise Line Holdings Ltd	18.77	-1.28	-6.36
Royal Caribbean	121.96	-7.54	-5.82
Advanced Micro Devices	140.00	-7.41	-5.03
Carnival	17.79	-0.75	-4.02
Uber	59.15	-2.43	-3.94

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Astrazeneca	160.9	10788.00	188.00
Shell	137.1	2575.50	4.00
Unilever	131.8	3824.50	24.50
Bp	128.0	471.00	4.85
Gsk	122.2	1479.80	29.60
Hsbc Holdings	79.5	630.50	-5.00
Rio Tinto	78.5	5891.00	49.00
Diageo	71.1	2819.50	-36.50
Glencore	67.0	468.70	-3.40
Rolls-Royce Holdings	56.4	298.10	-1.60

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Diversified Energy	1198.50	83.50	7.49
Babcock Int	420.00	25.00	6.33
Bakkavor	83.80	2.80	3.46
Harbour Energy	316.90	8.30	2.69
Hipgnosis Songs Fund	73.80	1.80	2.50
Downs			
Trustpilot	138.80	-9.70	-6.53
Darktrace	343.10	-23.60	-6.44
Ssp	178.20	-11.10	-5.86
Ao World	93.00	-5.35	-5.44
Aj Bell	298.40	-14.60	-4.66

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Asml Holding	243.7	664.70	-17.00
Intesa Sanpaolo	236.8	2.69	0.05
Unicredit	224.9	25.03	0.47
Novartis N	217.3	91.28	0.89
Nestle N	207.4	104.88	0.77
Eni	187.1	15.56	0.21
Enel	161.9	6.71	-0.02
Totalenergies	161.0	62.17	0.57
Roche Gs	146.8	262.98	2.20
Iberdrola	144.6	11.87	0.01

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
A.p. M_ller - M_rsk B A/s	1732.34	103.95	6.38
A.p. M_ller - M_rsk A A/s	1706.18	99.26	6.18
Sartorius Stied Bio	250.10	10.60	4.43
Bbva	8.43	0.20	2.43
Bayer Ag Na O.n.	34.35	0.72	2.18
Downs			
Pernod Ricard	155.55	-4.20	-2.63
Vonovia Se Na O.n.	27.75?	[illegible]	-2.49
Dassault Systemes	43.14	-1.10	-2.49
Oersted A/s Dk 10	6.57	-0.16	-2.45
Infineon Tech.ag Na O.n.	36.84	-0.91	-2.40

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Lasertec	422.9	37170.00	-60.00
Kawasaki Kisen Kaisha	393.9	6050.00	-51.00
Toyota Motor	695.8	2590.50	34.50
Tokyo Electric Power	690.3	738.50	1.90
Tokyo Electron	570.2	25255.00	-210.00
Mitsubishi Ufj Fin	566.9	1211.50	8.00
Softbank	468.2	8293.00	-31.00
Nintendo Co.	467.7	7359.00	226.00
Fast Retailing Co.	467.4	34990.00	-540.00
Rakuten	385.3	628.00	44.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Rakuten	628.00	44.00	7.53
Cyberagent	885.10	28.50	3.33
Nintendo Co.	7359.00	226.00	3.17
Dic	2771.50	77.50	2.88
Japan Exchange	2983.00	62.00	2.12
Downs			
Nexon Co.	2569.50	-84.50	-3.18
Idemitsu Kosan Co.	767.50	-19.30	-2.33
Pacific Metals Co.	1214.00	-25.00	-2.02
Sumitomo Dainippon Pharma Co Ltd	466.00	-8.00	-1.69
Yamaha Motor Co.	1259.50	-20.00	-1.56

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Jan 02 price(p)	%Chg week	%Chg ytd
Winners			
Astrazeneca	10788.00	3.4	1.6
Bae Systems	1116.00	2.4	0.6
Barclays	155.28	2.3	1.0
Tesco	293.10	2.2	0.9
Gsk	1479.80	2.1	2.0
Ocado	739.60	2.0	-2.5
Anglo American	1968.20	1.9	-0.3
Weir	1898.50	1.8	0.8
British American Tobacco	2331.50	1.8	1.5
Natwest	220.20	1.6	0.3
Phoenix Holdings	530.80	1.6	-0.9
Marks And Spencer	276.00	1.5	1.3
Losers			
Smurfit Kappa	3052.00	-4.2	-2.0
Frasers	886.00	-4.0	-2.9
Diploma	3450.00	-3.6	-4.2
Kingfisher	238.60	-3.3	-1.9
St. James's Place	658.80	-3.3	-3.4
3i	2344.00	-3.2	-3.6
Antofagasta	1651.50	-2.9	-1.9
Halma	2224.00	-2.9	-2.8
Imi	1661.00	-2.8	-1.7
Severn Trent	2548.00	-2.7	-1.5
Jd Sports Fashion	160.60	-2.7	-3.3
Auto Trader	703.00	-2.7	-2.9

FTSE 250	Jan 02 price(p)	%Chg week	%Chg ytd
Winners			
Diversified Energy	1198.50	9.6	7.5
Mobico	83.95	8.2	-0.8
Ferrexpo	87.75	6.8	-2.0
Babcock Int	420.00	5.9	5.6
Gulf Keystone Petroleum	123.?	[illegible]	[illegible]
Hipgnosis Songs Fund	73.80	5.9	5.1
Rhi Magnesita N.v.	3412.00	5.6	-1.7
Helios Towers	86.70	[illegible]	[illegible]
Dowlais	107.35	4.6	0.1
Bellevue Healthcare Trust	155.40	4.6	-1.3
Future	779.00	4.5	-1.4
Fidelity China Special Situations	209.50	4.4	-0.9
Puretech Health	190.00	4.2	-1.8
Losers			
Carnival	1266.50	-7.3	-2.6
Moonpig	152.20	-7.0	-3.4
Trustpilot	138.80	-6.5	-6.8
Aj Bell	298.40	-5.8	-4.5
Ao World	93.00	-5.4	-5.4
4imprint	4480.00	-4.5	-1.9
Bridgepoint	273.60	-4.4	-2.9
Abrdn	174.75	-4.3	-2.4
Ip	56.30	-3.8	-2.2
Rathbones	1696.00	-3.7	-2.3
Grafton	903.90	-3.6	-0.6
Oxford Instruments	2265.00	-3.6	-1.7

FTSE SmallCap	Jan 02 price(p)	%Chg week	%Chg ytd
Winners			
Petra Diamonds	66.00	24.8	-10.4
Metro Bank Holdings	40.00	14.9	7.2
Cab Payments Holdings	82.00	10.2	-2.3
Gulf Marine Services	15.20	8.6	4.8
Macfarlane	122.50	8.4	4.7
Fisher (james) & Sons	329.50	7.7	4.4
Digital 9 Infrastructure	31.75	7.1	6.7
Seraphim Space Investment Trust	35.80	6.9	4.1
Motorpoint	110.00	6.8	-2.0
Biotech Growth Trust (the)	898.00	6.8	-0.3
Oxford Biomedica	210.00	6.6	-4.3
Ceres Power Holdings	182.60	5.8	-2.3
Losers			
Jpmorgan Global Core Real Assets	72.40	-7.2	-2.2
Ultimate Products	147.00	-7.0	-2.6
Asos	396.50	-6.8	-7.4
Funding Circle Holdings	39.00	-6.2	-2.5
Xp Power	1276.00	-5.8	-7.1
Greencore	95.00	-5.0	-1.1
Halfords	192.00	-5.0	-3.7
Molten Ventures	271.00	-4.9	-2.1
The Gym	103.40	-4.3	-2.8
Pantheon Infrastructure	82.60	-4.2	-0.1
Zotefoams	349.00	-4.1	5.7
Ncc	124.80	-4.0	-3.6

Industry Sectors	Jan 02 price(p)	%Chg week	%Chg ytd
Winners			
Pharmaceuticals & Biotech.	20639.21	2.8	1.7
Automobiles & Parts	1569.60	2.0	-1.2
Tobacco	26544.15	1.3	1.3
Food & Drug Retailers	4031.58	1.0	0.6
General Retailers	3748.86	0.8	-0.4
Industrial Metals	6818.79	0.7	0.0
Aerospace & Defense	8597.03	0.6	0.1
Banks	3671.33	0.6	-0.3
Oil & Gas Producers	8623.13	0.5	0.4
Equity Investment Instruments	11425.56	0.5	-1.0
Nonlife Insurance	3364.75	0.1	0.3
Mobile Telecommunications	1928.72	0.0	1.2
Losers			
Electronic & Electrical Equip.	9751.86	-2.7	-2.1
Real Estate & Investment Servic	2272.57	-2.2	-1.7
Mining	9618.16	-1.9	-0.3
Health Care Equip & Services	10692.12	-1.7	-0.7
General Industrials	6717.20	-1.7	-1.1
Software & Computer Services	2375.49	-1.7	-1.7
General Financial	14404.83	-1.5	-1.5
Household Goods	12953.96	-1.4	-1.1
Chemicals	9443.71	-1.3	-1.5
Real Estate Investment Trusts	2385.58	-1.3	-0.8
Travel & Leisure	7461.74	-1.2	-0.8
Support Services	10384.26	-1.2	-1.7

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

CURRENCIES

Jan 2	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	810.6520	2.1560	887.1413	-15.9679	1023.4094	-7.2181
Australia	Australian Dollar	1.4774	0.0119	1.6168	-0.0021	1.8652	-0.0031
Bahrain	Bahraini Dinar	0.3770	0.0002	0.4126	-0.0037	0.4759	-0.0044
Bolivia	Bolivian Boliviano	6.9100	-	7.5620	-0.0712	8.7235	-0.0853
Brazil	Brazilian Real	4.9047	0.0471	5.3675	0.0015	6.1919	-0.0005
Canada	Canadian Dollar	1.3315	0.0129	1.4571	0.0005	1.6809	-0.0001
Chile	Chilean Peso	884.6500	11.3650	968.1215	3.4428	1116.8273	3.5681
China	Chinese Yuan	7.1319	0.0397	7.8048	-0.0297	9.0036	-0.0375
Colombia	Colombian Peso	3896.0200	22.0200	4263.6305	-15.8046	4918.5343	-20.0226
Costa Rica	Costa Rican Colon	523.0450	1.9550	572.3971	-3.2276	660.3187	-3.9642
Czech Republic	Czech Koruna	22.5088	0.1592	24.6326	-0.0560	28.4163	-0.0749
Denmark	Danish Krone	6.8124	0.0641	7.4552	0.0006	8.6004	-0.0024
Egypt	Egyptian Pound	30.9057	-0.0967	33.8218	-0.4251	39.0169	-0.5048
Hong Kong	Hong Kong Dollar	7.8157	0.0071	8.5531	-0.0727	9.8669	-0.0874
Hungary	Hungarian Forint	348.4946	2.4890	381.3769	-0.8399	439.9573	-1.1288
India	Indian Rupee	83.3188	0.1050	91.1803	-0.7422	105.1858	-0.8946
Indonesia	Indonesian Rupiah	15470.0000	73.0000	16929.6977	-78.6959	19530.1438	-97.9047
Israel	Israeli Shekel	3.6391	0.0381	3.9824	0.0047	4.5941	0.0037
Japan	Japanese Yen	141.9350	0.9550	155.3273	-0.4069	179.1860	-0.5346
..One Month		141.9343	0.9536	155.3268	-0.4081	179.1851	-0.5363
..Three Month		141.9330	0.9510	155.3257	-0.4102	179.1835	-0.5396
..One Year		141.9279	0.9408	155.3219	-0.4178	179.1851	-0.5443
Kenya	Kenyan Shilling	157.3500	0.3500	172.1968	-1.2340	198.6467	-1.4961
Kuwait	Kuwaiti Dinar	0.3076	0.0003	0.3366	-0.0028	0.3883	-0.0034
Malaysia	Malaysian Ringgit	4.6025	0.0075	5.0368	-0.0391	5.8104	-0.0473
Mexico	Mexican Peso	17.0560	0.1215	18.6653	-0.0415	21.5324	-0.0556
New Zealand	New Zealand Dollar	1.5971	0.0177	1.7478	0.0031	2.0162	0.0028
Nigeria	Nigerian Naira	884.5000	-13.0000	967.9573	-23.4706	1116.6378	-27.4905
Norway	Norwegian Krone	10.3281	0.1724	11.3026	0.0840	13.0387	0.0922
Pakistan	Pakistani Rupee	282.0000	0.8750	308.6082	-1.9380	356.0112	-2.3655
Peru	Peruvian Nuevo Sol	3.7201	0.0175	4.0711	-0.0190	4.6964	-0.0236
Philippines	Philippine Peso	55.6640	0.2890	60.9162	-0.2541	70.2731	-0.3187
Poland	Polish Zloty	3.9839	0.0517	4.3596	0.0160	5.0295	0.0167
Romania	Romanian Leu	4.5401	0.0365	4.9685	-0.0064	5.7317	-0.0095
Russia	Russian Ruble	91.0250	1.6250	99.6137	0.8575	114.9146	0.9479
Saudi Arabia	Saudi Riyal	3.7502	0.0002	4.1041	-0.0384	4.7344	-0.0460
Singapore	Singapore Dollar	1.3261	0.0070	1.4512	-0.0059	1.6741	-0.0074
South Africa	South African Rand	18.5775	0.2900	20.3304	0.1290	23.4532	0.1404
South Korea	South Korean Won	1300.4500	12.5500	1423.1545	0.4691	1641.7544	-0.0539
Sweden	Swedish Krona	10.1951	0.1172	11.1571	0.0245	12.8708	0.0236
Switzerland	Swiss Franc	0.8486	0.0070	0.9287	-0.0010	1.0714	-0.0016
Taiwan	New Taiwan Dollar	30.8445	0.1540	33.7548	-0.1476	38.9397	-0.1844
Thailand	Thai Baht	34.1350	0.0025	37.3558	-0.3488	43.0938	-0.4182
Tunisia	Tunisian Dinar	3.0947	0.0196	3.3866	-0.0103	3.9068	-0.0133
Turkey	Turkish Lira	29.7350	0.2010	32.5407	-0.0842	37.5390	-0.1108
United Arab Emirates	UAE Dirham	3.6727	-0.0001	4.0192	-0.0379	4.6365	-0.0455
United Kingdom	Pound Sterling	0.7921	0.0077	0.8668	0.0003	-	-
..One Month		0.7921	0.0077	0.8668	0.0003	-	-
..Three Month		0.7922	0.0077	0.8666	0.0003	-	-
..One Year		0.7923	0.0077	0.8666	0.0003	-	-
United States	United States Dollar	-	-	1.0944	-0.0103	1.2625	-0.0123
..One Month		-	-	1.0942	-0.1804	1.2625	-0.0123
..Three Month		-	-	1.0939	-0.1804	1.2625	-0.0123
..One Year		-	-	1.0926	-0.1805	1.2626	-0.0123
Vietnam	Vietnamese Dong	24335.0000	73.0000	26631.1585	-170.0144	30721.7774	-207.3330
European Union	Euro	0.9138	0.0085	-	-	1.1536	-0.0004
..One Month		0.9136	0.0085	-	-	1.1535	-0.0004
..Three Month		0.9134	0.0085	-	-	1.1533	-0.0004
..One Year		0.9120	0.0085	-	-	1.1523	-0.0004

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

FTSE ACTUARIES SHARE INDICES
UK SERIES www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg Jan 02	Day's chge%	Euro Index	£ Strlg Dec 29	£ Strlg Dec 28	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7721.52	-0.15	6933.41	7733.24	7722.74	7451.74	3.86	2.43	10.66	0.00	8252.36
FTSE 250 (250)	19511.80	-0.90	17520.30	19689.63	19719.16	18853.00	3.43	1.17	24.83	0.00	16812.48
FTSE 250 ex Inv Co (168)	20295.94	-0.93	18224.40	20486.76	20534.73	19283.20	3.57	0.88	31.83	0.00	17864.89
FTSE 350 (350)	4262.15	-0.26	3827.13	4273.24	4269.19	4113.78	3.80	2.27	11.60	0.00	9032.57
FTSE 350 ex Investment Trusts (265)	4205.30	-0.22	3776.08	4214.57	4210.51	4054.43	3.86	2.27	11.40	0.00	4608.51
FTSE 350 Higher Yield (130)	3611.72	0.14	3243.08	3606.84	3601.78	3555.19	5.51	2.31	7.87	0.00	8773.93
FTSE 350 Lower Yield (220)	4491.03	-0.67	4032.65	4521.44	4519.32	4249.48	2.00	2.15	23.23	0.00	5657.82
FTSE SmallCap (222)	6399.03	-0.40	5745.91	6425.03	6420.77	6240.03	3.95	-0.20	-129.38	0.00	11173.11
FTSE SmallCap ex Inv Co (114)	5316.72	-0.69	4774.06	5353.66	5355.68	5026.45	4.11	-0.49	-49.36	0.00	9647.67
FTSE All-Share (572)	4220.90	-0.26	3790.09	4232.01	4228.03	4075.13	3.81	2.21	11.89	0.00	9032.45
FTSE All-Share ex Inv Co (379)	4130.50	-0.23	3708.92	4139.84	4135.91	3981.51	3.87	2.24	11.56	0.00	4595.67
FTSE All-Share ex Multinationals (513)	1129.15	-0.71	842.32	1137.21	1138.51	1061.67	3.95	1.47	17.17	0.00	2508.93
FTSE Fledgling (67)	11004.00	0.54	9880.87	10945.41	10959.59	11579.42	2.95	-0.94	-36.09	0.00	24643.95
FTSE Fledgling ex Inv Co (29)	16847.08	0.78	15127.56	16716.99	16730.40	15097.54	2.32	-3.68	-11.72	0.00	36561.26
FTSE All-Small (289)	4443.64	-0.36	3990.09	4459.75	4457.20	4350.72	3.90	-0.22	-115.49	0.00	9949.24
FTSE All-Small ex Inv Co (143)	4007.88	-0.63	3598.81	4033.48	4035.07	3781.00	4.04	-0.56	-43.99	0.00	9208.48
FTSE AIM All-Share (660)	761.55	-0.23	683.82	763.32	763.66	831.33	2.11	0.99	47.94	0.00	912.90
FTSE All-Share Technology (17)	2490.99	-1.69	2165.99	2533.80	2541.30	1892.40	1.56	1.65	39.08	0.00	3673.07
FTSE All-Share Telecommunications (6)	1228.95	1.11	1068.61	1215.47	1209.29	1391.91	8.63	0.44	26.47	0.00	2051.64
FTSE All-Share Health Care (12)	14381.94	1.54	12505.52	14163.50	14169.41	14657.99	2.46	1.50	26.98	0.00	13643.19
FTSE All-Share Financials (257)	4846.86	-0.91	4214.49	4891.16	4882.06	4562.29	4.50	2.37	9.37	0.00	5651.75
FTSE All-Share Real Estate (51)	863.43	-0.73	785.40	869.76	878.39	816.49	4.23	-3.02	-7.84	0.00	954.08
FTSE All-Share Consumer Discretionary (78)	5358.55	-1.01	4659.41	5413.02	5403.74	4498.36	2.25	2.06	21.60	0.00	5818.09
FTSE All-Share Consumer Staples (23)	17192.96	0.32	14949.78	17138.71	17128.55	19408.76	4.58	1.61	13.59	0.00	16526.49
FTSE All-Share Industrials (84)	7510.09	-1.13	6530.25	7595.70	7598.59	6187.68	2.08	2.24	21.52	0.00	8901.97
FTSE All-Share Basic Materials (21)	8066.45	-0.16	7014.01	8079.44	8095.18	9319.25	5.75	2.35	7.41	0.00	11665.40
FTSE All-Share Energy (15)	8907.00	0.44	7744.90	8868.16	8809.13	8399.77	4.20	4.76	5.00	0.00	11303.22
FTSE All-Share Utilities (8)	9060.37	-0.47	7878.26	9103.48	9112.53	8522.04	4.88	2.17	9.43	0.00	14530.56
FTSE All-Share Software and Computer Services (16)	2704.01	-1.71	2351.22	2751.13	2759.15	2039.46	1.53	1.70	38.47	0.00	4217.38
FTSE All-Share Technology Hardware and Equipment (1)	3926.97	0.90	3414.62	3892.09	3921.99	5151.42	4.09	-0.47	-51.52	0.00	5265.40
FTSE All-Share Telecommunications Equipment (1)	273.83	-0.65	238.11	275.62	273.61	581.65	5.11	1.54	12.68	0.00	406.20
FTSE All-Share Telecommunications Service Providers (5)	1925.80	1.16	1674.54	1903.78	1894.21	2131.64	8.73	0.42	27.26	0.00	2934.75
FTSE All-Share Health Care Providers (1)	11335.28	-0.66	9856.36	11410.85	11436.03	11012.35	0.22	4.26	105.73	0.00	10561.74
FTSE All-Share Medical Equipment and Services (2)	5493.98	-1.01	4777.18	5549.98	5546.80	5582.87	2.64	0.62	60.80	0.00	5453.14
FTSE All-Share Pharmaceuticals and Biotechnology (9)	20566.50	1.69	17883.18	20225.00	20234.44	20966.91	2.46	1.55	26.15	0.00	17569.39
FTSE All-Share Banks (12)	3620.42	-0.32	3148.06	3631.86	3615.89	3245.92	6.08	3.25	5.07	0.00	3407.57
FTSE All-Share Finance and Credit Services (8)	12384.32	-1.48	10768.53	12570.52	12581.96	9941.33	1.71	1.69	34.69	0.00	16985.35
FTSE All-Share Investment Banking and Brokerage Services (32)	9525.35	-2.12	8282.58	9731.95	9765.66	8395.25	4.76	1.88	11.21	0.00	14168.09
FTSE All-Share Closed End Investments (193)	11716.78	-0.81	10188.09	11812.84	11803.04	11591.86	2.91	1.68	20.39	0.00	7568.15
FTSE All-Share Life Insurance (6)	6232.35	-1.91	5419.21	6353.39	6318.84	7172.57	5.24	0.40	47.22	0.00	8014.61
FTSE All-Share Nonlife Insurance (6)	3807.47	0.31	3310.71	3795.72	3810.85	3770.55	2.76	1.11	32.68	0.00	8310.00
FTSE All-Share Real Estate Investment and Services (10)	2162.43	-1.49	1880.30	2195.14	2206.58	2032.85	2.33	0.00	10236.08	0.00	6628.60
FTSE All-Share Real Estate Investment Trusts (41)	2149.25	-0.59	1868.84	2162.05	2185.31	2034.72	4.56	-3.29	-6.65	0.00	3437.05
FTSE All-Share Automobiles and Parts (3)	1577.64	-1.19	1371.81	1596.57	1587.37	1496.21	1.15	-3.35	-25.94	0.00	1658.64
FTSE All-Share Consumer Services (1)	3522.63	-0.42	3063.04	3537.47	3534.17	3158.47	1.74	2.22	26.00	0.00	4551.41
FTSE All-Share Household Goods and Home Construction (11)	10771.96	-1.08	9366.54	10890.09	10867.55	8293.29	5.45	1.90	9.67	0.00	10295.53
FTSE All-Share Leisure Goods (2)	26390.03	-0.24	22946.92	26453.72	26468.66	23066.00	4.54	1.00	21.95	0.00	30824.18
FTSE All-Share Personal Goods (4)	18251.86	-1.86	15870.53	18596.96	18438.88	26485.63	3.64	2.10	13.12	0.00	14770.52
FTSE All-Share Media (10)	11292.54	-1.16	9819.19	11425.17	11372.54	9325.87	2.33	1.93	22.20	0.00	8149.82
FTSE All-Share Retailers (20)	2427.59	-1.46	2110.86	2463.61	2481.09	1862.96	2.69	2.70	13.78	0.00	3252.60
FTSE All-Share Travel and Leisure (27)	7330.88	-0.80	6374.42	7390.22	7374.28	6084.40	0.76	2.26	58.07	0.00	7646.10
FTSE All-Share Beverages (5)	22321.61	-1.15	19409.30	22582.39	22522.56	27953.97	2.87	2.03	17.17	0.00	18348.05
FTSE All-Share Food Producers (8)	7506.09	0.01	6526.77	7505.56	7533.82	5872.35	2.23	2.63	17.08	0.00	7486.31
FTSE All-Share Tobacco (2)	26544.19	1.33	23080.96	26195.31	26052.97	35646.03	9.44	1.62	6.56	0.00	27538.06
FTSE All-Share Construction and Materials (15)	9740.77	-0.59	8469.88	9798.09	9838.63	7281.85	3.52	2.53	11.24	0.00	12288.55
FTSE All-Share Aerospace and Defense (8)	8997.63	0.08	7823.70	8990.41	8947.51	5379.45	1.41	3.77	18.74	0.00	11173.60
FTSE All-Share Electronic and Electrical Equipment (11)	11397.22	-2.06	9910.22	11636.39	11654.76	10197.09	1.61	2.40	25.85	0.00	11475.58
FTSE All-Share General Industrials (7)	5406.83	-1.11	4701.40	5467.74	5485.63	4876.27	3.35	1.49	20.00	0.00	7408.75
FTSE All-Share Industrial Engineering (6)	15311.36	-1.37	13313.68	15524.48	15546.32	15270.72	2.14	2.22	21.06	0.00	20988.31
FTSE All-Share Industrial Support Services (29)	10038.82	-1.69	8729.05	10211.20	10244.82	9563.12	2.16	1.40	33.15	0.00	11814.54
FTSE All-Share Industrial Transportation (8)	5862.44	-1.85	5097.57	5973.03	5963.95	5238.45	1.71	3.59	16.28	0.00	6247.33
FTSE All-Share Industrial Materials (1)	17453.26	4.18	576.54	16753.13	17903.34	17003.17	1.98	3.29	15.39	0.00	22469.96
FTSE All-Share Industrial Metals and Mining (8)	7343.19	-0.02	6385.12	7344.75	7354.20	8429.03	6.10	2.45	6.68	0.00	12013.81
FTSE All-Share Precious Metals and Mining (5)	9430.38	-0.96	8199.99	9521.31	9591.52	10548.50	3.12	-1.42	-22.51	0.00	6856.25
FTSE All-Share Chemicals (7)	10311.16	-1.47	8965.86	10464.90	10531.61	12958.75	2.83	1.57	22.54	0.00	10628.18
FTSE All-Share Oil. Gas and Coal (14)	8654.01	0.44	7524.92	8616.23	8558.98	8154.31	4.20	4.77	4.99	0.00	11389.62
FTSE Sector Indices											
Non Financials (315)	**5113.36**	**-0.06**	**4591.46**	**5116.61**	**5113.25**	**4974.21**	**3.59**	**2.15**	**12.95**	**0.00**	**9606.96**

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	7751.74	7756.24	7734.70	7734.80	7711.20	7697.02	7701.20	7713.62	7713.87	7763.70	7689.28
FTSE 250	19665.78	19685.84	19637.63	19661.81	19597.04	19511.13	19536.21	19564.17	19551.42	19690.68	19490.00
FTSE SmallCap	6423.08	6436.63	6426.58	6421.02	6415.51	6407.28	6401.98	6401.47	6408.39	6437.28	6397.50
FTSE All-Share	4239.74	4242.61	4231.14	4231.83	4218.98	4209.77	4212.36	4218.89	4218.72	4245.25	4205.72

Time of FTSE 100 Day's high:08:05:45 Day's Low14:41:00 FTSE 100 2010/11 High: 7721.52(02/01/2024) Low: 7721.52(02/01/2024)
Time of FTSE All-Share Day's high:08:05:00 Day's Low13:16:00 FTSE 100 2010/11 High: 4220.90(02/01/2024) Low: 4220.90(02/01/2024)
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FT 30 INDEX

