FINANCIAL TIMES

TUESDAY 18 APRIL 2023 ASIA

The global race to attract migrant workers
SARAH O'CONNOR, PAGE 15

UK financial watchdogs walk a tightrope
BIG READ, PAGE 13

Treason trial
Putin critic gets 25 years

Moscow City Court/Reuters

Russian opposition activist Vladimir Kara-Murza stands inside an enclosure during a court hearing in Moscow yesterday where he was sentenced to 25 years in prison for treason.

His sentence is the toughest imposed on an opponent of president Vladimir Putin since the start of the Ukraine war.

Kara-Murza holds British citizenship and was a columnist for the Washington Post. The UK Foreign Office said his sentence was politically motivated, while the EU called it "outrageously harsh".

The activist had lobbied western capitals to impose sanctions on individuals accused of human rights violations in Russia. One of the people who had sanctions imposed as a result of Kara-Murza's campaigning was Sergei Podoprigorov, a judge who was subsequently appointed to preside over his trial.

Critic jailed page 2
Gideon Rachman page 15

Savers withdraw nearly $60bn from three US banks as Apple raises heat

- Schwab, State Street and M&T hit
- Tech group links with Goldman
- Market-leading interest rate

BROOKE MASTERS AND MADISON DARBYSHIRE — NEW YORK

Big US financial groups Charles Schwab, State Street and M&T suffered almost $60bn in combined bank deposit outflows in the first quarter as customers moved their money in search of higher returns.

In a further sign of the threat to traditional banks, tech giant Apple and Goldman Sachs yesterday announced the launch of a new savings account in the US that will pay a market-leading 4.15 per cent interest a year.

American savers have been yanking cash out of low-yielding bank accounts and ploughing it into alternative products such as Treasury bills that pay better returns, allowing them to take advantage of the Federal Reserve's sharp interest rate rises. The average US savings rate is just 0.37 per cent, according to government data, versus the Fed's benchmark rate of 4.75 to 5 per cent.

The deposit flight from US banks has been turbocharged by the collapse last month of Silicon Valley Bank and two other US lenders, with cash moving out of bank accounts at a pace not seen since the 2008 financial crisis.

Schwab said yesterday that deposits dropped 11 per cent in the first quarter to $325.7bn. Custody bank State Street's deposits fell 5 per cent to $224bn in the same period, while M&T Bank said total deposits declined 3 per cent to $159.1bn.

Customers have pulled around $800bn in deposits from US commercial banks since March last year when the Fed first started to lift rates after lenders kept deposit rates relatively low while charging more for loans.

The new savings account launched by Apple and Goldman will pay interest at more than 10 times the national average rate. It also outstrips rivals such as American Express, which is offering 3.75 per cent.

Yesterday's bank results herald an anxious start to a week when dozens of regional and midsized banks report their earnings, providing a fuller picture of the damage wrought by the failure last month of SVB and the other lenders. Last week, JPMorgan Chase, Wells Fargo and Citigroup all announced they had raked in billions of dollars in deposits from customers fleeing smaller lenders.

State Street's shares were down more than 12 per cent at midday in New York after quarterly profits missed expectations and fees were hit by reduced assets under management.

Ron O'Hanley, State Street chief executive, said the sharp declines in the bank's shares "show the sensitivity among investors [because] there was so much volatility" around deposits.

Rates have risen so quickly that Schwab's traditionally staid customer base of retail investors moved cash from its bank, which pays only 0.45 per cent interest on cash, at a clip that caught it off guard and caused it to borrow at a high cost to cover the outflows.

"We're not oblivious," said Walt Bettinger, Schwab's chief executive. "We know that we have driven much of what has gone on that has affected our near-term earnings."

UBS analyst Brennan Hawken said the Schwab results were "not as ugly as feared" with its shares up 2.7 per cent.

Shares in M&T were up 6 per cent in midday trading. The bank did better than expected on net interest income, the gap between what it pays for deposits and charges for loans.

Additional reporting by Kate Duguid in London, Joshua Franklin in New York and Patrick McGee in San Francisco

Regulators take aim page 4

Lex. First-quarter results from Schwab do not offer a full picture of the pressure it will face in the coming quarters
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Briefing

▸ Air France and Airbus cleared over 2009 disaster
A French court has acquitted both companies of "involuntary manslaughter" linked to a crash that killed 228 passengers and crew over the Atlantic.— PAGE 5

▸ Chinese house price jump
Prices of new homes have risen at their fastest pace in 21 months, in the latest sign of green shoots for the second-biggest economy as it recovers from Covid.— PAGE 4

▸ EY cuts to hit consulting
The firm is to cut 3,000 jobs in the US to tackle "overcapacity". The move comes days after the collapse of a plan to spin off the group's consulting arm.— PAGE 5

▸ Ping An presses HSBC
The Chinese insurer will demand dividends at pre-Covid levels and reviews of the spin-off prospects for the Asia unit, those familiar with the issue have said.— PAGE 6

▸ Apollo eyes UK web seller
Shares in ecommerce retailer THG have jumped more than 40 per cent after it revealed it had received an approach from the US buyout group.— PAGE 6; LEX, PAGE 16

▸ Pay defies drop in stock
At least 107 S&P 500 companies, including Moderna and Marriott, have given their chief executives pay increases even though their shares declined.— PAGE 8

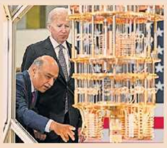
Datawatch

Staying in, logging on

Spending change in past 12 months (% of US adults)

Source: Morning Consult

Americans have prioritised staying online as rising prices have squeezed budgets. Two in three have not cut back spending on internet and mobile phone services. But expenditure on sports events and cinema tickets has been far less resilient



Biden plan lays ground for US boom, research shows

Analysis ▸ PAGE 3

Swiss-owned group trades Russian gold via UAE subsidiary despite sanctions

HARRY DEMPSEY AND CHRIS COOK — LONDON

A Swiss commodity trader's Abu Dhabi subsidiary has bought tens of millions of dollars of Russian gold despite a ban on Swiss entities undertaking such activity, the latest evidence of a gap in western sanctions against Moscow.

Switzerland adopted the EU's prohibition last August of "the direct or indirect import, purchase or transfer" of Russian gold including shipments into third countries, which was among western measures introduced in response to Russian president Vladimir Putin's assault on Ukraine. However, a provision in Swiss law allows its companies' overseas units to trade Russian commodities that are "legally independent" — a term the Swiss sanctions enforcement agency declined to define.

Open Mineral Ltd, registered in Abu Dhabi a year ago and wholly owned by Zug-based Open Mineral AG, imported $44mn of Russian gold to the United Arab Emirates between August and January, according to documents obtained by the Financial Times and confirmed by the Swiss commodity trader.

The documents were corroborated using Russian customs declarations supplied to the FT by the Free Russia Foundation, a pro-democracy group.

The UAE, the Middle East's main trade hub, has positioned itself as a neutral regional power. Open Mineral AG — backed by Abu Dhabi wealth fund Mubadala — said it "took all appropriate steps to confirm that Open Mineral Ltd did not break any applicable law".

The transactions by Open Mineral's UAE subsidiary add to evidence of a playbook adopted by some traders to keep Russian oil and gold flowing. Open Mineral's approach has similarities with that of Paramount Energy & Commodities SA, a Swiss-based trader that owns Paramount Energy and Commodities DMCC in Dubai.

The FT reported last month that Paramount's Dubai-based entity had continued to trade Russian crude. Paramount denied breaching sanctions on the basis that the Dubai company was operated and managed "totally independently".

While Switzerland has mirrored the EU's sanctions, its State Secretariat for Economic Affairs said "legally independent subsidiaries of Swiss companies abroad . . . [are] generally not bound by Swiss sanctions provisions".

Open Mineral AG said the UAE entity had its own office, directors, employees, bank accounts and credit lines, and had paid no dividends to the Swiss parent.

World Markets

STOCK MARKETS

	Apr 17	Prev	%chg
S&P 500	4129.33	4137.64	-0.20
Nasdaq Composite	12084.31	12123.47	-0.32
Dow Jones Ind	33879.89	33886.47	-0.02
FTSEurofirst 300	1846.29	1847.43	-0.06
Euro Stoxx 50	4368.89	4390.75	-0.50
FTSE 100	7879.51	7871.91	0.10
FTSE All-Share	4283.51	4278.54	0.12
CAC 40	7498.18	7519.61	-0.28
Xetra Dax	15789.53	15807.50	-0.11
Nikkei	28514.78	28493.47	0.07
Hang Seng	20782.45	20438.81	1.68
MSCI World $	2825.75	2829.20	-0.12
MSCI EM $	1000.49	997.03	0.35
MSCI ACWI $	654.57	655.04	-0.07
FT Wilshire 2500	5351.63	5364.84	-0.25
FT Wilshire 5000	41727.92	41836.58	-0.26

CURRENCIES

Pair	Apr 17	Prev	Pair	Apr 17	Prev
$/€	1.092	1.101	€/$	0.916	0.909
$/£	1.236	1.244	£/$	0.809	0.804
£/€	0.883	0.885	€/£	1.133	1.131
¥/$	134.545	133.460	¥/€	146.869	146.906
¥/£	166.345	166.078	£ index	79.034	79.263
SFr/€	0.981	0.984	SFr/£	1.111	1.112

CRYPTO

	Apr 17	Prev	%chg
Bitcoin ($)	29415.49	30285.00	-2.87
Ethereum	2082.26	2117.10	-1.65

COMMODITIES

	Apr 17	Prev	%chg
Oil WTI $	81.01	82.52	-1.83
Oil Brent $	84.81	86.31	-1.74
Gold $	2019.40	2048.45	-1.42

GOVERNMENT BONDS

Yield (%)	Apr 17	Prev	Chg
US 2 yr	4.19	4.11	0.08
US 10 yr	3.59	3.52	0.07
US 30 yr	3.80	3.75	0.05
UK 2 yr	3.60	3.61	-0.01
UK 10 yr	3.82	3.79	0.03
UK 30 yr	4.00	3.97	0.03
JPN 2 yr	-0.04	-0.05	0.00
JPN 10 yr	0.48	0.46	0.02
JPN 30 yr	1.33	1.30	0.03
GER 2 yr	2.84	2.87	-0.03
GER 10 yr	2.47	2.44	0.03
GER 30 yr	2.55	2.50	0.05

Prices are latest for edition
Data provided by Morningstar

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

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Treason allegation

Russian invasion critic jailed for 25 years

Activist who also holds British citizenship likens case to Stalin-era show trial

POLINA IVANOVA — LONDON

Vladimir Kara-Murza, a Russian opposition activist who also holds British citizenship, has been jailed for 25 years for treason and "discrediting" the armed forces after criticising Moscow's invasion of Ukraine.

The sentence handed down to Kara-Murza, who likened his case to the show trials of the Stalin era, is the toughest imposed on a political opponent of Vladimir Putin since the start of the war.

Kara-Murza, 41, who was also a columnist for the Washington Post, was arrested in April 2022 after condemning the invasion of Ukraine and was charged with treason, in October.

The UK Foreign Office condemned the sentence as politically motivated and summoned the Russian ambassador, while the EU said it was "outrageously harsh".

Deborah Bronnert, the British ambassador to Russia who attended the trial, described the case as "shocking", adding: "A criminal case was opened against him for a brave protest against Russia's invasion of Ukraine. The British government expresses solidarity with Vladimir Kara-Murza and his family and demands his immediate release."

Kara-Murza had lobbied western capitals to impose sanctions on individuals accused of human rights violations in Russia as part of the Magnitsky Act. One of the people slapped with sanctions as a result of his campaigning was Sergei Podoprigorov, the judge appointed to preside over his trial in Moscow.

According to Kara-Murza's lawyers, the trial was the first to deploy Russia's new definition of treason, which was expanded last July, the Kommersant newspaper reported.

> 'I subscribe to every word that I have spoken and every word of which I have been accused by this court'

Tatiana Stanovaya, senior fellow at the Carnegie Russia Eurasia Center, said the new definition meant that "any activity . . . such as publishing an article that could theoretically help foreign secret services better understand the vulnerabilities of Russia's national security, is already a reason to open a criminal state treason case".

She added: "This puts any expert, journalist, official or even ordinary Russians in an extremely vulnerable position before the Russian secret services."

Kara-Murza had caused "acute irritation" by lobbying for sanctions, and his sentencing, she said, served as "a warning to all anti-Putin activists — don't come back or we'll put you in jail".

A close ally of Boris Nemtsov, a Putin critic who was assassinated in 2015, Kara-Murza survived two suspected poisonings in 2015 and 2017. He made a final statement to the court last week published in the Washington Post, saying the description of him as an "enemy of the state" echoed the show trials of the Stalin era.

"I was sure, after two decades spent in Russian politics, after all that I have seen and experienced, that nothing can surprise me any more. I must admit that I was wrong," he said.

"I subscribe to every word that I have spoken and every word of which I have been accused by this court."

One of his lawyers, Maria Eismont, said that over the past year Kara-Murza had not been given an opportunity to call his children. She also raised concerns about the state of his health.

Additional reporting by Henry Foy in Brussels

Growing ties

Putin hails China military links after high-level meeting

MAX SEDDON — MOSCOW
JOE LEAHY — BEIJING

Vladimir Putin has hailed Russia's military co-operation with China and warned of security threats beyond its war with Ukraine after meeting China's defence minister in the latest sign of deepening ties between Moscow and Beijing.

The Russian president told Li Shangfu that Moscow and Beijing were "regularly exchanging useful information, partnering in the sphere of military-technical co-operation and holding joint exercises".

Acclaiming the significance of their partnership, Putin said Russia and China's defence ministries were "working just as actively" in other areas, including on their economic relationship, where Beijing has thrown the Kremlin a lifeline after western sanctions cut Moscow out of global markets and supply chains.

The comments underscored Russia's growing reliance on China more than a year after the invasion of Ukraine.

Chinese president Xi Jinping made a state visit to Moscow last month which, Putin told Li, had been "very productive" and "touched on" defence.

The Chinese minister responded that the two presidents were deepening the "China-Russia comprehensive strategic partnership of co-ordination for a new era", Xinhua reported.

Xi's "new era" is generally understood as a multipolar world in which the US is no longer the single dominant power.

The two sides would "make new contributions to safeguarding global and regional security and stability", Xinhua also quoted Li as saying, without giving details of the substance of the talks.

Xi's appointment of Li as China's top military official in March was regarded as provocative in the US. Washington imposed sanctions on him in 2018 for engaging in transactions with individuals affiliated with Russia's defence or intelligence sectors. Li was targeted for his role in acquiring SU-35 fighter aircraft and S-400 anti-aircraft missile systems from Russia.

The US has warned China against supplying Russia, which has exhausted its stocks of many weapons systems and ammunition, with arms to boost its sluggish progress in Ukraine.

Putin told defence minister Sergei Shoigu that Russia needed to continue developing its military capacity in other theatres, such as the Pacific, where its navy yesterday finished snap drills.

Although Putin said Ukraine was the "clear priority" for Russia's military, the drills underlined the Kremlin's continued hostility to the west, which has brought him closer to Xi even amid scepticism in China over Moscow's faltering war effort. Russia held the drills off the disputed Kuril Islands north of Japan, prompting an official protest from Tokyo. The Kremlin said the exercises were in "strict accordance with international law".

The exercises came as G7 foreign ministers continued meetings in Japan, and a month after Russia sent two nuclear-capable bombers on a flight over the Sea of Japan while Japan prime minister Fumio Kishida visited Ukraine.

Gideon Rachman see Opinion

North Africa. Power struggle

Sudan fighting stirs fears of civil war

Scores have been killed as rivalry between president and his deputy turns ugly

DAVID PILLING — LONDON
ANDRES SCHIPANI — NAIROBI
SAMER AL-ATRUSH — DUBAI

The fighting that has erupted in Sudan between its armed forces and a paramilitary group known as the Rapid Support Forces pits the president against his vice-president in a struggle for control of Africa's third-largest country.

Both men had emerged as leaders of a transitional government after a 2019 coup that ousted Omar al-Bashir, who ruled as a dictator for 30 years.

Now General Abdel Fattah al-Burhan, president of Sudan's military government, and his rival, Lt General Mohamed Hamdan Dagalo, better known as Hemeti, vice-president and head of the RSF, are in open warfare. Some fear the violence, which has killed almost 100 civilians since Saturday, could descend into full-scale civil war.

"Both sides have bases across the country. Both see this fight in existential terms. This is a pure power struggle for who will control Sudan," said Alan Boswell, head analyst for the Horn of Africa at Crisis Group, a think-tank. "This war is already dashing any hopes for a quick restoration of civilian rule."

Hemeti's RSF began as a force, known as the Janjaweed, created by Bashir to fight a civil uprising in Darfur in western Sudan and to protect himself.

Al-Burhan and Hemeti were formally behind a process to move Sudan towards democratic elections. Prospects for that have progressively dimmed over the past four years, particularly since Abdalla Hamdok, a civilian prime minister and part of a hybrid transitional government, resigned in 2022 following a second coup.

"The marriage of Hemeti and Burhan was always a marriage of convenience that was not likely to last," said Chidi Odinkalu of the Fletcher School of Law and Diplomacy at Tufts University.

Now that the shooting has started, all pretence of unity has vanished. Al-Burhan's forces are calling Hemeti a "criminal" and have put a price on his head, while the RSF commander told Al Jazeera Arabic news that, when it comes to his rival, his forces would either "catch and bring him to justice or he will die like a dog".

Flashpoint: Khartoum airport yesterday. Below, top, Abdel Fattah al-Burhan, and bottom, rival Mohamed Hamdan Dagalo, better known as Hemeti — Abdullah Abdel Moneim/Reuters

The proximate cause of violence was a tussle over the timetable by which the RSF was to be integrated into Sudan's main armed forces, something Hemeti had strongly resisted.

The clashes include army air raids on RSF positions. Sudan's military president yesterday ordered the dissolution of the "rebellious" RSF. Hemeti, meanwhile, accused al-Burhan of "bombing civilians from the air", adding: "We did not attack anyone. Our actions are merely a response to the siege and assault against our forces."

Mo Ibrahim, a Sudanese-British billionaire and head of an eponymous foundation who has backed democratic transition, said neither man was willing to relinquish power and the control of lucrative resources that went with it. "Each of them has so much at stake, not just power but economically and financially," he added.

The armed forces controlled much of the country's businesses, Ibrahim said, while Hemeti had interests in gold mines and supporting the military in Libya and Yemen.

If it escalates, the conflict will have regional repercussions. Both Saudi Arabia and United Arab Emirates were big financial backers of the transitional military council, in which Hemeti was a key figure, after the 2019 coup.

One western diplomat said the Saudis and the UAE had been supporters of Hemeti since the 2019 coup. "They gave him a lot of cash for the past 10 years. He's much stronger now because of them," he said, adding that Egypt had been a backer of al-Burhan.

Saudi and the UAE are also, along with the US and UK, part of the Quad group that has sought to support the democratic transition. Both Gulf states are concerned about instability on the Red Sea, a key trade route, and fear the rise of Islamists in the region. In public, both have called for an end to the fighting and for dialogue to end the crisis.

> 'Each of them has so much at stake, not just power but economically and financially'

The struggle between factions of the military "risks sucking in many outside actors and spilling across Sudan's borders if not arrested soon", said Boswell.

Alex de Waal, a former African Union adviser on Sudan, warned of the risk of escalation. "It looks like the beginning of a civil war. Both sides have constituencies who are well-armed and deeply fearful of each other. There is no party in Sudan that can credibly mediate."

Omer al-Digair, head of the Sudanese Congress party, one of the civilian power brokers, said he had not given up hope for an eventual transfer to democracy. "The priority is to stop the clashes between the two military components and I think there is no alternative for the political process to result in the formation of a civilian government," he said.

Ibrahim said he feared that the military, which has mostly ruled Sudan since independence in 1956, would never willingly relinquish power. "My wish is for the two military sides to be defeated. Sudan would be much better without either of them."

Additional reporting: Simeon Kerr, Dubai

See The FT View

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Financial reform

Panama eyes escape from global money-laundering 'grey list'

MICHAEL STOTT — PANAMA CITY

Panama expects to be removed soon from a "grey list" of countries that are not doing enough to combat money laundering, following years of pressure to clean up its financial system after the Panama Papers scandal.

President Laurentino Cortizo said the Central American nation was completing work on a beneficial registry of company ownership, one of the last tasks assigned by the Financial Action Task Force, an international watchdog.

"We are expecting to leave FATF ['s grey list] soon, we are expecting it this year," Cortizo said. "We have made an enormous effort. I have been personally following the team working on the issue."

A US embassy official confirmed there was a "really good possibility" Panama would leave the grey list and it could happen before the end of 2023 if enough progress was made on uploading companies to the beneficial ownership registry. Information also needed to be passed to law enforcement for possible prosecutions, the official added.

Panama has been under intense pressure from the FATF to complete its outstanding actions, having missed a 2021 deadline. In its latest review in February, it urged Panama to "swiftly complete its action plan by June" or face enhanced due diligence of transactions.

The FATF was founded in 1989 to combat money laundering, terrorist financing and other similar threats to the integrity of the international financial system. Its grey list includes nations such as Syria, Albania, Nigeria and the Cayman Islands.