	Jan 02	Jan 01	Dec 29	Dec 28	Dec 27	Yr Ago	High	Low
FT 30	2758.20	2771.40	2773.70	2782.90	2775.20	0.00	0.00	0.00
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
2771.4	2780	2774.4	2776.7	2766	2757.7	2759.1	2757.1	2755.9	2780.9	2751.8

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

FT WILSHIRE 5000 INDEX SERIES

	Dec 29		Dec 29
FT Wilshire 5000	48295.50	FT Wilshire Mid Cap	6008.79
FT Wilshire 2500	6197.90	FT Wilshire Small Cap	5587.32
FT Wilshire Mega Cap	6334.10	FT Wilshire Micro Cap	4963.25
FT Wilshire Large Cap	6282.07		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Pharmace & Biotech	1.69	NON FINANCIALS Index	-0.06	FTSE 250 Index	-0.90
Health Care	1.54	Household Goods & Ho	-0.08	Health Care Eq & Srv	-0.99
Mobile Telecomms	1.40	FTSE 100 Index	-0.15	Industrials	-1.12
Tobacco	1.33	Tech Hardware & Eq	-0.15	Beverages	-1.15
Telecommunications	1.16	Basic Materials	-0.16	General Retailers	-1.19
Fixed Line Telecomms	0.69	Leisure Goods	-0.24	Automobiles & Parts	-1.19
Industrial Transport	0.50	FTSE All{HY-}Share Index	-0.26	Media	-1.26
Personal Goods	0.46	Banks	-0.32	Technology	-1.26
Oil & Gas Producers	0.46	Gas Water & Multi	-0.34	Software & Comp Serv	-1.34
Oil & Gas	0.44	FTSE SmallCap Index	-0.40	Industrial Metals &	-1.35
Nonlife Insurance	0.31	Utilities	-0.48	Chemicals	-1.40
Consumer Goods	0.14	Real Est Invest & Tr	-0.57	Real Est Invest & Se	-1.44
Aerospace & Defense	0.08	Construct & Material	-0.64	Industrial Eng	-1.47
Food & Drug Retailer	0.06	Travel & Leisure	-0.68	Support Services	-1.82
Food Producers	0.01	Equity Invest Instr	-0.83	Financial Services	-1.86
Beverages	31.66	Electricity	-0.87	Oil Equipment & Serv	-1.89
Mining	-0.04	Consumer Services	-0.87	Life Insurance	-1.91
		Financials	-0.89	Electronic & Elec Eq	-2.15

FTSE GLOBAL EQUITY INDEX SERIES

Jan 2 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	10079	812.92	-0.3	5.4	19.5	1334.44	22.2	2.1
FTSE Global All Cap	10079	812.92	-0.3	5.4	19.5	1334.44	22.2	2.1
FTSE Global Large Cap	2002	737.56	-0.2	4.6	21.3	1247.97	24.0	2.0
FTSE Global Mid Cap	2294	1004.00	-0.4	7.0	13.7	1551.76	16.3	2.2
FTSE Global Small Cap	5783	1045.90	-0.7	9.0	16.0	1542.41	18.5	2.0
FTSE All-World	4296	479.48	-0.2	5.0	19.9	833.65	22.6	2.1
FTSE World	2618	879.34	-0.3	5.1	21.5	2051.46	24.2	2.0
FTSE Global All Cap ex UNITED KINGDOM In	9800	860.22	-0.3	5.4	19.9	1384.00	22.5	2.0
FTSE Global All Cap ex USA	8317	550.58	-0.1	5.2	12.6	1012.20	16.2	3.0
FTSE Global All Cap ex JAPAN	8652	848.47	-0.3	5.4	19.7	1404.81	22.4	2.0
FTSE Global All Cap ex Eurozone	9439	859.12	-0.3	5.5	19.5	1378.46	22.1	2.0
FTSE Developed	2110	807.95	-0.3	5.1	21.6	1333.98	24.2	2.0
FTSE Developed All Cap	5720	837.91	-0.3	5.5	21.0	1362.86	23.6	1.9
FTSE Developed Large Cap	772	767.89	-0.2	4.7	23.5	1290.11	26.1	1.9
FTSE Developed Europe Large Cap	196	442.94	-0.2	4.7	17.0	908.01	21.0	3.2
FTSE Developed Europe Mid Cap	343	664.04	-0.5	6.3	17.2	1179.27	20.9	3.1
FTSE Dev Europe Small Cap	735	894.47	-0.6	7.6	11.8	1526.59	15.4	3.1
FTSE North America Large Cap	220	1044.28	-0.3	4.4	27.1	1597.49	29.2	1.4
FTSE North America Mid Cap	416	1242.73	-0.5	7.6	13.8	1763.37	15.9	1.8
FTSE North America Small Cap	1297	1249.81	-1.1	10.5	17.7	1695.85	19.7	1.6
FTSE North America	636	671.86	-0.3	5.0	24.5	1051.38	26.6	1.5
FTSE Developed ex North America	1474	299.87	-0.2	5.4	15.3	593.62	18.9	3.0
FTSE Japan Large Cap	163	440.61	0.1	4.3	18.8	664.87	21.7	2.2
FTSE Japan Mid Cap	348	583.92	0.2	4.6	10.3	838.99	13.3	2.5
FTSE Global wi JAPAN Small Cap	916	664.64	0.3	5.7	11.8	993.42	15.0	2.6
FTSE Japan	511	179.26	0.1	4.4	17.1	303.04	20.0	2.3
FTSE Asia Pacific Large Cap ex Japan	1221	702.75	0.0	5.0	4.6	1322.63	7.7	2.9
FTSE Asia Pacific Mid Cap ex Japan	901	1070.13	0.2	5.7	11.2	1940.26	14.2	2.7
FTSE Asia Pacific Small Cap ex Japan	2552	604.87	0.2	4.4	13.2	1062.06	16.1	2.4
FTSE Asia Pacific Ex Japan	2122	563.74	0.0	5.1	5.3	1127.51	8.4	2.9
FTSE Emerging All Cap	4359	750.95	0.2	3.8	6.6	1353.85	10.0	3.1
FTSE Emerging Large Cap	1230	679.93	0.1	3.6	4.6	1233.56	8.0	3.1
FTSE Emerging Mid Cap	956	1159.09	0.5	5.1	13.4	2100.43	16.9	3.0
FTSE Emerging Small Cap	2173	868.26	0.5	3.8	15.3	1492.41	18.6	2.8
FTSE Emerging Europe	154	140.05	0.3	-2.3	9.0	306.23	13.6	3.4
FTSE Latin America All Cap	249	875.61	-0.4	7.6	25.5	1864.18	33.8	6.5
FTSE Middle East and Africa All Cap	327	732.99	0.5	5.2	1.2	1393.54	4.9	3.5
FTSE Global wi UNITED KINGDOM All Cap In	279	348.89	-0.1	5.1	11.0	743.22	15.5	3.8
FTSE Global wi USA All Cap	1762	1152.05	-0.4	5.5	24.3	1698.34	26.3	1.4
FTSE Europe All Cap	1469	499.86	-0.3	5.1	16.5	983.42	20.4	3.2
FTSE Eurozone All Cap	640	495.52	-0.4	4.2	19.6	966.48	23.5	3.1
FTSE EDHEC-Risk Efficient All-World	4296	517.67	-0.3	6.2	11.7	839.30	14.7	2.5
FTSE EDHEC-Risk Efficient Developed Europe	539	363.07	-0.4	5.4	15.7	660.60	19.6	3.2
Oil & Gas	138	408.42	-0.2	1.4	0.0	877.93	4.4	4.2
Oil & Gas Producers	89	413.47	-0.2	1.0	1.5	914.24	6.2	4.3

Jan 2 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	26	281.20	-0.2	1.1	1.2	547.54	5.9	4.5
Basic Materials	424	638.80	-0.4	6.3	6.9	1223.09	10.8	3.5
Chemicals	208	842.57	-0.2	4.8	8.1	1537.82	11.1	2.7
Forestry & Paper	18	263.49	-0.9	2.4	4.6	556.27	8.9	4.3
Industrial Metals & Mining	115	578.85	-0.4	9.0	17.1	1155.97	21.7	3.8
Mining	83	973.06	-0.6	7.3	-0.4	1993.34	4.5	4.5
Industrials	842	575.55	-0.2	8.0	18.0	939.27	20.5	1.9
Construction & Materials	163	720.80	-0.1	9.5	29.4	1241.82	32.2	1.8
Aerospace & Defense	37	1042.47	0.1	6.3	15.2	1654.33	17.0	1.4
General Industrials	80	293.94	-0.2	7.7	23.2	533.29	26.2	2.2
Electronic & Electrical Equipment	171	675.70	-0.3	7.9	12.7	987.81	14.5	1.5
Industrial Engineering	169	1180.61	-0.3	10.1	20.1	1922.04	22.7	1.9
Industrial Transportation	132	997.01	-0.2	8.4	10.5	1681.12	14.2	3.1
Support Services	90	593.24	-0.4	6.5	17.4	898.34	19.3	1.5
Consumer Goods	579	592.51	-0.1	2.8	10.2	1024.03	12.9	2.5
Automobiles & Parts	142	614.61	-0.5	2.7	41.0	1019.23	44.4	2.0
Beverages	74	748.46	0.0	2.8	-3.4	1307.28	-1.0	2.6
Food Producers	134	697.76	0.2	2.8	-3.2	1235.22	-0.7	2.8
Household Goods & Home Construction	62	587.59	0.3	2.8	9.4	1016.41	12.1	2.4
Leisure Goods	56	278.44	0.3	3.7	21.2	400.28	23.0	1.4
Personal Goods	99	960.02	-0.2	4.1	3.9	1508.78	5.8	1.9
Tobacco	12	907.90	0.2	-2.0	-9.0	2798.42	-2.5	7.1
Health Care	352	745.79	0.0	4.9	2.4	1212.24	4.3	1.8
Health Care Equipment & Services	133	1416.17	-0.1	4.9	2.7	1758.11	3.8	1.0
Pharmaceuticals & Biotechnology	219	505.71	0.0	4.9	2.2	888.30	4.6	2.3
Consumer Services	438	633.87	-0.3	5.5	23.5	917.46	25.0	1.2
Food & Drug Retailers	66	316.77	0.1	7.0	0.8	517.21	3.3	2.5
General Retailers	144	1142.77	-0.5	5.5	28.3	1579.28	29.6	0.9
Media	80	364.80	-0.4	2.8	25.9	531.62	27.6	1.2
Travel & Leisure	148	531.55	0.0	7.2	20.1	787.17	21.6	1.3
Telecommunication	82	133.21	0.1	2.5	3.5	329.12	8.2	4.4
Fixed Line Telecommuniations	29	100.57	0.0	1.9	-0.1	288.90	5.5	5.5
Mobile Telecommunications	53	160.19	0.2	2.8	5.4	338.81	9.6	3.9
Utilities	210	320.08	-0.1	3.7	-0.6	778.54	3.1	3.7
Electricity	152	359.51	-0.1	4.0	-1.6	859.42	1.9	3.5
Gas Water & Multiutilities	58	321.86	-0.1	2.9	1.9	814.14	6.1	4.1
Financials	855	290.81	-0.2	6.4	12.1	580.02	16.0	3.2
Banks	274	218.83	-0.1	8.1	10.4	493.03	15.8	4.4
Nonlife Insurance	70	412.82	0.2	0.3	12.8	710.91	16.2	2.8
Life Insurance	50	223.52	0.1	3.5	-1.9	449.19	2.1	3.9
Financial Services	219	509.54	-0.3	6.3	20.1	788.81	22.2	1.5
Technology	376	695.03	-0.4	4.0	57.2	916.35	58.6	0.8
Software & Computer Services	178	1047.88	-0.3	2.3	54.6	1275.81	55.5	0.5
Technology Hardware & Equipment	198	617.00	-0.4	5.9	59.9	878.80	61.9	1.1
Alternative Energy	23	123.63	-0.9	16.2	-32.4	178.10	-32.2	0.5
Real Estate Investment & Services	140	256.50	-0.2	6.9	2.2	513.87	4.9	2.5
Real Estate Investment Trusts	102	463.97	-1.0	8.7	6.6	1139.38	11.1	3.9
FTSE Global Large Cap	2002	737.56	-0.2	4.6	21.3	1247.97	24.0	2.0

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¤cy=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	2344	-77.00	Intertek Group PLC	4228	-18.00
Admiral Group PLC	2681	-3.00	Jd Sports Fashion PLC	160.60	-5.35
Airtel Africa PLC	129.70	-0.50	Kingfisher PLC	238.60	-4.70
Anglo American PLC	1968.2	-2.40	Land Securities Group PLC	708.60	3.80
Antofagasta PLC	1651.5	-28.00	Legal & General Group PLC	248.50	-2.60
Ashtead Group PLC	5338	-124.00	Lloyds Banking Group PLC	48.07	0.36
Associated British Foods PLC	2371	4.00	London Stock Exchange Group PLC	9140	-134.00
Astrazeneca PLC	10788	188.00	M&G PLC	224.20	1.80
Auto Trader Group PLC	703.00	-18.40	Marks And Spencer Group PLC	276.00	3.60
Aviva PLC	433.70	-1.00	Melrose Industries PLC	559.20	-8.20
B&M European Value Retail S.A.	560.60	0.40	Mondi PLC	1533.5	-4.00
Bae Systems PLC	1116	5.50	National Grid PLC	1057.5	-0.50
Barclays PLC	155.28	1.50	Natwest Group PLC	220.20	0.80
Barratt Developments PLC	554.40	-8.20	Next PLC	8042	-76.00
Beazley PLC	526.00	4.00	Ocado Group PLC	739.60	-18.80
Berkeley Group Holdings (The) PLC	4708	20.00	Pearson PLC	967.60	3.40
BP PLC	471.00	4.85	Pershing Square Holdings LTD	3568	-16.00
British American Tobacco PLC	2331.5	36.00	Phoenix Group Holdings PLC	530.80	-4.40
Bt Group PLC	125.10	1.50	Prudential PLC	856.20	-31.00
Bunzl PLC	3165	-25.00	Reckitt Benckiser Group PLC	5456	36.00
Burberry Group PLC	1400	-16.00	Relx PLC	3067	-43.00
Centrica PLC	141.30	0.65	Rentokil Initial PLC	432.50	-8.30
Coca-Cola Hbc AG	2315	10.00	Rightmove PLC	557.20	-18.40
Compass Group PLC	2137	-9.00	Rio Tinto PLC	5891	49.00
Convatec Group PLC	241.80	-2.40	Rolls-Royce Holdings PLC	298.10	-1.60
Croda International PLC	4953	-97.00	Rs Group PLC	817.60	-2.00
Dcc PLC	5700	-78.00	Sage Group PLC	1165.5	-7.00
Dechra Pharmaceuticals PLC	3856	-2.00	Sainsbury (J) PLC	298.80	-3.80
Diageo PLC	2819.5	-36.50	Schroders PLC	428.10	-1.80
Diploma PLC	3450	-132.00	Scottish Mortgage Investment Trust PLC	788.00	-20.00
Endeavour Mining PLC	1757	-	Segro PLC	876.20	-10.20
Entain PLC	985.40	-8.80	Severn Trent PLC	2548	-31.00
Experian PLC	3122	-80.00	Shell PLC	2575.5	4.00
F&C Investment Trust PLC	957.00	-5.00	Smith & Nephew PLC	1067.5	-11.00
Flutter Entertainment PLC	13765	-175.00	Smith (Ds) PLC	306.30	-1.00
Frasers Group PLC	886.00	-24.50	Smiths Group PLC	1738.5	-25.00
Fresnillo PLC	571.00	-23.40	Smurfit Kappa Group PLC	3052	-68.00
Glaxosmithkline PLC	1479.8	29.60	Spirax-Sarco Engineering PLC	10215	-290.00
Glencore PLC	468.70	-3.40	Sse PLC	1838	-18.00
Haleon PLC	324.20	2.55	St. James's Place PLC	658.80	-24.80
Halma PLC	2224	-60.00	Standard Chartered PLC	658.80	-7.80
Hikma Pharmaceuticals PLC	1786.5	-2.50	Taylor Wimpey PLC	144.15	-2.90
Howden Joinery Group PLC	805.20	-8.40	Tesco PLC	293.10	2.60
HSBC Holdings PLC	630.50	-5.00	Unilever PLC	3824.5	24.50
Imi PLC	1661	-23.00	Unite Group PLC	1041	-3.00
Imperial Brands PLC	1817	10.50	United Utilities Group PLC	1044	-15.50
Informa PLC	773.20	-8.00	Vodafone Group PLC	69.76	1.20
Intercontinental Hotels Group PLC	7118	28.00	Weir Group PLC	1898.5	12.00
Intermediate Capital Group PLC	1651	-29.50	Whitbread PLC	3615	-41.00
International Consolidated Airlines Group S.A.	156.00	1.00	Wpp PLC	745.80	-7.20

UK STOCK MARKET TRADING DATA

	Jan 02	Dec 29	Dec 28	Dec 27	Dec 22	Yr Ago
Order Book Turnover (m)	103.50	22.37	22.37	22.37	29.56	113.55
Order Book Bargains	532484.00	184375.00	184375.00	184375.00	383098.00	486612.00
Order Book Shares Traded (m)	1314.00	611.00	611.00	611.00	776.00	907.00
Total Equity Turnover (£m)	3230.77	1605.42	1605.42	1605.42	1741.59	4281.59
Total Mkt Bargains	1361752.00	652274.00	652274.00	652274.00	809767.00	740804.00
Total Shares Traded (m)	7211.00	4318.00	4318.00	4318.00	5688.00	6128.00

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

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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	
Mobile Streams	Pre	**1.824**	1.022	**3.789L**	2.509L	**0.093L**	0.092L	**0.00000**	0.00000	-	**0.000**	0.000
Tribe Technology	Pre	**0.040**	0.002	**3.809L**	2.370L	**0.000**	0.000	**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)

§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

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 %
Naspers N	3050.12	3128.00	-77.88	-2.49	385.65	11.2	-12.19
Tencent	296.60	293.60	3.00	1.02	19.60	8.2	-9.24
Bausch Hlth	10.62	10.63	-0.01	-0.09	0.75	7.5	7.05
CNOOC	13.20	13.00	0.20	1.54	0.58	6.3	1.07
Regen Pharm	902.05	878.29	23.76	2.71	28.76	6.2	10.75
ChShenEgy	27.50	26.75	0.75	2.80	0.80	6.0	7.83
Perrigo	33.58	32.18	1.40	4.35	0.43	5.8	8.46
SandsCh	23.75	22.85	0.90	3.94	0.35	5.6	24.22
Dollar General	140.30	135.95	4.35	3.20	2.89	5.4	4.14
Pfizer	29.95	28.79	1.16	4.03	0.38	5.4	3.58
Murata Mfg	2993.00	3011.00	-18.00	-0.60	169.50	5.3	4.03
Amgen	298.67	288.02	10.65	3.70	4.12	5.2	9.61
PetroChina	5.20	5.16	0.04	0.78	0.21	5.1	1.36
Bayer	34.36	33.63	0.73	2.16	0.93	5.0	4.98
SmsungEl	79600.00	78500.00	1100.00	1.40	2600.00	4.9	9.34
ChUncHK	4.74	4.90	-0.16	-3.27	0.38	4.9	-6.14
Merck	112.44	109.02	3.42	3.14	1.39	4.5	8.61
Softbank	6293.00	6324.00	-31.00	-0.49	300.00	4.5	2.26
Centene Corp	76.87	74.21	2.66	3.58	0.56	4.4	2.72
Ch Rail Gp	3.43	3.48	-0.05	-1.44	0.19	4.3	-0.29

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 %
MitsbCp	2253.50	2245.00	8.50	0.38	-4407.00	-66.1	-68.08
Zoom	69.77	71.91	-2.14	-2.98	-2.30	-6.0	-0.67
Carnival	17.79	18.54	-0.75	-4.02	-0.07	-4.4	12.82
Applied Materi.	157.12	162.07	-4.95	-3.05	-2.21	-4.4	3.62
KLA Corp	565.64	581.30	-15.67	-2.69	-10.07	-4.4	3.02
Cadence Design	263.32	272.37	-9.05	-3.32	-2.59	-4.2	-2.63
Intel	48.41	50.25	-1.84	-3.66	-0.25	-4.1	10.53
Netflix	471.85	486.88	-15.04	-3.09	-4.31	-3.9	1.38
Autodesk	235.83	243.48	-7.65	-3.14	-1.59	-3.8	4.98
NXP	223.68	229.68	-6.00	-2.61	-2.27	-3.6	8.72
Salesforce	256.81	263.14	-6.33	-2.41	-3.08	-3.5	-1.25
Intuit	603.49	625.03	-21.54	-3.45	0.18	-3.4	5.14
AmerAir	13.63	13.74	-0.11	-0.80	-0.37	-3.4	4.72
Costco	652.32	660.08	-7.76	-1.18	-14.54	-3.3	9.38
PernodRic	155.55	159.75	-4.20	-2.63	-1.05	-3.3	-2.02
Apple	186.76	192.53	-5.78	-3.00	-0.52	-3.3	-2.26
Boeing	254.27	260.66	-6.39	-2.45	-2.13	-3.2	8.70
Adobe	579.61	596.60	-16.99	-2.85	-1.66	-3.1	-5.33
Avago Tech	1097.13	1116.25	-19.12	-1.71	-15.64	-3.1	17.99
Broadcom	1097.13	1116.25	-19.12	-1.71	-15.64	-3.1	17.99

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Jan 02	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

Jan 02	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
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-	128.68	3.20	0.00	-0.01	0.40
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	137.45	2.19	-0.03	0.02	-

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

INTEREST RATES: OFFICIAL

Jan 02	Rate	Current	Since	Last
US	Fed Funds	5.25-5.50	26-07-2023	5.00-5.25
US	Prime	8.50	26-01-2023	8.25
US	Discount	5.50	01-08-2023	5.25
Euro	Repo	4.0	14-09-2023	3.438
UK	Repo	5.25	03-08-2023	5.00
Japan	O'night Call	0.00-0.10	01-02-2016	0.00
Switzerland	Libor Target	-1.25-0.25	15-01-2015	-0.75--0.25

INTEREST RATES: MARKET

Jan 02 (Libor: Dec 29)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	5.06157	0.010	0.000	0.002	5.46920	5.59301	5.58598	6.04143
Euro Libor	-0.64957	-0.064	0.000	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	0.000	0.001	4.20130	5.32460	4.74470	0.81363
Swiss Fr Libor				-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor				0.000	-0.06005	-0.02617	0.07165	0.04867
Euro Euribor				-0.027	3.84500	3.90900	3.86100	3.51300
Sterling CDs				0.000	0.50000	0.63000	0.78500	

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	215.32	-0.01	-0.01	-0.01	3.11	5.70
Corporates(£)	-	-	-	-	-	-
Corporates(€)	-	-	-	-	-	-
Eurozone Sov(€)	-	-	-	-	-	-

VOLATILITY INDICES

	Jan 02	Day Chng	Prev	52 wk high	52 wk low
VIX	13.40	0.95	12.45	30.81	11.81
VXD	17.46	5.75	11.71	31.86	3.10
VXN	17.60	1.40	16.20	32.60	5.85
VDAX	14.47	0.94	13.53	93.30	-

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

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia		-	-	-	-	-	-	-
	05/32	1.25	81.15	3.91	0.06	-0.05	-0.46	-0.11
	02/50	1.00	103.91	1.60	0.07	-0.04	-0.59	-0.28
Austria	02/29	0.50	91.19	2.34	0.07	0.02	-0.46	-0.63
	02/47	1.50	76.64	2.90	0.09	0.08	-0.42	-0.14
Belgium	06/27	0.80	95.23	2.24	0.05	0.01	-0.51	-0.51

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

GILTS: UK CASH MARKET

Jan 02	Price £	Red Yield	Change in Yield Day	Week	Month	Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Tr 0.125pc '24	99.63	5.07	1.20	-0.39	0.20	40.83	99.63	96.36	35.55
Tr 2pc '25	96.88	3.94	1.81	0.77	-12.25	10.99	97.82	92.80	39.93
Tr 0.125pc '26	92.88	3.73	2.19	0.81	-13.26	6.88	93.02	87.71	35.32
Tr 1.25pc '27	92.60	3.48	2.35	1.75	-15.12	-3.60	93.30	86.03	40.99
Tr 0.5pc '29	86.39	3.44	2.99	2.69	-15.89	-4.18	87.71	78.59	28.92
Tr 1pc '32	82.29	3.54	2.91	3.21	-13.87	-3.28	110.14	74.53	35.96
Tr 4.25pc '36	103.97	3.84	2.67	4.35	-11.32	-1.79	109.78	94.63	31.68
Tr 4.5pc '42	103.87	4.20	2.94	4.74	-9.09	3.96	113.53	92.93	28.35
Tr 3.75pc '52	91.96	4.24	3.16	4.95	-9.01	7.34	103.90	79.70	25.11
Tr 4pc '60	96.66	4.18	3.21	5.29	-8.33	11.17	111.84	83.11	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	Jan 02	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	83.11	-0.16	2434.37	1.62	3.95	3.67
2 5 - 10 Years	150.23	-0.64	3272.21	4.16	4.87	3.52
3 10 - 15 Years	158.31	-0.96	3751.32	5.46	4.45	3.89
4 5 - 15 Years	151.25	-0.76	3388.12	4.59	4.83	3.70
5 Over 15 Years	205.96	-2.11	3675.35	7.91	-0.50	4.18
7 All stocks	135.19	-0.97	3099.01	4.51	2.63	4.00

Real yield	inflation 0% Jan 02	Dur yrs	Previous	Yr ago	inflation 5% Jan 02	Dur yrs	Previous	Yr ago
Up to 5 yrs	0.28	2.29	0.21	0.09	-0.09	2.31	-0.17	-0.27
Over 5 yrs	0.86	18.95	0.75	0.45	0.83	19.00	0.72	0.42
5-15 yrs	0.35	9.25	0.26	0.32	0.26	9.26	0.17	0.24
Over 15 yrs	0.98	24.88	0.86	0.48	0.96	24.90	0.85	0.47
All stocks	0.84	15.50	0.73	0.44	0.80	15.58	0.69	0.41

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

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BONDS: TEN YEAR GOVT SPREADS

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FINANCIAL TIMES SHARE SERVICE

Main Market

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
Aerospace & Defence							
Avon Protection	835.00	-15.00	1140	582.00	4.35	430.19	101.4
BAE Sys	1116	5.50	1131	820.40	2.17	20.40	3664.4
Chemring	351.00	0.50	359.00	6.00	1.20	24.38	525.9
Automobiles & Parts							
FordMtr $⊕	12.32	0.13	15.42	9.63	4.84	12.04	18527.1
Banks							
ANZ A$⊕	25.99	0.07	26.08	22.39	5.88	11.60	3802.1
BcoSant	332.50	3.50	343.50	245.78	3.07	6.31	152.5
BnkGeorgia	4005	30.00	4021.22	2218.14	6.80	3.57	44.7
BankIre Grp €	8.47	0.22	11.03	7.72	2.45	6.75	101.9
BkNvaS C$⊕	63.63	-0.87	74.41	55.20	6.47	10.03	1299.9
Barclays■	155.28	1.50	198.86	128.12	4.96	4.59	22685.5
CanImp C$⊕	63.84	0.04	64.43	47.44	5.29	13.15	707.5
HSBC■	630.50	-5.00	665.60	512.30	5.16	6.68	12604.7
LlydsBkg■	48.07	0.36	54.33	39.42	5.24	5.11	61178.0
NWG■	220.20	0.80	310.00	168.00	7.04	4.52	9762.8
PermTSB €	2.35	-0.04	2.81	1.18	-	4.39	65.9
RylBkC C$⊕	133.99	-0.01	140.18	107.92	3.90	13.04	319.4
StandCh■	658.80	-7.80	799.40	578.80	2.49	12.45	1866.4
..7.375%Pf	106.35	2.35	105.75	94.50	6.93	-	500.0
..8.25%Pf	116.70	0.35	114.50	101.36	7.07	-	15.7
TntoDom C$⊕	85.39	-0.23	94.05	75.89	4.38	11.13	1027.6
Westpc A$⊕	23.08	0.18	24.10	20.03	5.73	11.99	3286.8
Chemicals							
Elemntis	128.00	0.40	131.80	96.60	-	-17.31	380.4
Johnsn Mtthey	1670	-27.50	2370	22.00	4.19	21.06	228.9
Victrex	1521	-1.00	1953.15	1282	3.92	18.11	69.3
Construction & Materials							
Boot(H)	212.00	4.00	255.00	170.00	3.14	14.52	74.5
GalfrdT	226.00	1.00	249.00	153.95	3.89	27.90	84.5
MorgSdl	2175	-40.00	2260	1460	4.64	15.88	18.8
Tyman	317.50	3.00	324.00	214.50	2.52	12.55	84.6
Electronic & Electrical Equip							
Dialight	144.50	-2.50	340.00	140.00	-	-12.42	9.6
Discoverie PLC	774.00	-16.00	958.00	586.00	1.31	63.44	195.8
Halma	2224	-60.00	2520.95	1802	0.91	35.40	418.1
Morgan Ad	280.00	-3.00	326.50	215.50	4.29	13.66	237.2
OxfordIn♦	2265	-30.00	2884.8	1634	0.86	21.99	23.4
Renishaw	3494	-84.00	4296	2823.42	2.10	21.88	20.4
Spectris	3719	-60.00	3883.85	2917	1.87	12.23	113.1
TT Elect	157.60	1.40	212.03	140.85	4.12	21.89	31.9
XP Power	1276	-80.00	2750	682.41	7.21	6.82	26.3
Financial General							
3i♦	2344	-77.00	2455	1331.5	2.26	5.05	1159.7

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
abrdn	174.75	-3.90	238.00	149.75	8.35	3.80	1959.4
Bridgepoint Grp Plc	273.60	-5.60	300.60	164.80	-	17.10	215.4
CtyLonInv	320.00	-	475.00	300.00	10.31	10.81	74.3
CloseBrs	786.00	-8.00	1139	721.83	8.46	14.50	208.6
CoinShares Intl Ltd (SA)	39.95	-1.35	56.10	19.00	-	0.42	85.7
Hargr Lans	713.00	-21.00	1023.5	676.40	5.40	12.71	1141.9
Indvardn SKr	328.40	0.10	335.40	253.00	2.14	4.84	202.3
ICG♦	1651	-29.50	1738.5	1067.97	3.39	9.47	428.7
Investec	533.80	2.00	556.20	401.00	5.81	7.27	351.2
Jupiter	90.40	-3.00	158.30	71.30	18.92	3.36	297.7
Liontrust♦	605.00	-25.00	1300	519.00	7.77	7.57	137.6
LSE Gp■	9140	-134.00	9438	7094	1.17	75.79	456.8
RathbnGrp	1696	-46.00	2245	1436	4.95	23.30	19.3
Record	72.00	1.00	98.90	61.60	6.25	14.15	119.9
S & U	2155	-30.00	2570	1995	6.17	7.98	0.7
Schroder	428.10	-1.80	507.00	357.20	27.10	1.97	1233.2
Shires Income	230.00	4.00	275.00	200.00	5.83	3.21	177.8
StJmsPl	638.80	-24.80	1301.5	597.18	9.30	12.55	921.7
TP ICAP	192.60	-2.70	202.60	140.60	3.12	275.14	1023.3
Vanquis	126.20	-3.00	248.40	102.60	-	2.36	370.8
Food & Beverages							
AngloEst	678.00	8.00	886.20	650.50	2.88	7.28	2.5
AscBrFd♦■	2371	4.00	2485	1576	1.84	24.88	499.2
Barr(AG)	510.00	-3.00	565.60	446.00	2.57	16.95	35.7
Britvic	839.00	-1.50	950.00	742.00	2.88	19.02	139.2
CarrsGroup	102.25	1.65	152.02	92.00	4.89	12.62	32.4
Coca-Cola HBC	2315	10.00	2582	1906.5	2.32	18.50	328.1
Cranswk	3798	-10.00	4025.91	2850	1.84	20.06	38.5
Diageo■	2815.5	-36.50	3779.5	2719	2.75	17.15	2521.7
Grncore	95.00	-1.45	103.50	64.10	-	19.00	1277.5
HiltonFd	773.00	-27.00	806.00	538.00	3.94	22.85	131.4
Kerry €	77.35	-1.75	100.00	71.05	1.12	18.58	51.0
PremFds	135.00	-0.60	140.00	101.00	1.07	12.16	278.7
Tate&Lyl♦	664.00	5.00	837.50	600.00	4.64	14.22	583.0
Unilever■	3824.5	24.50	4868.64	3716.5	3.89	13.67	3446.3
..NV							
Health Care Equip & Services							
GNStre kr	175.50	3.70	197.85	110.10	-	50.85	570.2
Smith & Nephew	1067.5	-11.00	1316.75	887.00	2.58	24.22	1028.8
House, Leisure & Pers Goods							
BarrttDev	554.40	-8.20	582.60	384.15	6.48	10.54	1409.5
Bellway	2546	-22.00	2620	1900.5	4.62	7.65	104.1
Berkeley	4708	20.00	4980	3634	0.19	12.25	142.3
Burberry Gp♦	1400	-16.00	2656	1397	4.36	11.72	813.3
Cairn Homes	113.80	-2.00	117.40	74.70	4.60	12.39	97.0
GamesWk	9850	-20.00	11850	8305	2.59	27.13	40.0
Gleeson	482.00	-3.00	502.00	333.70	3.11	7.54	17.2

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
Headlam	214.00	-2.00	350.00	176.00	8.13	8.92	33.1
McBride	84.20	6.20	93.00	20.10	-	-12.76	254.9
Phlips €	21.27	0.18	21.63	13.99	-	-36.34	1149.0
PZCussns	149.00	-4.20	223.00	124.40	4.30	17.19	225.0
Redrow	597.00	-18.50	621.00	423.62	5.36	6.57	407.3
Superdry Plc	33.60	-0.70	164.80	28.15	-	-0.19	329.7
Vistry Group	909.50	-8.00	966.50	621.69	6.05	12.72	409.8
Industrial Engineering							
Bodycote	588.50	-6.00	728.50	545.00	3.33	18.86	93.3
Goodwin	6000	240.00	6034.29	3200	1.80	29.01	5.9
Hill&Smh	1890	-18.00	1950	1138	1.56	44.47	48.7
IMI	1661	-23.00	1742	1273	1.38	22.69	574.0
MelroseInd	559.20	-8.20	579.40	350.65	1.25	-233.00	3581.8
Renold	38.00	2.95	38.90	20.90	-	13.57	2731.8
RHIM	3412	48.00	3618	2034	3.69	8.05	21.8
Rotork	315.40	-8.20	344.80	277.20	2.74	34.28	513.9
Severfd	63.00	-0.60	76.20	57.40	4.60	11.25	443.7
Trifast	88.60	0.20	93.50	46.70	2.43	-41.79	67.8
Weir	1898.5	12.00	2072	1649.49	0.61	32.07	437.6
Industrial General							
Coats Group	74.30	-3.10	82.70	63.00	2.57	32.46	493.5
Macfrlne	122.50	5.50	124.00	98.38	2.79	12.03	296.9
Smith DS	353.00	-1.60	367.80	292.50	5.95	17.40	1589.3
Smiths	1738.5	-25.00	1807	1517.5	2.17	27.64	356.6
SmurfKap	3052	-68.00	3798.61	2528	3.21	13.92	257.8
Industrial Transportation							
Braemar	275.00	-	324.84	215.00	1.82	9.12	46.9
Fisher J	326.50	21.50	477.50	257.00	-	78.45	35.7
Intl'distser	272.80	0.70	291.20	191.20	-	-2.58	955.5
OceanWil	1200	-	1240	816.00	6.67	6.11	35.2
Insurance							
Admiral	2681	-3.00	2811	1813.78	3.05	22.25	267.6
Aviva♦	433.70	-1.00	467.30	366.00	7.15	-21.90	2435.4
Chesnar	263.50	2.00	307.00	242.70	8.83	-7.73	123.4
Direct Line	184.95	3.00	238.60	132.11	4.11	-21.51	1639.3
Ecclesl prf	129.50	1.00	140.00	115.00	6.66	-	127.7
Hansard	41.60	-2.20	55.02	37.00	10.70	10.15	5.3
Hiscox	1055	1.00	1201	926.04	0.80	26.12	317.1
Lancashire	622.00	-2.00	690.00	502.87	1.85	-32.40	282.5
Leg&Gen	248.50	-2.60	311.13	203.10	7.17	7.63	6747.4
Old Mut	53.90	-1.20	58.30	42.90	5.98	8.64	37.1
PhoenixGrp	530.80	-4.40	643.20	436.40	9.57	-6.48	1497.1
Prudntl■	856.20	-31.00	1357.5	814.00	1.72	8.63	3534.5
LEISURE							
PhotoMe International Plc	107.00	5.00	109.00	55.70	-	18.67	655.5

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
Media							
4imprint	4480	-90.00	5391.87	4038.55	0.25	75.60	19.8
Auto Trader Group PLC	703.20	-18.40	752.60	515.60	0.71	34.68	2039.4
DlyMailA	270.00	-2.50	1178	264.50	8.96	10.31	11.0
Informa	773.20	-8.00	798.40	618.00	-	-34.21	1238.2
ITV	62.96	-0.32	96.62	58.36	-	6.77	5262.8
Pearson	967.60	3.40	986.40	749.40	2.05	46.30	1031.0
MEDIA							
Reach PLC	72.25	-2.65	111.83	65.20	9.70	80.28	369.9
Media							
RELX PLC	3067	-43.00	3208	2277	1.78	33.63	1672.8
Rightmove PLC	557.20	-18.40	610.60	457.70	0.81	31.53	1348.6
STV Grp	196.50	-0.25	315.00	175.00	5.75	7.74	5.3
WPP■	745.80	-7.20	1082	656.00	5.28	15.28	1783.8
Mining							
AngloAmer	1968.2	-2.40	3648.5	1630	7.96	14.63	2863.1
AnGoldA R	346.31	-7.10	556.88	287.40	2.51	187.72	706.8
Antofagasta	1651.5	-28.00	1815	1280	3.22	17.09	1060.9
BHP Group	2700	10.50	2862	2157	7.83	13.48	511.1
Ecora Resources	98.70	-1.70	159.00	81.40	6.68	-19.01	325.7
Ferrexpo	87.75	-2.50	175.31	70.10	16.33	0.68	980.5
Fresnillo	571.00	-23.40	996.80	499.30	2.30	24.36	718.4
GeoPark $	8.89	0.32	16.16	8.05	6.04	3.63	142.9
Glencore■	468.70	-3.40	583.25	410.95	5.93	7.84	14298.0
Harmony R	117.64	-1.95	120.90	53.68	0.18	15.50	2051.3
Polymetal	215.00	50.00	362.02	125.00	-	5.82	12.0
Rio Tinto■	5891	49.00	6354	4509.5	6.51	14.21	1332.1
Troy Res A$	0.04	0.00	0.20	0.03	-	-0.24	3131.9
Oil & Gas							
BP■	471.00	4.85	570.57	[illegible]	4.60	4.14	27168.5
Capricorn Energy	167.00	-2.60	836.18	133.60	-	-1.54	119.2
ExxonMb $⊕	102.42	2.44	120.70	97.48	3.50	8.25	8894.5
Gazprom PJSC ADR $⊕	0.58	-	10.97	0.02	-	-0.61	3213.3
HELLENiQ ENERGY €	7.29	0.01	8.68	6.55	1.33	6.84	389.4
ImpOil C$⊕	77.20	1.72	85.11	60.19	2.48	8.52	311.0
TrnCan C$⊕	52.27	0.51	58.56	43.70	7.00	58.13	681.6
Wood Group (John) PLC	168.70	-3.40	228.66	124.00	-	-1.90	1197.0
Pharmaceuticals & Biotech							
AstraZeneca	10788	188.00	12828.45	9778	2.08	34.72	1491.2
GlaxoSmh■	1479.8	29.60	1725.81	16.64	3.75	9.99	8256.4
HikmaPhm	1786.5	-2.50	2222	1552	2.14	13.39	211.1
Oxfd Bio	210.00	-10.00	575.00	164.29	-	-3.29	146.6
RichterG $	25.40	0.20	26.60	19.30	4.36	13.11	0.0

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
Real Estate							
REITs							
Assura	47.76	-0.36	58.25	38.38	6.70	-8.53	5913.2
BritLand♦	397.30	-2.30	522.29	287.30	5.70	-3.45	1516.2
Cap&Reg	58.00	0.40	62.28	51.21	8.95	-11.07	26.3
Civitas SH	79.80	-	86.18	51.07	6.81	13.62	115.0
DrwntLdn	2338	-22.00	2724	1766	3.23	10.42	131.6
Great Portland	421.60	1.80	605.50	363.20	2.99	-3.23	321.1
LandSecs	708.60	3.80	738.00	551.20	5.50	-8.61	1193.9
LondonMtrc	190.00	-1.50	204.60	152.30	5.03	-3.67	1539.3
Palace Cap	220.50	-1.50	265.00	195.00	6.80	-4.14	3.8
PrimyHth	103.20	-0.60	117.00	84.20	6.01	10.53	1452.9
SEGRO	876.20	-10.20	913.00	675.00	2.58	2.59	1445.8
Shaftesbury Cap	137.70	-0.40	139.70	101.90	0.36	40.50	1609.2
TritaxBBOX	168.00	-0.90	173.00	121.80	4.21	-3.28	7888.9
Wkspace	564.00	-4.00	617.00	414.40	4.06	28.34	127.5
Real Estate Inv & Services							
Grainger	265.20	0.80	278.80	215.40	2.06	16.47	701.2
Harworth Grp	123.50	2.00	129.00	95.40	1.08	-8.23	152.1
Helical	218.00	-3.50	399.00	182.00	4.63	5.27	37.1
Lon&Assc	12.00	-0.50	20.80	7.00	-	-3.41	30.0
Mntview	10325	-	12520	9200	4.12	12.87	0.5
Safestore	873.00	-11.00	1088	641.00	2.29	4.95	213.7
Savills	972.00	3.00	1049	745.00	2.37	9.74	52.9
SiriusRE	93.30	-1.00	95.10	68.50	3.50	7.28	1137.6
SmartLife	127.50	-	177.00	105.00	2.53	3.49	1.5
U+I	148.50	-0.50	151.50	58.51	-	-2.12	98.8
Retailers							
Caffyns	550.00	-	628.00	450.00	-	7.99	0.5
Dunelm	1096	-1.00	1335.53	964.87	3.74	14.61	178.9
Halfords	192.00	-7.30	244.80	164.10	2.60	6.40	468.2
Inchcape	721.50	8.00	941.00	625.00	1.84	24.38	328.0
JDSportsF♦	160.60	-5.35	213.12	122.45	0.50	41.93	9762.9
Kingfisher	238.60	-4.70	296.24	198.30	5.20	13.71	3071.7
Marks&Sp	276.00	3.60	281.00	122.70	-	212.31	5445.9
Ocado	739.60	-18.80	1017	342.00	-	-24.51	987.0
Saga	136.00	-9.80	188.40	102.20	-	-3.00	331.1
Sainsbury (J)	298.80	-3.80	305.00	217.60	3.55	25.11	2676.5
Tesco■	293.10	2.60	307.23	217.53	3.72	14.92	12350.7
Support Services							
AshtdGp	5338	-124.00	6012	4386	1.19	18.15	460.6
Bunzl♦	3165	-25.00	3243	2680	1.98	21.78	263.9
Capita	21.78	-0.22	44.92	15.26	-	-12.52	2733.0
DCC	5700	-78.00	5839.08	4080	2.80	18.84	128.3
DeLaRue	88.50	2.20	90.00	29.10	-	-3.09	174.8
Diploma	3450	-132.00	3642	2524.5	1.23	61.72	165.0
Essentra PLC	170.40	0.80	241.00	130.20	1.94	-36.26	367.1

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
Experian	3122	-80.00	3241	2366	1.42	33.96	1157.6
Ferguson	14890	-195.00	15220	9892	2.11	21.01	68.9
Hays	109.30	0.10	130.95	91.70	2.61	12.83	655.3
HowdenJny	805.20	-0.40	835.00	561.60	1.66	15.19	1484.3
Intertek	4228	-18.00	4549	3746	2.50	23.77	192.8
Kin and Carta	132.40	-0.20	228.50	55.20	-	-12.26	55.9
Mitie	98.00	-1.30	110.00	73.40	-	49.00	1725.7
Rentokil	432.50	-8.30	663.80	387.80	1.73	30.67	5368.2
Ricardo	493.00	3.00	619.60	421.00	2.20	-25.54	42.6
RbrtWlts	450.00	5.00	580.00	344.00	3.64	10.30	42.8
RS Grp	817.60	-2.00	1134.91	551.20	2.56	16.38	976.0
SIG	33.00	-0.40	45.38	25.35	-	110.00	410.5
Vp	622.50	-15.00	730.00	460.00	4.02	15.34	3.5
Tech - Hardware							
SpirentCM	122.50	-0.80	279.80	79.75	3.73	11.41	723.4
Tech - Software & Services							
Computcnt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NCC Grp	124.80	-4.40	215.50	75.80	3.73	-83.20	432.7
Sage	1165.5	-7.00	1208.5	725.40	1.49	44.69	1748.3
TriadGp	147.50	-	170.00	77.00	1.36	16.19	0.5
Telecommunications							
Airtel Africa	129.70	-0.50	135.80	102.20	3.44	19.07	1442.1
BT■	125.10	1.60	161.40	109.40	6.16	6.62	10038.2
TelePlus	1564	-48.00	2240	1412	3.84	40.10	272.8
Vodafone Gp■	69.76	1.20	103.24	64.65	11.19	2.12	52118.6
Tobacco							
BrAmTob■	2331.5	36.00	3375.5	2233	7.15	6.02	2140.2
Imperial Br■	1817	10.50	2114	1553.5	7.77	10.32	1173.5
Travel & Leisure							
Carnival	1266.5	-46.50	1388	579.40	-	-12.44	742.3
Dalata Hotel	386.00	3.00	424.00	280.00	-	11.00	32.2
easyJet	503.60	-6.40	562.71	322.50	-	-3.17	2754.3
FirstGrp	174.20	-0.80	183.50	92.66	-	41.48	646.3
Fuller A	662.00	10.00	720.00	446.00	2.22	37.83	12.6
Flutter Entertainment	13765	-175.00	16832.1	11240	-	-413.36	123.9
IntCon Htls Gp	7118	29.00	7214	4732	-	66.67	303.7
Intl Cons Air	156.00	1.00	173.58	[illegible]	-	-3.46	8839.5
TUI	623.50	10.50	766.26	345.66	-	6.54	663.3
Whitbrd	3615	-41.00	3709	2570	-	-29.34	718.4
Utilities							
Drax	490.90	1.20	728.50	395.20	3.63	36.36	353.4
Natl Grid■	1057.5	-0.50	1229.21	918.00	4.88	14.33	3416.5
Pennon	735.00	-16.50	975.50	532.83	5.41	19342.11	387.9
Severn Trent	2548	-31.00	2999.02	2243	3.99	-94.72	422.1
SSE	1838	-18.00	1932.5	1485	5.26	34.48	2642.4
UtdUtils♦	1044	-15.50	1139.5	896.76	4.36	-222.13	905.2

AIM

	Price	+/-Chg	52 Week High	Low	Yld	P/E	Vol 000s
Aerospace & Defence							
Cohort	556.00	-	568.00	410.00	2.27	19.96	38.4
Velocity Composites PLC	36.50	-	65.00	31.40	-	-12.17	46.2
Banks							
Caribbean Inv	26.50	-	45.40	24.03	-	3.05	138.6
Basic Resource (Ex Mining)							
CropperJ♦	715.00	5.00	960.00	560.00	1.33	132.41	8.2
Chemicals							
Directa Plus PLC	24.50	-	99.00	23.60	-	-4.08	6.9
Versarien PLC	0.22	0.00	9.50	0.15	-	-0.06	5636.5
Construction & Materials							
AccsysTch	61.30	0.30	108.00	58.00	-	-2.10	47.0
Electronic & Electrical Equip							
Checkit	22.00	-1.00	35.00	18.31	-	-2.34	86.2
LPA	81.00	-	104.00	71.00	-	-300.00	2.2
ThorpeFW	370.00	-20.00	460.00	320.00	1.57	25.75	16.0
Zytronic	80.00	-2.00	155.00	74.00	-	26.67	7.0
Financial General							
Arbuthnot	1005	-	1150	830.00	1.59	22.23	2.3
BP Marsh	451.00	-4.00	459.98	292.50	0.54	12.42	11.1
Burford Capital Ltd	1204	-9.00	1388	478.00	0.86	5.52	330.4
Gresham House Plc	1100	-20.00	1120	652.00	1.45	30.51	177.7
MattioliWds	615.00	-	660.00	481.00	4.33	41.28	16.6
Premier Miton Group	66.00	1.00	137.98	48.10	12.42	7.37	802.7
STM Group	55.00	-	62.60	23.10	1.09	56.70	40.1
Food & Beverages							
Camellia	4790	150.00	6300	4048.6	3.05	45.62	0.1
Fevertree Drinks	1006	-43.00	1489	950.00	1.62	98.60	157.5
Nichols	1100	-40.00	1520	882.00	1.69	-18.32	11.9
Health Care Equip & Services							
AVO#	1.93	-	25.75	1.75	-	-0.23	200.0
Tristel	455.00	-5.00	475.00	290.00	1.44	93.81	38.3
House, Leisure & Pers Goods							
Churchll	1400	-50.00	1725	1052	2.25	18.74	2.2
Frontier Developments PLC	134.00	2.80	1028	95.00	-	-2.50	292.9
Portmern	290.00	-	522.65	230.00	4.48	8.57	32.3
Sanderson Design Grp	116.50	-	148.00	95.31	3.00	8.96	23.7
Industrial Engineering							
600 Grp#	2.65	-	13.50	2.00	-	15.50	40.4
MS Intl	900.00	25.00	979.90	442.00	0.39	128.57	23.4
Pres Tech	31.00	-	47.52	24.00	-	-2.84	1.0
IT							
Keywords Studios	1598	-64.00	3000	1252	0.15	45.21	320.8
Learning Technologies Group	77.85	-3.15	153.10	58.62	2.06	22.65	1279.8
Media							
Mission Group	22.00	0.25	59.00	10.00	11.05	-16.09	33.8
Mining							
AMC#	0.09	-	1.99	0.07	-	-0.55	5981.6
CentAsiaM	181.80	1.00	299.00	151.20	10.27	1356.72	244.9
Gemfields	13.60	0.45	20.27	12.50	24.20	10.17	58.7
Oil & Gas							
BorSthnPet	2.38	0.38	3.70	1.70	-	-15.97	556.3
Phoenix Global	6.50	0.25	7.95	3.07	-	-1.63	53.0
UnJackOil	20.50	0.75	34.00	18.00	1.46	10.85	267.9
Pharmaceuticals & Biotech							
Reneuron	3.50	-	13.00	3.30	-	-0.39	6.9
Sareum	67.50	8.00	149.00	50.00	-	-22.50	288.2
Real Estate							
Lok'nStore♦	854.00	-32.00	990.00	621.90	2.11	54.57	28.3
Retailers							
Boohoo Group PLC	37.38	-3.63	60.94	27.77	-	-5.51	6848.6
CVS Group PLC	1660	-23.00	2226	1364	0.42	28.38	47.4
Support Services							
Begbies	118.50	1.50	148.00	105.50	3.04	62.37	303.4
Christie	97.50	-	167.00	80.00	3.85	65.88	1.1
Impellam♦	850.00	-	950.00	580.00	-	24.29	0.0
JhnsnSrv	140.20	-1.40	146.80	92.50	1.71	18.21	186.6
LonSec	3050	-	3300	2300	2.75	17.18	0.0
NWF	225.00	2.50	285.00	185.00	3.33	7.48	38.9
Petards	3.90	-	12.00	2.13	-	18.57	165.7
Renew	850.00	-9.00	869.00	650.00	1.55	21.01	92.8
Smart Metering Systems	950.00	10.00	971.00	574.00	3.18	78.77	1840.7
Tech - Software & Services							
BluePrism Group PLC	1274	-	1392	747.50	-	-23.65	1869.0
Eckoh	39.00	-	46.00	30.00	1.56	38.24	53.1
Oxford Metrics	108.00	1.00	121.64	78.00	1.67	46.96	280.6
Travel & Leisure							
gamingrealms	36.15	1.10	39.50	24.00	-	22.88	122.8
Jet2	1245	-4.00	1394.5	931.00	-	-6.69	190.7
MinoanGp	0.68	-0.03	1.30	0.58	-	-4.79	193.8