Panama hit the headlines in 2016 when the International Consortium of Investigative Journalists published the "Panama Papers", a leak of documents from Panama-based law firm Mossack Fonseca. It exposed the activities of 214,000 offshore companies, some of which sheltered millions of dollars of hidden assets belonging to politicians and world leaders.

Cortizo, a former cattle rancher, lamented that Panama was put on the grey list and had been treated unfairly since, as it was only home to 0.27 per cent of the world's offshore companies.

"You have to ask where the other 99 per cent of the offshore companies are located," the president said, noting that some US states such as Delaware were tax havens. "It's important they also deal with . . . their tax havens."

Cortizo stressed "we are open, and I want to put this in capital letters, underlined and in bold, open to *good* investment". He wants to sell Panama as "a country of opportunities which respects law and order". Multinationals have in recent years established regional headquarters there, drawn by a stable, business-friendly investment climate and good air and sea connections. The economy has been one of Latin America's best performers. Last year it grew 10 per cent and this year is expected to expand another 5 per cent, according to the IMF.

Laurentino Cortizo: 'We have made an enormous effort,' says president

Ilan Goldfajn, president of the Inter-American Development Bank, last month lauded Panama as an example of economic recovery from the pandemic.

Despite boasting a Miami-like skyline and one of the highest levels of gross domestic product per capita in Latin America, Panama remains an unequal society and was shaken by weeks of anti-government protests last year.

Elections are due next year and although Panama allows re-election Cortizo, 70, cannot run for a second consecutive term. Former president Ricardo Martinelli is has announced his intention to seek his party's nomination as a candidate. Designated by the US state department for "significant corruption" and banned from entry but even so topping some early polls in Panama, Martinelli is facing two court cases for corruption. His sons were sentenced to three years imprisonment in the US for laundering $28mn of bribes.

"It's a decision for the people . . . that's the weight of democracy," Cortizo pointed out.

Biden's industrial strategy begins to bear fruit

US on brink of manufacturing boom as companies take advantage of legislation offering tax credits, grants and loans

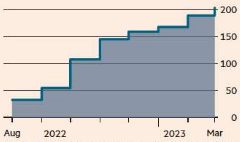
AMANDA CHU AND OLIVER ROEDER
NEW YORK

The American dream: Joe Biden arrives to talk about his economic plan at Taiwan Semiconductor Manufacturing Company's plant in Phoenix, Arizona, where the biggest foreign investment in US history is being made

Brendan Smialowski/AFP/Getty Images

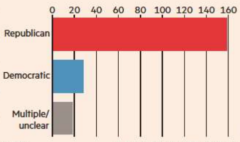
Clean tech and semiconductor investments top $200bn since IRA and Chips Act

Cumulative total of all announced projects of at least $100mn since August 2022, by month ($bn)



Republican congressional districts have secured far more investment

Cumulative total of announced projects since August 2022 ($bn)



Taiwan and South Korea have been the largest foreign investors

Announced investment* ($bn)

Sources: FT research; fDi Markets; Rystad Energy; Semiconductor Industry Association

* Joint venture announcements were counted for both countries if companies were incorporated in different countries

The US appears poised for a manufacturing boom as companies tap into subsidies offered by Joe Biden's administration with pledges to spend tens of billions of dollars on new projects, according to Financial Times research.

The Chips Act and Inflation Reduction Act, passed within days of each other in August last year, together include more than $400bn in tax credits, grants and loans designed to foster a domestic semiconductor industry and clean tech manufacturing base. The package was aimed at countering China's dominance in strategic sectors such as electric vehicles and recapturing jobs from abroad.

The FT identified more than 75 large-scale manufacturing announcements in the US since the passage of these two industrial policies.

Semiconductors and clean tech

Companies have committed roughly $204bn in projects to boost US semiconductor and clean technology production as of April 14, promising to create at least 82,000 jobs. While not all these projects were a direct result of the passage of these bills, they will probably be eligible for the tax credits. The amount is almost double the capital spending commitments made in the same sectors in 2021 and nearly 20 times the amount in 2019.

The FT identified four projects costing at least $1bn each in the semiconductor and clean tech sectors in 2019, but 31 of that size after August 2022.

Semiconductors, electric vehicles and batteries captured the bulk of investment. The FT identified 21 semiconductor-related investments and more than three dozen projects aimed at boosting the US electric vehicle supply chain.

Taiwan Semiconductor Manufacturing Company's $28bn expansion in Phoenix marks the largest investment to date, bringing the company's total spending in its Arizona fabrication plants to $40bn, the biggest foreign direct investment project in US history.

The FT looked at projects involving investment of at least $100mn since the Chips Act and IRA were passed, including projects aimed at boosting manufacturing in the semiconductor, electric vehicle, battery and clean energy sectors. Our analysis was based on company and government announcements and drew on data from fDi Markets, Rystad Energy, Wavteq and the Semiconductor Industry Association.

The IRA included $369bn of tax credits, grants and loans for clean tech development, with bonus credits for projects paying prevailing wages or located in fossil fuel communities. The credits can be accumulated, accounting for about 50 per cent of costs for some projects, say accountants. The Chips Act provides $39bn in funding for semiconductor manufacturing as well as $24bn of manufacturing tax credits.

"The industrial policy that's being put into place hasn't been seen for generations," said Scott Paul, president of the Alliance for American Manufacturing. "This is a generational, transformational change that we're seeing in America and our productive capacity."

Republican districts benefit

More than 75 per cent of all investment is headed to Republican-held Congressional districts, where it will create 58,000 jobs, according to FT data.

The surge in spending pledges in Republican areas comes despite the party's votes against the Chips Act and IRA in Congress. Some remain critical of the legislation. "I wish that we would be more specific and more calculated in our efforts," said John Curtis, a Republican representative for Utah and founder of the Conservative Climate Caucus. He declined to say whether he supported or opposed the legislation.

Senior Democrats are working to gain political credit for the jobs promised by the spending pledged since the industrial policies were passed.

Vice-president Kamala Harris has toured Hanwha Qcells' solar factory in Dalton, Georgia, a district represented by the far-right Republican, Marjorie Taylor Greene. Harris announced that the South Korean manufacturer would build the largest community solar project in the US, on top of its $2.5bn expansion announced in January.

"It's going to be harder for Republican lawmakers to say these policies aren't effective or aren't worth it because they're seeing jobs being produced in their communities," Paul said.

Foreign investors want a stake

About a third of all investments announced since August involve a foreign investor, with nearly two dozen projects coming from companies headquartered in Japan, South Korea and Taiwan. This includes LG Energy Solution's $5.5bn proposed project in Arizona, announced in March, the largest battery investment ever in the US.

Analysts say these investments from Asian allies are also attempts to diversify away from dependence on China's supply chains. "Their strategic calculations here are somewhat similar to the US, in that China is the largest economy in their region but it's also an economy with which they have somewhat tense security relationships," said Cullen Hendrix, a senior fellow at the Peterson Institute for International Economics.

But Chinese investors are also seeking a stake in the US supply chain. While the Chips Act and the IRA have anti-China clauses, Washington is yet to rule on the extent to which Chinese companies can participate in building US facilities.

Two other big deals announced since August, both in Michigan, are Ford's $3.5bn battery plant using technology from CATL, China's battery giant, and a $2.4bn battery plant being built by a subsidiary of China's Gotion. Both Chinese companies have been accused by some Republicans of being fronts for the Chinese Communist party. Virginia governor Glenn Youngkin rejected a proposal for the Ford project to be based in his state, saying it was a "Trojan horse".

Chuck Thelen, North American vice-president of Gotion, told a local meeting: "There is no communist plot. The fact is we already live in a global industry, and to bring a Chinese manufacturing or a multinational manufacturing site into North America is the onshoring that our past president really promoted."

'Race to the bottom'

The competition is fierce to win the largest manufacturing projects, with states offering historic incentive packages.

Of the spending commitments tracked by the FT, less than half — or about $80bn — disclosed the size of the subsidies they would receive from state and local authorities, on top of the credits available in the IRA and Chips Act. The total size of the subsidies for those that did disclose them was $13.7bn.

The largest disclosed incentive package was $5.5bn given to Micron for its $20bn semiconductor fab in Clay, New York, helping the state beat Texas to the project. "We gave every penny that we could give, and New York literally offered billions of dollars that we could not keep up with," said Texas governor Greg Abbott in February.

The subsidy race has raised concerns over whether the projects will deliver economic benefits to the community.

Greg LeRoy, executive director of Good Jobs First, described the competition as a "race to the bottom". Because negotiations were rooted in secrecy, companies could convince states to give out larger packages even if they were intending to site there all along.

Last year set a record for billion-dollar subsidy packages, according to the research group. "We're all in favour of green jobs. We're all in favour of saving the planet. We're not in favour of busting the budget to do that," said LeRoy.

> 'The industrial policy that's being put into place hasn't been seen for generations'

> 'There is no communist plot. To bring a Chinese site into North America is the onshoring our past president really promoted'

Borrowing limits

McCarthy warns White House on debt ceiling

LAUREN FEDOR — WASHINGTON
NICHOLAS MEGAW — NEW YORK

Kevin McCarthy urged Joe Biden to be "sensible" yesterday, calling on the president to engage in negotiations over raising the federal debt ceiling.

Biden and congressional Democrats have called on Republicans to raise the federal borrowing limit without conditions, and have said they are not open to negotiating on the issue. But McCarthy, Speaker of the House of Representatives, and his Republican caucus have sought to tie the issue to budget cuts.

The stalemate carries real risks: the US Treasury this year began taking "extraordinary measures" to meet its obligations, and a so-called "X date" — when those measures run out and the government risks an unprecedented default — could come as soon as June, according to some estimates.

In a speech to the New York Stock Exchange yesterday, McCarthy accused the administration of stonewalling him, saying he had not "heard from the White House" since his first meeting with Biden in February.

"President Biden has been missing in action and misleading the public," the Speaker told an audience of traders, local Republican party members and prominent Wall Street figures, such as Jay Clayton, the former chair of the Securities and Exchange Commission.

"Make no mistake: the longer President Biden waits to be sensible, to find agreement, the more likely it becomes that his administration will bumble into the first default in our nation's history."

The White House earlier accused the Speaker of "holding the full faith and credit of the US hostage, threatening our economy and hardworking Americans' retirement". Andrew Bates, deputy White House press secretary, said: "There is one responsible solution to the debt limit: addressing it promptly, without brinkmanship or hostage-taking."

The stand-off has started to cause jitters in financial markets. The cost of buying insurance against a US government default recently hit its highest level in more than a decade and the IMF last week warned uncertainty was "adding to risks and volatility" in short-term government bond markets.

Speaker Kevin McCarthy: accused the White House of stonewalling

The US yesterday sold $57bn of three-month Treasury bills at a yield of 5.1 per cent, the highest rate since 2001, as concerns about the debt ceiling tainted bonds that mature around the time the US is expected to run out of money.

Stand-offs over the debt ceiling have become common in Washington in recent years. But investors are concerned about the current impasse given the apparent lack of common ground between the Biden administration and House Republicans.

McCarthy yesterday referenced the showdown over the debt ceiling in 2011 between Barack Obama and Republicans, when the US avoided default but was hit with a downgrade to its triple A credit rating. Biden was vice-president at the time, and McCarthy quoted him as saying then that "you can't govern" without negotiating. "I wish the current extreme Joe Biden would listen to the former Joe Biden," McCarthy said.

Additional reporting by Kate Duguid

See Markets

Outlook

Chinese property market starts to rally

New home prices climb at fastest pace in nearly two years after curbs eased

EDWARD WHITE — SEOUL
HUDSON LOCKETT — HONG KONG

Prices of new homes in China rose at the fastest pace in 21 months in March, in the latest sign of green shoots for the world's second-biggest economy as it recovers from three years of pandemic restrictions.

With Beijing relaxing a crackdown on the debt-laden property sector, prices rose 0.5 per cent on the previous month, according to official data, following a 0.3 per cent increase in February.

The positive data offered some relief for the ailing property sector, which has suffered a liquidity crisis over the past two years, and followed better than expected export figures released last week, as trade was buoyed by shipments of electric vehicles and components, as well as an increase in trade with Russia.

The encouraging data came ahead of China's first-quarter gross domestic product figures, set for release today. Economists polled by Reuters forecast growth of 4 per cent for the first three months of the year as Beijing chases a full-year target of 5 per cent.

The People's Bank of China yesterday kept its one-year medium-term lending facility rate, which sets the floor for the country's benchmark interest rate, at 2.75 per cent. Analysts said the lack of easing from the central bank suggested the first-quarter GDP data was expected to be on target.

China posted GDP growth of just 3 per cent last year, falling short of a 5.5 per cent target that was already the lowest in decades, raising concerns about a structural slowdown in the economy's expansion.

"If the GDP report [for the first quarter] comes in close to market expectations then the speed of the economic recovery is on track," said Iris Pang, chief greater China economist at ING. She added that with growth forecast to continue rising in the second quarter, "we expect the PBoC to keep interest rates unchanged".

Nomura analysts said that electricity consumption growth had increased "markedly" to 5.9 per cent year on year in March, from 2.3 per cent over the first two months of the year. This was evidence that the economy had entered a "sweet spot" after Beijing suddenly dropping President Xi Jinping's zero-Covid controls in late December and backing off from property sector tightening, they said.

Still, Beijing's growth target for 2023 is the lowest in decades, and economists have warned of an uneven recovery despite the fledgling signs of improvement in exports and the property sector.

It 'could take some time for the property stabilisation to benefit related downstream consumption'
Citigroup

One crucial area of concern is the strength of consumer services, a driver of economic and jobs growth for the country of 1.4bn. China last week reported softer than expected consumer price data, with a 0.7 per cent year-on-year increase for March, trailing forecasts of 1 per cent.

Citigroup analysts said the weak inflation result signalled "this year's consumption recovery will be a recovery of two halves", adding: "Services recovery is steady, but it's not a supercharged rebound. Meanwhile, goods consumption could be struggling with the payback of stimulus support." They said it "could also take some time for the property stabilisation to benefit related downstream consumption".

Labour trends. Economic inequality

China's recovery eludes older jobseekers

Migrants who helped build the industrial powerhouse are at the back of the line

SUN YU — BEIJING

At 5.30am on a recent weekday, Li Cungui, 54, a migrant, joined hundreds of older jobseekers at the day labour market in Majuqiao on Beijing's outskirts where recruiters advertise tasks from bricklaying to parts assembly.

Li, from a village in northern Hebei province, said he had no choice but to find a temporary job because full-time roles went to younger applicants.

"We are the most vulnerable group in the labour market because we are old and unskilled," said Li, who took a job sorting parcels that paid Rmb250 ($36) for 10 hours, slightly less than the city's minimum wage.

Li is among a large and fast-growing population of older migrant workers in China who are being left behind by the economic recovery after three years of pandemic restrictions.

A lack of professional skills has compounded their difficulties. Employers are prioritising younger workers for the few low-skill manufacturing jobs on offer, while higher-paying positions remain out of reach for most migrants.

A social safety net with a large gap between rural and urban pensions has forced retirement-age migrants to keep working, many taking menial jobs to make ends meet.

"China is paying a significant social and economic price by leaving older migrant workers unattended for," said Dan Wang, chief economist at Hang Seng Bank China.

Migrant workers, the driving force behind China's emergence as the world's workshop, are ageing. Official data shows the number of migrants over 50 more than doubled in the decade ending 2021 to 80mn, against a 16 per cent drop in workers in other age groups.

Their plight represents a challenge to President Xi Jinping's "common prosperity" drive to reduce economic inequality, raising the prospect of social unrest. Employers, however, are loath to take on ageing staff. Openings have fallen faster than the working-age population as Covid curbs and the property crisis have stifled economic activity. Meanwhile, the gloomy global outlook has reduced export demand, prompting many companies to cut back on staffing.

Balancing act: migrant workers are struggling to find rewarding employment and have to rely on an unequal pensions system
Greg Baker /AFP/ Getty Images

Factories have set age limits for job applicants at 40 years or lower. Staffing agencies in Majuqiao said low-skilled workers aged above 45 had "zero" chance of landing a full-time role.

"Why should anyone hire a 50-year-old when plenty of 30-year-olds can do the job more quickly and at a similar cost?" said an official at Fuhuiya Human Resources, a labour agency in Majuqiao.

Locked out of full-time factory jobs, many older workers have turned to industries known for harsher conditions, notably construction. A survey of migrant workers in Inner Mongolia last June by the National Bureau of Statistics found almost half of respondents aged above 50 were in construction against 15 per cent among the under-30s.

"I work for whoever is willing to pay me," said Wang Ligang, 55, a migrant worker in Majuqiao who recently took a bricklaying job at Rmb300 a day.

Older workers also disproportionately lack advanced education and skills that would give them access to higher-paid or lower-intensity work. More than two-thirds of migrant workers born in the 1960s finished only middle school, found official data, and a fifth had professional training. That compares with two-thirds of those born in the 1980s and 1990s who attained at least a high school education.

A campaign launched by Beijing to provide free training for migrant workers mainly targets younger workers. Michael Chen, who owns a vocational training centre in south-western Sichuan province, said he was reluctant to admit over-50s, whom he said struggled to pass an exam necessary for his company to receive state subsidies.

"I have no problem teaching a 50-year-old middle school dropout to operate a machine tool," said Chen. "It would be much harder for him to pass a written exam on how the equipment works."

For many migrant workers, the challenges last well into their 60s and even 70s. Insufficient social security coverage and minimal savings have kept many in casual, low-paying jobs.

Official data shows less than a quarter of migrant workers have ever paid social security tax. Even fewer have made the 15 years of payments to qualify for an urban pension worth several thousand renminbi a month. Instead, most get a rural pension of less than Rmb200 a month, a fraction of factory or construction wages, due to the difficulty of transferring social security benefits to the smaller cities where many migrants settle after decades of working in big cities.

"I am going to keep working until I die," said Wang, 61, a cementer. "I don't want to be a burden to the country or my family."

GLOBAL INSIGHT
BRAZIL

Bryan Harris

Lula lurches to left as push for early successes falls flat

Luiz Inácio Lula da Silva is in a hurry. Since he took office for a historic third term just over 100 days ago, the Brazilian leader has been desperate to stamp his mark on the presidency and undo the rightward shift that Latin America's largest country took under Jair Bolsonaro, his predecessor.

In his four-year term, Brazil will make 40 years of progress, says Lula, who has pledged to eradicate hunger, kick-start the economy and give Brazilians a reason for optimism after years of stagnation.

But there have been few early signs of such a transformation. Beyond a push to reassert Brazil's role on the international stage — with presidential visits to the US, China and South American neighbours — the opening months of the new government have been marked by stuttering domestic progress and increasingly vicious spats between Lula's leftwing Workers' party and economic policymakers.

After the January 8 riot by Bolsonaro supporters in Brasília all but overshadowed his first month in office, the 77-year-old Lula appears increasingly impatient — even irritable — with his critics. And he has largely discarded the "big tent" coalition that propelled him to election victory in October.

"He is a mixture of Lulas we know from the past, but he is also a different Lula. He is more impatient, more centralised, listens to fewer people and he wants results fast," said Thomas Traumann, a political analyst who served in a previous Workers' party administration.

A recent poll showed 51 per cent felt Lula had done less than they expected so far

During his first two terms between 2003 and 2010, Lula was feted globally for steering Brazil through a heady period of commodities-fuelled growth and poverty reduction. While tilting leftward, he adhered to market principles.

This time around, that commitment to the market cannot be assumed. In the opening days of his administration, Lula and his closest allies took aim at the recently independent central bank and its technocratic president, Roberto Campos Neto, accusing it of keeping interest rates artificially high to the benefit of wealthy bankers and the detriment of the wider economy and poorer Brazilians.

So far the central bank has refused to yield to the pressure for lower rates, even as Workers' party members protest outside its headquarters. But the spat has alarmed investors, who revised up inflation expectations, fuelling further uncertainty about the country's economic outlook.

William Waack, a political commentator, said Lula picked Campos Neto as a scapegoat to blame if — as forecast — the economy does not grow or expands only marginally this year. "Lula strongly believes if he doesn't show good results in a short period of time he will face even more political obstacles. He is anxious and frustrated, quite different from the guy he was [in previous terms]."

On his core social agenda, Lula made a promising start with a transition package that restored funding for healthcare and education, in addition to relaunching an enhanced welfare programme and raising the minimum wage. But he has failed to galvanise support for any new proposals, such as a promised infrastructure package.

A recent poll from Datafolha showed 51 per cent of respondents felt the president had done less than they expected so far. Some of the difficulties facing Lula are down to Congress, which has been slow to get down to business. But when bills do make it to a vote, the president will face obstacles, as his parliamentary bloc does not have even a simple majority, never mind the three-fifths majority required to pass the constitutional amendments needed for any substantial piece of legislation.

Efforts to win over new lawmakers have so far foundered, partly because he has appealed to the left flank after abandoning the "big tent" rhetoric from last year's election campaign. "Lula is much more on the left than in his first two governments," said Traumann. "He is just talking to his base, to the Workers' party and the poor."

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Central banks

BIS chief urges end to quick-fix policymaking

DELPHINE STRAUSS — LONDON

Policymakers need to abandon the illusion that they can use monetary and fiscal stimulus to engineer economic growth without stoking inflation or breeding financial instability, the head of the Bank for International Settlements has warned.

Agustín Carstens, general manager of the BIS, an umbrella body for central banks, yesterday called for governments and central banks to stop seeking quick fixes to boost their economies each time recessions hit or growth stalled, and instead tackle deeper reforms.