Investment Companies

Conventional (Ex Private Equity)	Price	+/-Chg	52 Week High	Low	Yld	NAV	Dis(-) or Pm
abrdnuksm	453.00	-5.00	479.50	366.00	1.85	506.1	-10.5
3i Infra♦	318.50	-3.00	342.50	276.74	3.50	348.5	-8.6
AbnAsianIn	205.00	-3.00	237.00	183.11	4.98	238.6	-14.1
Abf Sml	1366	-12.00	1428	1126	2.48	1527.9	-10.6
Abf Spl Inc	74.80	-0.50	80.00	62.00	4.08	80.7	-7.3
abrdn Asia Focus	267.00	1.00	271.00	240.00	2.40	316.8	-15.7
abrdnDivInc&Grwth	81.20	-1.20	93.20	72.40	6.77	110.9	-26.8
Abrdn Eqt Inc	308.00	-1.00	367.00	292.50	6.69	325.8	-5.5
Alliance	1102	-10.00	1122	933.33	1.53	1176.3	-6.3
AllianzTech	297.00	-6.50	308.04	202.24	-	332.4	-10.6
Art Alpha	332.50	-0.50	355.00	260.00	1.59	377.9	-12.0
Asia Dragon	350.00	-3.00	457.00	327.00	1.86	416.6	-16.0
Aurora Inv	246.00	-1.00	252.86	190.00	1.21	269.5	-8.7
AVI JapOpp	127.00	-	129.00	103.75	1.22	129.9	-2.2
Axiom#	85.50	-1.00	93.29	65.00	7.02	-	-
BG Euro	92.10	-0.90	102.20	75.38	0.38	106.4	-13.4
BG Japan	705.00	-3.00	811.00	633.00	0.85	797.3	-11.6
BG Shin	132.20	0.20	163.87	115.26	-	152.9	-13.5
Baillie Gifford UK	163.40	-2.40	180.80	141.40	1.48	188.5	-13.3
Bankers	102.20	-0.20	107.00	91.50	2.12	116.5	-12.3
BB Healthcare Trust	155.40	-2.00	175.80	119.40	3.55	165.8	-6.3
BiotechGth	898.00	4.00	979.42	715.00	-	971.5	-7.6
BlckRoEne	115.80	1.00	149.50	106.60	3.45	129.6	-10.6
BlckRFrnt	144.50	1.50	150.00	128.00	3.56	162.0	-10.8
BlckRGtEur	558.00	-8.00	568.00	457.50	1.18	592.9	-5.9
BlckR I&G	188.50	1.50	202.00	170.00	3.82	215.1	-12.4
BlckRSmlr	1376	-6.00	1450	1146	2.42	1539.6	-10.6
BlckRckSusAm	191.00	1.00	213.95	172.50	4.19	210.4	-9.2
BlckRThrmt	606.00	-12.00	670.00	503.00	1.68	642.4	-5.7
BlckRWld	583.00	-4.00	774.00	522.00	6.86	608.4	-4.2
Brunner	1190	-10.00	1219.62	964.00	1.69	1306.3	-8.9
Caledonia Inv	3495	-60.00	3720	3110	1.80	5158.3	-32.2
CanGen C$	34.73	-0.08	37.40	31.30	2.49	55.4	-37.3
City Lon	406.50	-3.00	432.00	371.50	4.93	407.1	-0.1
CQSNatRs	168.00	3.00	216.45	160.75	3.33	211.3	-20.5
CTMgdI	110.50	-	129.29	98.00	5.75	113.1	-2.3
CTMgdG	233.00	1.00	245.88	206.00	-	241.7	-3.6
CT Cp&I	302.00	7.00	341.00	269.56	3.84	316.5	-4.6
CT UK HIT B	85.50	0.50	93.00	75.00	6.20	91.0	-6.0
CT UK HIT Ord	87.50	0.50	89.00	71.00	6.06	91.1	-4.0
CT UK HIT UNIT	339.00	2.00	356.00	292.00	-	364.7	-7.0
Dun Inc	282.00	-	309.52	248.97	4.72	311.1	-9.4
Edin Inv	682.00	-3.00	690.00	612.70	3.52	746.0	-8.6
Edin WWd	154.40	-2.60	190.80	120.80	-	181.7	-15.0
EuroAsset	89.10	-0.60	97.80	73.00	8.98	97.5	-8.6
Euro Opps	868.00	-8.00	881.00	712.00	0.29	951.1	-8.7
F&C Inv Trust	957.00	-5.00	992.00	825.67	1.30	1025.0	-6.6
FidAsian	514.00	-	536.00	473.73	1.71	545.1	-5.7
FidChiSpS	209.50	-2.00	299.46	196.00	2.23	235.3	-11.0
FidelityEmrgMkt	612.00	-4.10	649.90	568.10	2.08	695.1	-12.0
Fid Euro	356.00	-4.00	362.00	311.50	1.84	386.4	-7.9
Fid Jap	183.00	-2.00	187.00	151.00	-	205.1	-10.8
Fid Spec♦	277.50	-1.50	293.50	252.00	2.12	303.8	-8.7
FinsG&I	845.00	-12.00	923.00	788.71	2.17	906.0	-6.7
GRIT	0.85	-0.10	2.50	0.80	-	9.6	-91.1
HAN	201.00	1.00	210.00	161.00	1.59	344.0	-41.6
HANA	190.50	-0.50	198.00	160.00	1.68	344.0	-44.6
Hen Div Inc Tr	70.40	0.40	74.60	60.60	6.25	73.0	-3.6
HenEuroF	175.00	1.00	176.50	144.50	1.79	195.4	-10.4
HenEuro	141.00	-	143.00	123.52	2.70	163.3	-13.7
HenFarEs	216.50	1.50	296.92	197.00	10.76	225.4	-3.9
HenHigh	157.00	0.50	181.00	136.00	6.53	169.9	-7.6
HenInt Inc	163.00	-	184.00	148.45	3.68	183.7	-11.3
Hen Opp	1004	7.00	1260	845.00	2.69	1180.2	-14.9
HenSmlr	822.00	-3.00	907.00	626.00	2.89	905.9	-9.3
Herald	1912	-10.00	1958	1590	-	2210.9	-13.5
HICL Infra	138.00	-0.60	170.40	111.00	5.98	159.5	-13.5
Highbridge Tactical	425.00	-	500.00	220.00	-	-	-
Impax Env.	393.00	-7.00	458.00	331.13	0.97	433.8	-9.4
Ind IT	420.50	-	583.16	385.00	1.90	-	-
IntBiotech	646.00	4.00	744.00	548.00	4.37	721.4	-10.5
Intl PP	136.60	-0.80	157.80	114.60	5.67	155.4	-12.1
Inv AsiaTr	306.00	-1.00	374.00	286.00	5.26	347.9	-12.0
Invesco Bond Inc	171.00	-	173.00	154.50	6.65	168.7	1.4
IPST BalR	137.50	3.00	137.00	112.00	-	154.3	-10.9
IP UKSmall	431.50	0.50	478.00	378.00	4.20	472.5	-8.7
JPM Amer	853.00	-6.00	863.00	667.13	0.79	864.2	-1.3
JPM Asia	338.00	-2.00	402.26	324.00	5.59	374.8	-9.8
JPM China	217.50	-4.50	419.00	204.13	10.48	242.7	-10.4
JPM Emrg EMEA	83.00	-0.30	794.00	55.20	42.17	49.1	69.0
JPM Emrg	105.00	-1.20	120.45	96.00	1.34	117.0	-10.3
JPM EurGth & Inc	96.80	-1.00	99.80	84.70	5.89	109.1	-11.3
JPM EuDisc	417.50	-3.00	449.00	352.68	1.60	471.2	-11.4
JPM Clavr	682.00	-2.00	722.00	622.98	4.55	714.7	-4.6
JPMGblCoreRa	72.40	-1.60	92.60	61.40	5.18	94.4	-23.3
JPM GEI	126.50	-	142.50	116.00	4.03	144.5	-12.5
JPM Gl Gr&Inc♦	501.00	-2.00	507.00	423.16	3.39	493.7	1.5
JPM Ind	934.00	-4.00	940.00	764.00	-	1114.5	-16.2
JPM JpCapSm G&I	313.00	-0.50	339.08	283.74	7.16	361.2	-13.3
JPM Jap	487.50	-3.00	521.00	435.00	1.05	540.8	-9.9
JPM Mid	936.00	-4.00	974.75	762.00	3.15	1078.8	-13.2
JPM Smlr	293.00	-1.00	303.00	229.00	1.95	325.9	-10.1
JPM US Sml	400.00	-4.00	444.48	317.00	0.63	442.1	-9.5
KeystoneInv	226.00	1.00	230.61	182.00	4.96	258.5	-12.6
Law Deb	796.00	-5.00	871.08	718.04	3.60	798.7	-0.3
LinTrain £	857.00	-7.00	1140	713.92	5.49	1022.4	-16.2
Lowland	123.50	-0.50	135.00	103.25	4.86	135.5	-8.9
Majedie	220.00	-1.00	231.00	179.00	5.18	251.5	-12.5
Marwyn Val	80.50	-	100.00	76.00	11.25	167.4	-51.9
MercantIT	216.00	-5.50	225.50	177.20	3.10	241.7	-10.6
MrchTst	553.00	-5.00	606.00	476.00	5.04	555.3	-0.4
Mid Wynd	746.00	-4.00	752.29	656.03	1.01	765.9	-2.6
Monks	1044	-18.00	1072	880.00	0.19	1181.9	-11.7
MontanSm	134.20	-1.80	151.20	106.00	0.69	155.4	-13.6
Mur Inc	854.00	-11.00	886.00	766.60	4.22	927.7	-7.9
Mur Int	256.00	-2.00	275.84	218.50	21.29	-	-
New Star IT	114.00	-2.00	137.00	105.00	2.02	176.0	-35.2
NthAtSml	3850	-10.00	4060	3380	0.57	5106.1	-24.6
PacAsset	383.00	-2.00	390.00	338.00	0.60	401.2	-4.5
PacHorzn	548.00	-5.00	694.00	508.00	-	615.4	-11.0
PerAsset	472.00	-1.00	487.50	457.00	1.19	-	-
Petershill plc	169.60	-	183.80	140.00	6.72	-	-
PolarHealth	335.00	5.00	346.25	294.00	0.60	358.2	-6.5
PolarFins	151.00	1.60	164.59	130.40	2.66	166.2	-9.1
PolarTech	2540	-55.00	2595	1720	-	2837.5	-10.5
RIT Cap	1868	-14.00	2218.01	1696	1.89	2377.0	-21.4
Ruffer Inv Pr	272.00	-3.00	318.00	260.86	0.96	288.5	-5.7
Schroder ToRt	435.00	-5.00	457.00	382.00	2.53	463.3	-6.1
SchdrAsiaP	488.00	-2.00	549.75	459.00	1.64	546.0	-10.6
SchdrEurReE	69.90	0.90	89.75	63.77	6.97	109.4	-36.1
Schdr Inc	279.00	-1.00	324.00	247.00	4.52	298.2	-6.4
SchdrJap	231.00	-1.00	246.00	198.50	2.12	261.6	-11.7
SchdrOrient	252.00	-1.50	280.08	233.50	4.09	268.4	-6.1
SchdrRealEst	45.00	0.50	50.40	39.15	5.62	64.8	-30.6
SchdrUKMd	582.00	-2.00	626.00	482.00	2.29	645.3	-9.8
SchdrUKPubPriv	14.73	1.73	26.00	11.50	-	24.2	-39.1
ScotAmer	524.00	-11.00	543.00	450.00	2.35	540.4	-3.0
ScottMort	788.00	-20.00	814.80	604.80	0.52	870.2	-9.4
ScottOrtll♦	1330	5.00	1375	1145	0.98	1533.2	-13.3
Smithson	1383	-32.00	1484	1162.2	-	1582.5	-12.6
StrategicEq	320.00	-0.50	326.00	265.13	0.63	345.9	-7.5
Temp Bar	238.50	0.50	249.50	211.50	4.03	253.1	-5.8
Tetragon $	10.05	-	10.60	9.46	3.71	29.8	-66.3
EurSmlCom	162.00	-1.50	172.50	135.50	1.93	188.8	-14.2
GblSmlrTrst	148.00	0.20	162.80	128.20	1.18	171.0	-13.5
TRIG	112.40	-1.40	133.80	97.20	6.01	131.0	-14.2
TroyInc&G	69.00	-0.20	74.00	63.32	3.85	71.9	-4.0
Utilico Emerging Market	227.00	-2.00	234.00	203.26	3.46	268.4	-15.4
UIL Inv	127.50	0.50	168.00	112.00	6.27	203.1	-37.2
VEIL	555.00	-2.00	660.00	508.00	-	680.0	-18.4
Witan	236.50	-1.00	238.84	209.00	2.33	258.1	-8.4
WwideHlth	313.50	2.50	333.50	286.00	7.02	-	-

Conventional - Private Equity	Price	+/-Chg	52 Week High	Low	Yld	NAV	Dis(-) or Pm
abrdnPvEq	457.50	-7.50	494.00	403.00	2.95	758.7	-39.7
BGUSGROWTH	178.20	-2.20	181.00	132.11	-	207.5	-14.1
BG China Growth	198.00	-1.00	330.00	189.50	0.86	220.9	-10.4
CT PvtEq	472.00	4.00	534.00	406.00	5.65	695.9	-32.2
HVPE	2365	5.00	2430	1900	-	3948.0	-40.1
HgCapital	430.00	-4.50	450.18	317.00	1.63	493.8	-12.9
ICG Ent Tr	1214	-16.00	1260	974.00	2.55	1901.8	-36.2
Pantheon Intl	310.50	-0.50	314.00	230.50	-	488.6	-36.5
PrincssPE €	10.30	-0.08	11.15	8.30	3.51	14.6	-29.5
Unbound Group plc#	0.75	-	22.58	0.00	-	-	-

Discretionary Unit Fund Mngrs (1000)F	Price	+/-Chg	52 Week High	Low	Yld	NAV	Dis(-) or Pm
Right &ISS	2140	10.00	2220	1720.7	1.51	2337.1	-8.4

Conventional - Property ICs	Price	+/-Chg	52 Week High	Low	Yld	NAV	Dis(-) or Pm
Direct Property							
AEW UK REIT	100.40	-0.60	108.60	90.00	7.97	102.2	-1.8
Bal ComPrp	72.30	-0.20	93.60	60.00	6.64	113.8	-36.5
CT Prop T	82.90	-2.10	89.60	60.00	4.83	-	-
Longbow	20.65	0.30	54.49	19.50	12.11	40.7	-49.3
TR Prop	336.00	-6.50	345.00	252.95	4.23	361.8	-7.1
Tritax EuroBEUR €	0.68	-0.02	0.82	0.50	7.04	1.0	-32.0
Tritax EuroBGBP	59.40	-0.40	73.00	43.55	-	-	-
UKComPrp	62.80	0.80	63.00	47.15	5.41	80.7	-22.2

VCTs	Price	+/-Chg	52 Week High	Low	Yld	NAV	Dis(-) or Pm
Baronsmead 2nd VT	54.50	-	64.50	49.60	11.93	56.7	-3.9
Inc&GthVCT	70.00	3.00	77.50	65.50	7.14	76.0	-7.9
Nthn 2 VCT	54.00	-	64.32	48.00	6.48	56.8	-4.9
Nthn 3 VCT	84.00	-1.50	86.75	78.50	5.36	88.0	-4.5
NthnVent	57.00	-	60.54	53.50	7.89	60.3	-5.5

Zero Dividend Preference Shares	Price	+/-Chg	52 Week High	Low	HR SP	HR WO	TAV 0%
Abf Spl Inc	121.50	-	123.00	118.00	-91.7	-100.0	127.3
UIL Finance 2028 ZDP	89.50	1.00	100.00	85.00	-31.9	-40.9	152.3
UIL Finance 2026 ZDP	108.50	-1.00	116.50	105.00	-46.2	-59.2	151.5

Investment Companies - AIM

	Price	+/-Chg	52 Week High	Low	Yld	NAV	Dis(-) or Pm
BB Biotech AG SFr	52.70	-	67.00	49.35	6.2	-	-
CrysAmber	77.00	-	98.33	60.00	3.2	101.2	-23.9
Infra India#	0.50	-	1.28	0.20	-	10.6	-95.3

Guide to FT Share Service

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Trading volumes are end of day aggregated totals, rounded to the nearest 1,000 shares.

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- ⊕ FT Global 500 company
- ♦ trading ex-dividend
- ■ trading ex-capital distribution
- \# price at time of suspension from trading

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MANAGED FUNDS SERVICE

SUMMARY

FT.COM/FUNDS

Winners - EAA Fund UK Equity Income

Fund Name	1yr Return GBP	3yr Return GBP	5yr Return GBP	3yr Sharpe Ratio	3yr Std Dev
UBS UK Equity Income Fund	6.07	13.37	5.67	0.88	13.07
Schroder Income Fund	10.55	12.66	5.34	0.76	14.38
Schroder Income Maximiser Fund	11.22	12.38	5.09	0.78	13.66
Quilter Investors UK Equity Income Fund	4.19	11.26	8.78	0.74	12.97
TM Redwheel UK Equity Income Fund	10.68	10.96	7.00	0.64	14.49

Losers - EAA Fund UK Equity Income

Fund Name	1yr Return GBP	3yr Return GBP	5yr Return GBP	3yr Sharpe Ratio	3yr Std Dev
Premier Miton UK Multi Cap Income Fund	-4.12	-1.07	3.45	-0.22	11.18
WS Montanaro Funds - WS Montanaro UK Income Fund	6.58	-0.19	-	0.00	19.55
FP Octopus Investments UCITS Funds - Octopus UK Multi Cap Income Fund	1.98	0.31	7.38	-0.05	13.56
Trojan Income Fund	4.47	1.84	2.79	0.06	11.40
AXA Framlington Monthly Income Fund	-6.60	2.27	2.66	0.08	10.31

Morningstar Star Ratings

Fund Name	Base Currency	Morningstar Rating 3 Yr	Morningstar Rating 5 Yr	Morningstar Rating 10 Yr
Managed Growth {CLUB}	Pound Sterling	★★★★★	★★★★	★★★
Select Global Equities	Pound Sterling	★★★★	★★★	★★★★
UK	Pound Sterling	★★★	★★★	★★★★
Candriam Bds Euro Sh.Term Cap	Euro	★★★	★★	★★★
Janus Henderson UK Alpha Fund A Acc	Pound Sterling	★★	★	★★

Global Broad Category Group - Commodities

Morningstar Category	Base Currency	Total Ret 1Yr GBP	Total Ret 3Yr GBP	Total Ret 5Yr GBP
Commodities Energy	Baht	-25.94	27.66	-3.13
Commodities - Grains	US Dollar	10.60	24.41	8.04
Commodities - Energy	US Dollar	-7.76	23.03	0.92
Commodities - Energy	US Dollar	-7.41	20.61	1.49
Commodities - Industrial & Broad Metals	US Dollar	47.49	15.62	-

Advertising Feature

McInroy & Wood Portfolios

Please remember that past performance is not necessarily a guide to future performance

Firm Name	McInroy & Wood Portfolios Limited
Fund Name	Balanced Fund Personal Class Units
Morningstar Category	GBP Allocation 60-80% Equity
Max Annual Charge	-
3Yr Rating	★★★★
Morningstar Sustainability Rating	-

Bid Price	-	KIID Ongoing Charge	1.11
Offer Price	-	Day-End One Year Return	5.21
+/-	9.90	**Total Ret 3Yr**	3.84

Performance

Jan 2021 - Jan 2024
Balanced Fund Personal Class Units

Fund — Category

Day ↗0.16% Month ↗4.15% Year ↗5.72%

Weightings - As of 30/11/2023

Sector	Weighting	Cat Avg.
Basic Materials	11.03%	3.88%
Communication Services	-	4.21%
Consumer Cyclical	2.99%	7.08%
Consumer Defensive	5.27%	5.83%
Energy	2.79%	3.35%
Financial Services	-	11.07%
Healthcare	15.24%	8.13%
Industrials	13.50%	8.99%
Real Estate	-	2.68%
Technology	10.35%	11.09%
Utilities	-	2.34%
Cash & Equivalents	7.93%	6.69%
Corporate	-	10.37%
Derivative	-	0.70%
Government	30.90%	12.60%
Municipal	-	0.01%
Securitized	-	0.99%

Top 10 Holdings - As of 30/11/2023

Holding	Sector	Weighting
Novo Nordisk A/S Class B	Healthcare	3.23%
Air Liquide SA	Basic Materials	2.87%
Rio Tinto PLC Registered Shares	Basic Materials	2.65%
Shell PLC	Energy	2.64%
Watsco Inc Class A	Industrials	2.55%
Mettler-Toledo International Inc	Healthcare	2.22%
Spirax-Sarco Engineering PLC	Industrials	2.20%
Schneider Electric SE	Industrials	2.19%
ASML Holding NV	Technology	2.17%
SAP SE	Technology	2.12%

Risk Measures - As of 31/12/2023

	1Yr	1Yr Cat Ave	3Yr	3Yr Cat Ave	5Yr	5Yr Cat Ave
Alpha	-2.82	-2.35	0.06	-1.91	1.60	-1.41
Beta	0.60	0.94	0.65	0.90	0.72	0.99
Information Ratio	-1.22	-0.87	-0.17	-0.54	0.02	-0.37
R Squared	64.80%	82.71%	52.67%	78.85%	67.20%	83.32%
Sharpe Ratio	0.13	0.05	0.28	0.15	0.67	0.45
Std Dev	5.53	8.32	7.58	8.94	8.55	10.50

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LGT Wealth Management (CI) Limited (JER)
Sir Walter Raleigh House, 48 - 50 Esplanade, St Helier, Jersey, JE2 3QB
FCA Recognised
Volare Offshore Strategy Fund Limited

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Bridge Fund	£2.2375	-	-0.0332	2.29	6.19	1.91
Global Equity Fund	£3.5057	-	-0.0249	1.45	11.22	4.51
Global Fixed Interest Fund	£0.7628	-	-0.0109	5.35	8.53	-3.67
Income Fund	£0.6470	-	-0.0061	3.16	7.60	3.35
Sterling Fixed Interest Fund	£0.6939	-	-0.0126	4.68	7.21	-6.19
UK Equity Fund	£1.8475	-	-0.0401	3.42	-2.22	0.57

Algebris Investments (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Algebris Core Italy I EUR	€153.67	-	0.36	0.00	9.39	8.05
Algebris Core Italy R EUR	€144.72	-	0.34	0.00	8.58	8.31
Algebris Financial Credit I EUR	€193.93	-	0.49	0.00	12.32	1.20
Algebris Financial Credit R EUR	€165.64	-	0.42	0.00	11.56	0.58
Algebris Financial Credit Rd EUR	€ 95.16	-	0.24	5.83	11.56	0.61
Algebris Financial Equity B EUR	€193.10	-	-0.13	0.00	20.61	19.98
Algebris Financial Equity R EUR	€160.67	-	-0.12	0.00	19.41	18.83
Algebris Financial Income I EUR	€202.99	-	-0.06	0.00	14.02	9.65
Algebris Financial Income R EUR	€182.95	-	-0.06	0.00	13.01	8.66
Algebris Financial Income Rd EUR	€106.51	-	-0.04	4.75	13.00	8.66
Algebris Global Credit Opportunities I EUR	€138.97	-	0.11	0.00	11.74	2.37
Algebris Global Credit Opportunities R EUR	€135.16	-	0.12	0.00	11.37	1.95
Algebris Global Credit Opportunities Rd EUR	€114.17	-	0.10	3.84	11.49	2.08
Algebris IG Financial Credit I EUR	€105.96	-	-0.09	0.00	11.01	-1.46
Algebris IG Financial Credit R EUR	€103.77	-	-0.09	0.00	10.46	-1.95
Algebris Sust. World B	€117.01	-	-0.01	0.00	16.34	-
Algebris Sust. World R	€115.21	-	-0.01	0.00	14.83	-

The Antares European Fund Limited
Other International

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
AEF Ltd Usd	$517.44	-	2.55	0.00	-8.03	-2.42
AEF Ltd Eur	€469.48	-	2.10	0.00	-9.35	-3.41

Artemis Fund Managers Ltd (1200)F (UK)
57 St. James's Street, London SW1A 1LD 0800 092 2051
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Artemis SmartGARP UK Eq I Acc	2459.79	-	2.64	3.94	3.68	12.99
Artemis Corporate Bond I Acc	105.86	-	-0.65	4.75	9.64	-2.76
Artemis SmartGARP Eur Eq I Acc	492.26	-	1.33	2.32	15.40	12.04
Artemis European Opps I Acc	143.55	-	-1.01	0.10	17.42	6.03
Artemis SmartGARP GloEmr Eq I Acc	180.00	-	-0.90	-	11.79	7.04
Artemis SmartGARP Glo Eq I Acc	394.79	-	0.22	2.99	3.97	7.82
Artemis Global Income I Inc	116.63	-	0.23	3.31	9.91	10.65
Artemis Global Select I Acc	175.59	-	-1.23	0.90	7.39	4.43
Artemis High Income I Q Inc	70.83	-	-0.04	6.13	10.86	1.81
Artemis Income I Inc	258.40	-	-1.11	3.90	9.32	8.44
Artemis Monthly Dist I Inc	71.38	-	-0.14	4.66	6.79	4.76
Artemis Positive Future Fund	63.44	-	-0.34	0.00	-3.54	-
Artemis Strategic Assets I Acc	100.20	-	0.11	1.62	4.74	6.31
Artemis Strategic Bond I Q Acc	108.41	-	-0.28	4.22	7.72	-0.96
Artemis Target Return Bond I Acc	113.64	-	0.06	4.39	8.34	2.23
Artemis UK Select Fund Class I Acc	852.76	-	-3.44	2.62	18.62	8.39
Artemis UK Smaller Cos I Acc	2128.58	-	-7.19	2.11	4.50	7.59
Artemis UK Special Sits I Acc	829.00	-	-2.49	1.71	13.30	5.45
Artemis US Abs Return I Hdg Acc	113.41	-	-0.22	0.24	1.35	0.27
Artemis US Extended Alpha I Acc	373.66	-	-1.56	0.00	17.00	10.05
Artemis US Select I Acc	342.03	-	-2.11	0.15	21.08	8.14
Artemis US Smlr Cos I Acc	330.03	-	-4.04	0.00	11.37	1.87

Ashmore Group
61 Aldwych, London WC2B 4AE. Dealing team: +352 27 62 22 233
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Emerging Markets Equity Fund	$128.02	-	0.08	0.00	9.17	-4.48
Emerging Markets Equity ESG Fund	$145.39	-	-0.02	0.00	10.14	-6.42
Emerging Markets Active Equity Fund	$123.37	-	-0.08	0.00	4.98	-8.20
Emerging Markets Frontier Equity Fund	$188.40	-	-0.35	0.96	10.04	4.96
Emerging Markets Blended Debt Fund	$ 57.14	-	-0.14	4.49	13.66	-7.31
Emerging Markets Blended Debt ESG Fund	$ 87.21	-	-0.99	-	5.48	-6.27
Emerging Markets Debt Fund	$ 62.66	-	-0.12	4.90	15.00	-7.51
Emerging Markets Corporate Debt Fund	$ 59.49	-	-0.04	5.69	4.62	-7.99
Emerging Markets Local Currency Bond Fund	$ 66.18	-	-0.08	4.58	14.20	-2.07

Atlantas Sicav (LUX)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
American Dynamic	$7583.79	-	-26.61	0.00	19.86	3.85
American One	$8209.58	-	103.61	0.00	27.26	8.85
Bond Global	€1580.18	-	-2.87	0.00	3.33	1.90
Eurocroissance	€1417.02	-	3.54	0.00	14.34	4.83
Far East	$998.67	-	12.54	0.00	1.13	-7.29

Blue Whale Investment Funds ICAV (IRE)
www.bluewhale.co.uk, info@bluewhale.co.uk
FCA Recognised - Ireland UCITS

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Blue Whale Growth USD T	$ 11.56	-	-0.05	-	36.28	1.35

Brooks Macdonald International Fund Managers Limited(JER)
Third Floor, No 1 Grenville Street, St Helier, Jersey, JE2 4UF
+44 (0) 1534 700 104 (Int.) +44 (0) 800 735 8000 (UK)
Brooks Macdonald International Investment Funds Limited

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Euro High Income	€1.2430	-	-0.0117	2.50	6.47	-4.58
High Income	£0.6653	-	-0.0040	3.77	8.47	-4.94
Sterling Bond	£1.2836	-	-0.0143	2.06	8.28	-5.05

Brooks Macdonald International Multi Strategy Fund Limited

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Cautious Balanced Strategy	£1.2910	-	-0.0019	0.00	6.32	-0.90
Cautious Balanced Strategy A	£0.9234	-	-0.0013	1.71	6.87	-
Balanced Strategy	£0.9630	-	-0.0005	0.98	7.73	-
Balanced Strategy A	£0.9644	-	-0.0004	0.01	6.67	-
Growth Strategy	£2.0517	-	0.0008	0.00	8.95	1.59
Growth Strategy A	£0.9809	-	0.0004	-	8.29	-
High Growth Strategy	£2.8806	-	0.0031	0.00	9.45	2.18
High Growth Strategy A	£0.9827	-	0.0011	0.70	10.01	-
US$ Growth Strategy	$1.9054	-	-0.0008	0.00	19.46	-0.24

Dealing Daily. Initial Charge Nil for A classes and up to 2% for other classes

Brown Advisory Funds plc (IRL)
http://www.brownadvisory.com Tel: 020 3301 8130
FCA Recognised