"To generate resilient and sustainable growth, there is no alternative to working on the supply side of the economy. Structural reforms are politically difficult, but we also know that there is no free lunch," he said at an event at Columbia University in New York.

Carstens argued policymakers were mainly to blame for the inflationary crisis, saying the stimulus deployed during the pandemic had fuelled demand while supply was artificially constrained.

"With the benefit of hindsight, it is now clear that policy support was too large, too broad and too long-lasting," he said. But this was simply the culmination of a long period in which "quiescent inflation fostered the belief that monetary and fiscal policy could smooth out every economic downturn and prolong expansions with little constraint".

He also said rising public debt, coupled with low-for-long interest rates, was the "root cause" of recent episodes of financial stress, such as the collapse of Silicon Valley Bank, and the UK turmoil around pension funds.

Agustín Carstens: 'The longer inflation lasts, the more likely is a shift to a high inflation regime'

The immediate priority was to restore price stability, Carstens said, and this could mean interest rates needed to stay higher for longer even if governments felt the pinch as debt service costs rose.

"There is no time to lose. The longer inflation lasts, the more likely is a shift to a high inflation regime," he warned.

"Fiscal policy will also have to play its part," he said, arguing that by reining in spending, governments could dent demand. That would limit the risks of financial turmoil as further rises in borrowing costs would not be necessary. It would also leave governments with more firepower if they needed to intervene in a solvency crisis

The remarks echoed recent IMF calls for governments to rein in borrowing more quickly to help central banks fight inflation and financial instability.

Vítor Gaspar, head of fiscal policy at the IMF, at the fund's annual gathering in Washington last week, warned the US and China were driving a risky increase in the world's public debt burden.

Rate-setters have acknowledged that they face tougher trade-offs between growth and inflation, as tensions between the world's largest economies — the US and China — escalate.

European Central Bank president Christine Lagarde said in a speech yesterday that the disruption of global supply chains could add an extra 5 per cent to consumer prices in the short term and about 1 per cent in the long term.
Additional reporting by Martin Arnold in Frankfurt

Supervisory reform

Global regulators take aim at smaller lenders

LAURA NOONAN — WASHINGTON

Global regulators are considering imposing tougher rules on smaller lenders and requiring all banks to ready themselves for faster runs on deposits as officials search for lessons from the recent turmoil that led to the failure of several midsized US institutions.

The Basel Committee on Banking Supervision, which sets global standards, promised in March to examine whether further rules were needed in light of a string of recent collapses.

No timeframe has been set for the work, but policymakers in Washington for the IMF spring meetings last week said attention would focus on issues exposed by the demise of Californian lender Silicon Valley Bank.

That could mean forcing medium-sized lenders, such as SVB and the now defunct Signature Bank, to comply with Basel rules on capital and liquidity. While all EU lenders must adhere to the rules, in the US they apply only to "internationally active" banks, a group limited to the largest companies.

Three senior regulators said the "internationally active" concept was outdated, adding that policymakers would explore whether the rules should be applied to banks of "international relevance", or those with potential to destabilise the wider financial system.

'SVB has shown you don't have to be internationally active to generate cross-border spillover'

SVB's demise sent tremors across global markets, leading to sharp plunges in the value of bank stocks from Paris to New York. "SVB has shown you don't have to be internationally active to be able to generate cross-border spillovers," one senior policymaker said.

While SVB did not have to apply the Basel rule book, when it ran into difficulty the US authorities decided to use a "systemic risk exception" to rescue all its depositors, even though only sums up to $250,000 were insured.

Officials have also spoken about re-examining rules on bank liquidity, known as the liquidity coverage ratio. Two policymakers said this could involve requiring banks to be able to withstand much faster bank runs as SVB's collapse highlighted the dramatic pace at which deposits could flee. Those policymakers, and several others, said they were looking at digital deposit runs generally, and exploring measures to protect the system from them.

Policymakers are also considering a more prescriptive approach to how regulators ensure their banks can cope with interest rate changes, after the collapse in the value of SVB's bond portfolio triggered by interest rate rises torpedoed the bank's balance sheet and ignited a run on deposits.

Interest Rate Risk in the Banking Book, which looks at how interest rate changes affect banks' cash flow from loans and the value of their bonds, is now assessed as part of the "Pillar 2" capital requirements imposed at supervisors' discretion. Several regulators said there was a case for moving this to the main capital requirements, Pillar 1, where there would be less variation among jurisdictions and institutions.

The US had opposed this, but was expected to protest less this time given recent events, two of the people added.

Gas boom Ukraine war fuels US surge but soaring costs and fierce competition delay multibillion-dollar LNG deals ➔ PAGE 7

Air France and Airbus cleared over deadly crash in 2009

- Criminal charges dismissed in Paris
- 228 people killed in Atlantic disaster

AKILA QUINIO — LONDON

A French criminal court has acquitted Air France and Airbus of "involuntary manslaughter" in relation to an aircraft crash that killed all 228 of its passengers and crew more than a decade ago.

The ruling follows a two-month trial during which experts and pilots testified to the court as it examined whether the carrier and manufacturer were legally responsible for mistakes connected to the accident.

The longstanding case revolves around what remains the deadliest crash in the history of Air France when a passenger jet flying from Rio de Janeiro to Paris fell into the Atlantic on June 1 2009 after it stalled in a thunderstorm, killing its 216 passengers and 12 crew members.

> It took two years to find the plane and its black box recorders on the ocean floor at 13,000ft depths

During the accident, the external airspeed sensors froze and stalled the A330 jet plane's autopilot function, forcing pilots to take manual control.

It took two years to find the plane and its black box recorders on the ocean floor, at depths of more than 13,000ft (about 4,000 metres).

The Paris Court of Justice yesterday said that the definite causality between the companies' mistakes and the accident could not be proved, acquitting them of criminal wrongdoing.

While judges said that Airbus had been "imprudent or negligent" about the technical issues affecting the sensors and said that Air France had been "imprudent" about the training of its pilots, they said that "no certain link of causality" between those errors and the accident "could be proven".

However, civil liability was found against both companies.

A separate trial in September will examine compensation for the families of victims.

Air France has already compensated some families of those killed, who came from 33 countries. People from around the world were among the plaintiffs.

Air France said that the safety of its passengers and crew was its "absolute priority" as it expressed "its continued trust" in its pilots and flight crews.

The French carrier merged with Dutch airline KLM in 2004 but charges have been brought only against the French side of the company.

Airbus said that it was committed to "prioritising a safety-first culture across the company and the aviation sector".

Both groups had in October denied allegations of involuntary manslaughter. The group of 476 plaintiffs, mainly friends and families of victims, was also given a chance to testify in the trial.

"This ruling is an obstacle to grief," said David Koubbi, a lawyer representing some of the victims' families, to broadcaster BFM, shortly after the verdict was given.

The case has been the subject of legal wrangling for more than a decade.

Judges in 2019 decided to drop charges against the companies despite the fact that prosecutors had recommended them. But their decision was overturned in 2021.

Koubbi said that the trial, which started in October, established that problems with frozen sensors had been known since 1995 yet "neither Airbus nor Air France drew any conclusions from that".

"It is much too serious of an issue to have been dismissed in this way," he said.

Swoop Angry Birds maker Rovio receives €706mn approach from Japan's Sega Sammy

Happy days: Angry Birds, launched in 2009, became one of the most downloaded of all apps

LEO LEWIS — TOKYO
TIM BRADSHAW — LONDON

Sega Sammy, the Japanese games maker behind the *Sonic the Hedgehog* franchise, has launched a €706mn ($776mn) offer for Rovio Entertainment, the Finnish group that gave the world *Angry Birds*.

The €9.25 a share offer values the mobile games pioneer at almost 20 per cent below the price at which Rovio went public five years ago, when it debuted with a market valuation of €896mn.

In a joint statement with Rovio, Sega Sammy said it had based its bid on projections that the global gaming market would expand to $263.3bn by 2026. In particular, it said, the share of mobile gaming would grow to 56 per cent of the overall market. Rovio's share price jumped almost 18 per cent yesterday following the news.

Analysts said Sega Sammy's bid for Rovio was driven by its ambitions to build a "super game" along the lines of *Fortnite* or *Minecraft* that created global communities of gamers.

Angry Birds, launched in 2009, involves catapulting colourful birds towards various structures. It became one of the most downloaded apps of all time, playing a critical role in bringing casual mobile gaming to the global mainstream, but setting an early high-water mark that Rovio has struggled to surpass.

Despite being profitable, Rovio's stock never fully recovered after a profit warning in 2018, a few months after its initial public offering.

The company rode the early wave of iPhone gaming with *Angry Birds*, but found itself on the wrong side of an industry-wide shift in business models from Rovio's strategy of charging 99 cents upfront to download titles, towards online, free-to-play games supported by in-app purchasing.

Angry Birds became a prime example of efforts to expand the intellectual property of games. The *Angry Birds* characters became the subject of comics, animation, films, toys and other media. Sega Sammy has similar experience with the expansion of its main games brand *Sonic the Hedgehog*, whose adventures were turned into a 2020 Hollywood film.

David Gibson, a games analyst at MST Financial, said Rovio's efforts to diversify had not met its ambitions, adding: "*Angry Birds* game revenues are still 60-70 per cent of the business, so plans to expand beyond have not been as material as the company aimed."

In addition to the Rovio board's support for Sega's offer, the Japanese company has received the irrevocable acceptance from shareholders who together hold a combined 49.1 per cent of the outstanding shares and votes in Rovio.

EY to axe 5% of US staff in crackdown on 'overcapacity'

STEPHEN FOLEY — NEW YORK

EY has told staff it will cut 3,000 jobs in the US to eliminate "overcapacity", with the axe falling mainly on the consulting side of the firm.

The redundancies account for about 5 per cent of the US workforce, although the percentage reductions will be higher in the affected businesses.

The cuts were announced less than a week after the collapse of a plan to spin off EY's global consulting business into a new company, codenamed Project Everest.

"After assessing the impact of current economic conditions, strong employee retention rates and overcapacity in parts of our firm, we have made the difficult business decision to separate approximately 3,000 US employees," an EY spokesman said.

"These actions are part of the ongoing management of our business and not a result of the recently concluded strategic review, known as Project Everest."

Consulting businesses have slowed sharply over the past year after a period of outsize growth when clients were racing to upgrade their IT during the pandemic. A mergers and acquisitions boom that boosted consultants' deal advisory work has also petered out as interest rates have risen.

EY's cuts are deeper than those announced by other consulting groups in recent months. KPMG laid off close to 2 per cent of its US staff in February and Accenture has said it will lay off 2.6 per cent of its global workforce over the next 18 months. McKinsey is restructuring its back office in a way that will cut about 3 per cent of its workforce.

EY's global leadership pitched Project Everest as a way to turbocharge growth by freeing both sides of the firm from conflict-of-interest rules that prevent consultants from selling many services to the audit clients.

However, leaders of the US business blocked the deal amid doubts that the audit-focused side of the business would be strong enough on its own.

The plan had consumed more than a year of work and cost EY more than $600mn, executives told staff last week.

The US executive team warned last week that it was planning a "simplification" of the firm to save up to $500mn of annual costs. Executives in the UK have sent similar signals that cost cuts will be necessary.

Additional reporting by Michael O'Dwyer

Deposit insurance is key to the confidence trick of banking

INSIDE BUSINESS
FINANCE

Patrick Jenkins

You might think bank regulators would be feeling a little jittery these days — in short order, three US lenders and the globally systemic Credit Suisse became victims of a not-so-mini banking crisis that too closely resembled the chaotic collapses of 2007-08.

Instead, there is a quiet sense of satisfaction. The failures were contained — at least for now. New regulatory mechanisms were deployed swiftly.

And, perhaps most importantly, a push for deregulation by politicians on both sides of the Atlantic has been staunched.

There is even an opportunity to toughen some rules. Last week, Bank of England governor Andrew Bailey declared that the UK's deposit insurance scheme, which guarantees £85,000 of a customer's money, may need reforming — and chancellor Jeremy Hunt agreed. Recent bank collapses, they said, had highlighted that a credible deposit guarantee scheme was key to maintaining confidence in banks.

Confidence is essential for the modern norm of fractional reserve banking, which allows a bank to fuel economic growth by lending out for long periods far more than it keeps on hand in easy-access deposits. Over the years the fragility of that confidence has been repeatedly exposed. The infamous 2007 run on Northern Rock has made UK regulators particularly alive to the risks. This year, similar fates befell Silicon Valley Bank and Credit Suisse. In a digital era of instant transferability of funds, and panics spread by social media, this is a bigger problem than ever.

Deposit insurance schemes — the norm in many developed markets to safeguard customers' money — are typically funded on a pooled mutual basis across the banking sector. The US scheme, which guarantees $250,000, is one of the most generous.

But the recent drama has made it obvious that even ostensibly generous schemes are not fit for purpose. In the US, there was a fateful 2019 deregulatory initiative exempting regional banks from capital and liquidity safeguards. In the case of SVB, which had very high average deposit levels, there was the added issue that the vast majority of customers' money wasn't covered by deposit guarantees.

> Recent bank collapses highlighted that a credible deposit guarantee scheme was key to maintaining confidence in banks

In an effort to calm panic, the Federal Reserve pledged an unlimited state guarantee on SVB deposits. And policymakers said a similar pledge could be made if other systemically important banks got into trouble. Even the UK's low-level involvement in the SVB affair — with its UK operations sold to HSBC for £1 in a scheme orchestrated by policymakers — was sufficient to spur the deposit guarantee rethink.

Several changes are being considered by the BoE. Most obviously there is a question about the quantum of the guarantee. If the £85,000 figure had kept pace with inflation over the past decade, it would have risen to far in excess of £100,000. Such a change would do little to alter depositors' behaviour in a panic. On the other hand, the argument is clear for making the guarantee far higher for business-account holders, who may flee faster.

More profoundly, the BoE is considering moving to the US model of having a properly pre-funded pool that could allow depositors in a failed institution to get near instant access to their money, rather than having to wait a week or more while the current system calls up contributions from participating banks.

This is likely to be unpopular with banks but it could help guard against the kind of panic that leads to runs.

Policymakers are also considering how the deposit guarantee interplays with rules such as the liquidity coverage ratio, which dictates the level of liquid funding a bank must maintain. The LCR currently assumes an implausibly low maximum outflow of 20 per cent of retail customer deposits in a month.

Even a bank such as Northern Rock, in a period before today's degree of digitisation, rapidly lost more than half of its customer deposits.

There are knock-on implications, too, for banks' bond issuance. Bonds designed to be "bailed in" if a bank is failing now yield sharply more than they did before recent events.

This potentially makes it hard for some banks, especially smaller ones, to comply with regulatory capital requirements; a more robust deposit insurance scheme, with higher costs for these banks, could be an alternative.

Such reforms are essential before the shortcomings of the current system do real damage. The UK is asking the right questions; the US has bigger loopholes and shouldn't delay in closing them.

patrick.jenkins@ft.com

Legal Notices

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS, HOUSTON DIVISION

In re:) Chapter 11
PARTY CITY HOLDCO INC., *et al.*,[1]) Case No. 23-90005 (DRJ)
Debtors.) (Jointly Administered)

NOTICE OF HEARING TO CONSIDER (I) THE ADEQUACY OF THE DISCLOSURE STATEMENT AND (II) CONFIRMATION OF THE FIRST AMENDED JOINT CHAPTER 11 PLAN FILED BY THE DEBTORS AND RELATED VOTING AND OBJECTION DEADLINES

PLEASE TAKE NOTICE THAT on April 12, 2023, Party City Holdco Inc. and its debtor affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned cases, filed the *First Amended Joint Chapter 11 Plan of Reorganization of Party City Holdco Inc. and Its Debtor Affiliates* [Docket No. 857] (as may be amended, modified, or supplemented from time to time, the "Plan"), and a disclosure statement for the Plan [Docket No. 858] (as may be amended, modified, or supplemented from time to time, the "Disclosure Statement")[2] pursuant to section 1125 of chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"). On April 11, 2023, the United States Bankruptcy Court for the Southern District of Texas (the "Court") entered an order [Docket No. 852] (the "Disclosure Statement Order"): (a) authorizing the Debtors to solicit votes on the Plan, (b) conditionally approving the Disclosure Statement as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code, (c) approving the solicitation materials and documents to be included in the solicitation packages, and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan. Copies of the Plan and the Disclosure Statement may be obtained free of charge by visiting the website maintained by the Debtors' Notice and Claims Agent, Kroll Restructuring Administration LLC (the "Notice and Claims Agent"), at https://cases.ra.kroll.com/PCHI. Copies of the Plan and Disclosure Statement may also be obtained by calling the Notice and Claims Agent at +1 (646) 440-4580 (international toll) or (888) 905-0493 (domestic toll-free).

PLEASE TAKE FURTHER NOTICE THAT a hearing to consider confirmation of the Plan and the adequacy of the Disclosure Statement on a final basis will commence on **May 17, 2023 at 2:00 p.m. (prevailing Central Time)** before The Honorable David R. Jones, United States Bankruptcy Judge, in Courtroom 400 of the United States Bankruptcy Court, 515 Rusk Avenue, Houston, Texas 77002, or as soon thereafter as counsel may be heard (the "Combined Hearing").

Critical Information Regarding Voting on the Plan. Within four (4) business days after entry of the Disclosure Statement Order, or as soon as reasonably practicable thereafter (the "Solicitation Deadline"), the Debtors will complete the initial mailing of the solicitation packages to solicit votes to accept or reject the Plan from the Holders of Claims in Class 4 and Class 5, each of record as of April 3, 2023 (the "Voting Record Date"). **The deadline for the submission of votes to accept or reject the Plan is at 4:00 p.m. (prevailing Central Time) on May 9, 2023, unless such time is extended by the Debtors.**

Critical Information Regarding Objecting to the Plan or Disclosure Statement. Any objections to confirmation of the Plan and the adequacy of the Disclosure Statement on a final basis must (a) be in writing; (b) conform to the Bankruptcy Code, Bankruptcy Rules, the Bankruptcy Local Rules, and any orders of the Court; (c) state, with particularity, the basis and nature of any objection to the Plan or Disclosure Statement and, if practicable, a proposed modification to the Plan or Disclosure Statement that would resolve such objection; and (d) be filed with the Court on or before **May 9, 2023 at 4:00 p.m. (prevailing Central Time)** (the "Plan and Disclosure Statement Objection Deadline").

UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE (THE "NOTICE"), IT MAY NOT BE CONSIDERED BY THE COURT. IF THE PLAN IS CONFIRMED BY THE COURT, IT WILL BE BINDING ON THE DEBTORS, THE REORGANIZED DEBTORS, ANY AND ALL HOLDERS OF CLAIMS OR INTERESTS (REGARDLESS OF WHETHER THEIR CLAIMS OR INTERESTS ARE DEEMED TO HAVE ACCEPTED OR REJECTED THE PLAN), ALL ENTITIES THAT ARE PARTIES TO OR ARE SUBJECT TO THE SETTLEMENTS, COMPROMISES, RELEASES, DISCHARGES, AND INJUNCTIONS DESCRIBED IN THE PLAN OR THE CONFIRMATION ORDER, EACH ENTITY ACQUIRING PROPERTY UNDER THE PLAN OR THE CONFIRMATION ORDER, AND ANY AND ALL NON-DEBTOR PARTIES TO EXECUTORY CONTRACTS AND UNEXPIRED LEASES WITH THE DEBTORS.

Important Information Regarding Discharges, Injunctions, Exculpations, and Releases. If you (a) vote to accept the Plan, (b) do not vote either to accept or to reject the Plan and do not opt out of granting the releases set forth in the Plan, or (c) vote to reject the Plan but do not opt out of granting the releases set forth in the Plan, you shall be deemed to have consented to the releases contained in Article VIII.D of the Plan.

YOU ARE ADVISED AND ENCOURAGED TO CAREFULLY REVIEW AND CONSIDER THE PLAN, INCLUDING THE RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AS YOUR RIGHTS MAY BE AFFECTED.

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Party City Holdco Inc. (9758); Amscan Custom Injection Molding, LLC (4238); Amscan Inc. (1359); Amscan Purple Sage, LLC (3514); Am-Source, LLC (8427); Anagram Eden Prairie Property Holdings LLC (8309); Party City Corporation (3692); Party City Holdings Inc. (3029); Party Horizon Inc. (5812); PC Intermediate Holdings, Inc. (1229); PC Nextco Finance, Inc. (2091); PC Nextco Holdings, LLC (7285); Print Appeal, Inc. (5932); and Trisar, Inc. (0659). The location of the Debtors' service address for purposes of these chapter 11 cases is: 100 Tice Boulevard, Woodcliff Lake, New Jersey 07677.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan or Disclosure Statement, as applicable. The statements contained herein are summaries of the provisions contained in the Plan and Disclosure Statement and do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referred to therein. To the extent there is a discrepancy between the terms herein and the Plan or Disclosure Statement, the Plan or Disclosure Statement, as applicable, shall govern and control. For a more detailed description of the Plan, please refer to the Disclosure Statement.