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Global Leaders Fund USD C	$ 24.79	-	-0.04	0.00	25.97	6.38
Global Leaders Sustainable Fund USD C	$ 14.92	-	-0.03	0.00	24.64	6.16
Global Sustainable Total Return Bond GBP B	£ 9.46	-	-0.01	2.64	3.41	-
Global Sustainable Total Return Bond USD B	$ 10.04	-	-0.01	0.00	4.15	-
US Equity Growth Fund USD B	$ 58.14	-	-0.23	0.00	32.65	1.87
US Flexible Equity Fund USD B	$ 29.23	-	-0.10	0.00	33.29	9.77
US Mid-Cap Growth Fund USD C	$ 19.59	-	-0.08	0.00	22.82	-1.61
US Small Cap Blend Fund USD B	$ 23.93	-	-0.24	0.00	13.57	5.09
US Smaller Companies Fund USD B	$ 37.74	-	-0.38	0.00	12.76	-0.65
US Sustainable Growth Fund USD C	$ 29.69	-	-0.13	0.00	37.96	7.76
US Sustainable Value Fund USD C Acc	$ 11.86	-	-0.03	-	-	-

CG Asset Management Limited (IRL)
25 Moorgate, London, EC2R 6AY
Dealing: Tel. +353 1434 5098 Fax. +353 1542 2859
FCA Recognised
CG Portfolio Fund Plc

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Absolute Return Cls M Inc	£134.76	135.37	-0.14	2.14	1.90	2.64
Capital Gearing Portfolio GBP P	£36996.96	37200.95	-44.41	1.74	1.07	2.44
Capital Gearing Portfolio GBP V	£179.91	180.91	-0.22	1.75	1.07	2.44
Dollar Fund Cls D Inc	£158.53	159.01	0.07	1.86	-2.58	-0.55
Dollar Hedged GBP Inc	£ 92.74	93.01	-0.12	1.78	2.11	-3.15
Real Return Cls A Inc	£190.75	191.32	-0.23	2.33	-2.36	-0.80
UK Index-Linked Bond G Inc	£103.65	103.96	-0.17	-	-	-

Chartered Asset Management Pte Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
CAM-GTF VCC	$299701.56	299701.56	12981.26	-	-6.36	3.78
CAM GTi VCC	$780.49	-	-32.39	-	12.31	4.69
RAIC VCC	$ 1.64	1.64	0.03	2.06	5.74	-1.66

Consistent Unit Tst Mgt Co Ltd (1200)F (UK)
Stuart House, St John's Street, Peterborough, PE1 5DD
Dealing & Client Services 0345 850 8818
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Consistent UT Inc	60.00	60.00	-0.15	1.60	-1.65	2.44
Consistent UT Acc	164.50	164.50	-0.40	0.57	-1.61	2.47
Practical Investment Inc	249.00	249.00	-1.20	3.75	9.02	5.96
Practical Investment Acc	1622.00	1622.00	-7.00	0.58	9.01	5.36

Dodge & Cox Worldwide Funds (IRL)
48-49 Pall Mall, London SW1Y 5JG.
www.dodgeandcox.worldwide.com 020 3713 7664
FCA Recognised
Dodge & Cox Worldwide Funds plc - Global Bond Fund

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
EUR Accumulating Class	€ 16.90	-	0.03	0.00	8.47	4.15
EUR Accumulating Class (H)	€ 11.32	-	-0.01	0.00	9.69	-1.07
EUR Distributing Class	€ 11.66	-	0.02	1.01	4.55	1.89
EUR Distributing Class (H)	€ 7.77	-	0.00	1.09	6.05	-3.19
GBP Distributing Class	£ 12.41	-	-0.02	0.96	2.47	1.57
GBP Distributing Class (H)	£ 8.39	-	-0.01	1.05	6.83	-2.39
USD Accumulating Class	$ 13.46	-	-0.01	0.00	12.26	0.78

Dodge & Cox Worldwide Funds plc-Global Stock Fund

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
USD Accumulating Share Class	$ 33.75	-	-0.07	0.00	19.55	10.94
GBP Accumulating Share Class	£ 43.55	-	-0.14	0.00	13.18	13.18
GBP Distributing Share class	£ 28.91	-	-0.10	0.00	11.62	12.39
EUR Accumulating Share Class	€ 45.91	-	0.01	0.00	15.53	14.64
GBP Distributing Class (H)	£ 15.30	-	-0.04	0.00	17.24	8.89

Dodge & Cox Worldwide Funds plc-U.S. Stock Fund

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
USD Accumulating Share Class	$ 43.27	-	-0.16	0.00	16.22	12.35
GBP Accumulating Share Class	£ 52.80	-	-0.26	0.00	10.02	14.63
GBP Distributing Share Class	£ 31.36	-	-0.15	0.63	9.84	14.57
EUR Accumulating Share Class	€ 50.82	-	-0.08	0.00	12.31	16.12
GBP Distributing Class (H)	£ 16.87	-	-0.07	0.00	14.53	10.48

Dragon Capital
www.dragoncapital.com
Fund information:info@dragoncapital.com
Other International Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Vietnam Equity (UCITS) Fund A USD	$ 28.24	-	-0.10	0.00	13.41	2.99

EdenTree Investment Management Ltd (UK)
PO Box 3733, Swindon, SN4 4BG, 0800 358 3010
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Amity Balanced For Charities A Inc	93.49	-	-1.58	-	10.97	5.01
Amity Global Equity Inc for Charities A Inc	153.00	-	-0.80	3.10	7.87	7.27
EdenTree European Equity Cls A Inc	342.60	-	-5.20	1.95	12.67	9.43
EdenTree European Equity Cls B Inc	345.80	-	-6.10	2.55	13.02	9.96
EdenTree Global Equity Cls A Inc	349.60	-	-3.30	0.66	14.76	3.61
EdenTree Global Equity Cls B Inc	352.30	-	-3.80	1.19	15.21	4.10
EdenTree Responsible and Sust S Dtd Bd B	96.01	-	0.03	2.42	5.97	-0.33
EdenTree Sterling Bond Cls A Inc	86.50	-	-1.45	4.20	5.60	-3.53
EdenTree Sterling Bond Cls B Inc	98.25	-	-1.65	4.20	6.25	-2.92
EdenTree UK Equity Cls A Inc	217.90	-	-5.10	1.53	3.40	-2.03
EdenTree UK Equity Cls B Inc	217.10	-	-5.50	2.08	3.75	-1.55
EdenTree UK Equity Opps Cls A Inc	283.60	-	-6.10	1.20	7.19	-0.61
EdenTree UK Equity Opps Cls B Inc	289.20	-	-6.70	1.77	7.61	-0.12
Edentree Global Impact Bond B	87.91	-	-0.96	2.84	6.47	-
Edentree Green Future B Net Inc	105.40	-	-1.00	0.77	9.48	-
EdenTree Managed Income Cls A Inc	124.10	-	0.20	4.83	7.29	4.52
EdenTree Managed Income Cls B Inc	133.20	-	0.20	4.81	7.88	5.08

Euronova Asset Management UK LLP (CYM)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Smaller Cos Cls One Shares	€ 54.92	-	0.98	0.00	5.19	0.79
Smaller Cos Cls Two Shares	€ 34.88	-	0.63	0.00	4.68	-0.43
Smaller Cos Cls Three Shares	€ 17.41	-	0.32	0.00	4.69	-1.20
Smaller Cos Cls Four Shares	€ 22.94	-	0.41	0.00	4.65	-0.66

FIL Investment Services (UK) Limited (1200)F (UK)
Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, KT20 6RP
Callfree: Private Clients 0800 414161
Broker Dealings: 0800 414 181
OEIC Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Allocator World Fund W-ACC-GBP	£ 2.91	-	-0.01	1.21	13.07	7.62
American Fund W-ACC-GBP	£ 61.72	-	-0.04	0.00	22.27	4.92
American Special Sits W-ACC-GBP	£ 24.13	-	-0.04	0.62	6.91	14.13
Asia Fund W-ACC-GBP	£ 14.80	-	-0.10	0.82	-4.27	-7.43
Asia Pacific Ops W-Acc	£ 2.86	-	-0.01	1.33	2.44	0.82
Asian Dividend Fund W-ACC-GBP	£ 2.34	-	-0.01	2.98	0.91	4.05
Cash Fund W-ACC-GBP	£ 1.08	-	0.00	1.75	4.67	1.94
China Fund W-Accumulation (UK)	£ 2.20	-	-0.02	0.34	-21.31	-18.66
Emerging Mkts NAV	£ 7.21	-	-0.16	2.25	0.49	-9.42
Enhanced Income Fund W-INC-GBP	£ 0.83	-	-0.01	6.97	5.81	8.89
European Fund W-ACC-GBP	£ 26.44	-	-0.24	1.41	12.94	9.57
Extra Income Fund W-ACC-GBP	£ 1.36	-	0.00	4.32	9.88	-2.07
Sustainable Emerg Mkts Equity Fund A-ACC Shares	£ 1.52	-	0.01	-	-13.81	-0.91
Sustainable European Equity Fund W-ACC-GBP	£ 5.91	-	-0.06	0.94	12.55	3.72
Sustainable Global Equity Fund W-ACC-GBP	£ 34.65	-	-0.14	0.39	8.25	0.59
Japan Fund W-ACC-GBP	£ 6.37	-	-0.01	1.34	15.33	8.01
Japan Smaller Companies Fund W-ACC-GBP	£ 3.77	-	-0.01	0.60	10.13	-4.35
Select 50 Balanced Fund PI-ACC-GBP	£ 1.19	-	0.00	1.57	6.43	0.97
Special Situations Fund W-ACC-GBP	£ 45.13	-	-0.02	3.16	6.21	9.36
Short Dated Corporate Bond Fund W-ACC-GBP	£ 11.24	-	-0.02	3.56	7.94	0.45
Sustainable Water & Waste W-ACC-GBP	£ 1.22	-	-0.01	0.50	10.87	3.78
Sustainable Water & Waste W-INC-GBP	£ 1.21	-	0.00	0.50	10.90	3.78
UK Select Fund W-ACC-GBP	£ 3.91	-	-0.03	2.37	9.22	6.70
Global Dividend Fund W-ACC-GBP	£ 3.23	-	-0.01	2.51	9.33	7.31
Global Enhanced Income W-ACC-GBP	£ 2.54	-	0.00	4.06	9.90	7.45
Global Property Fund W-ACC-GBP	£ 1.95	-	-0.01	1.98	4.57	1.34
Global Special Sits W-ACC-GBP	£ 59.76	-	-0.15	0.52	13.44	5.83
Index Emerging Markets P-ACC-GBP	£ 1.70	-	0.00	2.87	3.05	-3.20
Index Europe ex UK P-ACC-GBP	£ 2.11	-	-0.01	2.18	14.18	7.38
Index Japan P-ACC-GBP	£ 2.09	-	-0.01	1.96	13.43	2.69
Index Pacific ex Japan P-Acc-GBP	£ 1.93	-	0.00	3.59	-0.25	3.53
Index UK P-ACC-GBP	£ 1.67	-	0.00	3.29	7.22	8.33
Index US P-ACC-GBP	£ 3.95	-	-0.01	1.19	18.77	12.49
Index World P-ACC-GBP	£ 3.04	-	-0.01	1.52	16.67	9.95
MoneyBuilder Balanced Fund W-ACC-GBP	£ 0.62	-	0.00	3.15	5.14	2.23
MoneyBuilder Dividend Fund W-INC-GBP	£ 1.28	-	0.00	4.34	6.19	8.97
Sustainable MoneyBuilder Income Fund W-ACC-GBP	£ 12.92	-	-0.07	4.26	8.48	-4.79
Multi Asset Allocator Adventurous Fund W-ACC-GBP	£ 2.30	-	-0.01	1.21	11.50	5.23
Multi Asset Allocator Defensive Fund W-ACC-GBP	£ 1.37	-	-0.01	1.59	7.11	-1.69
Multi Asset Allocator Growth Fund W-ACC-GBP	£ 1.97	-	-0.01	1.26	9.99	2.83
Multi Asset Balanced Income Fund W-INC-GBP	£ 0.95	-	0.00	4.57	3.58	-1.25
Multi Asset Income & Growth Fund W-INC-GBP	£ 1.02	-	0.00	4.61	5.08	0.50
Multi Asset Income Fund W-INC-GBP	£ 0.86	-	0.00	5.72	3.53	-2.76
Multi Asset Allocator Strategic Fund W-ACC-GBP	£ 1.67	-	-0.01	1.27	8.43	0.46
Multi Asset Open Advent W-ACC-GBP	£ 1.84	-	0.00	1.80	6.85	4.83
Multi Asset Open Defen W-ACC-GBP	£ 1.38	-	0.00	2.37	4.77	-0.05
Multi Asset Open Growth Fund W-ACC-GBP	£ 1.74	-	0.00	2.04	6.49	4.27
Multi Asset Open Strategic Fund W-ACC-GBP	£ 1.57	-	0.00	2.25	5.31	1.97
Open World Fund W-ACC-GBP	£ 2.45	-	0.00	1.00	9.36	7.78
Strategic Bond Fund W-ACC-GBP	£ 1.25	-	0.00	3.29	7.39	-3.57
UK Opportunities Fund W-ACC-GBP	247.20	-	-0.80	1.26	0.98	-1.35
UK Smaller Companies W-ACC-GBP	£ 3.86	-	-0.01	2.07	9.99	10.72
Index Sterling Corporate Bond Fund P-ACC-GBP	£ 0.88	-	-0.01	2.76	8.59	-5.46
Index UK Gilt Fund P-ACC-GBP	£ 0.76	-	0.00	1.95	2.80	-9.46
Sustainable Asia Equity Fund W-ACC-GBP	£ 1.76	-	0.00	0.67	-7.29	-5.76
Sustainable Multi Asset Balanced Fund W-ACC-GBP	£ 0.99	-	0.00	1.80	8.36	-
Sustainable Multi Asset Conservative Fund W-ACC-GBP	£ 0.94	-	0.00	2.19	6.02	-
Sustainable Multi Asset Growth Fund W-ACC-GBP	£ 1.02	-	0.00	1.80	9.05	-

Findlay Park Funds Plc (IRL)
30 Herbert Street, Dublin 2, Ireland Tel: 020 7968 4900
FCA Recognised

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
American EUR Unhedged Class	€180.58	-	0.56	0.00	22.10	11.87
American Fund USD Class	$199.53	-	-0.44	0.00	26.49	8.11
American Fund GBP Hedged	£ 96.92	-	-0.20	0.00	25.32	6.80
American Fund GBP Unhedged	£156.50	-	-0.07	0.00	19.60	10.18

Foord Asset Management
Website: www.foord.com - Email: info@foord.com
FCA Recognised - Luxembourg UCITS

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Foord International Fund | R	$ 47.70	-	-0.10	0.00	-4.02	0.62
Foord Global Equity Fund (Lux) | R	$ 16.99	-	-0.04	0.00	6.98	-1.41

Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Foord Global Equity Fund (Sing) | B	$ 20.35	-	-0.05	0.00	7.36	-1.27
Foord International Trust (Gsy)	$ 46.51	-	-0.09	0.00	-3.99	0.64

Fundsmith LLP (1200)F (UK)
PO Box 10846, Chelmsford, Essex, CM99 2BW 0330 123 1815
www.fundsmith.co.uk, enquiries@fundsmith.co.uk
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Fundsmith Equity T Acc	649.72	-	4.53	0.19	13.89	5.23
Fundsmith Equity T Inc	591.65	-	4.12	0.19	13.89	5.23

GAM
funds@gam.com, www.funds.gam.com
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
LAPIS GBL TOP 50 DIV.YLD-Na-D	£119.11	-	0.20	2.94	-2.21	9.17
LAPIS GBL F OWD 50 DIV.YLD-Na-D	£106.22	-	-0.02	1.22	8.02	2.65
LAPIS GBL MED DEV 25.YLD-Na-D	£ 90.86	-	-0.06	-	-	-

Guinness Global Investors

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Guinness Global Equity Income Y GBP Dist	£ 19.91	-	0.02	2.04	8.85	11.43
Guinness Global Innovators Y GBP Acc	£ 31.94	-	-0.10	0.00	31.70	8.96
Guinness Sustainable Global Equity Y GBP Acc	£ 11.81	-	-0.04	0.00	9.24	5.60

HPB Assurance Ltd
Anglo Intl House, Bank Hill, Douglas, Isle of Man, IM1 4LN 01638 563490
International Insurances

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Holiday Property Bond Ser 1	£ 0.50	-	0.00	0.00	0.40	1.15
Holiday Property Bond Ser 2	£ 0.64	-	0.01	0.00	-	0.90

Hermes Property Unit Trust (UK)
Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Property	£ 6.01	6.45	-0.08	4.05	-9.58	-1.83

Janus Henderson Investors (UK)
PO Box 9023, Chelmsford, CM99 2WB Enquiries: 0800 832 832
www.janushenderson.com
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Janus Henderson Asia Pacific Capital Growth Fund A Acc	1123.00	-	1.00	0.20	-0.71	-8.29
Janus Henderson Asian Dividend Income Unit Trust Inc	77.26	-	0.15	5.28	1.09	-0.57
Janus Henderson Cautious Managed Fund A Acc	297.10	-	-1.40	3.34	7.22	2.36
Janus Henderson Cautious Managed Fund A Inc	142.30	-	-0.60	3.43	7.24	2.37
Janus Henderson China Opportunities Fund A Acc	974.50	-	-1.50	0.58	-21.79	-19.18
Janus Henderson Emerging Markets Opportunities Fund A Acc	193.50	-	0.00	0.04	0.78	-6.71
Janus Henderson European Growth Fund A Acc	311.50	-	-2.70	0.72	8.54	6.36
Janus Henderson European Selected Opportunities Fund A Acc	2512.00	-	-20.00	0.80	17.05	8.02
Janus Henderson Fixed Interest Monthly Income Fund Inc	17.63	-	-0.11	4.31	6.80	-4.43
Janus Henderson Global Equity Fund Acc	4565.00	-	9.00	0.00	6.06	3.10
Janus Henderson Global Equity Income Fund A Inc	66.57	-	-0.06	3.29	4.90	6.76
Janus Henderson Global Sustainable Equity Fund A Inc	520.90	-	0.40	0.00	15.07	4.15
Janus Henderson Global Technology Leaders Fund A Acc	3655.00	-	6.00	0.00	41.17	7.07
Janus Henderson Instl UK Index Opportunities A Acc	£ 1.20	-	0.01	2.96	7.54	7.92
Janus Henderson Multi-Asset Absolute Return Fund A Acc	170.10	-	0.20	1.29	5.92	4.47
Janus Henderson Multi-Manager Active Fund A Acc	267.70	-	-0.40	0.23	7.42	2.55
Janus Henderson Multi-Manager Distribution Fund A Inc	126.30	-	-0.10	3.29	5.77	0.47
Janus Henderson Multi-Manager Diversified Fund A Acc	90.19	-	-0.17	3.18	5.79	-1.15
Janus Henderson Multi-Manager Global Select Fund Acc	336.50	-	0.30	0.13	12.05	5.82
Janus Henderson Multi-Manager Income & Growth Fund A Acc	195.50	-	-0.20	3.26	6.37	0.87
Janus Henderson Multi-Manager Income & Growth Fund A Inc	147.70	-	-0.20	3.39	6.27	0.85
Janus Henderson Multi-Manager Managed Fund A Acc	327.00	-	-0.70	0.29	7.25	2.32
Janus Henderson Multi-Manager Managed Fund A Inc	315.50	-	-0.70	0.30	7.24	2.31
Janus Henderson Sterling Bond Unit Trust Acc	213.80	-	-1.30	2.40	6.47	-6.05
Janus Henderson Sterling Bond Unit Trust Inc	57.20	-	-0.34	2.43	6.51	-6.05
Janus Henderson Strategic Bond Fund A Inc	101.70	-	-1.40	3.15	3.11	-5.68
Janus Henderson Absolute Return Fund A Acc	176.70	-	0.10	1.71	6.90	2.94
Janus Henderson UK Alpha Fund A Acc	145.50	-	-1.00	1.53	8.50	-1.08
Janus Henderson UK Equity Income & Growth Fund A Inc	496.70	-	-4.60	4.60	1.61	6.30
Janus Henderson US Growth Fund A Acc	2044.00	-	6.00	0.00	27.83	7.05

Lothbury Property Trust (UK)
155 Bishopsgate, London EC2M 3TQ +44(0) 20 3551 4900
Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Lothbury Property Trust GBP	£1527.17	1569.12	-15.51	3.63	-11.84	-5.90

M & G Securities (1200)F (UK)
PO Box 9038, Chelmsford, CM99 2XF
www.mandg.co.uk/charities Enq./Dealing: 0800 917 4472
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Charifund Inc	1433.67	-	-1.32	5.94	3.54	7.15
Charifund Acc	29969.16	-	-27.60	5.22	3.53	7.15
M&G Charibond Charities Fixed Interest Fund (Charibond) Inc	£ 1.11	-	-0.01	3.58	6.67	-1.43
M&G Charibond Charities Fixed Interest Fund (Charibond) Acc	£ 41.13	-	-0.19	3.07	6.67	-1.43
M&G Charity Multi Asset Fund Inc	£ 0.89	-	-0.01	4.23	5.78	6.46
M&G Charity Multi Asset Fund Acc	£111.64	-	-0.44	3.82	5.79	6.46

MMIP Investment Management Limited (GSY)
Regulated
Multi-Manager Investment Programmes PCC Limited

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
UK Equity Fd Cl A Series 01	£3080.40	3080.41	-231.75	-	-2.98	13.94
Diversified Absolute Rtn Fd USD Cl AF2	$1688.02	-	45.93	-	-1.51	1.32
Diversified Absolute Return Stlg Cell AF2	£1579.00	-	-1.96	-	0.70	2.45
Global Equity Fund A Lead Series	£1747.16	1747.16	-5.31	-	-1.04	6.13

Marwyn Asset Management Limited (CYM)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Marwyn Value Investors	£329.72	-	-6.14	0.00	-	-7.17

McInroy & Wood Portfolios Limited (UK)
Easter Alderston, Haddington, EH41 3SF 01620 825867
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Balanced Fund Personal Class Units	6121.50	-	9.90	1.40	5.72	3.55
Income Fund Personal Class Units	2918.80	-	4.30	2.40	4.16	4.39

MANAGED FUNDS SERVICE

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Emerging Markets Fund Personal Class Units	2121.40	-	16.90	1.48	-10.48	-1.54
Smaller Companies Fund Personal Class Units	6205.10	-	5.20	1.30	6.52	-3.50

Milltrust International Managed Investments ICAV (IRL)
mimi@milltrust.com, +44(0)20 8123 8316 www.milltrust.com
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
British Innovation Fund	£121.92	-	2.89	0.00	-	-
MAI - Buy & Lease (Australia)	A$ 103.45	-	0.50	0.00	-16.53	1.41
MAI - Buy & Lease (New Zealand)	NZ$ 91.20	-	-6.06	0.00	-7.20	-2.67
Milltrust Global Emerging Markets Fund - Class A	$ 92.11	-	1.72	0.00	-0.65	-6.99

Milltrust International Managed Investments SPC
em@milltrust.com, +44(0)20 8123 8316, www.milltrust.com
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Milltrust Alaska Brazil Fund SP A	$ 115.03	-	-1.10	0.00	48.26	15.71
Milltrust Laurium Africa Fund SP A	$ 99.62	-	1.63	0.00	-4.53	1.32
Milltrust Marcellus India Fund SP	$ 142.10	-	0.76	0.00	13.43	5.67
Milltrust Singular ASEAN Fund SP Founders	$ 129.55	-	0.47	0.00	0.33	-5.29
Milltrust SPARX Korea Equity Fund SP A	$ 127.16	-	1.08	0.00	25.05	-7.91
Milltrust Xingtai China Fund SP A	$ 84.36	-	-0.27	0.00	-16.14	-15.81
The Climate Impact Asia Fund SP A	$ 73.40	-	1.45	0.00	-0.39	-
The Climate Impact Asia Fund (Class B)	$ 72.43	-	1.43	0.00	-0.89	-

Ministry of Justice Common Investment Funds (UK)
Property & Other UK Unit Trusts

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
The Equity Idx Tracker Fd Inc	1972.00	-	-4.00	2.40	9.15	5.89

Distribution Units

Mirabaud Asset Management (LUX)
www.mirabaud.com, marketing@mirabaud-am.com
Please find more details on our website: www.mirabaud-am.com
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Mir. - Glb Strat. Bd I USD	$ 123.30	-	-0.21	0.00	7.98	0.31
Mir. - DiscEur D Cap GBP	£ 172.14	-	-0.56	0.00	6.21	-1.80

Oasis Crescent Global Investment Funds (UK) ICVC (UK)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Oasis Crescent Global Equity Fund USD A (Dist)	$ 36.32	-	0.00	0.78	7.04	1.59
Oasis Crescent Global Income Fund USD A (Dist)	$ 10.14	-	0.00	3.66	4.85	-0.11
Oasis Crescent Global Low Equity Fund USD D (Dist)	$ 12.63	-	-0.01	1.26	5.33	0.72
Oasis Crescent Global Medium Equity Fund USD A (Dist)	$ 14.12	-	-0.01	0.76	5.74	1.15
Oasis Crescent Global Property Equity Fund USD A (Dist)	$ 8.63	-	-0.06	1.70	17.36	3.21
Oasis Crescent Global Short Term Income Fund USD A (Dist)	$ 0.94	-	0.00	3.02	3.47	0.49
Oasis Crescent Variable Fund GBP A (Dist)	£ 9.83	-	-0.01	0.67	2.25	1.23

Omnia Fund Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Estimated NAV	$ 973.59	-	43.73	0.00	2.91	20.15

PLATINUM CAPITAL MANAGEMENT

Platinum Capital Management Ltd
Other International Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Platinum All Star Fund - A	$ 153.87	-	-	-	7.11	3.23
Platinum Global Growth UCITS Fund	$ 9.08	-	0.02	0.00	16.56	-12.49
Platinum Essential Resources UCITS Fund SICAV USD Class E	$ 9.42	-	-0.70	0.00	-19.83	13.34
Platinum Global Dividend UCITS Fund	$ 46.79	-	-0.08	0.00	0.43	-5.80

Polar Capital Funds Plc (IRL)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Artificial Intelligence I USD ACC	$ 19.14	19.14	0.27	0.00	38.29	2.87
Asian Stars I USD Acc $	$ 14.95	-	0.00	0.00	8.49	-5.11
Biotechnology I USD	$ 44.92	44.92	1.44	0.00	18.15	3.92
China Stars I USD Acc $	$ 9.33	9.33	0.06	0.00	-16.92	-16.45
Emerging Market Stars I USD Acc	$ 12.16	-	-0.01	0.00	12.28	-6.06
European Ex UK Inc EUR Acc	€ 15.69	15.69	0.04	0.00	11.67	11.17
Financial Opps I USD	$ 14.93	-	-0.06	2.17	10.62	5.43
Global Convertible I USD	$ 14.57	14.57	0.16	0.00	8.17	-5.67
Global Insurance I GBP	£ 10.41	-	0.03	0.00	1.01	13.81
Global Technology I USD	$ 90.03	-	-0.54	0.00	53.43	1.03
Healthcare Blue Chip Fund I USD Acc	$ 19.61	19.61	-0.04	0.00	6.45	7.54
Healthcare Dis I Acc USD $	$ 12.89	-	0.32	0.00	9.98	-5.18
Healthcare Opps I USD	$ 70.99	-	-0.46	0.00	9.87	3.56
Income Opportunities B2 I GBP Acc	£ 3.18	3.18	0.00	0.00	6.54	10.86
Japan Value I JPY	¥ 182.37	182.37	0.48	0.00	28.08	18.36
North American I USD	$ 39.08	39.08	-0.10	0.00	22.62	8.17
Smart Energy I USD Acc $	$ 10.05	10.05	-0.10	0.00	18.37	-
Smart Mobility I USD Acc $	$ 9.10	9.10	-0.07	0.00	14.32	-
UK Val Opp I GBP Acc	£ 13.16	13.16	-0.01	0.00	9.85	2.78