DEVRO PLC
Company Number: SC129785
Registered in Scotland

NOTICE IS HEREBY GIVEN that on 13 April 2023 the Court of Session in Edinburgh made an order (the "**Order**") sanctioning a scheme of arrangement (the "**Scheme**") under Part 26 of the Companies Act 2006 between Devro plc (the "**Company**"), a public company incorporated in Scotland with company number SC129785 and with its registered office at Moodiesburn, Chryston G69 0JE, and the Scheme Shareholders (as defined in the Scheme). On 14 April 2023, a copy of the Order together with a copy of the Scheme was delivered to, and registered by, the Registrar of Companies in Scotland. On delivery of the Order, the Scheme became effective in accordance with its terms.

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ
English solicitors for the Company

Shepherd and Wedderburn LLP
1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL
Scottish solicitors for the Company

Retail

THG receives take-private bid from Apollo

Ecommerce group's shares surge 44% after approach by US private equity firm

LAURA ONITA, IVAN LEVINGSTON AND WILL LOUCH

THG's shares jumped more than 40 per cent yesterday after the ecommerce retailer revealed it had received a takeover bid from Apollo.

The company, formerly known as The Hut Group and which owns websites Lookfantastic and Myprotein, did not disclose the terms of the preliminary proposal and made no further comment.

Apollo must make its intentions clear by May 15 or walk away, THG said in a statement. The announcement pushed the shares up 44 per cent to 95p, valuing the company at £1.2bn, a day before it posts annual results.

It follows months of speculation about the group's future as a listed company after it floated with great fanfare in London in 2020 at an opening valuation of about £5.4bn — the largest IPO in the country since 2017.

However, co-founder and chief executive Matthew Moulding, a prolific social media user, said this month that he "wouldn't recommend" listing on the London Stock Exchange.

"The way we've been treated since joining the LSE has done nothing but add fuel to our insatiable fighting spirit," he wrote on Instagram. "It's certainly not an experience I'd recommend to anyone, but it's been a decent test of our start-up mentality."

He previously said that he would give up his "golden share" in the business to allay concerns about corporate governance, but he has yet to do so. This gives the entrepreneur, who still owns about 25 per cent of the company, the power to veto any takeover deals.

The Manchester-based group in January warned on profits for the fourth time within a year.

It has had to contend with speculation about the profitability of its Ingenuity division, which helps other companies to sell online, and higher commodity prices for its protein shakes. Last year, SoftBank also scrapped a deal that would have led to the Japanese group buying a $1.6bn stake in Ingenuity.

THG has previously been subject to takeover interest from a range of investors, including property tycoon Nick Candy and THG non-executive director Iain McDonald, seeking to take advantage of a share price that has plunged over the past 18 months. A year ago THG rejected a bid from investors Belerion Capital and King Street Capital Management that valued the company at £2bn.

The retailer has also come under pressure from activist investors such as Kelso, which has bought a stake and sees the current share price as trading at a discount. In particular, Kelso has argued that THG's nutrition unit, which includes the Myprotein brand, could alone be worth more than the group's entire market capitalisation. Sparta Capital, founded in 2021 by former Elliott Management portfolio manager Franck Tuil, also has a stake in THG.

A person close to Sparta argued that Apollo's interest in THG wasn't surprising since it is significantly undervalued.

Apollo declined to comment.

The group's interest in THG is the latest example of buyout firms seeking to take UK groups private. In the past week, London-listed credit card processor Network International and Dechra Pharmaceuticals announced that they were fielding interest from buyout firms including CVC and EQT.

See Lex

Financials. Pension fund

Alecta chair faces 'trust' dilemma after US losses

Bonde must choose whether to stick with strategy after bet on niche banks turns sour

RICHARD MILNE
NORDIC AND BALTIC CORRESPONDENT

Sweden's capital, Stockholm. Alecta chair Ingrid Bonde, below, will have to work hard to restore confidence in the fund

Mindaugas Dulinskas/Alamy Stock Photo

The biggest victim of last month's US banking crisis comes from an unlikely location: Sweden.

The Scandinavian country's largest pension fund Alecta fired its chief executive last Tuesday after a bet on niche US banks went spectacularly wrong, leading to $2bn in losses and a huge blow to its reputation in a nation where trust is foremost of all virtues.

Alecta, consistently ranked Sweden's best-performing pension fund, has pursued a strategy of concentrating its equity portfolio on a few, large investments — about 100 at the last count. But three of them were US lenders that collapsed last month or whose shares plummeted.

The pension fund was the fourth-largest shareholder in Silicon Valley Bank, the fifth-largest in First Republic Bank and the sixth-biggest in Signature Bank. The losses prompted an outcry in Sweden, where Alecta manages $100bn of assets for 2.6mn savers, and where pressure from local media often leads to executive bloodletting.

The fund's chair, Ingrid Bonde, faced one of the biggest dilemmas of a career that includes stints at the top of Sweden's financial regulator, its debt office, and three of its biggest companies.

Should she chalk up the loss of less than 2 per cent of the fund's assets as part of the risk-reward dynamic of a hitherto successful investment strategy, or respond to the public outrage and bring in fresh leadership to replace Magnus Billing as chief executive?

"It was a very difficult decision," she told the Financial Times. But in the end, she and Alecta's board decided: "The loss has decreased trust among customers. There is a need for new management in order to restore that trust."

Trust is crucial to the Nordic model, and losing it is often fatal in Sweden whether in business or politics. Customer outflows from Alecta might only have risen modestly — in the first quarter of this year it had 7,000 requests compared with 6,000 in 2022 — but the questions in the media continued even after the fund ousted its head of equities last week.

In particular focus was Alecta's decision just before the crisis to boast publicly about selling out of two Swedish banks, including conservative Handelsbanken, and instead invest in SVB, Signature and First Republic.

"The management has looked at what the potential is for these companies and has decided to sell out of two of the banks in favour primarily of US niche banks," Carina Silberg, head of governance, told financial daily newspaper Dagens Industri four days before the US financial turmoil began in earnest.

Alecta said the decision to sell out of Handelsbanken and Swedbank in the summer of 2022 was unconnected to its investments in the US lenders, which began in 2016. But as it divested from the two Swedish lenders — it retains stakes in two others, Nordea and SEB — it upped its stakes in Signature in July and SVB as recently as November.

"You have to deserve trust every day," said Bonde. She has plenty of experience. She was head of Sweden's main financial regulator between 2003 and 2008 after being deputy head of the national debt office. She was also chief executive of pension fund AMF and finance director of airline SAS and utility Vattenfall.

The Swedish regulator is now examining Alecta's US banking investments as well as its large holding in Heimstaden, a property group seen by analysts as vulnerable to rising interest rates.

Bonde — who also chairs pharmacy chain Apoteket and special purpose acquisition company tbd30, is deputy chair of telecoms group Telia and sits on the boards of outdoor machinery maker Husqvarna and security services group Securitas — offered to resign several times in recent days. "When these things happen, you have to ask yourself," she said.

But the rest of Alecta's board wanted her to stay and made her acting executive chair while they search for a permanent replacement to Billing. Deputy chief executive Katarina Thorslund is doing the job on a temporary basis.

One Swedish director who has worked with Bonde said she brought energy to the boardroom, "is attentive to other views around the table", while being "very pragmatic and quick to find solutions and game plans for matters that need to be dealt with". Bonde has further big decisions to take for Alecta, which she said would "very intensively revisit what type of asset management we should have for the future". The choice, she added, would be continuing with the concentrated portfolio that has led to the best returns for occupational pensions in Sweden over five, 10 and 15 years, or go for a more "index-linked" approach.

One possibility, she said, might be to vary the strategy between countries. Alecta has already reduced its risk from large stakes outside Sweden, particularly in the US where it has big holdings in companies such as Microsoft, Alphabet, and retailer TJ Companies. The review has "to be done very carefully", Bonde added, and she hoped its main conclusions would be ready by summer.

"We have had a very successful equity management profile — it has delivered great returns to our investors for many years," she said. "We now need to look at the balance between improving returns and restoring trust."

In Sweden, as Billing found out, there may be only one winner from such a choice.

> 'We now need to look at the balance between improving returns and restoring trust'
>
> Ingrid Bonde

Financials

HSBC's largest shareholder Ping An seeks reforms and higher payouts

EMMA DUNKLEY — LONDON

Chinese insurer Ping An will demand HSBC boost dividends to pre-Covid levels and commit to regularly reviewing its structure at its annual meeting next month, following calls to break off its Asian business.

HSBC's largest shareholder is planning to support resolutions proposed by a group of retail investors on dividends and structural reform, which includes spinning off operations in Asia to boost returns, said people familiar with the situation. Ping An declined to comment.

The move by one of the world's largest insurers, which has an 8 per cent stake in the bank, will put further pressure on the London-listed lender, led by chair Mark Tucker and chief executive Noel Quinn, to return more money to shareholders and review its global operations.

One of the special resolutions, put forward by Ken Lui and other retail investors in Hong Kong, urges HSBC to report quarterly on a plan aimed at "increasing its value by structural reforms", which includes "spinning off, strategic reorganisation and restructuring its Asia businesses".

The other resolution calls on HSBC to "implement a long-term and stable dividend policy that . . . should distribute dividends to its members at the pre-Covid-19 pandemic level", of no less than 51 cents per share a year.

> Investors want the bank to 'distribute dividends at the pre-Covid pandemic level' of at least 51 cents per share

Like other UK-based banks, HSBC was forced to halt dividend payments in 2020, when UK regulators stopped shareholder distributions to shore up balance sheets during the pandemic.

But the suspension angered investors in Hong Kong, many of whom are individuals relying on the bank's dividends for their retirement income. Ping An normally expects to generate about $1bn a year from HSBC dividends.

HSBC paid an annual dividend of 51 cents per share for four years from 2015. The bank set its dividend at 32 cents per share for 2022, up from 25 cents in 2021 and the highest level since 2018. It is also planning a 21 cent special dividend, worth $4bn, next year using proceeds from the sale of its Canadian business.

The Ping An move comes after it called on HSBC to spin off its Asian business and be "much more aggressive" on cost cuts at the end of last year. Michael Huang, chair of Ping An Asset Management, said in November: "We will support any initiatives including a spin-off that are conducive to improve HSBC's performance and value."

But HSBC has argued that a break-up would be complicated, costly and counterproductive. Quinn said in February: "Alternative structural options . . . would have a material negative impact."

HSBC also went on to point out that "requiring the company to pay a fixed minimum dividend per share . . . restricts the ability of the company to pursue growth alongside returns", warning that it could trigger higher capital requirements.

"The board recommends all shareholders vote against these two resolutions because they are not in the best interest of the company or its shareholders," the bank added.

Media

Judge postpones Fox News defamation case

DANIEL THOMAS — LONDON
JOE MILLER — NEW YORK

The beginning of a landmark defamation trial against Fox News has been postponed by a day, following a report of last-minute settlement talks.

Judge Eric Davis — who is overseeing the case in Delaware, where Fox and the plaintiff, voting machine maker Dominion, are incorporated — said late on Sunday that the court had decided to delay the start of the trial until today.

He did not provide a reason for the dela, but emphasised that the move was "not unusual" in a brief statement to the court yesterday. The decision to postpone raised the prospect of an eleventh-hour settlement being sought by Fox in the case, which is expected to involve Fox Corp chair Rupert Murdoch testifying, alongside Fox executives and hosts such as Sean Hannity.

The Wall Street Journal, which is also owned by Murdoch, reported that Fox was pursuing settlement talks shortly before the judge's announcement.

The defamation lawsuit relates to the network's coverage of the 2020 US presidential election, with allegations that Fox damaged Dominion's reputation by knowingly airing false conspiracy theories over whether its voting machines were rigged in favour of Joe Biden, Donald Trump's Democratic rival.

Despite the notoriously high standard for proving defamation in the US, several analysts said Fox faced an "uphill battle" after pre-trial filings exposed a sometimes frantic and fractious behind-the-scenes newsgathering process.

Dominion alleges that Fox executives knew that they were airing false statements and continued to do so as the broadcaster battled for rightwing viewers against rival networks and media outlets. Dominion has previously said it was seeking $1.6bn in damages — although this figure is disputed by Fox.

In a filing to the court on Sunday night, Fox claimed that Dominion had lowered its damages claim by "more than half a billion dollars". Dominion disputed that the amount it was seeking had changed. "As Fox well knows, our damages exceed $1.6bn," the company said in a statement

Ahead of the trial, Fox said the lawsuit was "a political crusade in search of a financial windfall" and claimed "the real cost [of a loss] would be cherished first amendment rights". It added that Dominion had pushed "misleading information to generate headlines" while Fox was "steadfast in protecting the rights of a free press".

Dominion said it was a "strong believer in the first amendment", but the law "does not shield broadcasters that knowingly or recklessly spread lies". It added that "Dominion's business suffered enormously, and its claim for compensatory damages is based on industry-standard valuation metrics and conservative methodologies."

Aerospace & defence

SpaceX calls off first Starship launch into orbit

RICHARD WATERS — SAN FRANCISCO

Elon Musk's SpaceX called off the first orbital launch test of its giant Starship rocket yesterday after a problem with fuel pressure in the rocket's first stage delayed its long-awaited maiden flight to space.

SpaceX had earlier pencilled in a potential follow-up attempt for as early as today, but said after yesterday's aborted countdown that it would need "a minimum of 48 hours" to prepare the rocket for its next test.

At almost 400ft in height, the Starship rocket is the most powerful ever built and was designed to carry astronauts to Mars one day.

The launch in Texas was called off with less than 10 minutes to go as the rocket was being loaded with its 10mn pounds of propellant. SpaceX said it had been trying to resolve a pressure issue with the rocket's first stage, known as the Super Heavy booster.

On Sunday, Musk had sought to lower expectations for the launch attempt. In a discussion broadcast over Twitter, he warned that many issues could delay the launch or cause the rocket to fail. "Just don't blow up the launch pad," he added.

The test is due to send the rocket to an altitude of 150 miles, as part of a 90-minute trip that would end in a splashdown in the Pacific Ocean off Hawaii. SpaceX will not attempt to recover either of the rocket's two stages — its Super Heavy booster and the Starship on top that will one day carry crews to space — though eventually those parts will be designed to be reused.

Powered by 33 of SpaceX's Raptor engines and with more than 16mn pounds of thrust, the rocket is set to be twice as powerful as the Saturn V that carried Americans to the moon in the 1960s and 1970s.

Starship was designed to take humans to Mars, the purpose that Musk set for SpaceX when he founded the company in 2002.

Starship has been co-opted by Nasa to take part in the first attempt to return astronauts to the Moon since Apollo 17 in 1972.

With the ability to carry payloads of as much as 100 tonnes, Starship could also transform the economics of reaching orbit, challenging SpaceX's own Falcon 9 rockets as the main workhorse for reaching space.

When launched, the test will send the rocket to an altitude of 150 miles

COMPANIES & MARKETS

US boom in LNG projects at risk from rising costs and competition

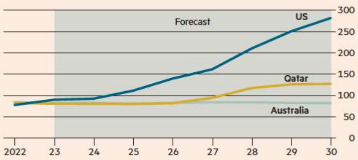
Multibillion-dollar natural gas schemes face delays as war in Ukraine raises demand for fossil-fuel exports

MYLES MCCORMICK — NEW YORK

Surging trade: A tug boat pulls out an LNG tanker vessel at a Cheniere Energy facility in Louisiana. Cheniere is the second-largest LNG operator in the world — Mark Felix/Bloomberg

US LNG capacity has the potential to soar this decade

Tonnes per year (mn)



Assumes every potential project goes ahead
Source: Wood Mackenzie

US LNG projects are getting more expensive to build

Plant capex ($ per tonne)

Date below plant name refers to date of cost estimate

Intense competition between developers and escalating costs are complicating efforts to bring new liquefied natural gas projects online in the US, even as the fallout from Russia's invasion of Ukraine creates huge appetite for American fuel exports.

A new wave of multibillion-dollar LNG projects on the US coast on the Gulf of Mexico has gathered pace over the past year as the energy upheaval triggered by the war prompts a global dash to secure fossil fuels from vast Texas shale fields.

Since Moscow began its invasion of its neighbour 14 months ago, four projects, together worth $40bn, have reached the crucial final investment decision (FID) milestone. But others have faced repeated delays as they vie with each other to secure the long-term purchase agreements needed to underwrite their projects and contend with sharply escalating construction and financing costs.

"It's dramatically more expensive," said Charif Souki, who pioneered the development of the US LNG export industry more than a decade ago. "There are fewer and fewer construction companies that can actually handle these kinds of loads. But you have to confront . . . your supply chain issues and all the cost inflation."

Souki, who now heads developer Tellurian, has seen his $25bn Driftwood development flounder after a fundraising failure last year led pivotal buyers to abandon the project. This month it announced plans for the sale and leaseback of land as it seeks to raise funds.

Two other projects that developers had hoped would reach FID by the end of March; Energy Transfer's Lake Charles conversion and Next Decade's Rio Grande terminal, have been delayed to later in the year.

The Biden administration and European Commission have made the expansion of US LNG exports a cornerstone of securing energy supplies in Europe as the continent looks to purge Russian gas from its national economies. Projects under construction or entering service will increase US capacity by roughly 70 per cent once they all come online by 2027, making the country the world's pre-eminent LNG superpower: this year the US will leapfrog Australia and Qatar to boast the world's biggest export capacity.

If every potential project in the pipeline was to come online, they would triple US capacity by 2030, according to Wood Mackenzie, a research company. But analysts expect many of these to fail, as a race to build them in time intensifies and funding for long-term fossil fuel projects in a decarbonising world becomes harder to secure.

Reaching the FID stage requires securing enough solid deals to underwrite the financing needed to pay for its construction. As costs rise, that is proving tricky.

"You've seen a really competitive market among different developers," said Giles Farrer, head of LNG research at Wood Mackenzie. "So to secure customers, companies have bid right down to the margin."

Now many have to contend with rampant supply chain inflation pushing up the cost of construction, while rising interest rates have increased financing costs. That would probably force some to renegotiate offtake deals, said Farrer, delaying projects and allowing others to muscle in. Yet even as some struggle, other more established operators have been successful in capitalising on the thirst for US molecules and locking in contracts that have allowed them to plough ahead with big new projects.

Sempra Energy last month pushed on with a plan to build a 13.5mn tonnes a year plant in Port Arthur, in south-east Texas; a week earlier Venture Global moved forward with the second phase of its 20mn-tonnes-a-year Plaquemines facility in Louisiana, having given the green light to phase 1 in May; last summer Cheniere Energy gave approval to a 10mn-tonnes-a-year expansion of its facility at Corpus Christi in Texas.

"You have three leaders in the clubhouse, if you will, that have made the most of the moment — and others would like to grab some of that success," said Kyle Wamstad, a partner at law firm Holland & Knight. "It's one of those things where success follows success . . . if you don't get that first one in the door, it can linger."

While an increasing number of so-called portfolio companies, interested in trading LNG rather than consuming it, has broadened the scope of potential buyers, securing the necessary commitment from offtakers has proved increasingly tricky.

Financiers have been forced to weigh up the need for long-term fossil fuel infrastructure as the world looks to rapidly decarbonise and stem climate change. The UN's Intergovernmental Panel on Climate Change warned last month that global warming was "more likely than not" to reach a 1.5C rise since pre-industrial times in the near term.

Many European buyers, anxious to pin down near-term LNG supplies, are hesitant to lock in the sort of multi-decade contracts that developers need in order to secure financing for their projects.

"I think buyers would love to sign deals for five years, but projects get financed on 20-year deals for sellers," said Ira Joseph, global fellow at the Center on Global Energy Policy at Columbia University.

"Each side is perceiving their needs very, very differently of what they deem as energy security."

The US government has been keen to emphasise that any hold-up is not due to the slow granting of permits.

> 'Buyers would love to sign deals for five years, but projects get financed on 20-year deals for sellers'

There are more than 100mn tonnes a year of projects fully certified to move forward.

US energy secretary Jennifer Granholm last month boasted of a "plethora of opportunity for the liquefiers to be able to export".

Even so, securing offtake agreements to underwrite financing has become a much tougher challenge than getting permits, once the golden ticket to getting a project off the ground.

"They used to be viewed as what was necessary and would trigger everything else that comes afterwards, whereas now that's not enough," said Wamstad at Holland & Knight.

"[A handful of] FIDs and substantial debt financing for recent LNG projects does not mean a green light for everybody," he said.

"As soon as you look more like a driftwood or you have some hiccups or issues, there's always somebody else that's at least advertising themselves to be better positioned to step into those shoes," Wamstad added.

Energy

Enel investor challenges Rome over board changes

SILVIA SCIORILLI BORRELLI — MILAN

A London-based hedge fund has directly challenged Italy's government over who will lead state-controlled utility Enel, presenting its own alternative list of board candidates.

Last week Prime Minister Giorgia Meloni's rightwing coalition made a series of proposals to change the make-up of the boards of state-controlled companies, including energy groups Enel and Eni, and defence group Leonardo. Shareholders will have to approve these appointments at the companies' upcoming annual meetings.

The government owns a 23 per cent stake in Enel through the finance ministry. Minority shareholders do not usually challenge the government's proposals and get three out of nine board seats, with directors usually chosen from a list proposed by a group of domestic investors. Enel shareholders will meet on May 10.

Zach Mecelis, the chief of Covalis Capital, a Mayfair-based firm that specialises in energy investments, told the Financial Times that the proposals were the result of a political compromise.

"Shareholders should get to choose. It's a matter of governance and transparency," said Mecelis, who has been an investor in Enel since 2004. Covalis Capital currently owns less than 3 per cent of the €58bn utility.