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Monument Growth 29/12/2023	£ 559.50	564.87	13.93	0.00	3.66	3.32

Prusik Investment Management LLP (IRL)
Enquiries - 0207 493 1331
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Prusik Asian Equity Income B Dist	$ 172.66	-	-4.95	5.78	4.78	4.45
Prusik Asia Fund U Dist.	£ 201.83	-	-0.31	0.00	-4.26	-5.24

Purisima Investment Fds (UK) (1200)F (UK)
2nd floor, 20-22 Bedford Row, London, WC1R 4EB
Order Desk and Enquiries: 0345 922 0044
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Global Total Fd PCG A	456.09	-	-0.94	0.15	27.33	9.61
Global Total Fd PCG B	450.20	-	0.06	0.00	27.29	9.42
Global Total Fd PCG INT	441.05	-	0.39	0.00	27.07	9.17

Purisima Investment Fds (CI) Ltd (JER)
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
PCG B ✠	353.78	-	1.88	0.00	34.66	6.49
PCG C ✠	343.40	-	1.82	0.00	34.37	6.27

ram ai

Ram Active Investments SA
www.ram-ai.com
Other International Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
RAM Systematic Emerg Markets Eq	$ 239.79	239.79	0.25	-	13.85	4.11
RAM Systematic European Eq	€ 550.89	550.89	1.13	-	8.74	5.01
RAM Systematic Funds Global Sustainable Income Eq	$ 164.76	164.76	-0.57	0.00	12.81	7.69
RAM Systematic Long/Short European Eq	€ 149.07	149.07	-0.06	-	-3.38	4.38

Royal London (UK)
80 Fenchurch Street, London EC3M 4BY
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Royal London Sustainable Diversified A Inc	£ 2.51	-	-0.01	1.31	12.35	1.37
Royal London Sustainable World A Inc	378.30	-	-0.90	0.63	14.37	3.43
Royal London Corporate Bond Mth Income	76.91	-	-0.49	4.66	9.26	-3.27
Royal London European Growth Trust	219.30	-	-1.90	1.68	12.71	7.06
Royal London Sustainable Leaders A Inc	805.30	-	-5.10	1.50	9.33	5.70
Royal London UK Growth Trust	641.30	-	-4.40	2.18	8.13	5.69
Royal London UK Income With Growth Trust	206.30	-	-2.80	4.73	4.72	5.74
Royal London US Growth Trust	438.30	-	1.60	0.00	24.91	13.61

Additional Funds Available
Please see www.royallondon.com for details

Ruffer LLP (1000)F (UK)
2nd floor, 20-22 Bedford Row, London, WC1R 4EB
Order Desk and Enquiries: 0345 601 9610
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
LF Ruffer Diversified Rtrn C Acc	100.62	-	-0.19	1.73	-5.78	-
LF Ruffer Diversified Rtrn C Inc	98.10	-	-0.18	1.76	-5.10	-
LF Ruffer Equity & General C Acc	584.06	-	-0.17	1.32	3.36	5.93
LF Ruffer Equity & General C Inc	520.58	-	-0.15	1.34	3.36	5.94
LF Ruffer Gold C Acc	263.18	-	-2.14	0.39	11.48	-3.87
LF Ruffer Gold C Inc	158.61	-	-1.29	0.39	11.48	-3.87
LF Ruffer Total Return C Acc	538.35	-	-3.04	2.42	-6.16	2.40
LF Ruffer Total Return C Inc	327.90	-	-1.85	2.46	-6.14	2.41

Rubrics Global UCITS Funds Plc (IRL)
www.rubricsam.com
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Rubrics Emerging Markets Fixed Income UCITS Fund	$ 143.66	-	-0.01	0.00	7.39	0.30
Rubrics Global Credit UCITS Fund	$ 17.47	-	0.00	0.00	5.58	-0.63
Rubrics Global Fixed Income UCITS Fund	$ 175.64	-	-0.05	0.00	3.45	-1.19

Scottish Friendly Asset Managers Ltd (UK)
Scottish Friendly Hse, 16 Blythswood Sq, Glasgow G2 4HJ 0141 275 5000
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Managed Growth ♦	369.60	-	0.90	0.00	7.85	5.79
UK Growth ♦	424.20	-	0.70	0.00	5.21	4.33

Slater Investments

Slater Investments Ltd (UK)
www.slaterinvestments.com; Tel: 0207 220 9460
FCA Recognised

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Slater Growth A Acc	612.95	612.95	1.32	0.00	-4.97	-3.18
Slater Income A Inc	139.08	139.08	0.29	5.22	3.71	7.46
Slater Recovery A Acc	315.19	315.19	0.88	0.00	-6.73	-0.25
Slater Artorius	267.53	267.53	3.46	1.27	-7.73	-0.49

STONEHAGE FLEMING
GLOBAL BEST IDEAS EQUITY FUND

Stonehage Fleming Investment Management Ltd (IRL)
www.stonehagefleming.com/gbi
enquiries@stonehagefleming.com
Regulated

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
SF Global Best Ideas Eq B USD ACC	$ 263.27	-	-0.39	0.00	21.52	2.69
SF Global Best Ideas Eq D GBP INC	£ 313.31	-	0.07	0.00	14.90	4.77

Superfund Asset Management GmbH
www.superfund.com, +43 (1) 247 00
Other International Funds
Other International Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Superfund Green Gold	$ 942.29	-	-14.99	0.00	-21.05	-12.11
Superfund Green Silver	$ 777.74	-	-17.10	0.00	-30.26	-17.26
Regulated						
Superfund Green US$	$ 683.76	-	-6.98	0.00	-26.56	-12.07

Thesis Unit Trust Management Limited (UK)
Exchange Building, St Johns Street, Chichester, West Sussex, PO19 1UP
Authorised Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
TM New Court Fund A 2011 Inc	£ 20.06	-	-0.04	0.00	11.88	3.68
TM New Court Fund - A 2014 Acc	£ 20.27	-	-0.01	0.00	12.05	3.73
TM New Court Equity Growth Fund - Inc	£ 22.15	-	0.02	0.00	14.12	4.32

TOSCAFUND

Toscafund Asset Management LLP (UK)
www.toscafund.com
Authorised Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Aptus Global Financials B Acc	£ 5.54	-	0.00	3.62	11.79	12.93
Aptus Global Financials B Inc	£ 3.39	-	-0.05	3.74	10.10	13.74

Toscafund Asset Management LLP
www.toscafund.com

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Tosca A USD	$ 431.49	-	-5.25	0.00	0.46	8.24
Tosca Mid Cap GBP	£ 114.24	-	-5.35	0.00	-34.66	-14.20
Tosca Opportunity B USD	$ 252.81	-	-15.03	0.00	-29.95	-19.96
Pegasus Fund Ltd A-1 GBP	£ 26.62	-	-1.62	0.00	-36.13	-14.86

Troy Asset Mgt (1200) (UK)
2nd floor, 20-22 Bedford Row, London, WC1R 4EB
Order Desk and Enquiries: 0345 608 0950
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited
Trojan Investment Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Trojan Ethical Global Inc O Acc	106.38	-	0.21	2.50	4.98	-
Trojan Ethical Global Inc O Inc	101.08	-	0.20	2.54	4.97	-
Trojan Ethical O Acc	131.62	-	0.24	0.07	5.36	3.45
Trojan Ethical O Inc	131.51	-	0.23	0.08	5.57	3.52
Trojan Ethical Income O Acc	144.23	-	-0.78	2.55	7.63	2.31
Trojan Ethical Income O Inc	117.66	-	-0.63	2.60	7.63	2.32
Trojan Fund O Acc	390.86	-	0.33	0.25	2.82	3.51
Trojan Fund O Inc	315.57	-	0.27	0.25	2.82	3.51
Trojan Global Equity O Acc	552.06	-	-0.96	0.00	23.68	8.29
Trojan Global Equity O Inc	455.49	-	-0.80	0.00	23.68	8.28
Trojan Global Income O Acc	157.23	-	0.40	2.98	1.69	5.49
Trojan Global Income O Inc	127.38	-	0.32	3.04	1.68	5.49
Trojan Income O Acc	349.55	-	-2.13	2.87	4.47	1.84
Trojan Income O Inc	167.99	-	-1.03	2.94	4.46	1.84

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Guide to pricing of Authorised Investment Funds: (compiled with the assistance of the IMA. The Investment Association, Camomile Court 23 Camomile Street, London EC3A 7LL. Tel: +44 (0)20 7831 0898.)
OEIC: Open-Ended Investment Company. Similar to a unit trust but using a company rather than a trust structure.
Different share classes are issued to reflect a different currency, charging structure or type of holder.
Selling price: Also called bid price. The price at which units in a unit trust are sold by investors.
Buying price: Also called offer price. The price at which units in a unit trust are bought by investors. Includes manager's initial charge.
Single price: Based on a mid-market valuation of the underlying investments. The buying and selling price for shares of an OEIC and units of a single priced unit trust are the same.
Treatment of manager's periodic capital charge: The letter C denotes that the trust deducts all or part of the manager's/operator's periodic charge from capital, contact the manager/operator for full details of the effect of this course of action.
Exit Charges: The letter E denotes that an exit charge may be made when you sell units, contact the manager/operator for full details.
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ARTS

On the border where architecture meets art

Bijoy Jain's show at the Fondation Cartier in Paris aims to express big ideas with sparse, simple ingredients, writes Edwin Heathcote

Look into the ground-floor gallery of the Fondation Cartier from the Boulevard Raspail and you can make out a new structure. Something very different from the High-Tech glass and steel of Jean Nouvel's Paris building, this shelter of bamboo and reeds nevertheless curiously echoes the essential qualities of its container: the exposed structure, the X-bracing, the transparency and fluidity of the space, the relationship between city and garden, interior and exterior. Architecture, it seems to be communicating, is universal.

The installation, part of his show *Breath of an Architect*, is by Indian architect Bijoy Jain, founder of Studio Mumbai. For many years he has been a familiar presence in biennials and exhibitions across the world, even if his buildings remain largely around his hometown of Mumbai. This is an exhibition attempting to address the fundamentals of space and the qualities of material, making, colour and texture, through experience rather than models, drawings and such.

Jain, now 58, became known for an intuitive, fluid architecture which absorbed the landscape and the garden alongside the influence of India and broader Asian culture, notably Japan and the south-east of the continent. Resistant to compartmentalisation and walls, his spaces remained seductively open, with screens and permeable shutters allowing air to pass through and modulating the light just as canopies of trees do.

But in recent years his work has tended towards a more dispersed idea of design, one in which the constituent pieces — chairs, surfaces, floors and tables — become discrete ideas, often divorced from the structure they are in. They might appear in the context of another building, a gallery, an installation or, most effectively, set against the decaying, historic walls of the Arsenale in the Venice Biennale.

This show in Paris appears to be the zenith of that notion of an architecture disassembled, reappearing in a very different context yet able to communicate those same ideas from only a few thoughtful and very tangible objects and enclosures.

It comes, however, with its own problems. The Fondation Cartier has been notably welcoming to architects: recent shows have included the outrageously enjoyable and colourful buildings of Bolivian Freddy Mamani and the sinuous, almost ghostly work of Junya Ishigami. But those were exhibitions about a built oeuvre: this is something else, something that transgresses the delicate border between architecture and art. And with that, although not explicitly stated, comes this architect's desire to be seen as an artist. The result is a succession of installations and objects from bamboo space-frame sculptures to bowls, chunky chairs and more enigmatic things. (The show also features the work of two others, Chinese artist Hu Liu and Danish/Turkish ceramicist Alev Ebüzziya Siesbye.)

The problem when an architect veers uneasily into the territory of art is the inevitable attempt to reinterpret the practical and imbue it with the extremely personal. Architecture is not a personal pursuit but a collective endeavour and, in fairness, Jain credits his studio with the making of the things in the installation and was keen to include artists, perhaps to bridge the apparent gulf between building and art.

Jain's catalogue text attempts to explain the slightly curious title of the show. "Silence has a sound," he writes. "We hear its resonance in ourselves. This sound connects all living beings, it is the breath of life. It is synchronous in all of us. Silence, time and space are eternal, as is water, air and light our elemental construct."

With his talk of an "abundance of sensory phenomena, dreams, memory, imagination, emotions and intuition", it is a text that levitates somewhere between Indian mysticism, yoga-enlightenment, self-conscious poetry, curatorial filler and, at least for me, nonsense.

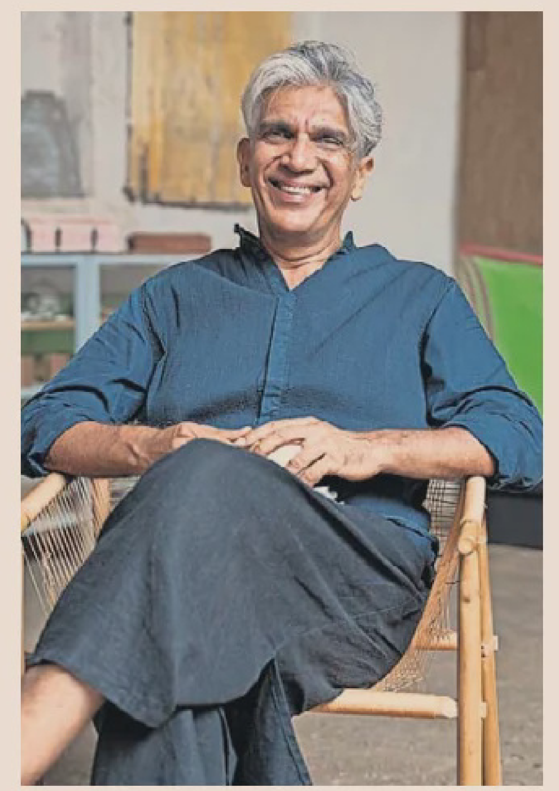
Jain appears to delight in the role of sage, the architect who floats above the everyday concerns of construction. His pronouncements are superficially profound, the kind of thing architects all like to think about the spirituality of their own buildings. His work is spread sparsely here and presented as a series of art objects but it does possess a certain, undeniable presence.

None of this airiness necessarily takes away from the show itself. There is an invitation to touch the objects (suggesting this is not, after all, art but the stuff of everyday life), to sit on the bamboo benches (which are delicate, refined and rather beautiful), to feel the clay of the pots and even to bang a mystical-sounding bell, filling the glass cube with the sound of a mystic monastery.

But there is no explanation, no text or captions, no attempt to engage or inform. Instead the visitor is invited to enjoy the "exhibition as a physical and emotional experience".

Perhaps others will be able to do exactly that. I was not. But neither do I regret the time I spent there.

To April 21, fondationcartier.com



Left and above: interior and exterior of bamboo structure 'Prima Materia' (2023) by Bijoy Jain, above right Marc Domage

Installation view of Bijoy Jain's show 'Breath of an Architect' — Marc Domage

FT FINANCIAL TIMES

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Hotly anticipated Carmen catches fire

OPERA

Carmen
Metropolitan Opera, New York
★★★★☆

George Grella

This New Year's Eve at the Metropolitan Opera meant opening night for one of its most anticipated new productions of the season, Bizet's *Carmen*. With a contemporary American setting, there was also the promise of rising star mezzo-soprano Aigul Akhmetshina as Carmen. Already a young veteran of the role, this was only her second appearance at the Met, her first as a lead.

She has an ideal voice for Carmen, unerring intonation with a plump, earthy timbre. She had great technical command and musical suppleness, and if it took her some time to not just sing the notes but embody the character, that was part of some sluggishness in the staging and the ensemble performance, as well as one particular circumstance.

The charismatic tenor Piotr Beczala is Don José for this production, but illness kept him out of opening night. His replacement was Rafael Davila, a romantic tenor with substantial experience in both the role and at the Met. His singing was strong and sophisticated, but with likely insufficient rehearsal there wasn't much chemistry between him and Akhmetshina. They sang and grappled with each other, but there was no desire.

Carrie Cracknell's debut production is set in the American Southwest. Escamillo (bass-baritone Kyle Ketelsen) is a bull rider not a bull fighter, Carmen and her peers work in an arms factory, the smugglers seem to be running weapons and there's a hint of revolution in the air. With the costumes from Tom Scutt (also a debut) there's a mix of civilians, outlaws and militias.

The performance had a slow start. Act one was flat overall. Conductor Daniele Rustioni led a full-bodied Prelude, but the playing that followed felt too polite. Akhmetshina's "L'amour est un oiseau rebelle" was smooth and full of polished detail, pleasant when it should be enticing, and Carmen must be enticing.

Cracknell's staging in this act was ordinary, busy, aimless and enervating. This changed drastically in act two, when the new thinking in the production showed in Michael Levine's sets. Carmen and her friends are partying inside a moving semi-trailer running contraband. With the smugglers and then Escamillo pulling alongside in pick-up trucks and a sports car, the setting is invigorating and the music-making caught fire with a sensational "Les tringles des sistres tintaient". Akhmetshina was now fully realised as Carmen and the chemistry between her and Ketelsen, who swaggered and had a great time, was superb.

Soprano Angel Blue was a spark all night as Micaëla. She sang with deep, expressive humanity and was the glue that held together the awkwardness between Akhmetshina and Davila in act three. Her "Je dis que rien ne m'épouvante" was mesmerising, each line somehow more moving than the last, and earned the longest ovation of the performance.

Act four, set at a rodeo with the stands slowly rotating behind the soloists, was thrilling, the production ramping up to an intense and brutal climax, the crowd slowly grasping the tragedy happening in front of them, the powerful finish making up for the slow start.

To May 25, metopera.org

From left, Sydney Mancasola, Aigul Akhmetshina and Briana Hunter — Ken Howard

FT BIG READ. MIDDLE EAST

Before the latest conflict, life in the strip was challenging but functional. With its infrastructure and economy shattered, displaced Gazans fear there will be nothing to return to.

By Andrew England

What will be left of Gaza after the war?

Faysal Shawa thought he had seen the best and worst of what life in Gaza had to offer. As a young man, he witnessed the giddy optimism as huge crowds packed into Gaza City to welcome the late Palestinian leader Yasser Arafat back from exile.

It was the summer of 1994, 10 months after Israel and the Palestine Liberation Organisation signed the Oslo Accords, a historic breakthrough many hoped would lead to a resolution of their decades-long conflict.

As an emotional Arafat promised "a democratic and free homeland", Gaza was briefly the base of Palestinian political power. "Finally, we were no longer seeing Israeli soldiers on the ground in Gaza — it was amazing," recalls Shawa.

A year later, armed with a degree in civil engineering and support from his father, he set up a construction company, convinced Gaza would flourish. For a few years it did. But then the peace process collapsed, replaced by cycles of violence and costly recovery.

Still, Shawa clung to his hopes and continued to invest. The construction business became a larger empire that included brick and asphalt factories; housing developments; chicken, citrus fruit and olive farms; and an office block that bears his name. The businesses survived at least four wars between Israel and Hamas, the militant Islamist movement that has controlled Gaza since 2007. Farms, factories and buildings were damaged but still he reinvested.

Today, he is at his lowest ebb: forced from his home, angry and unable to fathom the catastrophic devastation wrought by Israeli bombs and bulldozers over the past three months. "Everything is ruined," says Shawa.

All Gazans, rich and poor, young and old, are reeling from Israel's relentless air and land offensive in Gaza. Virtually every family has lost a relative or friend as almost 22,000 people, mostly women and children, have been killed since the war began on October 7, according to Palestinian officials.

Beyond the surging death toll, it is the scale of devastation that has shaken Gazans. All the elements that underpinned normal life in the territory — schools, libraries, bakeries and other businesses — have been shattered.

Dazed and terrified, Gazans fear there will be nothing to return to when the guns finally fall silent. Many conclude that Israel's ultimate goal is to make the strip uninhabitable and force them to abandon the land they call home. "They want to make Gaza unlivable," says Shawa. "Even if you allow us to go back tomorrow, how are we going to live?"

Some in the far-right government of Prime Minister Benjamin Netanyahu have suggested that Gazans could be voluntarily resettled, with finance minister Bezalel Smotrich telling Israel's Army Radio at the weekend that if "there were 100,000-200,000 Arabs in the strip and not 2mn, the whole conversation about the day after [the war] would be completely different."

His comments do not reflect official policy, but many Gazans suspect Israel wants to push them south into Egypt. In the first weeks of the war, Netanyahu's government sought to convince European leaders to pressure Egypt into accepting refugees from Gaza.

'We had a lot of problems in Gaza, it was not an easy life. It's a place where there's a lot of tension. But we had our little community, friends and colleagues'

Cairo has warned it will not accept the forced displacement of Gazans on to its soil, but Palestinians still fear a repeat of the 1948 *nakba*, or catastrophe, when some 700,000 of them were displaced following the first war between Arab states and the newly independent Israel.

About 1.7mn Gazans are descended from those who fled their homes 75 years ago, classified by the UN as refugees. "People think, 'When is it going to end? Will we go back? Are they going to push us to the Sinai?'" says Azmi Kishawi, Gaza researcher for the Crisis Group think-tank.

Several hundred Gazans, like Shawa, have escaped the carnage by leveraging foreign passports to cross into Egypt. But most are trapped there with the strip's borders sealed off by Israel.

Inside Gaza, more than 85 per cent of the 2.3mn population — almost half of which is aged under 18 — have been forced from their homes and squeezed into ever narrower areas of the south, taking sanctuary with whatever they could carry in overflowing apartment blocks, schools, hospitals, buildings used by the UN and tents.

A quarter of the population has been pushed towards starvation, according to the UN. People queue for hours for bread or to use a toilet. Many do not know if their homes are still standing.

Among the displaced is Mahmoud Rostom, a third year IT student at Gaza's Islamic University, who fled Khan Younis, Gaza's second-largest city, with his parents and nine siblings last month.

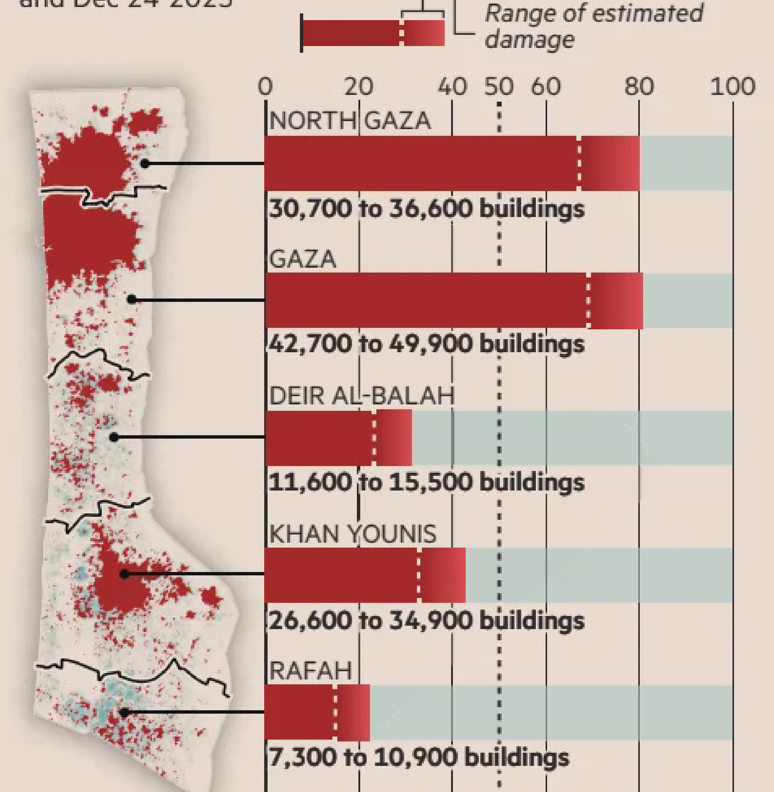
His family have heard that their house has been damaged, but they do not know how badly. The university where he hoped to complete the final year of his studies has been bombed — Israel's military said Hamas was using it as a "training camp for military intelligence operatives [and] for the development and production of weapons".

But it is the simple things that come to Rostom's mind as he ponders his uncertain future: his destroyed bicycle, the bombed football pitch, his jogging partner who lost a leg when a bomb or artillery round struck near a hospital.

"I won't be able to run, how can I do that without my friend?" the 21-year-old says. "Many things will not be like before. I'm not the same as before."

Almost 80% of buildings in northern Gaza may have been damaged

% of buildings likely to have been damaged between Oct 5 and Dec 24 2023



Sources: OpenStreetMap; damage analysis of Copernicus Sentinel-1 satellite data by Corey Scher of CUNY Graduate Center and Jamon Van Den Hoek of Oregon State University

'Staggering destruction'

Gazans are no strangers to having to pick up the pieces of their lives amid ruins. A fleeting moment of hope inspired by the Oslo Accords was shattered by the collapse of the peace process and the outbreak of a second intifada, or uprising, in 2000. Much of the strip's infrastructure was damaged or destroyed. Gazans were banned from working in Israel and settlements, and the movement of goods into the enclave was severely restricted. Any thoughts of Palestinian statehood were crushed.

Israel withdrew fully from the territory in 2005, but maintained control over its airspace and its borders, except for 12km bordering Egypt.

The following year, Hamas won Palestinian elections and in 2007 ousted Fatah, a rival faction that dominates the Palestinian Authority, from the strip. In response, Israel imposed a blockade that has choked the economy ever since.

Between 2006 and 2022, Gaza's real gross domestic product per capita shrank by 27 per cent to $1,257, according to Unctad, the UN body for trade and development. When the latest war erupted, more than three-quarters of the population were dependent on international aid and unemployment was about 44 per cent.

Yet, somehow, life functioned. Some businessmen, academics, doctors and those working for international aid agencies enjoyed decent lifestyles.

Najla Shawa, a distant relative of Faysal, talks fondly of walks on the beach, and cafés that sold ice-cream. Her nine-year-old daughter took karate lessons at a sports club next to an equestrian centre. "We had a lot of problems in Gaza, it was not an easy life . . . it's a place where there's a lot of tension," says Shawa, who works for the British charity Oxfam. "But . . . we had our little community, our friends and colleagues."

That changed when Hamas militants rampaged through kibbutzim, a music festival and military outposts in southern Israel on October 7, killing at least 1,200 people and seizing about 240 hostages in the deadliest-ever assault on Israeli soil.

Even for a population that has endured so much, Gazans were unprepared for what followed. Israel unleashed a thunderous bombardment with the intent, it said, of eradicating Hamas completely. A ground offensive followed, initially focusing on northern Gaza before expanding to the south.

Its armed forces insist they operate within the international laws of war, and blame Hamas using civilians as human shields for the high death toll. "We are committed not only to liberating the citizens of Israel from fear and terrorism, but to ensuring that the 2mn Palestinians in Gaza will look to the future with great hope," Tzachi Hanegbi, Israeli national security adviser, wrote in a column for Elaph, a Saudi newspaper.

But even if the war stopped tomorrow, the extent of destruction means Gazans will face a massive challenge just to resume their daily lives. The sports club where Najla Shawa's children played was "totally bulldozed". The equestrian centre met a similar fate, she says, adding: "I heard they shot the horses."

More than 60 per cent of the strip's housing units have been damaged or destroyed, according to the UN, along with hundreds of schools, dozens of mosques, roads, bakeries and thousands of other businesses. Over half of Gaza's hospitals are no longer working.

"The health system was systematically dismantled. Look how hospitals were taken apart one after the other," says Ghassan Abu-Sitta, a British-Palestinian surgeon who worked in Gaza. "Will Israel allow reconstruction materials into Gaza? It's beyond Palestinians, it needs international involvement."

Phillipe Lazzarini, the head of the UN's refugee agency for Palestinians, describes "the level of destruction is just staggering".

Meanwhile, Hamas has all but disappeared from public view, its fighters assumed to be deep underground in the vast tunnel network it built across Gaza.