"I want this toxic [management appointment] process to end."

Flavio Cattaneo, currently a board member at insurer Generali and the former chief of state-controlled electricity infrastructure group Terna, is the government's preference for chief executive. Paolo Scaroni, chair of football club AC Milan and a former chief executive of Eni, was proposed as Enel chair.

Meloni said last week that the government's proposals were based on "competence not political affiliation".

The appointments process for state companies, which takes place every three years, is a key moment in Italy's political and business life. Parties in government coalitions traditionally negotiate to appoint political affiliates to top jobs in order to exercise influence over the companies during the government's tenure.

The proposals were the result of days of fierce negotiation within the government, according to multiple people briefed on the talks. The prime minister ditched her preferred candidate to lead Enel to avoid clashing with her coalition partners, including Matteo Salvini and Silvio Berlusconi, a longtime ally of Scaroni, according to the people and multiple media reports.

Enel shares fell 4 per cent on Thursday after the proposed appointments were announced over fears of a U-turn on the current energy transition strategy, according to analysts.

"Enel's stock will go up 30 to 40 per cent if this process is run differently," Mecelis said.

According to Mecelis, Enel trades at a discount compared with Spain's Iberdrola and France's EDF mainly because political demands outweigh shareholders' interests and company strategy.

"I'm standing up for everyone else who can't speak for themselves and like me rejects this process," Mecelis said. "I'm not an activist, I just have no choice."

The Italian government was not immediately available for comment. Enel will publish the list of board candidates received from shareholders today.

Retail

Ikea cuts ties with Malaysia labour supplier

OLIVER TELLING — LONDON

Ikea stores in Malaysia have severed ties with a labour provider after an internal investigation found there had been a breach of the furniture retailer's own policies.

Many security guards in Ikea's Malaysian stores had paid fees to secure jobs, according to the retailer's investigations. The findings, unreported until now, come as leading western brands face growing scrutiny from regulators and investors over labour issues in their international operations.

Ikea's probe was launched after a campaigner reported workers from Nepal had paid fees as high as $1,000 to obtain jobs as security guards in Malaysia, according to communications seen by the Financial Times. The inquiry was led by Inter Ikea, which oversees the brand's franchise stores, and Ikano Retail, which runs Ikea stores in Malaysia as well as Singapore, Thailand, the Philippines and Mexico.

Ikano, which is owned by the Kamprad family that founded Ikea, said the inquiry confirmed "many of the security guards working in our Malaysia business had paid recruitment fees", contravening its code of conduct rules. The group said its probe had revealed The "multiple layers of subagents involved in the process in rural villages".

Campaigners say brokers and recruiters charging fees from workers looking for jobs is an endemic problem in many developing countries. Workers often take out loans to cover the cost. For multinational brands that rely on local agents, such issues in the supply chain are often a blind spot, say campaigners.

> The probe found 'many of the security guards in our Malaysia business had paid recruitment fees'

Debt bondage is recognised as an indicator of forced labour by the UN's International Labour Organization, whose guidelines state workers should not be charged fees for recruitment.

Ikano said: "After many weeks of negotiation with our supplier, we were unable to resolve our concerns and have subsequently terminated our relationship." The company declined to confirm its former supplier.

Ikano said the incident had been reported to local authorities and the Nepalese embassy. Ikea, whose roughly 460 stores are owned by a network of franchisees globally, is the latest brand to be caught up in such a controversy.

Activists say Nepal's unlicensed hiring agencies are among the most exploitative. Nepalese migrants around the world have reportedly fallen prey to the practice, including workers on construction sites for the Qatar World Cup.

Ikano said it had secured a new supplier that would recruit workers directly rather than using subcontractors.

Additional reporting by Richard Milne

Industrials

India's JSW to invest in infrastructure drive

CHLOE CORNISH — MUMBAI

Indian industrialist billionaire Sajjan Jindal says his steel, paint, cement and energy conglomerate will supercharge its investments to about $65bn over the next seven years, aiming to profit from a national infrastructure push that has made India the world's fastest-growing market for steel.

His family-led JSW Group also plans to expand into sectors from defence to electric vehicles and is seeking "aggressive growth" in renewable energy, Jindal told the Financial Times.

The plans show how India's biggest industrialists aim to capitalise on Prime Minister Narendra Modi's priority to revitalise the country's infrastructure and make it an economic powerhouse in Asia, as India is projected to overtake China as the world's most populous country this year.

The government has budgeted Rs10tn ($122bn) to spend on building roads, railways and other infrastructure for the fiscal year beginning this month, a third higher than the previous year. Such an acceleration is why JSW Group is "so bullish", its chair said.

Although JSW is smaller than Tata Group, which JSW competes with for the title of India's biggest private-sector steelmaker, Jindal is one of the few billionaires whose influence straddles India's economy.

Taking over a portion of his politician-industrialist father's business empire, Jindal has led JSW Group as chair since 2011, growing its metals business into India's biggest listed steel company by market value at Rs1.7tn. The group also has a listed energy business and unlisted paint, cement and ports units.

Jindal was one of the business leaders who initially agreed to back rival industrialist Gautam Adani, after the tycoon's empire came under fire from New York-based short seller Hindenburg Research. India is "a very small club", said Jindal, and his motivation was "to have solidarity with our colleagues in the industry", adding Adani did not call on him to put in money.

"Adani will get this as a learning experience and then take accordingly measured steps for the future," he said.

Jindal said he was wary of leveraging and that JSW's $65bn to $67bn investment plan to expand existing business lines and open new ones — more than double the $25bn he said it invested over the past decade — would be mostly financed by cash and selling shares.

Steel is "a cyclical business, and we cannot afford to have a high-leverage regime", he said.

India's infrastructure splurge is expected to fuel steel orders. The World Steel Association estimates India's steel needs will swell 6.7 per cent from 2022 to 2023, compared with a global growth rate of 1 per cent.

To grab market share, JSW says it will boost total steel production capacity from 28mn tonnes in the 2021-22 financial year to 39mn tonnes in the year ending March 2024.

Equities. Lobbying pushback

EU faces last-ditch challenge from exchanges over trading reforms

Euronext has warned that a tape containing pre-trade information might leave smaller investors at a disadvantage Nathan Laine/Bloomberg

Bourses warn plan to create real-time database could harm smaller European venues

NIKOU ASGARI

European reforms to make the region's markets more competitive with the US face last-ditch opposition from stock exchanges reluctant to hand over their data to a planned real-time database of share trading information.

EU officials will today begin negotiations to lay out the framework for live records of stock and bond trading information, a move that supporters say would vastly improve transparency and entice big foreign investors to trade in European stock markets.

The European Commission, the EU's executive arm, hopes the measures will help unify its fragmented market and make it more comparable to the US, whose stock markets are more dynamic and twice as valuable.

European markets also have suffered a dearth of listings with the value of money raised dropping to its lowest point in a decade last year, according to Dealogic data.

Turnover in equities, an indicator of market liquidity, rose 40 per cent in the six years to 2022 in the US but remained flat over the same period in Europe, according to data from New Financial, a think-tank.

But the EU's plan to create a single database of live stock prices faces a final lobbying pushback from Europe's stock exchanges, who argue handing over data deprives them of much needed revenues and threatens the viability of some of the region's smaller bourses.

"It may mean in smaller countries they would not have a listing venue anymore," said Rainer Riess, director-general of the Federation of European Securities Exchanges, which represents 35 venues across the region.

The European Commission sees a so-called consolidated tape as a way to overcome the hurdle of fragmented European markets.

Trading is scattered between national exchanges, alternative trading venues and private marketplaces. Such tapes have been a feature of US markets for decades.

The negotiations between member states, the European Commission and parliament will try to clarify what a consolidated tape should look like. Brussels intends that it will be run by a private commercial company and funded by the market.

Many investors argue that the structural problems in Europe have been exacerbated by the introduction of the EU's 2018 Mifid II markets rules, which have made it more difficult and expensive to track activity.

A tape "should lead Europe into being seen and operate as a truly single market", said Adam Farkas, chief executive of AFME. "If you are sitting in Singapore or Hong Kong . . . and managing a fund there, you want to look at Europe as one single market."

The 2018 rules mandated a tape be built but left it to the market to develop a solution.

Efforts repeatedly foundered when they came up against national and commercial interests.

Natan Tiefenbrun, president of stock exchange operator CBOE Europe, said clients such as large US quantitative trading firms "want to come to Europe but are put off by the complexity, particularly in market data".

But the debate has centred on when exactly trading data should be captured.

FESE, which initially sought a 15-minute delay to the tape, has lobbied for the tape to largely consist of information after the trade is completed and opposes constant real-time pre-trade data.

Susan Yavari, senior regulatory policy adviser at the European Fund and Asset Management Association, said opposition to a pre-trade tape was "shortsighted" because "[exchanges] want to protect existing data revenues."

Exchanges earn lucrative fees from licensing their market data to customers like high-frequency traders, hedge funds and banks — revenues which would be shared under the EU proposals.

FESE estimates that European venues earn about only €245mn from their data annually and Riess argues the data fees cover the maintenance of listings and growth markets and other services that rivals and banks do not provide.

"Even for some of the midsize players that would be a significant cut in their revenue where the viability of the exchange business for these players would be in question," he said.

FESE also argues that the rules should include "systematic internalisers" — more lightly regulated invitation-only markets run largely by banks and high-frequency traders.

Stéphane Boujnah, chief executive of Euronext, the region's largest exchanges operator, has called proposals that exclude them as "diluting transparency, creating opacity".

He, like FESE, has also warned that a tape containing pre-trade information will leave smaller investors exposed to predation, undermining Mifid II's commitment to toughen protection for investors.

Larger traders will see the orders on the tape, then use faster and more sophisticated technology to take advantage of the difference in the price on an exchange hundreds of miles away, a tactic known as latency arbitrage, argued the exchange lobby group.

"If you are sending the data to the tape provider from Oslo, Athens, Cyprus . . . there's a geographical latency that's significantly bigger than the US," Riess said, adding: "Some will know in advance what the tape will say, they will be able to arbitrage that."

That argument is rejected by many asset managers. Yavari said smaller exchanges would actually benefit, not lose out. "Take Portugal or Croatia, you have to go proactively and see the data from that exchange. If you already have all the data in a consolidated tape then it's all there, you have the visibility."

"In the absence of [the data], it's very difficult for us to showcase the true liquidity pool and that doesn't help the growth of European capital markets more broadly," said Jim Goldie, head of ETF capital markets for Europe, Middle East and Africa at Invesco.

> A tape 'should lead Europe into being seen and operate as a truly single market'

Equities

S&P 500 bosses' pay defies fall in share prices

PATRICK TEMPLE-WEST — NEW YORK

Moderna, Simon Property Group and Marriott are among at least 107 S&P 500 companies that gave their chief executives pay increases last year even as their shares declined, according to regulatory disclosures.

More than a third of S&P 500 companies awarded executives more pay for 2022 than in 2021 even though they had negative total shareholder returns last year, according to a preliminary analysis of regulatory findings by ISS Corporate Solutions for the Financial Times.

About one in four companies with negative returns cut their chief executive's pay, according to ICS, which analysed 289 companies that had filed annual proxy statements by April 14.

The analysis shows that many executives continued to enjoy big pay awards despite a 19 per cent drop for the benchmark S&P 500 index last year, the biggest fall since 2008. The median CEO's pay fell by less than 1 per cent to $14.3mn for the companies that disclosed 2022 pay, ICS's analysis showed.

Institutional investors have vented their frustration as US executive pay has outpaced that of most employees in recent years. Shareholder support for CEO pay declined last year. After pay declined at many companies during the worst of the Covid-19 pandemic, "total CEO compensation has fully bounced back", said Matteo Tonello, a managing director at The Conference Board.

> 'Total CEO compensation has fully bounced back' from declines seen at the height of the pandemic

Simon Properties, the largest shopping centre owner in the US, awarded CEO David Simon $35.7mn for 2022, up from $10.5mn in 2021. Simon, son of the group's co-founder, was given a $28mn cash bonus. The company's total shareholder return fell 22 per cent last year.

Vaccine-maker Moderna increased pay for CEO Stéphane Bancel by 6.7 per cent to $19.4mn last year as its total shareholder return, which includes dividends, dropped 29 per cent. Since 2020, however, its shareholder returns have significantly outperformed those of its peers in the Nasdaq biotech index.

The pay of Anthony Capuano, chief executive of hotel chain Marriott, rose 1.6 per cent to $18.7mn last year as total shareholder returns fell 9.3 per cent.

Company representatives pointed to this year's new Securities and Exchange Commission "pay versus performance" disclosure rules, designed to give investors a clearer glimpse of the relationship between chief's pay and total shareholder return. The disclosures include "compensation actually paid", a metric derived from unvested stock.

Capuano's "compensation actually paid" was down 27 per cent in 2022 owing to a drop in the company's stock price, Marriott said.

Moderna declined to comment and Simon Properties did not respond to requests for comment.

Fixed income

Treasury bill investments by money funds caught up in US debt ceiling stand-off

HARRIET CLARFELT AND KATE DUGUID
NEW YORK

Money market funds, flush with deposits after investors sought safety during last month's banking turmoil, are now confronted by the political stand-off over the US debt ceiling that threatens to disrupt their investment portfolios.

More than $440bn has poured into US money market funds since early March, according to data provider EPFR, in the wake of Silicon Valley Bank's collapse, and as attractive returns drove investors out of ordinary deposit accounts.

Those inflows have largely flooded into government money market funds, which invest heavily in short-term Treasury debt that is typically easy to buy and sell.

The debt offers the best yields in years because of the US Federal Reserve's aggressive campaign of interest rate rises.

While the US is not expected to default on its obligations, a prolonged stand-off in Washington over raising the federal borrowing limit could create difficulties with buying and selling this short-term debt, potentially leading to some losses for money funds.

The alternative to buying Treasury bills — stashing cash overnight with the Fed — could add to strains in the banking system.

"The debt ceiling should be something the money market funds industry is worried about," said Steve Sosnick, chief strategist at Interactive Brokers. "Though I don't think the US will be unable to pay its bills, there might be a liquidity crunch in there."

Concerns about a debt ceiling crisis have picked up this month as the US tax deadline of April 18 comes into view.

The revenue collected this year will help determine how much longer the US can pay its bills before running out of money, since a divided Congress failed in January to raise the government's borrowing limit.

Investors are expecting the fight to go down to the wire as a stalemate between the White House and the Republican party looks unlikely to be resolved before the threat of default becomes imminent in late summer.

The debt ceiling debate "could be a big issue" in particular for government money market funds, according to Andrzej Skiba, head of Bluebay US fixed income at RBC Global Asset Management.

"You could easily see a scenario where if the US government's ability to borrow is exhausted in the midst of this crisis, then that creates quite a lot of volatility for money market funds — it can increase withdrawal demands, it can just create a lot of noise around the issue," Skiba added.

There is not yet consensus on the exact moment at which the government will run out of cash.

April tax collections of $300bn or below could bring the debt ceiling deadline forward to June or July, according to Praveen Korapaty, chief interest rates strategist at Goldman Sachs, "somewhat earlier than many people had thought".

He added that most expect larger collections.

Investors have already started avoiding bills that mature in late July and early August — around the time that experts generally think the US may run out of money.

An auction of three-month Treasury bills this week was met with poor demand.

Owning these less desirable securities is not a problem if the funds hold them until maturity, provided that the debt ceiling fight is resolved in time for the US to pay its bills.

But problems arise if customers pull money out of those funds — either for normal business reasons, or because of panic about the debt ceiling.

In that instance, money funds may have trouble finding buyers for the securities and be forced to take losses.

Assuming the "crunch point" for the government to service obligations lands between July and August, Skiba said, "you're just going to make sure you don't own T-bills maturing around those months within your portfolio".

He added: "If you look at the examples in the past, it's primarily Treasury bills that were maturing around the time of the debt ceiling that exhibited the biggest volatility."

The surge of cash into money market funds has also meant that those funds have increased their usage of a Fed programme that allows them to invest cash at the central bank overnight for a 4.8 per cent return.

Treasury bills are in relatively short supply at the moment so money funds have stashed some of the floods of cash coming in to the overnight reverse repo facility (RRP), which is currently getting roughly $2.3tn a day.

If worries about the debt ceiling reduce the number of Treasury bills money funds are willing to buy, that could push even more cash into the RRP. And the ballooning size of the RRP facility may add to banking strains, some experts have warned.

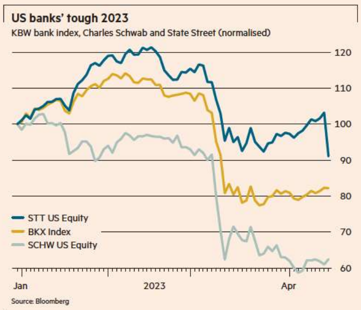
Korapaty said: "Once the debt ceiling is raised, you're going to see the Treasury issue a tonne of bills. Money funds will then be able to buy these bills and not shovel quite as much money to the RRP, and so that should actually provide some relief in the other direction."

Silicon Valley Bank's collapse benefited money market funds — Steven Senne

The day in the markets

What you need to know

- **Wall Street stocks slip after mixed bag of earnings**
- **KBW bank index lower as State Street tumbles on missed profit expectations**
- **Dollar rises and US government debt sells off**


US banks' tough 2023

KBW bank index, Charles Schwab and State Street (normalised)

Source: Bloomberg

US stocks slipped yesterday as traders balanced their concerns over a potential recession and its implications for interest rates against a mixed bag of results from the latest US banks to report their earnings.

Wall Street's benchmark S&P 500 fell 0.2 per cent, with technology, healthcare and financials among the worst performers. The tech-heavy Nasdaq Composite lost 0.3 per cent.

The KBW bank index slipped 0.5 per cent as shares in State Street fell 11 per cent after quarterly profits missed expectations.

Charles Schwab — whose shares have fallen almost 40 per cent since the collapse of Silicon Valley Bank — rose 2 per cent even after it said deposits fell 11 per cent in the first quarter as clients shifted into higher yielding accounts.

Earnings per share rose more than a fifth year on year and analysts at UBS said the results as a whole were "not as ugly as feared".

Upbeat first-quarter earnings from JPMorgan Chase, Citigroup and Wells Fargo on Friday underscored how the failure of SVB and two others in March had at the same time benefited the biggest lenders as customers sought safety at larger names.

Investors expect a further quarter percentage point rise when the US Federal Reserve meets early in May with inflation at 5 per cent — far above the central bank's 2 per cent target.

Christopher Waller, a hawkish Fed governor, on Friday said monetary policy needed "to be tightened further" to cool the economy.

The US Dollar index rose 0.6 per cent against a basket of six other currencies, though it has slipped 1.3 per cent since the start of the year as traders have upped their bets that May's expected interest rate rise will be the Fed's last.

US government debt sold off with two-year Treasury yields up 9 basis points to 4.19 per cent and the yield on benchmark 10-year debt up 6bp to 3.58 per cent.

Across the Atlantic, the Stoxx Europe 600 was steady, close to its highest level since February 2022, while Frankfurt's Xetra Dax fell 0.1 per cent and London's FTSE 100 rose by the same amount.

Asian stocks rallied after prices for new homes in China rose at the fastest pace in 21 months and ahead of the release today of the country's first-quarter GDP data.

Hong Kong's Hang Seng index climbed 1.7 per cent while the CSI 300 index of Shanghai and Shenzhen stocks rose 1.4 per cent. **George Steer**

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4129.33	1846.29	28514.78	7879.51	3385.61	105940.54
% change on day	-0.20	-0.06	0.07	0.10	1.42	-0.32
Currency	**$ Index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	101.621	1.092	134.545	1.236	6.872	4.951
% change on day	0.068	-0.817	0.813	-0.643	0.330	-0.120
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	3.591	2.466	0.477	3.817	2.862	11.909
Basis point change on day	6.750	2.900	2.060	3.100	1.200	-4.000
World Index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	430.78	84.81	81.01	2019.40	26.03	4031.60
% change on day	-0.27	-1.74	-1.83	-1.42	1.58	0.28

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

Main equity markets


S&P 500 Index


Eurofirst 300 Index


FTSE 100 Index

Biggest movers

%	US		Eurozone		UK	
Ups	Enphase Energy	9.22	A.p. Moller - Maersk B	3.66	Int Consolidated Airlines S.a.	2.98
	Catalent	6.52	Oci	3.41	Rs	2.85
	First Solar	6.34	Novozymes	3.02	Weir	2.41
	M&t Bank	5.75	Ses	2.46	Ashtead	2.37
	Solaredge	5.72	Kerry Grp	2.41	Ocado	2.35
Downs	State Street	-12.37	Renault	-4.07	Abrdn	-2.46
	Moderna	-7.91	Saipem	-4.00	Barclays	-2.28
	Bank Of New York Mellon	-6.88	Asml Holding	-3.91	Prudential	-2.05
	Teradyne	-4.49	Cap Gemini	-3.17	M&g	-2.05
	Keysight	-4.33	Commerzbank	-3.04	Beazley	-1.97

Prices taken at 17:00 GMT

Based on the constituents of the FTSE Eurofirst 300 Eurozone

All data provided by Morningstar unless otherwise noted.

Wall Street

Sinking to the bottom of the S&P 500 index was custody bank **State Street**, which reported earnings of 1.52 per share for the first quarter — 12 cents per share lower than Wall Street had expected.