With Israeli politicians warning that military operations will last for months, there here is no clarity on who will provide services or maintain internal security, once they end.

Rebuilding will cost billions of dollars. According to the IMF, the far more limited 2014 war caused between $3bn and $6bn of damage. "This is like copy number two of German cities after world war two — this is Gaza now, you need to build everything from scratch," says Mkhaimar Abusada, associate professor of political science at Gaza's Al-Azhar University.

He believes that, like postwar Germany, Gaza will need its own Marshall Plan. But nobody knows who would fund it. One Arab diplomat says oil-rich Gulf states, including Saudi Arabia, the United Arab Emirates and Qatar could help finance Gaza's postwar construction but only if they know what the postwar situation looks like. "They need to see real hope for a two-state solution, and they are not going to invest if it's going to be destroyed two or three months later," the diplomat says.

'Oil-rich Gulf states need to see real hope for a two-state solution. They are not going to invest if the strip is going to be destroyed two or three months later'

'The elusive day after'

The devastation of Gaza has shifted the mood among Israel's western allies. Even US President Joe Biden, the country's staunchest supporter, last month criticised the "indiscriminate bombing."

Above: people search the rubble of a building in Rafah after an Israeli strike. Below: refugees flee camps at Nuseirat and Bureij after an Israeli warning last week

Ibraheem Abu Mustafa/Reuters/Mohammed Saber/EPA-EFE/Shutterstock

France has pushed for a humanitarian truce while the UK and Germany have called for a "sustainable ceasefire, leading to a sustainable peace".

But Israeli officials have made it clear that international pressure will not deter the Jewish state from pursuing its aims. Netanyahu has warned that reconstruction will only happen once the strip is demilitarised and "Palestinian society begins to deradicalise".

Emile Hokayem, at the International Institute for Strategic Studies, says western governments are "spooked by Netanyahu". Their fear, he says, is that the Israeli prime minister will use any direct criticism to boost his flagging domestic popularity. They are most concerned with "maintaining leverage for an elusive day after", he adds.

But there is no clear Israeli plan for what happens next, beyond eliminating Hamas, which has a political wing and is part of the fabric of Palestinian society.

The US, Arab and European states suggest the Palestinian Authority, which administers limited parts of the occupied West Bank, should be involved in Gaza's postwar governance. The PA has continued to pay thousands of civil servants in Gaza since Hamas took control and has suggested it could be willing to take a future role in running the strip.

But Netanyahu has rebuffed the idea. Benny Gantz, a member of Israel's war cabinet, last month set out a vision of the enclave's future that involved Israel maintaining full security control and "taking territory" to provide a launch pad for future operations.

Israel says it has killed more than 8,000 of Hamas's estimated 30,000 fighters as well as several mid-level military commanders and political leaders.

The level of rocket fire launched from Gaza has plummeted, allowing much of Israel to return to a semblance of normality. But Hamas continues to fight inside Gaza and is still holding more than 100 hostages. Its top leaders, such as Yahya Sinwar, remain at large.

Many doubt whether Hamas, or its militant ideology, can be fully defeated. "Hamas hasn't surrendered and they will not surrender," says Abusada, who believes the war will lead to a shrinking middle class, worsening poverty and greater radicalisation. A poll from the Palestinian Center for Policy and Survey Research shows the group is gaining more support in both the West Bank and in Gaza compared to three months ago.

Like other Gazans watching the carnage unfold from afar, Abusada is torn about whether to return. He and his family left Gaza in November with US help. But one son, Mohammed, a 22-year-old computer engineering student, is stuck in Gaza's south — a year too old to be allowed through with his parents. Gaza is home, says Abusada, but adds that he "can't even think of starting again" at this stage of his life.

Kishawi, at Crisis Group, says he will not abandon his homeland: "I prefer to die in Gaza rather than leave."

Faysal Shawa, whose family have lived in the strip for more than 200 years, insists he will be among the first to go back if the war ends. "We love Gaza," he says. All it needs, he adds emotionally, is freedom of movement and goods and, above all, security.

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

The optimistic case for the British economy

Despite the gloomy outlook, there are reasons to be hopeful about the UK

"Grey gloom" is not the front-page headline many Britons would have wanted to read at the start of the new year. But the phrase sums up the economic mood according to the Financial Times's annual survey of economists. It is easy to see why. The UK economy shrank in the third quarter of last year, putting it on the cusp of a recession. It is expected to grow by about half a per cent in both 2023 and 2024 as the impact of high interest rates and elevated price levels squeeze households and businesses.

Economists are a melancholy bunch. A similarly downbeat outlook this time last year turned out to be overly pessimistic. Inflation fell faster than expected and unemployment did not surge as predicted. Revisions to gross domestic product also showed that Britain's post-pandemic recovery was in line with G7 peers, and not the worst as previously forecast. Looking ahead, there are a few reasons why the bearish outlook on Britain may weaken.

First, Britain begins 2024 with a more stable policy outlook than in the recent past. That may be a low bar, given the political turmoil since 2016, but in the past year the government has overseen an improvement in the business environment. Ties with the EU have improved, and the UK has rejoined the bloc's Horizon Europe science and research programme. The full expensing of capital investment was also made permanent in the Autumn Statement. The UK's capital allowances are now among the most generous in the OECD, and businesses are spending again. Investment has finally jumped above levels before the Brexit referendum.

The UK is one of the few major economies where an election will be contested this year between two relatively centrist parties, with no far-right party challenging for power. Prime Minister Rishi Sunak has admittedly put vote-grabbing above economic interests in some areas, including policies to slash legal immigration. But both main parties are engaged in reasonably constructive debates on how to boost long-term growth, which includes reforming byzantine planning laws and rethinking whether UK pension funds could invest more effectively. A significant Labour party victory, as polls indicate, points to continuity in the medium term.

The shift towards calmer waters appeals to investors. The economy could see a decent rebound, particularly if global economic conditions also improve. Just under 50 per cent of executives surveyed by Ernst & Young in June expected the UK's attractiveness for business to rise in the coming years. Many businesses have now adjusted to costlier EU trading arrangements, and with a lot of negative news priced in, cheap UK stocks could be in for a resurgence in valuation. Real-terms wage growth and steeper than expected cuts to interest rates may also bolster near-term economic activity.

> Real-terms wage growth and steeper than expected cuts to interest rates may bolster near-term activity

Britain has a number of strengths it can build on too. It retains a comparative advantage in financial and professional services and is unique in having so many world-class universities spread throughout the country — which, alongside its finance sector, helps to draw global talent. London remains the largest hub for start-ups in Europe, which means there is significant scope for job creation and innovation. The UK is also building a specialism in life sciences, advanced manufacturing and renewable technologies. It is already a leader in offshore wind.

Low growth and high rates paint an undeniably downbeat picture for the year ahead. But continued policy stability for businesses, and sensible measures to develop existing advantages and emergent sectors, could mean the "grey gloom" starts to lift.

Opinion Society

It pays everyone to take time to read

Andy Carter

Margaret Heffernan

You don't need to get out more. If, like most business people, you spend your life dashing from office to plane, train to home, boardroom to washroom, what you really need to do is stay in more, sit down — and read a book.

But for the most part, this isn't what the business community does. They tell me they're too busy, they've lost (or never acquired) the habit. In the 1980s, Bill Gates was seen as exceptional for taking what he called a Think Week twice a year, retreating from the Microsoft campus with a stack of books and new academic papers to read. At the time, this struck me as paltry, the process poorly integrated into life and the subject matter narrow and strategic. But at least Gates's ritual acknowledged that an ancient medium, consolidated and refined over millennia, was still relevant in a world tantalised and distracted by jazzy new technologies and fly-by-night "content".

> Neuroscientists have shown that the pleasure of a book isn't indulgence, it's good for you

I have yet to meet a chief executive who reads regularly. Many skip newspapers, and magazines are a stretch. They don't have time, they say. It's inefficient; they can get the information they need from those around them. At a pinch, they might pick up a business book before a long flight, in the hope that, like a cookbook, it will provide a foolproof recipe. Some are drawn to what I think of as "business car crash" books — reading the stories of Theranos, Purdue, WeWork or FTX will give almost any leader a warm glow of schadenfreude. But outside those narrow pools of interest, a vast ocean awaits, bountiful with simmering ideas, mental adventure and imaginative refreshment.

We are living through a golden age of science writing, so lucid and accessible that even lay readers can relish the unpredictability of discovery. Daunted by uncertainty? Stand in the shoes of scientists and witness the degree to which breakthroughs emerge from accidents, conflict and sheer mental stamina. "We are never sure of anything," says the physicist (and writer) Carlo Rovelli.

Those who cling to the belief that history repeats itself will find few contemporary historians who agree with them. But one reason historians are so illuminating these days is because, instead of weaving grand self-confirming narratives, biographers and academics are attracted by contingencies, the concatenation of personalities and events which upends expectation. The idea that modern complexity is new is swiftly put to rest by the rich brew of voices, perspectives and disciplines that see human history through a spinning kaleidoscope.

Read fiction. Any fiction. Free yourself from algorithms and choose — anything. None of the carbon cost and all of the benefits of travel. You don't need technology for an immersive experience — just surrender to narratives across time and place. Modern (Sebastian Barry or Olga Tokarczuk), classic (Virginia Woolf or James Baldwin) or genre (Stephen King, Margaret Atwood, Georges Simenon) — it doesn't matter. Fiction invites you to loiter unseen in the lives of others. We are living through a golden age of translation too, so you can go anywhere in time or place.

And just read a single poem. In his Oxford lectures, Seamus Heaney argued that a poem draws a picture of reality, a "glimpsed alternative" that sets up a contradiction with your own, in ways little and large. The negotiation, between you and it, is the heart of the matter. What does the poet see that you don't? What does the difference mean? It could be one of the best conversations you ever have. Forget self-help books; reading is self-help in action.

Neuroscientists have been at pains to demonstrate that the pleasure a book provides isn't indulgence; it's good for you. Reading will keep you better informed about the world but it can also improve our tech-shattered ability to concentrate. Standing in the shoes of others fine tunes our social understanding, useful as we struggle to understand friends, neighbours, customers and co-workers. Different parts of our brain engage as we simulate scenes, characters and mental states. Our imagination — remember that? — is rekindled.

Reading has also been found to make us more helpful, to reduce bias, and even to increase longevity — something we will enjoy all the more if we have a good book in our hands. (And yes, all these benefits are more closely associated with physical books than digital ones.)

It is undoubtedly true that all work and no play really does make Jack, or Jill, dull. The cure is right at hand. Reading is cheap, easy and, most important, it's fun. Liberate your imagination this year.

The writer is the author of 'Uncharted: How to Navigate the Future'

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Sports federations must use their muscle to see off big business

Every year, the power of judges in western democracies seems to be on the increase. Indeed, there are not enough columns in the FT to assemble a list of the prominent cases, not to mention the futile ones, such as the recent one involving a French farmer who had the audacity to own noisy and smelly cows. A court awarded neighbours who sued him €100,000.

This trend was last month epitomised by the folly of the latest EU Court of Justice's ruling on the beautiful game ("Uefa and Fifa's defeat in Super League case opens door to breakaway contest", Report, December 22).

What was decided by a handful of judges is that football is not a sport but a banal consumer good that can be exploited — yes, we are talking here about access to immense profits by business people with deep pockets. The ruling is certainly legally sound, but it is morally, historically and socially wrong. It is simply utterly absurd.

What can sports federations do about this judicial nonsense? Perhaps they should flex their muscle by arguing that they, alongside fans, players and citizens at large, collectively own each sport, which is rooted in a longstanding tradition.

If a bunch of rich people want their own version of football, golf or tennis, they should create alternative sports by significantly tweaking existing rules, so they can demonstrate uniqueness and novelty. For example, the football Super League could include larger goalposts, 14 players and with each half punctuated by four "television timeouts", to please advertisers and the ECJ judges, who have just displayed an unlimited appetite for mercantilism.

Perhaps this alternative football should be named appropriately too, since new services need strong brands in order to mark their territory. What about PMF — "postmodern football"?

Christophe Cauvy
Oxford, UK

All Spaniards should have a say in Catalonia's future

Pere Aragonès's advocacy for a Catalan referendum (Opinion, December 12) overlooks a crucial aspect of the debate: the collective will of all Spaniards. The decision about Catalonia's future, given its significant national implications, should involve the entire Spanish populace, not just a segment.

In response to Aragonès's claim that nearly 80 per cent of Catalans support a referendum, it is crucial to note that this figure, often quoted by openly pro-independence media, appears exaggerated. Surveys, including those from the Centre d'Estudis d'Opinió, funded by the Catalan government currently under pro-independence leadership, paint a far less definitive picture. Their latest research indicates that only about 40 per cent of citizens support independence. Furthermore, roughly 48 per cent of citizens might be in favour of a potential referendum. This significant discrepancy in data, influenced by sources with a clear bias, is a cause for concern when making such momentous decisions.

The amnesty law, presented as a step towards reconciliation, in fact raises critical questions about legal consistency and fairness. Is it prudent to prioritise a specific group's desires over the collective legal framework that unites a nation?

While Aragonès's perspective is one part of the conversation, it overlooks the diverse and often contradictory views within Catalonia and the rest of Spain. Shouldn't a dialogue on such a pivotal issue demand a broader and more inclusive approach, beyond the rhetoric of a single narrative?

This is a time for adopting a balanced approach that respects the rule of law and the varied opinions across Spain. The path forward must ensure and preserve the unity and integrity of the nation.

Javier Reyzábal Roig
Madrid, Spain

Community policing of social media won't work

While Bellingcat founder Eliot Higgins ("Moment of truth", The Weekend Essay, Life & Arts, December 16) presents an interesting concept of "community policing" of social media platforms as a means of combating disinformation instead of government regulation, history has demonstrated the ineffectiveness of this policy.

While we can educate ourselves as a community to spot "fake news", social media remains a haven for hate speech, vigilantism, terrorists, human trafficking and child exploitation. These companies are making record profits on immoral and criminal activity and will continue to do so as long as the law allows.

Jon P Frey
Philadelphia, PA, US

Japanese M&A is well placed for renewed growth

The report "Nippon Steel's shock bid for US rival heralded as 'catalyst' for wave of Japanese overseas deals" (December 21) summarises the Japanese M&A market so well that I would like to add a comment to bolster the argument.

The acquisition of US Steel by Nippon Steel is a symbolic deal (both companies are after all named after their respective countries, ie "Nippon" means Japan). It is also symbolic in terms of competition in global capital markets, and in the pursuit of scale and efficiency in the steel industry, as well as in terms of economic security between Japan and the US and the western world.

The fact that Japanese M&A activity has been strong against the backdrop of the global slowdown is a natural consequence of recent healthy business activity in its capital markets. In other words, company management over the past few years has been greatly influenced by company law reforms as well as guidelines set by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

Interest rates are expected to remain low in Japan, so financing will not be as difficult as in the US and Europe. The recent weak yen, which has lost about 40 per cent of its value since the beginning of 2021, has resulted in higher acquisition costs for target companies, but on the other hand, it will contribute significantly to post-acquisition earnings for the acquiring company. Therefore, the current exchange rate trend is not expected to directly put a brake on M&A.

Going forward, the integration of global markets, improved governance, and maintaining and improving transparency in Japanese capital markets are anticipated, and this is expected to lead to a healthy development of M&A, unimpeded by language barriers.

Kiminori Yamaguchi
Tokyo, Japan

It's all too easy to point out flaws in the COP28 deal

While Attracta Mooney, Aime Williams and Simeon Kerr rightly point out all that is wrong with the COP28 deal (Report, December 14), we must acknowledge that acceptance is the first step towards action.

The impetus should now be on turning this momentum into legally binding legislation at national and regional levels, to hold countries to account in the coming years. This could be achieved in the same way we did for electric vehicles following the Paris Agreement of 2015.

Equally, however, much of the work that's still required lies in raising awareness and changing behaviour across the political and public spectrum. For example, there's still a gap in people's understanding of the role of climate finance.

Non-lending models already exist, including grants, donations, green bonds, equities and debt swaps, which would support developing countries without increasing their debt burden.

Communications professionals like myself must now work to build understanding of the specific actions needed to drive this global change. It's all too easy to point out flaws in this historic agreement. Today, however, should be a day to celebrate, for these could be the first steps to the lasting change we all need.

Zafar Jamati
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Fossil fuel addicts need to check into rehab

The Big Read on COP28 ("The COP28 commitments that really count", December 16) celebrates three pledges — to increase renewables, generate more efficient energy usage and cut emissions from fossil fuels.

But tucked away at the end of the article is the proverbial "elephant in the room". Complete fulfilment of the pledges would reduce emissions by "around 30 per cent" of what is required to limit warming to 1.5C. Thus the pledges should not blind us to the urgent need to cut fossil fuel production and consumption.

"Just Stop Oil" makes the point, though it fails to deal with the necessary transition and global injustices. It demands that we kick our deathly addiction to oil and gas. We need to check into fossil fuels rehab. Those who finance fossil fuel expansion and users of private jets, gas-guzzling cars, heated swimming pools, meat eaters, etc, could set an example to the rest of us by being fast-tracked to treatment.

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For millennials, sustainable investing is the sweet spot

In response to the Big Read by Brooke Masters and Patrick Temple-West ("The real impact of the ESG backlash", December 5), the idea behind sustainable investing is that it is underpinned by a view that identifying and addressing potentially mismanaged or mispriced environmental, social and governance concerns makes financial sense.

Contrary to being a "universal do-gooder framework", as one critic in your report seemed to characterise ESG investing, asset managers consider the real, material and financial risks and opportunities associated with ESG sustainability metrics.

While some funds have underperformed in today's macro environment, we don't need to look far to see real-world examples of how ESG affects both the economy and corporate profits.

The US's National Oceanic and Atmospheric Administration found that in 2022 alone, climate change-related extreme weather caused $165bn in damages, including 18 individual disasters that each cost $1bn or more.

And during this summer's record heat, we were inundated with reports of insurers pulling out of certain markets because the climate impacts were too costly to insure, moves that had both financial and social ramifications.

Climate-related factors are likely to become more important for investment returns if the world remains on track to exceed the 1.5C global temperature target.

Strategies that incorporate some sort of ESG-related sustainability metrics remain in demand. Some 80 per cent of individual investors are interested in sustainable investment strategies and 88 per cent of millennials are interested in investments that address climate change, according to a report by Morgan Stanley. An October report in the FT showed that overall ESG fund flows this year remained positive.

We live in a changing world. Asking the financial community to ignore or minimise material ESG data means asking investors to remove information that, over the long term, can contribute to more informed analysis and better investment returns.

Maria Lettini
Chief Executive
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Correction

● Asylum applications to EU countries peaked at above 1.4mn in 2015-16 and were above 1mn in the past 12 months, not 14mn and 10mn respectively as wrongly shown in a chart accompanying the Big Read on migration on December 23.

Opinion

Putting the democratic crisis into perspective

WORLD AFFAIRS

Janan Ganesh

It is bad manners to pre-empt the FT's annual prize for individual achievement, but the Person of 2024 will be "the voter". Among the democracies that are due to choose a national government this year are the world's largest (India) and mightiest (the US), as well as the one that fancies itself the most established (Britain). In elections elsewhere, the stakes range from the municipal (Brazil) to the pan-continental (the European parliament). The people of Taiwan and conceivably even Ukraine, those front lines of the free world, will also exercise their right to decide who leads them.

Even if they choose badly, voters will be central to events in what is supposed to be the era of the dictator. And this isn't the only thing to be said against the despair over democracy.

The number of democracies in the world, the quality of the democracy within them, the share of humankind that lives under democratic rule: to the extent that such things are measurable, all three have been getting worse over the past decade or so. But the baseline is the historic, almost delirious peak of democratic expansion in the afterglow of the cold war. Widen the timeframe a bit, and the present crisis looks more like a correction. The world is still incomparably freer than it was at the midpoint of the last century, when 1.7bn of the planet's 2.5bn lived in "closed autocracies". Now, 2bn out of 8bn do. That there are about as many democracies (whether liberal or merely electoral) as there are autocracies (whether absolute or partial) would have been fanciful as late as the 1980s, when the former were hopelessly outnumbered.

As for *how* democratic a state is — how secure its right to vote, how strong its freedoms of association and expression — Our World in Data, drawing from the Varieties of Democracy index, suggests that countries on average have regressed from the all-time peak of 2012. To what level? That of 2002. On lots of measures, in fact, democracy is back to where it was around the millennium. For all its swagger, its sense of historical momentum, the autocratic world is nowhere near to reversing the losses

> Free elections are on the decline, no doubt, but so is a boxer who loses a round after winning six

that it suffered in the second half of the 20th century. Democracy is on a downward trajectory, no doubt, but so is a boxer who loses a round after winning six.

And we won't even get into the methodological conundrum of India, whose 1.4bn people can skew the global data. (Some watchdogs now have it as an "electoral autocracy", which isn't a universal assessment.) Or the question of how democracies and non-democracies compare as a share of world economic output. On that front, there is scarcely a competition to be had.

It is impossible to say any of this without radiating complacency. Even those who concede that the current picture isn't so dire will insist that the trend of events is ominous. But that was true in the 1960s and 1970s — the era of postcolonial strongmen, of Indira Gandhi's Emergency — and it didn't turn out to be the shape of the future.

Besides, there are worse things than complacency. Its direct opposite, for instance. One of the stranger intellectual habits in the west today is a willingness to give autocrats too much credit, too soon, as the coming force in the world. Their loose network is credited as a "bloc" or "axis", as though it were Nato — as though secular China is a tenable partner for theocratic Iran, or for a Russia that it diverged from even when both were communist. Another case in point is the notion that Vladimir Putin is "winning" the war in Ukraine, on the basis that the front line hasn't moved farther east of late. (He wanted Kyiv and the whole country, remember.)

I don't suggest that this undue awe for autocrats is down to western self-loathing, much less to some sinister fifth-columnism. It might just be the natural tendency to overvalue recent data points. Either way, the ultimate example of it is the narrative of democratic decline, or at least the context-free version of it. Decline? Yes. But from a height that was scarcely conceivable when I was born. And perhaps never tenable.

It is telling that even democracy's enemies have to co-opt the idea. Xi Jinping refers to the communist model of government as "whole-process people's democracy". This year, Putin is among the world leaders standing for election. It might be a smoke and mirrors affair, but there is something in the fact even a true believer in the autocratic system has to pretend. What a compliment from vice to virtue.

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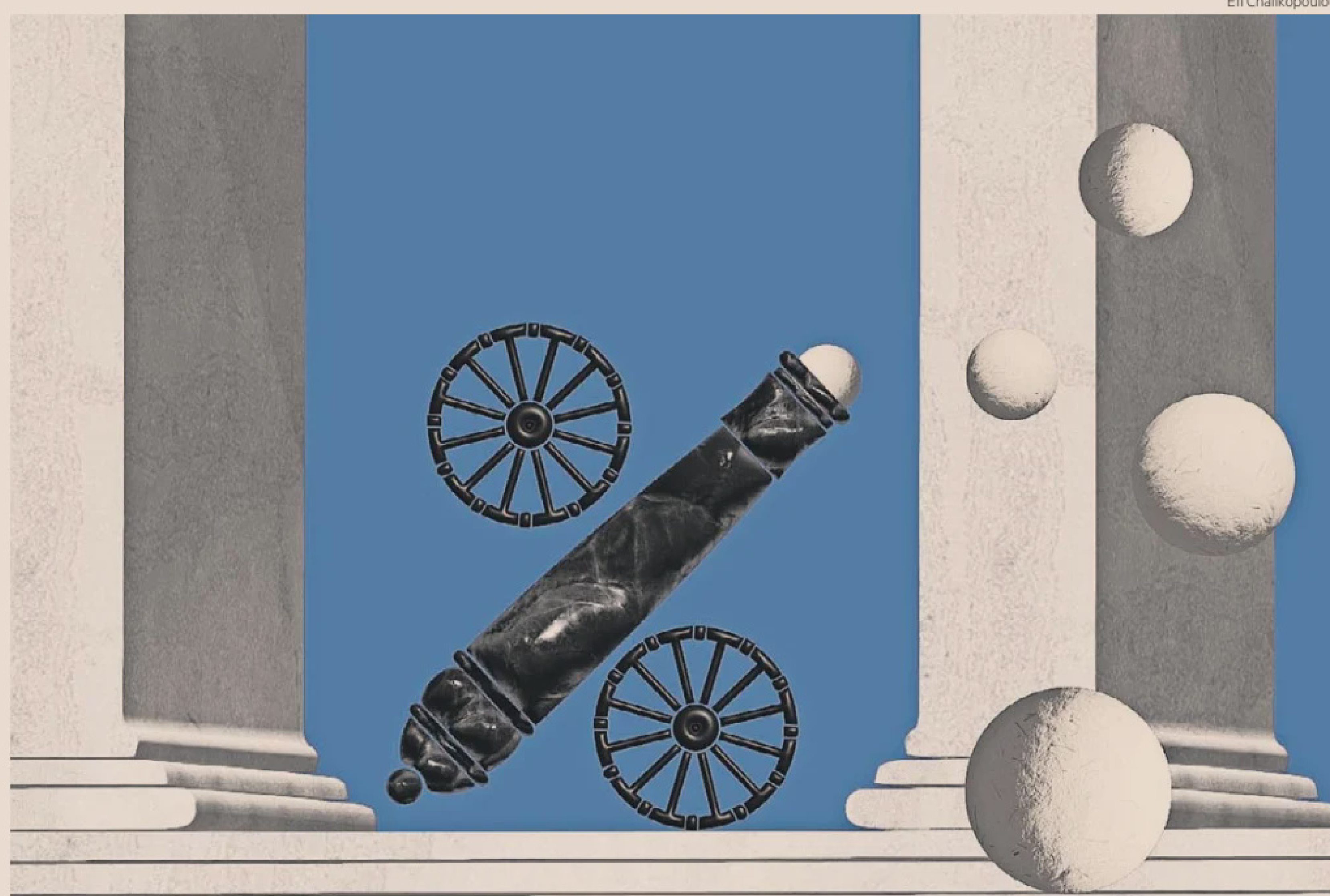
Buckle up — the inflation fight is in a new phase

ECONOMICS

Chris Giles



Efi Chalikopoulou

There is a fair chance that by the time the trees come into leaf in Washington, Frankfurt and London, this decade's inflation crisis will definitively be over. The eye of the storm has already passed and prices have been rising at rates no higher than central banks' targets in recent months.

In the six months between May and November last year, for example, the annualised rate of consumer price inflation was only 0.6 per cent in the UK and 2.7 per cent in the eurozone. Excluding volatile energy and food prices, annualised core rates of inflation were 2.4 per cent in both economic areas over the same period. In the US, the equivalent measure — the Federal Reserve's favoured personal consumption expenditure deflator — was just 1.9 per cent with a headline rate of 2 per cent.

All central banks need, therefore, to bring inflation rates in line with their targets is to avoid a deterioration in price control in the US and UK and to effect a small improvement in the eurozone. If so, they can declare victory.

It goes without saying that the rapid demise of inflation on both sides of the Atlantic in the second half of 2023 was as surprising as its prior increase. Last summer, the Fed, European Central Bank and Bank of England all expected inflation to remain above target until 2025 at the earliest.

While the improvement in outlook has been welcome and remarkable, the legacy of the inflation crisis will not end once prices rise at normal rates again. Evidence suggests the public hated the rise in the cost of living and the arbitrary hassle of the past two years and memories are likely to fade slower than the inflation statistics. Politicians will need to give a better account of the sacrifices made by many than simply telling people that living standards are rising because inflation is down.

With interest rates having risen from an effective zero in 2021 to restrictive levels of 4 per cent in the eurozone, 5.25 per cent in the UK and 5.25 to 5.5 per cent in the US, the battle over rates will also enter a new phase in 2024. Gone is the need to tighten policy: the question for the coming year is how and when to ease the squeeze.