Assets under management in its investment division slid 10 per cent to $3.6tn, reflecting "lower quarter-end market levels and net outflows", it said.

State Street was joined by Google's parent company, **Alphabet**, in the lower half of the blue-chip benchmark following a report that its search engine could be dropped by multinational Samsung.

The New York Times said that the South Korean group was "considering replacing Google with Microsoft's Bing as the default search engine on its devices". Microsoft's early advances with artificial intelligence was behind a possible move, a development that has spurred Google to intensify its efforts to improve its offering, said the report.

Biotech group **Prometheus** hit a record high on news that it was being bought by larger peer Merck for $200 per share — 75 per cent above Friday's closing price.

Through the deal, which gave Prometheus an equity value of $10.8bn, Merck would gain access to experimental autoimmune treatments including PRA023, a late-stage candidate for ulcerative colitis, a bowel condition.
Ray Douglas

Europe

Games developer **Rovio** jumped on news that Japanese peer Sega Sammy had bid €9.25 per share for the maker of *Angry Birds* — almost 19 per cent higher than the Finnish group's closing price on Friday.

The approach followed bids from Israel's Playtika, the last of which was a €9.05 per share offer in January — almost 60 per cent higher than Rovio's previous closing price at the time. Those preliminary talks ended in March.

In more dealmaking activity, Finland's **Uponor** surged after receiving an indicative takeover proposal.

Belgian plastic piping group Aliaxis — which already has a 5 per cent stake in the plumbing and heating supplier — offered €25 per share, which was more than 44 per cent higher than Uponor's most recent closing price.

But the Finnish company's largest shareholder, Oras Invest, which commands a 25.7 per cent holding, rebuffed the bid, arguing that the potential offer did "not reflect the full value . . . of Uponor".

Scandinavian Airlines owner **SAS**, which filed for Chapter 11 bankruptcy protection last July, rose sharply on announcing that it would not be using the second tranche of its debtor-in-possession term loan during the second quarter. *Ray Douglas*

London

THG, the fast-moving consumer goods group, soared after confirming that it had received a "highly preliminary" proposal from Apollo.

The private equity firm had until May 15 to make a firm offer, said THG, which disclosed few other details about the approach. Liberum said that a sum-of-the-parts valuation suggested THG was "undervalued".

The broker upgraded THG's rating from "hold" to "buy", arguing that its three core divisions, if assessed separately, were "unique assets that could be highly valued in the market".

Further dealmaking news sent **Network International** soaring to the top of the FTSE 250 index.

The payments processor said that it had received a takeover proposal from a consortium that included CVC and Francisco Partners. The suitor's possible offer of £3.87 per share was 28 per cent above Friday's closing price.

Analysts at Jefferies said that they had talked to "several Network shareholders over recent days, suggesting an above £4 offer to be acceptable".

Joining Network at the top of the mid-cap index was **Wood Group**.

The energy-services business said that it would "engage" with Apollo, which had issued a "final" bid of £2.40 per share this month. *Ray Douglas*

EU bonds haven't lived up to high expectations

Moritz Kraemer

Markets Insight

Confronted with the severe shock of the pandemic, eurozone leaders jumped over their shadows and agreed for the first time to issue joint bonds on a massive scale. While the trigger for this revolutionary step was a frightening one, it was accompanied by great expectations.

The EU had sold bonds for decades but it had always been a minnow in the world of supranational issuers.

Before 2020, the outstanding amount of bonds that it had issued had not surpassed €50bn, a fraction of its mightier supranational brethren.

This changed dramatically with the more than €800bn Next Generation EU programme to support the post-Covid recovery and its smaller cousin, the €100bn SURE programme, which was set up to protect jobs and incomes during the Covid-19 pandemic.

Fully implemented, the EU's outstanding obligations would easily eclipse even the hitherto most prolific supranational borrower, the European Investment Bank.

Armed with top-notch triple A credit ratings, the EU bonds were seen as the previously elusive safe asset that would prop up the euro's role in international markets, making the common currency a stronger competitor to the dollar.

Since the beginning of this year, all existing and future EU funding programmes are consolidated under a single EU-bonds umbrella. Size and liquidity are thus further enhanced.

Outstanding EU bonds and bills are at nearly €400bn. Secondary market turnover is healthy at about 40 per cent of outstanding volume. Liquidity is broadly comparable with EU sovereign bonds.

Alas, the high hopes have not been fulfilled. From the beginning, EU bonds traded more cheaply than those of other European triple A issuers. Even France, rated two notches lower, commands lower borrowing costs than the EU.

Initially, the explanation for this was lower liquidity. If this had been the main reason, the spread with France, as well as Germany, should have gradually narrowed as the supply of EU bonds surged.

In fact, the opposite happened. In March 2021, the difference in swap spreads between France and the EU was a negligible 0.06 percentage points.

Now, two years later, the spread over France has risen to 0.37 percentage points. What went wrong? Contrary to sovereign and supranational bonds, NGEU is a one-off programme that has to be fully unwound by the late 2050s.

> Given quarrels among EU members, investors took a closer look at the bloc's underlying credit strength

But this was known from the outset. It cannot explain why risk spreads are rising. The reason is more simple.

As the surprising show of unity in the face of the pandemic has once again given way to the usual squabbles and quarrels among EU member states, investors have taken a closer look at the EU's underlying credit strength.

A few features distinguish the EU from other supranational issuers. The bonds are guaranteed by the European Commission. But the commission itself does not have any meaningful revenue sources. Instead, it depends on promises of financial support from its member states, most of which are rated lower than the EU itself.

Since there are no cross-default clauses between commission budget contributions and individual sovereign bonds, the likelihood of member states' budget pledges being paid in time and in full could be lower than the probability of sovereign bonds being honoured.

Other supranationals' bonds are secured by their loan book. But the EU uses a substantial chunk of its issuance to provide grants to member states. At the same time, it is the only supranational that has neither any paid-in capital nor unconditional guarantees.

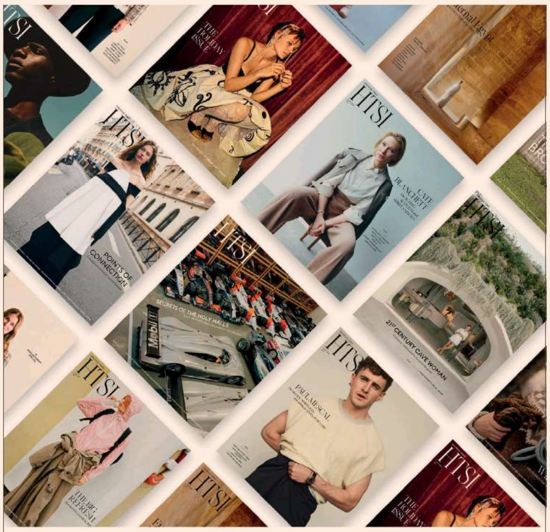
This makes member states' budget contributions over the coming decades all the more critical. The EU's triple A rating implies that a break-up of the EU, and with it the risk to reliable member states' budget transfers, is as unlikely as a sovereign triple A default, which historically has been zero. In a post-Brexit world, this may be a heroic assumption.

Indeed, a poll in 2019 found that around half of EU citizens considered a demise of the EU realistic within 10 or 20 years. This is almost certainly too pessimistic. But impossible it is not.

When stitching together the NGEU programme in record time, European governments may have succumbed to "cakeism". They devised a structure that provides record amounts of money to themselves without providing the irrevocable financial safeguards capital markets have come to expect.

Investors have gradually realised that the EU's triple A ratings do not reflect its underlying credit characteristics. They trade its securities accordingly.

Moritz Kraemer is chief economist at German bank LBBW



MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
-0.20%	-0.32%	-0.02%	0.10%	-0.06%	0.07%	1.68%	-0.27%	-0.817%	-0.643%	0.813%	-0.226%	-0.75%	-1.42%

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	278048.25	275717.40
Australia	All Ordinaries	7578.10	7560.40
	S&P/ASX 200	7381.50	7361.60
	S&P/ASX 200 Res	6237.20	6240.90
Austria	ATX	3258.00	3258.03
Belgium	BEL 20	3849.52	3838.12
	BEL Mid	10176.22	10165.47
Brazil	IBovespa	105940.54	106279.37
Canada	S&P/TSX 60	1241.21	1239.59
	S&P/TSX Comp	20588.80	20579.91
	S&P/TSX Div Met & Min	1859.74	1827.42
Chile	S&P/CLX IGPA Gen	28215.34	27914.13
China	FTSE A200	10808.39	10646.50
	FTSE B35	9000.71	8988.96
	Shanghai A	3548.86	3499.01
	Shanghai B	297.61	296.91
	Shanghai Comp	3385.61	3338.15
	Shenzhen A	2240.31	2235.77
	Shenzhen B	1186.69	1181.66
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29

Country	Index	Latest	Previous
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1416.23	1418.37
Denmark	OMXC Copenhagen 20	2111.68	2085.25
Egypt	EGX 30	17671.27	16741.45
Estonia	OMX Tallinn	1914.52	1912.76
Finland	OMX Helsinki General	10870.55	10863.59
France	CAC 40	7498.18	7519.61
	SBF 120	5715.47	5726.35
Germany	M-DAX	27837.59	27788.48
	TecDAX	3321.21	3315.81
	XETRA Dax	15789.53	15807.50
Greece	Athens Gen	1102.79	1095.91
	FTSE/ASE 20	2665.67	2650.26
Hong Kong	Hang Seng	20782.45	20438.81
	HS China Enterprise	7056.16	6914.40
	HSCC Red Chip	4198.06	4140.30
Hungary	Bux	43827.04	43285.23
India	BSE Sensex	59910.75	60431.00
	Nifty 500	14904.30	14954.25
Indonesia	Jakarta Comp	6787.58	6818.57
Ireland	ISEQ Overall	8378.66	8308.56
Israel	Tel Aviv 125	1732.75	1739.57

Country	Index	Latest	Previous
Italy	FTSE Italia All-Share	29882.93	30076.18
	FTSE Italia Mid Cap	43919.90	44198.99
	FTSE MIB	27700.21	27872.24
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	28514.78	28493.47
	S&P Topix 150	1742.02	1733.81
	Topix	2026.97	2018.72
Jordan	Amman SE	2454.57	2469.81
Kenya	NSE 20	1613.85	1618.15
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1159.73	1164.15
Lithuania	OMX Vilnius	1007.72	1002.44
Luxembourg	LuxX	1574.48	1566.45
Malaysia	FTSE Bursa KLCI	1434.90	1435.13
Mexico	IPC	54725.41	54460.06
Morocco	MASI	10470.49	10470.49
Netherlands	AEX	758.50	761.40
	AEX All Share	1028.97	1033.05
New Zealand	NZX 50	11936.15	11880.56
Nigeria	SE All Share	51893.94	51944.58
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	40246.67	40205.54

Country	Index	Latest	Previous
Philippines	Manila Comp	6505.62	6481.91
Poland	Wig	61616.26	61293.06
Portugal	PSI 20	6192.79	6153.35
	PSI General	4609.95	4585.22
Romania	BET Index	12459.85	12434.43
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	10964.67	10935.39
Singapore	FTSE Straits Times	3319.26	3302.66
Slovakia	SAX	313.39	313.39
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	78723.70	78870.36
	FTSE/JSE Res 20	70796.24	70212.75
	FTSE/JSE Top 40	73035.70	73133.74
South Korea	Kospi	2575.91	2571.49
	Kospi 200	333.92	333.68
Spain	IBEX 35	9378.50	9362.90
Sri Lanka	CSE All Share	9405.90	9415.28
Sweden	OMX Stockholm 30	2249.67	2249.47
	OMX Stockholm AS	857.81	858.82
Switzerland	SMI Index	11311.76	11342.86

Country	Index	Latest	Previous
Taiwan	Weighted Pr	15963.55	15929.43
Thailand	Bangkok SET	1600.41	1592.67
Turkey	BIST 100	5069.30	5092.88
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2783.00	2773.70
	FTSE 100	7879.51	7871.91
	FTSE 4Good UK	7129.61	7125.24
	FTSE All Share	4283.51	4278.54
	FTSE techMARK 100	6797.69	6755.58
USA	DJ Composite	11273.27	11271.23
	DJ Industrial	33879.89	33886.47
	DJ Transport	14234.87	14246.60
	DJ Utilities	960.15	956.47
	Nasdaq 100	13005.98	13079.52
	Nasdaq Cmp	12084.31	12123.47
	NYSE Comp	15596.90	15601.78
	S&P 500	4129.33	4137.64
	Wilshire 5000	40617.94	40870.25
Venezuela	IBC	28114.73	28615.27
Vietnam	VNI	1053.81	1052.89

Country	Index	Latest	Previous
Cross-Border	DJ Global Titans ($)	461.33	464.22
	Euro Stoxx 50 (Eur)	4368.89	4390.75
	Euronext 100 ID	1378.38	1381.52
	FTSE 4Good Global ($)	10419.29	10457.10
	FTSE All World ($)	430.78	431.95
	FTSE E300	1846.29	1847.43
	FTSE Eurotop 100	3664.95	3670.45
	FTSE Global 100 ($)	2753.19	2769.49
	FTSE Gold Min ($)	2111.04	2141.13
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	2916.95	2920.21
	FTSE World ($)	783.05	785.73
	FTSEurofirst 100 (Eur)	4966.96	4979.17
	FTSEurofirst 80 (Eur)	5916.15	5946.41
	MSCI ACWI Fr ($)	654.57	655.04
	MSCI All World ($)	2825.75	2829.20
	MSCI Europe (Eur)	1899.24	1887.48
	MSCI Pacific ($)	2748.92	2753.17
	S&P Euro (Eur)	1933.65	1940.31
	S&P Europe 350 (Eur)	1893.12	1894.34
	S&P Global 1200 ($)	3118.66	3127.20
	Stoxx 50 (Eur)	4040.66	4044.51

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

STOCK MARKET: BIGGEST MOVERS

AMERICA

ACTIVE STOCKS	stock traded m's	close price	Day's change
Tesla	112.0	183.41	-1.59
Nvidia	42.0	265.86	-1.72
Apple	31.6	164.47	-0.74
Microsoft	30.2	287.07	0.93
Alphabet	22.3	105.09	-3.78
Advanced Micro Devices	21.4	88.87	-2.88
Amazon.com	19.0	102.01	-0.50
Charles Schwab (the)	16.9	52.33	1.56
Alphabet	16.4	105.74	-3.72
Meta Platforms	16.2	217.66	-3.83

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Enphase Energy	228.17	19.27	9.22
Catalent	49.34	3.02	6.52
First Solar	221.62	13.22	6.34
M&t Bank	123.29	6.70	5.75
Solaredge	317.64	17.18	5.72
Downs			
State Street	70.13	-9.90	-12.37
Moderna	144.68	-12.43	-7.91
Bank Of New York Mellon	43.17	-3.19	-6.88
Teradyne	96.23	-4.52	-4.49
Keysight	152.66	-6.91	-4.33

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Bp	172.7	543.80	2.80
Shell	120.1	2455.00	-7.00
British American Tobacco	116.0	2848.00	13.00
Astrazeneca	113.2	11824.00	-68.00
Unilever	99.2	4357.00	47.00
Diageo	90.7	3684.00	6.00
Hsbc Holdings	90.3	578.10	-6.20
Reckitt Benckiser	83.1	6356.00	70.00
Glencore	75.0	489.00	-2.70
Barclays	74.5	154.28	-3.60

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Network Int Holdings	363.20	60.20	19.87
Wood (john)	226.00	14.20	6.70
Int Distributions Services	246.80	15.20	6.56
Dr. Martens	165.50	9.30	5.95
Asos	741.60	40.20	5.73
Downs			
Hg Capital Trust	334.00	-12.00	-3.47
Nb Private Equity Partners	1462.00	-52.00	-3.43
Hipgnosis Songs Fund	86.00	-2.80	-3.15
Abrdn Private Equity Opportunities Trust	426.00	-13.00	-2.96
Centamin	105.70	-3.20	-2.94

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Novartis N	352.2	89.82	0.66
Asml Holding	333.1	582.80	-23.70
Unicredit	314.3	19.03	-0.34
Nestle N	312.7	115.82	0.63
Roche Gs	275.0	283.38	0.97
Novo Nordisk B A/s	254.7	156.14	2.52
Lvmh	208.3	872.10	-20.70
Zurich Insurance N	185.8	424.63	-5.30
Ubs N	180.9	19.09	-0.75
Totalenergies	173.8	58.93	0.21

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Prosus	70.45	2.49	3.66
A.p. M__ller - M__rsk B A/s	1860.85	65.76	3.66
A.p. M__ller - M__rsk A A/s	1811.86	52.34	2.97
Philips Kon	16.57	0.36	2.20
Safran	139.50	2.60	1.90
Downs			
Cs N	0.83	-0.04	-4.44
Asml Holding	582.80	-23.70	-3.91
Swiss Re N	86.99	-3.51	-3.88
Ubs N	19.09	-0.75	-3.80
Muench.rueckvers.vna O.n.	324.60	-8.70	-2.61

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Mitsubishi Ufj Fin.,	644.2	869.80	21.80
Fast Retailing Co.,	635.0	31950.00	-890.00
Nippon Yusen Kabushiki Kaisha	519.2	3478.00	100.00
Mitsui O.s.k.lines,	404.4	3565.00	65.00
Sumitomo Mitsui Fin.,	379.1	5574.00	136.00
Toyota Motor	347.9	1834.00	26.00
Tokyo Electron	341.0	15485.00	70.00
Softbank .	320.7	5173.00	53.00
Kawasaki Kisen Kaisha,	284.3	3395.00	100.00
Sony	265.2	12135.00	25.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Yokohama Rubber Co Ltd	2884.00	200.00	7.45
Panasonic	1289.00	44.00	3.53
Kawasaki Kisen Kaisha,	3395.00	100.00	3.03
Nippon Yusen Kabushiki Kaisha	3478.00	100.00	2.96
Mitsui Chemicals,	3400.00	90.00	2.72
Downs			
Alps Alpine Co.,	1202.00	-41.00	-3.30
Fast Retailing Co.,	31950.00	-890.00	-2.71
Shiseido ,	6567.00	-132.00	-1.97
Tokyo Electric Power ,incorporated	489.00	-8.00	-1.61
Aeon Co.,	2656.50	-42.00	-1.56

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Apr 17 price(p)	%Chg week	%Chg ytd
Winners			
Antofagasta	1608.00	8.6	4.0
Weir	1937.00	8.1	15.8
Ashtead	4791.00	7.8	0.4
Barratt Developments	487.40	7.6	22.6
Taylor Wimpey	123.15	7.0	21.5
Glencore	489.00	6.9	-
Rightmove	583.00	6.6	14.0
Kingfisher	261.50	6.4	11.1
Bt	158.75	6.3	41.7
Smith & Nephew	1198.50	5.0	7.9
Berkeley Holdings (the)	4347.00	4.8	15.3
Rio Tinto	5551.00	4.8	-4.2
Losers			
Beazley	571.50	-5.1	-
Hiscox Ltd	1099.00	-3.3	1.1
Unite	949.00	-3.1	3.8
London Stock Exchange	7868.00	-1.9	10.1
National Grid	1118.50	-1.9	12.1
Haleon	344.55	-1.7	5.4
Admiral	2193.00	-1.6	2.6
Severn Trent	2913.00	-1.6	9.7
Fresnillo	776.20	-1.5	-
United Utilities	1077.50	-1.2	8.4
Lloyds Banking	48.45	-1.2	7.0
Sse	1825.50	-1.1	6.7

FTSE 250	Apr 17 price(p)	%Chg week	%Chg ytd
Winners			
Network Int Holdings	363.20	49.2	24.2
Dechra Pharmaceuticals	3732.00	39.9	41.7
Dr. Martens	165.50	18.4	-
Crest Nicholson Holdings	250.00	13.4	5.7
Molten Ventures	296.60	11.3	-
Ncc	100.60	11.0	-50.1
Vanquis Banking	238.50	10.4	24.7
Oxford Instruments	2675.00	10.1	18.4
Baltic Classifieds	166.00	9.6	17.9
Int Distributions Services	246.80	9.6	15.9
Redrow	506.50	9.6	11.6
Darktrace	265.90	9.2	2.8
Losers			
Tui Ag	549.60	-11.9	48.7
Tullow Oil	30.28	-7.8	-
Harbour Energy	270.40	-6.1	-
Tp Icap	170.30	-5.7	-2.4
Bakkavor	95.40	-5.1	-0.7
National Express	116.20	-4.8	-9.8
Diversified Energy	93.45	-4.3	-
Bh Macro	401.50	-4.2	-
Hg Capital Trust	334.00	-4.0	-4.7
Watches Of Switzerland	733.00	-3.7	-
Integrafin Holdings	256.60	-3.6	-
Centamin	105.70	-3.2	-5.1

FTSE SmallCap	Apr 17 price(p)	%Chg week	%Chg ytd
Winners			
888 Holdings	74.75	39.1	-
Pod Point Holdings	100.00	29.5	59.2
Card Factory	102.00	15.5	30.4
Ao World	74.75	15.0	43.8
Treatt	665.00	12.7	6.4
Moonpig	125.00	11.0	13.3
Reach	79.50	10.6	-
Xp Power	2075.00	9.0	2.0
Foresight Holdings	420.00	8.5	-3.4
Me Int	138.60	8.3	20.5
Schroder Uk Public Private Trust	13.23	8.0	-
Regional Reit	55.90	7.9	-5.3
Losers			
De La Rue	40.45	-19.7	-
Superdry	89.80	-14.5	-29.8
Petrofac	65.20	-12.8	-7.2
Tt Electronics	180.00	-8.1	3.4
Trifast	69.00	-6.2	-5.0
Kin And Carta	68.60	-6.2	-
Capita	33.74	-5.7	39.1
Fisher (james) & Sons	286.00	-4.7	-
Nanoco	19.00	-4.0	-
Foxtons	38.25	-4.0	28.8
Hostelworld	125.00	-3.8	8.5
Metro Bank	99.20	-3.7	-

Industry Sectors	Apr 17 price(p)	%Chg week	%Chg ytd
Winners			
Industrial Transportation	3522.65	7.2	1.2
Household Goods	11678.45	7.0	18.1
Industrial Metals	7104.01	5.7	-9.1
Real Estate & Investment Servic	2335.95	4.8	10.4
Electronic & Electrical Equip.	9864.63	4.7	14.1
Construction & Materials	8128.32	4.6	18.6
Personal Goods	35805.57	4.2	16.6
Automobiles & Parts	1734.05	4.0	16.6
Chemicals	11716.64	3.9	0.0
Industrial Engineering	15208.15	3.6	10.0
Software & Computer Services	1911.80	3.4	8.1
Support Services	10273.25	3.3	3.4
Losers			
Nonlife Insurance	3066.26	-2.0	-8.2
General Financial	12593.21	-1.6	8.8
Gas Water & Multiutilities Index	6315.04	-1.3	11.5
Mining	11854.54	-0.6	6.1
Electricity	11157.97	-0.5	4.6
Beverages	28358.34	0.2	2.0
Tobacco	31317.97	0.3	-
Health Care Equip.& Services	10798.73	0.6	-1.0
Media	10157.87	1.0	11.8
Pharmaceuticals & Biotech.	22176.53	1.0	5.6
General Retailers	3640.10	1.3	8.2
Equity Investment Instruments	11110.63	1.4	-1.2

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

CURRENCIES

Apr 17	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	216.3683	1.2653	236.1867	-0.5883	267.5077	-0.1665
Australia	Australian Dollar	1.4944	0.0056	1.6313	-0.0076	1.8476	-0.0051
Bahrain	Bahrainin Dinar	0.3770	-	0.4115	-0.0035	0.4661	-0.0030
Bolivia	Bolivian Boliviano	6.9100	-	7.5429	-0.0633	8.5432	-0.0556
Brazil	Brazilian Real	4.9511	-0.0059	5.4046	-0.0519	6.1213	-0.0472
Canada	Canadian Dollar	1.3405	0.0040	1.4632	-0.0079	1.6573	-0.0058
Chile	Chilean Peso	802.2400	3.3350	875.7218	-3.6743	991.8525	-2.3051
China	Chinese Yuan	6.8720	0.0226	7.5014	-0.0380	8.4962	-0.0272
Colombia	Colombian Peso	4426.8600	8.3300	4832.3419	-31.3649	5473.1662	-25.2547
Costa Rica	Costa Rican Colon	537.0100	-1.1550	586.1979	-6.1882	663.9344	-5.7583
Czech Republic	Czech Koruna	21.4337	0.2444	23.3969	0.0728	26.4996	0.1317
Denmark	Danish Krone	6.8257	0.0570	7.4509	0.0002	8.4390	0.0159
Egypt	Egyptian Pound	30.8982	-0.0200	33.7283	-0.3049	38.2011	-0.2735
Hong Kong	Hong Kong Dollar	7.8483	-0.0016	8.5672	-0.0737	9.7033	-0.0652
Hungary	Hungarian Forint	341.6224	1.8313	372.9136	-1.1120	422.3661	-0.4699
India	Indian Rupee	81.9713	0.1125	89.4795	-0.6267	101.3455	-0.5196

Apr 17	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Indonesia	Indonesian Rupiah	14790.0000	90.0000	16144.7082	-36.3644	18285.6808	-7.0244
Israel	Israeli Shekel	3.6496	-0.0216	3.9838	-0.0572	4.5121	-0.0562
Japan	Japanese Yen	134.5450	1.0850	146.8688	-0.0376	166.3452	0.2676
..One Month		134.5444	1.0838	146.8684	-0.0384	166.3446	0.2663
..Three Month		134.5432	1.0814	146.8675	-0.0401	166.3433	0.2637
..One Year		134.5380	1.0711	146.8633	-0.0486	166.3446	0.2589
Kenya	Kenyan Shilling	134.7500	0.2000	147.0925	-1.0136	166.5987	-0.8354
Kuwait	Kuwaiti Dinar	0.3064	0.0001	0.3344	-0.0027	0.3788	-0.0023
Malaysia	Malaysian Ringgit	4.4220	0.0200	4.8270	-0.0185	5.4672	-0.0107
Mexico	Mexican Peso	18.1445	0.0635	19.8065	-0.0962	22.4330	-0.0670
New Zealand	New Zealand Dollar	1.6208	0.0134	1.7692	-0.0001	2.0038	0.0037
Nigeria	Nigerian Naira	460.7500	-	502.9528	-4.2186	569.6500	-3.7074
Norway	Norwegian Krone	10.4658	0.0987	11.4244	0.0129	12.9394	0.0387
Pakistan	Pakistani Rupee	284.4500	0.0750	310.5044	-2.5219	351.6808	-2.1955
Peru	Peruvian Nuevo Sol	3.7832	-0.0024	4.1297	-0.0373	4.6774	-0.0334
Philippines	Philippine Peso	55.8500	0.6500	60.9656	0.2041	69.0504	0.3595

Apr 17	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Poland	Polish Zloty	4.2399	0.0261	4.6282	-0.0101	5.2420	-0.0016
Romania	Romanian Leu	4.5264	0.0368	4.9410	-0.0010	5.5962	0.0093
Russia	Russian Ruble	81.8250	-	89.3198	-0.7492	101.1646	-0.6584
Saudi Arabia	Saudi Riyal	3.7510	-0.0002	4.0945	-0.0345	4.6375	-0.0304
Singapore	Singapore Dollar	1.3351	0.0049	1.4573	-0.0068	1.6506	-0.0046
South Africa	South African Rand	18.3050	0.1775	19.9817	0.0278	22.6315	0.0736
South Korea	South Korean Won	1311.2000	12.2500	1431.3005	1.4788	1621.1071	4.6934
Sweden	Swedish Krona	10.3589	0.0505	11.3077	-0.0393	12.8073	-0.0205
Switzerland	Swiss Franc	0.8985	0.0047	0.9809	-0.0031	1.1109	-0.0014
Taiwan	New Taiwan Dollar	30.4960	0.0335	33.2893	-0.2423	37.7038	-0.2037
Thailand	Thai Baht	34.3575	0.1125	37.5045	-0.1907	42.4780	-0.1365
Tunisia	Tunisian Dinar	3.0642	0.0186	3.3449	-0.0076	3.7884	-0.0016
Turkey	Turkish Lira	19.3853	0.0215	21.1609	-0.1538	23.9670	-0.1292
United Arab Emirates	UAE Dirham	3.6722	-0.0001	4.0086	-0.0337	4.5401	-0.0296
United Kingdom	Pound Sterling	0.8086	0.0052	0.8829	-0.0016	-	-
..One Month		0.8089	0.0052	0.8828	-0.0016	-	-

Apr 17	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
..Three Month		0.8091	0.0052	0.8826	-0.0016	-	-
..One Year		0.8093	0.0053	0.8819	-0.0016	-	-
United States	United States Dollar	-	-	1.0916	-0.0092	1.2364	-0.0080
..One Month		-	-	1.0914	-0.1528	1.2364	-0.0080
..Three Month		-	-	1.0911	-0.1528	1.2366	-0.0080
..One Year		-	-	1.0899	-0.1529	1.2368	-0.0080
Vietnam	Vietnamese Dong	23479.5000	39.5000	25630.1821	-171.4754	29029.0087	-139.7970
European Union	Euro	0.9161	0.0076	-	-	1.1326	0.0021
..One Month		0.9159	0.0076	-	-	1.1325	0.0021
..Three Month		0.9155	0.0076	-	-	1.1323	0.0021
..One Year		0.9144	0.0076	-	-	1.1316	0.0021

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

	£ Stlg Apr 17	Day's chge%	Euro Index	£ Stlg Apr 14	£ Stlg Apr 13	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7879.51	0.10	6956.20	7871.91	7843.38	7616.38	3.53	2.36	12.00	96.74	8198.27
FTSE 250 (250)	19286.90	0.23	17026.89	19242.69	19070.13	21121.61	3.24	0.82	37.77	166.60	16204.63
FTSE 250 ex Inv Co (170)	19964.22	0.47	17624.84	19870.78	19653.72	21732.93	3.35	1.22	24.39	171.60	17115.48
FTSE 350 (350)	4329.83	0.11	3822.46	4324.85	4305.96	4263.64	3.49	2.16	13.26	51.00	8935.29
FTSE 350 ex Investment Trusts (267)	4282.20	0.14	3780.42	4276.31	4257.81	4184.76	3.53	2.34	12.09	51.32	4568.10
FTSE 350 Higher Yield (135)	3710.90	0.10	3276.06	3707.17	3693.89	3632.45	4.84	2.39	8.66	57.81	8676.55
FTSE 350 Lower Yield (215)	4511.32	0.13	3982.69	4505.47	4482.17	4498.95	2.10	1.63	29.24	35.47	5601.87
FTSE SmallCap (228)	6216.57	0.17	5488.12	6206.05	6180.33	6942.14	3.56	-0.84	-33.39	57.37	10567.18
FTSE SmallCap ex Inv Co (120)	5017.07	-0.01	4429.16	5017.40	4978.34	5863.71	3.69	1.79	15.10	43.06	8859.69
FTSE All-Share (578)	4283.51	0.12	3781.58	4278.54	4259.88	4232.12	3.49	2.09	13.70	50.20	8925.98
FTSE All-Share ex Inv Co (387)	4202.12	0.14	3709.72	4196.42	4178.09	4117.15	3.53	2.34	12.12	50.19	4551.12
FTSE All-Share ex Multinationals (518)	1108.32	-0.02	811.72	1108.58	1102.26	1216.20	3.97	1.02	24.64	12.70	2391.22
FTSE Fledgling (78)	11481.30	0.03	10135.94	11477.34	11424.45	13283.59	3.36	-1.02	-29.05	95.24	25122.34
FTSE Fledgling ex Inv Co (30)	15401.23	0.90	13596.53	15264.29	15185.42	18663.40	3.89	6.33	4.06	141.57	32714.29
FTSE All-Small (306)	4333.36	0.16	3825.59	4326.36	4308.32	4848.06	3.55	-0.85	-33.10	39.76	9447.29
FTSE All-Small ex Inv Co (150)	3777.06	0.03	3334.47	3775.99	3746.97	4420.18	3.70	1.98	13.65	32.47	8447.15
FTSE AIM All-Share (731)	833.37	0.36	735.72	830.35	824.80	1060.16	1.72	1.72	33.90	3.27	983.86
FTSE All-Share Technology (18)	2008.24	0.61	1710.26	1996.05	1984.99	1974.02	1.90	1.53	34.49	14.42	2931.13
FTSE All-Share Telecommunications (6)	1588.04	0.90	1352.40	1573.92	1566.44	2093.08	6.63	1.08	13.95	1.03	2441.38
FTSE All-Share Health Care (14)	15443.25	-0.44	13151.76	15510.76	15477.02	14978.77	2.36	1.14	37.30	185.25	14482.30
FTSE All-Share Financials (254)	4710.24	-0.95	4011.33	4755.56	4702.66	4712.56	3.99	1.31	19.20	89.10	5341.60
FTSE All-Share Real Estate (54)	838.92	0.17	747.38	837.46	830.10	1186.93	4.22	0.76	31.32	10.99	897.55
FTSE All-Share Consumer Discretionary (83)	5156.21	0.66	4391.12	5122.48	5098.65	4884.20	2.19	1.37	33.43	31.33	5505.14
FTSE All-Share Consumer Staples (22)	19704.71	0.77	16780.89	19553.98	19506.83	19052.15	3.95	1.62	15.65	222.83	18345.35
FTSE All-Share Industrials (84)	6826.17	0.96	5813.29	6761.54	6719.80	6320.72	2.20	1.24	36.53	45.58	7961.86
FTSE All-Share Basic Materials (21)	8578.81	0.55	7305.87	8531.47	8562.65	9962.06	5.52	3.69	4.90	133.94	11880.70
FTSE All-Share Energy (14)	9093.94	0.04	7744.56	9090.01	9047.60	7720.28	3.61	5.44	5.09	91.62	11174.28
FTSE All-Share Utilities (6)	9335.07	0.19	7949.91	9317.78	9468.11	9494.20	4.19	0.97	24.70	36.86	14312.75
FTSE All-Share Software and Computer Services (16)	2171.44	0.67	1849.24	2157.02	2144.85	2124.67	1.89	1.55	34.32	15.79	3353.38
FTSE All-Share Technology Hardware and Equipment (2)	4413.21	-3.06	3758.37	4553.56	4557.81	5363.29	2.73	0.70	51.96	0.00	5720.15
FTSE All-Share Telecommunications Equipment (1)	411.53	0.33	350.47	410.19	402.58	519.06	3.41	2.14	13.67	9.21	602.26
FTSE All-Share Telecommunications Service Providers (5)	2477.06	0.91	2109.51	2454.62	2443.99	3266.09	6.73	1.06	13.96	0.00	3469.36
FTSE All-Share Health Care Providers (3)	10971.93	-0.49	9343.89	11025.71	10984.41	9298.00	0.53	7.04	26.75	0.00	10183.72
FTSE All-Share Medical Equipment and Services (2)	5828.20	-0.71	4963.40	5869.82	5800.20	5785.43	2.58	1.16	33.26	92.56	5724.85
FTSE All-Share Pharmaceuticals and Biotechnology (9)	22114.09	-0.42	18832.76	22207.38	22170.91	21446.82	2.37	1.12	37.70	263.42	18672.45
FTSE All-Share Banks (12)	3470.33	-1.18	2955.40	3511.92	3423.89	3123.98	4.59	2.92	7.47	109.03	3164.23
FTSE All-Share Finance and Credit Services (8)	10857.45	-0.91	9246.40	10957.51	11027.28	11333.97	1.93	1.90	27.29	49.61	14659.05
FTSE All-Share Investment Banking and Brokerage Services (31)	8968.91	-1.27	7638.09	9084.66	9040.53	9482.99	5.06	2.03	9.72	130.84	12863.46
FTSE All-Share Closed End Investments (191)	11452.61	-0.19	9753.25	11474.90	11425.90	12824.67	2.82	-2.71	-13.05	94.01	7241.93
FTSE All-Share Life Insurance (6)	7115.07	-1.47	6059.33	7221.52	7183.76	7119.87	4.46	0.63	35.51	123.24	8865.84
FTSE All-Share Nonlife Insurance (6)	3461.92	-1.39	2948.24	3510.76	3593.09	3349.86	4.94	1.21	16.71	17.70	7410.21
FTSE All-Share Real Estate Investment and Services (16)	2215.12	0.32	1886.44	2208.15	2183.60	2686.85	2.19	3.39	13.50	8.64	6658.98
FTSE All-Share Real Estate Investment Trusts (44)	2068.07	0.15	1761.21	2065.04	2047.81	3011.65	4.60	0.52	41.74	30.74	3194.49
FTSE All-Share Automobiles and Parts (2)	1742.94	-2.21	1484.32	1782.36	1738.39	2272.58	0.72	-26.35	-5.29	0.00	1813.25
FTSE All-Share Consumer Services (2)	3420.61	1.26	2913.05	3378.02	3367.74	2772.45	1.51	2.05	32.28	36.27	4389.26
FTSE All-Share Household Goods and Home Construction (11)	9744.95	0.27	8298.97	9718.77	9529.80	11066.55	7.15	1.93	7.26	222.08	8982.60
FTSE All-Share Leisure Goods (2)	25775.73	-1.23	21951.08	26096.54	25800.58	19874.95	3.48	1.15	25.10	611.28	29514.85
FTSE All-Share Personal Goods (4)	30746.04	-0.07	26183.89	30768.19	30233.82	25171.22	1.84	2.79	19.46	21.42	24201.43
FTSE All-Share Media (11)	10423.25	0.24	8876.63	10398.67	10396.80	9895.61	2.13	1.86	25.24	29.71	7354.90
FTSE All-Share Retailers (22)	2211.10	0.29	1883.01	2204.69	2173.40	2194.47	2.53	3.13	12.62	6.66	2896.32
FTSE All-Share Travel and Leisure (29)	7188.38	1.41	6121.75	7088.40	7105.27	6819.70	0.69	-6.50	-22.16	24.03	7461.09
FTSE All-Share Beverages (5)	28479.27	0.19	24253.46	28426.26	28464.06	30007.53	2.15	2.34	19.87	217.52	23022.21
FTSE All-Share Food Producers (8)	6865.60	0.61	5846.87	6824.21	6772.69	6565.43	2.21	2.36	19.22	0.00	6687.70
FTSE All-Share Tobacco (2)	31318.03	0.59	26671.00	31133.02	30855.93	33997.59	7.69	1.52	8.54	675.92	30417.24
FTSE All-Share Construction and Materials (15)	8585.83	0.72	7311.84	8524.75	8439.93	7167.02	2.92	0.53	64.21	147.44	10662.41
FTSE All-Share Aerospace and Defense (7)	6795.92	1.14	5787.53	6719.37	6712.78	4978.58	1.73	0.86	67.27	4.21	8294.97
FTSE All-Share Electronic and Electrical Equipment (11)	11589.14	0.58	9869.53	11521.83	11302.71	11087.29	1.54	2.19	29.61	46.24	11526.07
FTSE All-Share General Industrials (8)	5161.53	0.71	4395.66	5125.27	5117.92	4915.56	3.00	0.83	39.99	67.24	6920.92
FTSE All-Share Industrial Engineering (6)	16792.15	0.70	14300.50	16674.95	16528.62	16521.17	1.67	2.66	22.51	0.00	22556.40
FTSE All-Share Industrial Support Services (29)	9890.32	0.78	8422.76	9813.49	9768.99	10201.23	2.05	1.68	29.08	54.31	11454.46
FTSE All-Share Industrial Transportation (8)	5281.38	2.50	4497.72	5152.65	5101.84	5357.50	2.17	1.60	28.84	11.53	5549.73
FTSE All-Share Industrial Materials (1)	19328.61	-1.65	625.34	19653.67	20003.73	16253.03	1.70	1.81	32.49	0.00	24414.92
FTSE All-Share Industrial Metals and Mining (8)	7652.69	0.62	6517.17	7605.29	7635.93	8972.40	5.90	3.83	4.42	131.83	11952.33
FTSE All-Share Precious Metals and Mining (5)	11234.52	-0.82	9567.52	11327.82	11530.51	11292.46	3.56	1.75	16.03	99.80	8001.73
FTSE All-Share Chemicals (7)	12959.87	0.50	11036.86	12895.84	12815.86	14489.04	2.70	1.81	20.48	33.73	13052.49
FTSE All-Share Oil, Gas and Coal (13)	8827.71	0.04	7517.84	8823.93	8783.00	7492.65	3.61	5.44	5.09	88.95	11249.44
FTSE Sector Indices											
Non Financials (324)	**5255.85**	**0.42**	**4639.98**	**5233.66**	**5221.02**	**5173.48**	**3.35**	**2.36**	**12.67**	**50.92**	**9618.77**

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	7849.68	7861.28	7863.29	7871.11	7878.34	7891.33	7888.97	7899.04	7879.84	7903.89	7849.68
FTSE 250	19089.98	19241.90	19261.81	19292.10	19298.72	19323.32	19300.08	19306.18	19262.48	19336.07	19089.98
FTSE SmallCap	6183.78	6194.31	6196.13	6199.95	6206.72	6215.90	6219.99	6224.93	6213.97	6225.83	6182.05
FTSE All-Share	4263.41	4273.47	4275.02	4279.57	4283.16	4290.01	4288.29	4293.16	4282.89	4295.41	4263.41

Time of FTSE 100 Day's high:13:50:15 Day's Low07:03:00 FTSE 100 2010/11 High: 8014.31(20/02/2023) Low: 7335.40(17/03/2023)
Time of FTSE All-Share Day's high:13:53:00 Day's Low07:03:00 FTSE 100 2010/11 High: 4377.36(16/02/2023) Low: 4007.66(17/03/2023)

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FT 30 INDEX

	Apr 17	Apr 14	Apr 13	Apr 12	Apr 11	Yr Ago	High	Low
FT 30	2783.00	2773.70	2761.60	2758.80	2756.10	0.00	2784.30	2454.10
FT 30 Div Yield	-	-	-	-	-	0.00	3.93	2.74
P/E Ratio net	-	-	-	-	-	0.00	19.44	14.26

FT 30 hourly changes

8	9	10	11	12	13	14	15	16	High	Low
2773.7	2789.5	2788.6	2786.1	2785.5	2781.2	2778.4	2782.2	2783.2	2793.3	2773.7