To answer that question, it is proper to start by examining what has been surprising in the decline in inflation so far. Compared with expectations this time last year, the US, eurozone and UK all avoided the recession and rising unemployment that most economists expected. Growth was significantly better in America than Europe, but the supply side of economies on both sides of the Atlantic exceeded expectations. This suggests central banks do not have to restrict demand growth as much as they once thought.

Central bank officials generally accept that they will be bringing interest rates down in 2024, but are reluctant to move quickly for fear of financial market excess — and a remaining risk that inflation is not fully defeated.

There is a difficult trade-off here. It's necessary to wait some time before cutting interest rates so as to ensure that the price trends of the past six months are not a false dawn. Pay growth also needs to come down, although central bankers should allow some temporary catch-up in real wage levels to reflect both the productivity gains and lower import prices that benefited many countries in 2023.

But since monetary policy works with a lag, the longer the delay, the more

> Gone is the need to tighten policy. The question for this year is how and when to ease the squeeze

costs associated with waiting. The first Federal Reserve rate cut should therefore take place in March as financial markets expect. The ECB and Bank of England would be wise to follow a similar timescale rather than hang back, especially as Europe's economy is weaker and more prone to an unnecessary downturn. So far, officials on both sides of the Atlantic have been unwilling to suggest such timely action is possible.

If financial markets are correct in suggesting the desirability of an early rate reduction, they have gone too far in suggesting interest rates will decline almost as quickly as they rose, pricing in 1.5 percentage points of reductions in both the US and eurozone this year. Unemployment is low everywhere, there is little spare capacity and so there is a danger that inflation will reignite if economies are run too hot.

Central banks would therefore be wise to start easing quickly but not move too fast unless economies appear to be heading for a deep recession. They need to find a gentle path towards relatively neutral interest rates to neither stimulate nor restrict economic growth and inflation. This level is unknown but is not necessarily much lower than the official rates that prevail today and certainly not near zero.

This caution should apply even if inflation falls temporarily below zero in the months ahead, for example if energy prices were to drop significantly. Lower prices of imports for consumers would allow higher incomes and greater consumption and would not be a sign of impending economic collapse.

If the past few years have taught us anything, however, it is that expected scenarios are likely be buffeted by events outside the control of policy. The most important attribute for central bankers this year therefore will be flexibility in the face of inevitable forecast errors and an ability to communicate the need for policy to adapt to changing circumstances. It is wonderful that high inflation has been defeated. The difficult new world starts now.

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Forget technology — politicians pose the gravest misinformation threat

Rasmus Nielsen

This is set to be a big election year, including in India, Mexico, the US, and probably the UK. People will rightly be on their guard for misinformation, but much of the policy discussion on the topic ignores the most important source: members of the political elite. As a social scientist working on political communication, I have spent years in these debates — which continue to be remarkably disconnected from what we know from research. Academic findings repeatedly underline the actual impact of politics, while policy documents focus persistently on the possible impact of new technologies.

Most recently, Britain's National Cyber Security Centre (NCSC) has warned of how "AI-created hyper-realistic bots will make the spread of disinformation easier and the manipulation of media for use in deepfake campaigns will likely become more advanced". This is similar to warnings from many other public authorities, which ignore the misinformation from the most senior levels of domestic politics. In the US, the Washington Post stopped counting after documenting at least 30,573 false or misleading claims made by Donald Trump as president. In the UK, the non-profit FullFact has reported that as many as 50 MPs — including two prime ministers, cabinet ministers and shadow cabinet ministers — failed to correct false, unevidenced or misleading claims in 2022 alone, despite repeated calls to do so.

These are actual problems of misinformation, and the phenomenon is not new. Both George W Bush and Barack Obama's administrations obfuscated on Afghanistan. Bush's government and that of his UK counterpart Tony Blair advanced false and misleading claims in the run-up to the Iraq war. Prominent politicians have, over the years, denied the reality of human-induced climate change, proposed quack remedies for Covid-19, and so much more. These are examples of misinformation, and, at their most egregious, of disinformation — defined as spreading false or misleading information for political advantage or profit.

This basic point is strikingly absent from many policy documents — the NCSC report, for example, has nothing to say about domestic politics. It is not alone. Take the US Surgeon General's 2021 advisory on confronting health

> When it comes to the most serious examples, the calls tend to come from inside the house

misinformation which calls for a "whole-of-society" approach — and yet contains nothing on politicians and curiously omits the many misleading claims made by the sitting president during the pandemic, including touting hydroxychloroquine as a potential treatment.

This oversight is problematic because misinformation coming from the top is likely to have a far greater impact than that from most other sources, whether social media posts by ordinary people, hostile actors, or commercial scammers. People pay more attention to what prominent politicians say, and supporters of those politicians are more inclined to believe it and act on it.

We know this from years of research. Millions of Americans believed there was systematic voter fraud in the 2020 elections, that weapons of mass destruction were found in Iraq, that human activity played little role in climate change, and that the risks and side effects of Covid-19 vaccines outweighed the health benefits. What all these misleading beliefs have in common is that they have been systematically advanced by political actors — by the right in the US. But in, for example, Mexico, there is plenty of misinformation coming from the left.

Meanwhile, the policy discussion remains bogged down with how to police AI-generated content, while distracting us from how some politicians — perhaps conscious of how tech companies eventually blocked Trump in the dying days of his presidency — are pushing for legal exemptions from content moderation.

Of course there will be examples of AI-generated misinformation, bots, and deepfakes during various elections next year. But the key question is how politicians will be using these tools. A pro-Ron DeSantis political action committee has already used an AI version of Trump's voice in a campaign ad. This is not some unnamed "malicious actor", but a team working on behalf of the governor of a state with a population larger than all but five EU member states. We have seen examples of similar activity in elections in Argentina and New Zealand too.

When it comes to the most serious misinformation, the calls tend to come from inside the house. Technology will not change that, so let's stop gaslighting the public and admit clearly as we head into a big election year that misinformation often comes from the top.

The writer is director of the Reuters Institute for the Study of Journalism

How to heal the great education divide in UK politics

Aveek Bhattacharya

"I love the poorly educated." Donald Trump may have put it in the crudest terms, but the former US president is not alone among politicians on the right to be heartened by growing support among voters without advanced qualifications. The mirror effect on the left has greeted the influx of graduates to its side with as much hand-wringing as celebration — consider Thomas Piketty's alarm over the colonisation of progressive parties by the "Brahmin left".

It's a dynamic familiar across the democratic west. But what is so striking about the education divide in British politics, as Rob Ford demonstrated in his recent report for the Social Market Foundation, is the scale and speed with which it has grown. If a single question could deduce which party a voter supports, asking for their level of qualification would be an excellent proxy (perhaps bettered only by asking your age). Only 10 years ago this question would have proved no help at all.

In 2014, voters with a degree and those who left school without any further qualifications were just as likely to support the Conservative party as Labour. But despite the latter's current towering poll lead, it is still doing worse among school-leavers now. Meanwhile, the Conservatives are on course for their worst performance with graduates since at least 1979.

Ford's findings have obvious implications for political strategists. If the Conservatives are to hold power, they need to hold those seats still dominated by school-leavers, at the same time fending

> The Conservatives are on course for their worst performance with graduates since 1979

off the Liberal Democrat challenge in seats in the south of England which have large graduate populations. Conversely, for Labour the short-term task is winning back school-leaver-heavy seats, while recognising that in the long term they benefit from the growing number of graduate-heavy seats.

The societal consequences of the education divide run deeper and are more long-term, however. Underpinning it is a gap in identity and social values. Graduates see their education as core to their identity; they are less likely to see themselves as English or British and more likely to feel European. School-leavers are more authoritarian, more opposed to immigration and more sceptical of environmental policies.

To some extent it is healthy to bring such debates in to the open. But if these divides ossify, they can corrode trust and social cohesion. Finding a way to bring the sides together, to unite around a shared social and political project, is one of the biggest challenges for Britain's political leaders in the years ahead.

We must listen and learn from one another, and disagree constructively. On the right, that means resisting inflammatory rhetoric that demonises "elites". On the left, graduates must learn that being better educated does not make them intrinsically superior.

Labour leader Keir Starmer's emphasis on universal "respect" — mirroring the approach taken by German Chancellor Olaf Scholz — suggests he understands what is at stake. Starmer says he wants to create a society where people like his father, a toolmaker, feel appropriately valued, no longer subject to shame and snobbery.

Yet the tensions in Starmer's rhetoric highlight the difficulty of achieving that objective. His comments came in the middle of a speech on opportunity, laying out plans to shatter the "class ceiling" and give people a better chance to "get on" in life. But this framing risks reinforcing a meritocratic worldview that inadvertently separates the world into winners and losers. A better approach would be to present educational opportunities in terms of self-realisation — helping every person to be the best version of themselves.

Bridging the education divide is bound to be tricky, but recognising the problem — and avoiding making it worse — is the first step. Politicians must come to see that the education divide is there to be healed, not just exploited.

The writer is director of the Social Market Foundation think-tank

Lex.

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EV tax credits: cell out

Tax credits on electric car purchases in the US just became much harder to score. The number of EV models qualifying for a bung of up to $7,500 is down from 43 to 19 after new battery sourcing rules took effect on Monday. The ramifications will reach far beyond the newly excluded carmakers.

EVs whose battery parts are built or assembled by a country identified as a "foreign entity of concern", which includes China, no longer qualify for a tax credit. That leaves a long list of popular models ineligible, including the Tesla Model 3 Rear-Wheel Drive, the BMW X5 xDrive50e, the Audi Q5 PHEV 55, the Volkswagen ID. and the Nissan Leaf. Some carmakers are still confirming eligibility.

Getting back on the approved list will come at a cost, one that is likely to increase in the near future. Chinese EV battery makers account for more than two-thirds of supply. The largest maker, China's Contemporary Amperex Technology Co. Limited, has a 37 per cent share of the market. Its 50 per cent plus growth in capacity last year means it is one of the few suppliers that can produce batteries at the scale and price needed to keep up with the rapidly growing EV market.

The curbs will toughen, with rules on the source of battery materials such as refined lithium set to tighten in 2025. China has about two-thirds of lithium refining capacity. Switching battery suppliers to Korean and Japanese rivals, which charge more, could mean higher costs for carmakers. Those are likely to rise further as capacity constraints and higher demand bite.

The tax credits, which allow buyers to claim the credit at participating dealerships at the point of sale, had succeeded in cutting the price of popular EV models to levels comparable to petrol counterparts. For Nissan, say, that has been crucial. Net sales in the US, its biggest market, are more than double levels at home.

Longer term, more battery manufacturing should move to the US. But building capacity is expensive and takes years. Carmakers fighting a war for share in the US EV market will need to overhaul supply chains at the expense of short-term margins.

Shares of CATL are down a third in the past six months, underperforming peers. Despite its dominance, shares trade at 13 times forward earnings, less than a third that of LG Energy Solution. That gap should persist as long as Sino-US tensions stay high.

Luxury platforms: Farfetch-ed

In many walks of life, platform companies do well. It is perfectly possible to create a digital space that connects large numbers of buyers and sellers, and make a decent cut out of each transaction. See Uber, which has a market value of more than $126bn. Or Airbnb, about $87bn.

Compare and contrast such success with Farfetch. The platform hoped to be the Uber of luxury. At one time it was worth $24bn. It fetched little in the end. A $500mn deal at the end of the year, with Korean etailer Coupang and Greenoaks, wiped out the equity.

Farfetch's unravelling points to a problem in creating a luxury platform. Unlike the fragmented universe of drivers, rental accommodation, beauty products or food delivery, not many luxury brands really matter.

Farfetch may have had thousands of brands on its site but analysis carried out by Bernstein in 2020 suggested that most were minor. Almost 70 per cent of brands on Farfetch had fewer than 50 products on the marketplace. Just 10 major brands, including Nike and Adidas, probably drove the majority of traffic.

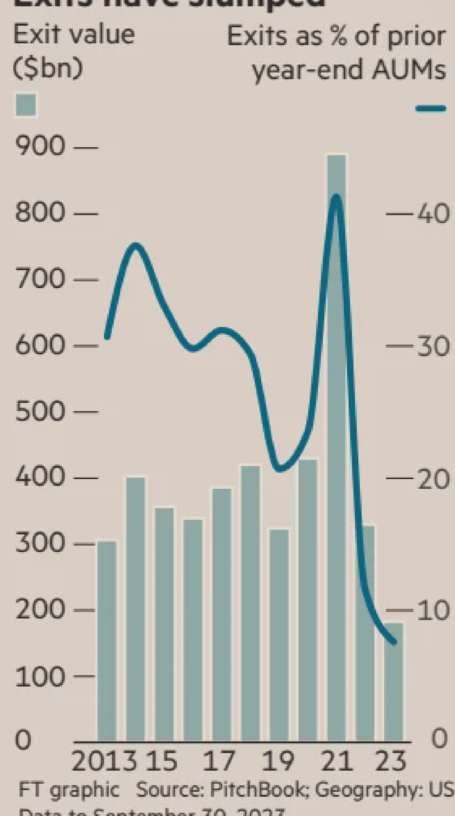
A concentrated market structure is not easy for a platform to navigate. It puts negotiating power firmly in the hands of its suppliers. Moreover, luxury brands are by and large keen to sell to their customers directly, jealously guarding those relationships and limiting the proportion of goods that flow through wholesale channels.

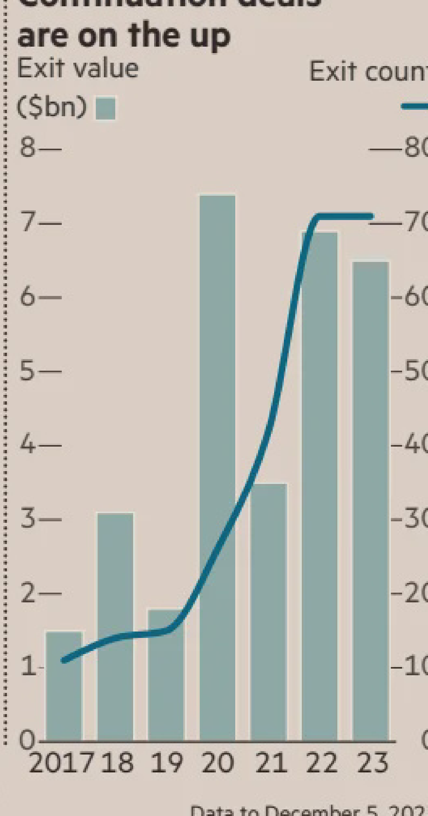
Unsurprisingly, they were reluctant to feed the growth of a middleman, especially one that aspired to be big enough to call the shots in their sector.

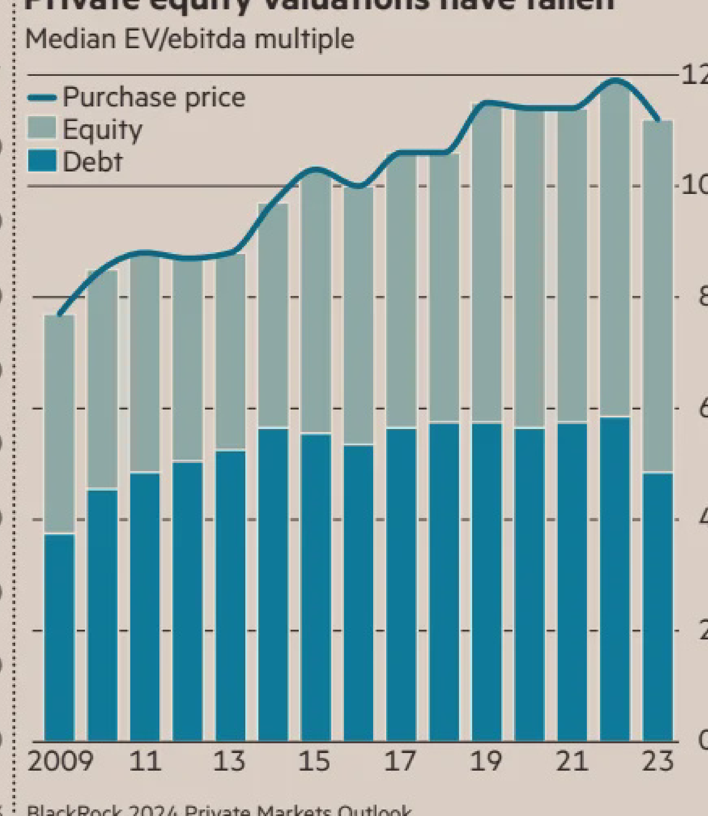
Following Coupang's rescue, Farfetch's retail business will live to see another day. Yet its path to profitability is not clear. One option will be to cut costs right down. Another will be to focus on emerging brands and offer them a route to market — though their pulling power for punters, and willingness to pay, is questionable. There is no obvious way to restyle this battered outfit.

Private equity: digestion question

Private equity has struggled to sell assets. Exits in the first nine months of 2023 fell below $200bn in the US, or 7.6 per cent of AUM. That has prompted the rise of sale to continuation funds, shuffling assets between parts of the same group. Acquisitions, too, have been slow, with lower leverage and valuations dipping.







Readers of Antoine de Saint-Exupéry's *The Little Prince* may recall the hat-like appearance of the snake that swallowed an elephant. After the festive season, some may empathise with that swollen reptile. The private equity industry has ended 2023 in something of a similar state.

Private equity companies have struggled to find buyers for their portfolio companies for a number of years now. Companies have had their hands full managing snarled-up supply chains and rampant inflation. Opportunities for successful initial public offerings are few and far between. High valuations for private equity portfolio companies have not helped.

As a result, the value of assets sold in the US in 2023 was down more than 70 per cent compared with the peak in 2021, according to Tim Clarke at PitchBook.

That does not gum up the system entirely. The industry has a chunk of committed money — dry powder — that it can call on if it finds attractive companies to buy. But over time, a dearth of liquidity delays payouts for investors in existing funds, which in turn makes them less likely to allocate new money to the private equity sector.

Already, fundraising has become harder for all but the leading managers. Indeed, comparing the period between 2018 and 2021 and the 18 months to May 2023, the share of private equity money raised by the 10 largest managers has roughly doubled to about 30 per cent, according to a report by Apollo Global.

Pressure on private equity funds to find exits will rise this year. Creative solutions to the industry's indigestion include effectively selling to themselves, via "continuation" funds. But that merry-go-round can only go so far.

Like idle equity capital markets bankers, the sector looks increasingly reliant on a reopening of the IPO market. Yet stock market gains are still being driven by a few big tech stocks, leaving public markets an uncertain bet. In the meantime, the megafunds of the private world look best placed to gobble up choice morsels from struggling mid-market peers.

Wise/HSBC: transfer market

The competition to offer something for nothing is hotting up in fintech. HSBC, undeterred by a race to the bottom in payments fees, is going after disrupters by launching Zing, an app that allows fee-free international money transfers for non-account holders.

It puts the bank into direct competition with the likes of Wise and Revolut as it aims to capture a share of the fintechs' rapid customer growth. The threat sent shares in the former down as much as 6 per cent yesterday.

Wise was already scraping the barrel on what it charges customers to move money across borders: it boasted of fees eight times cheaper than traditional banks when it came to market in 2021 and an eventual goal of free payments. But its charges have barely budged since. HSBC is offering fee-free transfers to existing customers though its Global Money account. Increased competition should push Wise towards its goal faster.

Rising interest rates make offering transfers for free more attractive. Higher yields on balances mean net interest income at Wise is expected to almost treble in the 12 months to March to more than £300mn. Keeping fees flat at between 0.6 to 0.7 per cent means income from business and retail transactions has soared. Earnings per share are expected to double this year.

Shares are up 55 per cent in a year, though the 34 times forward earnings multiple remains close to all- time lows, even if Wise is one of the most highly valued stocks in the sector.

Banks have muscled in. But Wise, profitable when it listed and keeping a lid on costs, has space to fight back. Administrative costs rose just 6 per cent in the six months to September and helped push ebitda margins to 37 per cent. It says margins would have been 25 per cent even if interest earnings were about three-quarters lower. That should mean a model with plenty in reserve to fend off banks. But defence comes at a cost: investors may need to rethink hopes for seeing a share of its success in dividends.

First Solar: moment in the sun

An asset-liability mismatch can, at its core, be a geographic incongruence. First Solar, an Arizona-based clean energy equipment maker, has $1.8bn in overall balance sheet cash. However, two-thirds resides outside the US and would be costly to repatriate even after 2017 tax reforms. Its conundrum is that nearly all of its $2bn annual capital expenditure budget is allocated to US projects.

Enter a software company and the features of President Joe Biden's infrastructure spending push. His signature legislation, the Inflation Reduction Act, created a federal tax credit for domestic clean energy manufacturing. Such subsidies are then useful to the likes of First Solar. But the company cannot wait around for tax refund season.

Last week, it became the first to take advantage of a feature of the "Section 45x" programme that allows it to sell the credit for immediate proceeds. First Solar said it would sell up to $700mn of tax credits for which it was eligible to Fiserv, a large, listed fintech company that was willing to pay 96 cents on the dollar. The transaction shows that while money is great, it is most optimal when accompanied by liquidity.

At an investor event last year, the First Solar finance chief noted that its Section 45x credit counterparty — the US government — was the most reliable enterprise in the world. He also mentioned that the actual cash benefit would be 12 to 18 months away. As such, the 96 cents on the dollar received from Fiserv represent a 3 to 4 per cent annualised discount.

The company said that for future tax credits, it made sense to realise them directly only when new production facilities under construction were operational and generating revenue. By forsaking the tax reduction, First Solar net earnings per share will be hit by three or four percentage points, even as its cash position is bolstered. But it is a trade worth making in a wisely created marketplace that is going to get busier.

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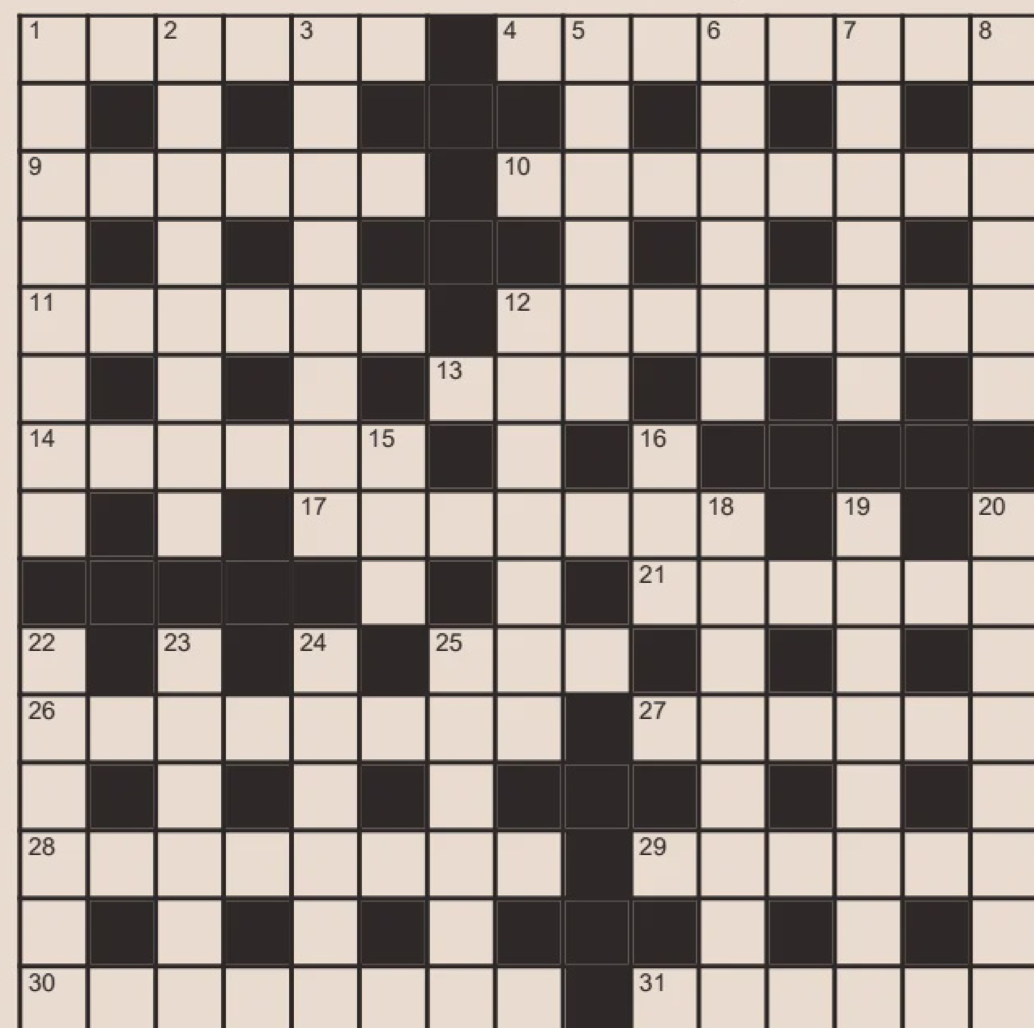
CROSSWORD No 17,619 by GUY



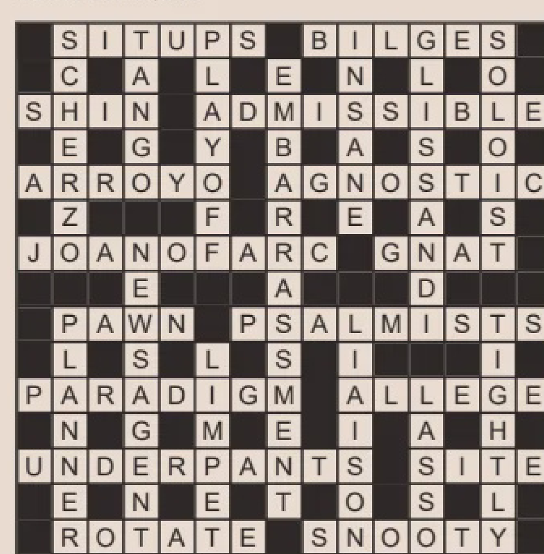
ACROSS

1 Good attendant who's excessively effusive (6)
4 I chip away at vanishing plutocrats in difficulty (8)
9 Sugar's inside not outside this sweet (6)
10 Black cat mostly subject to temple (8)
11 Aviator, say, is French soul returning to trouble (6)
12 A rep's upset, scoffed, and cut off (8)
13 Conclusive difficulty (3)
14 Style from chap dismissing last point of irritating fool (6)
17 Right about don (7)
21 And the rest His Eminence had eaten into (6)
25 Guy drops a pen (3)
26 English and US spies in equal decay (8)
27 New cinema is certainly not ruddy short of spirit in US (6)
28 A pound abandoned by elite soldiers, for example (8)
29 Mourn unconvincing collection of books (6)
30 Happily one rates boom (8)
31 One's screwed in credit cut (6)

DOWN

1 Info on woman embracing Romeo cop in Rouen (8)
2 This wine if repackaged could be sure neat (8)
3 Who tests whirling chopper and digger (8)
5 County central to gutsy drink (6)
6 Suffer little Henry being destructive (6)
7 Eg, Sweeney Todd's unbridled wealth (3,3)
8 Warden found in right huff (6)
12 Screen release (7)
15 King's Cross in support of sappers (3)
16 Custom trick with no hint of roguery (3)
18 Individual in theatre is prehistoric (5-3)
19 Cold actor on a last drop of his drink (8)
20 Orator interrupting rising discourteous teacher (8)
22 What could stun you about eastern riddle? (6)
23 Cold spuds (6)
24 Dream is one playing under Victor (6)
25 Saint covering, eg, elder's passage (6)

Solution 17,618



JOTTER PAD

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