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

FT WILSHIRE 5000 INDEX SERIES

	Apr 14		Apr 14
FT Wilshire 5000	41727.92	FT Wilshire Mid Cap	5459.31
FT Wilshire 2500	5351.63	FT Wilshire Small Cap	4876.47
FT Wilshire Mega Cap	5407.71	FT Wilshire Micro Cap	4485.04
FT Wilshire Large Cap	5417.04		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Fixed Line Telecomms	33.54	Industrials	10.34	Software & Comp Serv	3.13
Oil Equipment & Serv	28.59	Utilities	9.61	Support Services	2.69
Aerospace & Defense	26.33	Mobile Telecomms	9.03	FTSE 250 Index	2.30
Construct & Material	18.09	Real Est Invest & Se	8.35	Consumer Goods	1.92
General Retailers	17.00	Oil & Gas	8.26	Beverages	1.88
Food & Drug Retailer	16.98	Oil & Gas Producers	8.13	Real Est Invest & Tr	1.58
Food Producers	16.91	Financial Services	7.77	Industrial Transport	0.46
Automobiles & Parts	16.49	Banks	6.91	Chemicals	0.14
Telecommunications	16.20	FTSE 100 Index	5.74	Beverages	31.66
Electronic & Elec Eq	14.74	NON FINANCIALS Index	5.66	FTSE SmallCap Index	-0.38
Travel & Leisure	14.67	Pharmace & Biotech	5.47	Technology	-0.42
Consumer Services	14.55	Health Care	5.36	Life Insurance	-0.80
Household Goods & Ho	12.92	Personal Goods	5.26	Equity Invest Instr	-1.15
Media	12.46	FTSE All{HY-}Share Index	5.11	Basic Materials	-8.08
Leisure Goods	11.75	Electricity	4.57	Nonlife Insurance	-8.12
Gas Water & Multi	11.47	Industrial Metals &	4.53	Mining	-8.92
Industrial Eng	10.82	Health Care Eq & Srv	3.59	Tobacco	-12.14
		Financials	3.22	Tech Hardware & Eq	-19.25

FTSE GLOBAL EQUITY INDEX SERIES

Apr 17 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9507	732.41	-0.1	5.4	7.7	1183.44	8.4	2.3
FTSE Global All Cap	9507	732.41	-0.1	5.4	7.7	1183.44	8.4	2.3
FTSE Global Large Cap	1937	661.32	0.0	6.1	8.7	1101.60	9.5	2.3
FTSE Global Mid Cap	2229	924.66	-0.3	3.6	4.7	1405.37	5.3	2.2
FTSE Global Small Cap	5341	943.28	-0.3	2.8	4.6	1370.10	5.2	2.2
FTSE All-World	4166	431.95	-0.1	5.7	8.0	739.20	8.7	2.3
FTSE World	2656	785.73	-0.1	5.7	8.5	1804.82	9.3	2.3
FTSE Global All Cap ex UNITED KINGDOM In	9227	772.29	-0.1	5.4	7.6	1223.63	8.3	2.2
FTSE Global All Cap ex USA	7714	528.36	0.1	5.8	8.0	949.62	9.0	3.1
FTSE Global All Cap ex JAPAN	8084	764.32	-0.1	5.5	7.8	1245.46	8.5	2.2
FTSE Global All Cap ex Eurozone	8863	768.72	-0.1	5.3	6.9	1215.35	7.6	2.2
FTSE Developed	2149	721.34	-0.1	5.7	8.6	1173.55	9.3	2.1
FTSE Developed All Cap	5783	748.72	-0.1	5.4	8.2	1200.03	8.9	2.1
FTSE Developed Large Cap	816	680.83	-0.1	6.3	9.5	1127.49	10.2	2.1
FTSE Developed Europe Large Cap	205	430.66	0.2	7.1	13.8	862.78	14.9	2.9
FTSE Developed Europe Mid Cap	345	634.63	0.3	4.7	12.0	1098.79	12.7	2.9
FTSE Dev Europe Small Cap	738	870.23	0.4	3.1	8.8	1449.80	9.6	3.0
FTSE North America Large Cap	234	895.89	-0.1	6.3	9.0	1355.21	9.6	1.7
FTSE North America Mid Cap	414	1127.11	-0.5	2.8	3.2	1577.38	3.7	1.8
FTSE North America Small Cap	1321	1099.31	-0.6	2.0	3.5	1473.88	4.0	1.7
FTSE North America	648	582.36	-0.2	5.6	7.9	900.71	8.4	1.7
FTSE Developed ex North America	1501	286.26	0.1	6.1	10.0	554.62	11.1	3.0
FTSE Japan Large Cap	175	393.07	-0.2	4.5	6.0	585.67	7.2	2.5
FTSE Japan Mid Cap	340	548.47	-0.3	3.9	3.6	776.85	4.9	2.6
FTSE Global wi JAPAN Small Cap	908	616.01	-0.2	3.2	3.6	907.05	5.0	2.8
FTSE Japan	515	161.52	-0.2	4.4	5.5	269.53	6.8	2.5
FTSE Asia Pacific Large Cap ex Japan	1124	698.97	0.3	5.4	4.1	1284.47	4.6	3.1
FTSE Asia Pacific Mid Cap ex Japan	840	1009.86	0.4	6.6	5.0	1791.91	5.5	3.2
FTSE Asia Pacific Small Cap ex Japan	2097	571.85	0.5	6.4	7.1	984.07	7.6	2.9
FTSE Asia Pacific Ex Japan	1964	557.59	0.3	5.6	4.2	1089.17	4.7	3.1
FTSE Emerging All Cap	3724	728.60	0.2	4.9	3.5	1280.30	4.0	3.6
FTSE Emerging Large Cap	1121	670.61	0.3	4.9	3.1	1184.97	3.7	3.6
FTSE Emerging Mid Cap	896	1065.44	-0.1	5.4	4.2	1887.38	5.1	3.8
FTSE Emerging Small Cap	1707	791.29	0.2	4.4	5.0	1328.43	5.6	3.3
FTSE Emerging Europe	147	132.19	-0.6	1.1	2.9	280.69	4.1	3.4
FTSE Latin America All Cap	253	750.10	-0.9	7.6	7.5	1511.86	8.5	9.9
FTSE Middle East and Africa All Cap	330	710.56	-0.1	3.8	-1.9	1324.07	-0.3	3.6
FTSE Global wi UNITED KINGDOM All Cap In	280	342.46	-0.1	5.3	9.0	710.19	10.3	3.5
FTSE Global wi USA All Cap	1793	995.17	-0.2	5.1	7.4	1450.73	7.9	1.7
FTSE Europe All Cap	1471	484.38	0.2	6.3	12.9	930.75	14.0	2.9
FTSE Eurozone All Cap	644	482.75	0.2	6.3	16.5	916.55	17.1	2.8
FTSE EDHEC-Risk Efficient All-World	4166	483.04	-0.2	4.4	4.3	768.17	5.0	2.7
FTSE EDHEC-Risk Efficient Developed Europe	550	351.42	0.2	5.0	12.0	623.92	13.0	3.0
Oil & Gas	133	414.94	0.1	6.4	1.6	863.44	2.7	4.9
Oil & Gas Producers	88	417.15	0.1	7.2	2.4	892.26	3.6	5.2

Apr 17 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	25	276.09	0.1	4.6	-0.6	519.30	0.4	4.4
Basic Materials	406	633.11	-0.2	5.4	5.9	1181.70	7.1	4.0
Chemicals	201	837.25	-0.1	4.4	7.4	1495.57	8.1	3.1
Forestry & Paper	19	236.66	-1.6	-3.5	-6.1	489.49	-4.2	4.3
Industrial Metals & Mining	105	543.85	0.5	4.6	10.0	1056.93	11.3	4.3
Mining	81	1002.69	-0.6	8.3	2.6	1990.28	4.3	5.1
Industrials	810	518.33	0.0	3.0	6.3	833.47	6.9	2.1
Construction & Materials	163	607.46	0.2	1.5	9.1	1028.90	9.6	2.2
Aerospace & Defense	35	955.29	-1.1	2.9	5.6	1497.62	5.9	1.4
General Industrials	79	255.50	0.3	2.8	7.1	457.02	8.2	2.5
Electronic & Electrical Equipment	156	650.32	0.3	3.6	8.5	938.81	8.8	1.5
Industrial Engineering	159	1038.20	0.4	0.9	5.6	1665.82	6.4	2.0
Industrial Transportation	129	957.20	0.4	4.4	6.1	1574.48	6.9	3.3
Support Services	87	523.38	-0.3	4.6	3.6	784.56	4.2	1.6
Consumer Goods	562	589.35	0.0	5.7	9.6	999.25	10.2	2.5
Automobiles & Parts	131	521.46	-0.1	2.9	19.6	848.97	20.3	2.7
Beverages	71	804.32	-0.3	5.3	3.8	1378.17	4.3	2.2
Food Producers	138	753.32	-0.1	5.8	4.5	1306.31	5.0	2.4
Household Goods & Home Construction	61	562.32	-0.1	6.7	4.7	956.17	5.5	2.5
Leisure Goods	54	257.43	0.3	7.7	12.1	366.56	12.7	1.2
Personal Goods	94	1058.96	0.3	9.8	14.6	1638.63	14.9	1.7
Tobacco	13	967.33	0.0	-0.2	-3.0	2827.79	-1.5	6.5
Health Care	337	745.87	-0.5	8.3	2.4	1198.95	3.1	1.8
Health Care Equipment & Services	131	1408.33	-1.0	6.8	2.1	1735.22	2.4	1.0
Pharmaceuticals & Biotechnology	206	507.70	-0.2	9.2	2.6	879.88	3.6	2.2
Consumer Services	424	556.20	-0.2	5.6	8.3	797.91	8.7	1.2
Food & Drug Retailers	69	310.21	-0.6	4.8	-1.3	497.35	-0.6	2.5
General Retailers	139	953.74	0.0	5.3	7.1	1308.43	7.4	1.0
Media	75	330.84	-1.0	7.3	14.2	477.68	14.6	1.3
Travel & Leisure	141	495.50	-0.1	5.6	11.9	727.25	12.4	1.1
Telecommunication	83	138.36	-0.4	5.4	7.5	332.38	9.3	4.1
Fixed Line Telecommuniations	29	111.70	-0.4	7.3	11.0	309.43	13.0	4.8
Mobile Telecommunications	54	160.57	-0.3	4.3	5.6	331.66	7.3	3.8
Utilities	201	325.78	-1.1	5.6	1.1	770.13	2.0	3.3
Electricity	145	365.01	-1.0	5.6	-0.1	850.27	0.8	3.2
Gas Water & Multiutilities	56	329.51	-1.2	5.5	4.3	805.07	4.9	3.6
Financials	855	261.67	0.5	3.2	0.8	509.25	1.8	3.3
Banks	272	196.83	1.6	2.9	-0.7	428.98	0.7	4.4
Nonlife Insurance	72	370.48	-1.0	4.1	1.3	625.07	2.2	3.0
Life Insurance	51	222.98	0.2	3.1	-2.1	434.60	-1.2	4.0
Financial Services	213	441.60	0.5	4.5	4.1	674.83	4.5	1.7
Technology	355	540.38	-0.1	7.8	22.2	707.81	22.5	1.0
Software & Computer Services	180	813.24	-0.2	9.4	20.0	985.73	20.2	0.6
Technology Hardware & Equipment	175	480.72	0.0	6.2	24.6	678.76	25.0	1.4
Alternative Energy	20	169.12	-0.3	-4.0	-7.6	242.76	-7.5	0.3
Real Estate Investment & Services	140	248.95	0.1	3.8	-0.8	488.92	-0.2	3.3
Real Estate Investment Trusts	107	431.16	-1.4	-0.5	-1.0	1026.64	0.1	4.2
FTSE Global Large Cap	1937	661.32	0.0	6.1	8.7	1101.60	9.5	2.3

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

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	1690.5	-27.50	Jd Sports Fashion PLC	166.35	-0.20
Abrdn PLC	202.60	-5.10	Johnson Matthey PLC	1956.5	6.50
Admiral Group PLC	2193	-29.00	Kingfisher PLC	261.50	0.60
Airtel Africa PLC	111.80	2.10	Land Securities Group PLC	651.00	3.60
Anglo American PLC	2711.5	35.00	Legal & General Group PLC	249.00	-1.10
Antofagasta PLC	1608	-15.50	Lloyds Banking Group PLC	48.45	-0.49
Ashtead Group PLC	4791	111.00	London Stock Exchange Group PLC	7868	-90.00
Associated British Foods PLC	2034	18.00	M&G PLC	195.90	-4.10
Astrazeneca PLC	11824	-68.00	Melrose Industries PLC	163.80	-3.05
Auto Trader Group PLC	627.60	7.60	Mondi PLC	1309.5	17.00
Aviva PLC	417.40	-4.30	National Grid PLC	1118.5	-
B&M European Value Retail S.A.	497.00	3.70	Natwest Group PLC	271.30	-4.50
Bae Systems PLC	1027	11.00	Next PLC	6524	-40.00
Barclays PLC	154.28	-3.60	Ocado Group PLC	522.00	12.00
Barratt Developments PLC	487.40	2.30	Pearson PLC	845.40	1.00
Beazley PLC	571.50	-11.50	Pershing Square Holdings LTD	2800	20.00
Berkeley Group Holdings (The) PLC	4347	-5.00	Persimmon PLC	1278	4.00
BP PLC	543.80	2.80	Phoenix Group Holdings PLC	565.00	-10.00
British American Tobacco PLC	2848	13.00	Prudential PLC	1145	-24.00
British Land Company PLC	396.30	1.80	Reckitt Benckiser Group PLC	6356	70.00
Bt Group PLC	158.75	1.90	Relx PLC	2634	-2.00
Bunzl PLC	3142	31.00	Rentokil Initial PLC	600.80	6.20
Burberry Group PLC	2581	-13.00	Rightmove PLC	583.00	2.60
Centrica PLC	114.50	0.90	Rio Tinto PLC	5551	89.00
Coca-Cola Hbc AG	2335	18.00	Rolls-Royce Holdings PLC	151.00	1.25
Compass Group PLC	2075	26.00	Rs Group PLC	873.20	24.20
Convatec Group PLC	221.20	-	Sage Group PLC	791.00	1.80
Crh PLC	3980	28.00	Sainsbury (J) PLC	279.00	2.70
Croda International PLC	6858	26.00	Schroders PLC	477.10	-4.20
Dcc PLC	4876	-44.00	Scottish Mortgage Investment Trust PLC	659.40	-4.60
Diageo PLC	3684	6.00	Segro PLC	776.40	-3.00
Endeavour Mining PLC	2138	-2.00	Severn Trent PLC	2913	9.00
Entain PLC	1305.5	7.50	Shell PLC	2455	-7.00
Experian PLC	2723	15.00	Smith & Nephew PLC	1198.5	-11.50
F&C Investment Trust PLC	909.00	-3.00	Smith (Ds) PLC	325.00	3.80
Flutter Entertainment PLC	15085	230.00	Smiths Group PLC	1676.5	10.50
Frasers Group PLC	796.00	-4.50	Smurfit Kappa Group PLC	3038	60.00
Fresnillo PLC	776.20	-9.60	Spirax-Sarco Engineering PLC	11600	-40.00
Glaxosmithkline PLC	1511.8	-3.20	Sse PLC	1825.5	2.50
Glencore PLC	489.00	-2.70	St. James's Place PLC	1199.5	-23.00
Haleon PLC	344.55	-0.15	Standard Chartered PLC	642.00	-4.00
Halma PLC	2260	4.00	Taylor Wimpey PLC	123.15	1.55
Hargreaves Lansdown PLC	789.00	-5.40	Tesco PLC	272.10	3.90
Hiscox LTD	1099	-19.00	Unilever PLC	4357	47.00
HSBC Holdings PLC	578.10	-6.20	Unite Group PLC	949.00	3.50
Imperial Brands PLC	1904	20.50	United Utilities Group PLC	1077.5	3.00
Informa PLC	696.80	10.40	Vodafone Group PLC	92.71	0.74
Intercontinental Hotels Group PLC	5560	72.00	Weir Group PLC	1937	45.50
International Consolidated Airlines Group S.A.	150.30	4.35	Whitbread PLC	3120	34.00
Intertek Group PLC	4097	25.00	Wpp PLC	960.00	9.00

UK STOCK MARKET TRADING DATA

	Apr 17	Apr 14	Apr 13	Apr 12	Apr 11	Yr Ago
Order Book Turnover (m)	269.41	122.57	122.57	343.56	1025.99	152.82
Order Book Bargains	492496.00	513383.00	513383.00	524537.00	573536.00	583573.00
Order Book Shares Traded (m)	1301.00	1390.00	1390.00	1341.00	1522.00	1656.00
Total Equity Turnover (£m)	8921.35	9081.37	9081.37	6467.67	8255.43	9041.02
Total Mkt Bargains	674470.00	711025.00	711025.00	710831.00	775642.00	784142.00
Total Shares Traded (m)	9869.00	8843.00	8843.00	8271.00	11360.00	9895.00

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

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

POWERED BY MORNINGSTAR

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	
Ecofin US Renewables Infrastructure Trust	Pre		-	**1.181**	-	**0.009**	-	**1.40200**	-	Feb 27	**2.800**	-
Itim Group	Pre	**14.034**	13.474	**1.275L**	0.226	**2.200L**	0.880	**0.00000**	0.00000	-	**0.000**	0.000
Schroder Japan Growth Fund	Int			**14.885**	3.451	**11.880**	2.510	**0.00000**	0.00000	-	**4.900**	4.300

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)
04/11	2.50		SCSP	Seed Capital Solutions PLC	0.88	-	0.00	0.00	162.2
04/06	144.00	AIM	FADL	Fadel Partners Inc	147.00	3.00	150.00	144.00	2935.3
04/06	6.25		CHSS	World Chess PLC	10.00	3.50	11.50	6.55	6689.1
04/04	16.00	AIM	OHT	Ocean Harvest Technology Group PLC	24.20	1.70	26.80	16.00	3045.7
03/30	100.00	AIM	ONWD	Onward Opportunities Ltd	105.00	0.00	107.03	98.00	1338.8

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week		Yld	P/E	MCap m
			High	Low			
Australia (A$)							
ANZ Bank	24.21	0.23	27.96	20.78	6.18	10.23	48655.02
BHP Group	46.61	0.16	53.72	35.83	8.75	11.03	157998.64
CmwBkAu	99.74	0.63	111.38	86.98	3.48	18.90	112686.74
CSL	301.86	0.46	314.21	254.30	0.99	43.56	97433.8
NatAusBk	28.67	0.21	33.75	25.43	3.11	15.39	60213.93
Telstra	4.27	-	4.32	3.62	2.32	35.01	33014.23
Wesfarmers	52.09	0.44	52.39	40.03	3.39	26.99	39526.55
Westpac Bank	22.26	0.01	24.67	18.80	3.96	16.32	52268.79
Woolworths	39.29	-0.17	39.88	31.67	2.73	45.16	32040.84
Belgium (€)							
AnBshInBv	59.42	0.68	62.01	45.56	0.85	31.17	112679.12
KBC Grp	64.94	-1.12	72.46	45.53	5.04	11.10	29572.4
Brazil (R$)							
Ambev	14.65	-	16.88	12.60	3.77	22.60	46603.95
Bradesco	12.31	-0.09	17.72	11.15	6.60	5.82	13252.84
Cielo	5.09	0.01	6.22	3.00	2.80	17.59	2793.02
ItauHldFin	21.83	-0.17	26.04	18.86	3.47	6.82	21861.7
Petrobras	29.89	0.07	42.08	23.61	15.71	4.35	44930.39
Vale	78.81	-	96.30	61.90	16.13	3.59	72250.42
Canada (C$)							
Bausch Hlth	10.25	0.26	28.91	5.10	-	-3.17	2767.09
BCE	63.94	0.39	74.09	55.66	5.30	22.08	43509.65
BkMontrl	122.23	0.65	148.45	113.47	3.58	9.70	65015.95
BkNvaS	66.59	0.13	87.49	63.19	5.24	8.85	60981.51
Brookfield	58.88	11.29	63.88	41.28	1.09	19.91	69948.82
CanadPcR	105.07	0.63	111.43	86.42	0.70	25.95	72965.53
CanImp	57.66	-0.30	74.72	53.58	10.09	4.12	39225.71
CanNatRs	82.05	-0.80	88.16	58.75	2.36	13.11	67352.78
CanNatRy	163.90	0.33	175.39	137.26	1.45	24.56	81350.52
Enbridge	53.54	-0.02	59.69	48.88	6.04	19.26	80879.23
GtWesLif	37.28	-	37.69	27.99	5.02	10.80	25827.68
ImpOil	74.64	0.03	79.83	52.67	1.34	22.14	32527.25
Manulife	25.74	0.13	27.50	20.81	4.40	7.51	35527.59
Nutrien	99.28	1.82	147.93	91.08	2.27	14.70	37003.62
RylBkC	132.87	0.08	140.75	116.75	3.25	12.17	137841.85
SHOP	64.44	2.45	77.52	33.00	-	2.30	64306.39
Suncor En	43.51	-0.09	53.62	36.39	2.34	16.22	43220.24
ThmReut	173.51	-0.09	178.99	119.23	1.14	12.33	61085.93
TntoDom	81.79	0.49	97.13	76.40	3.87	10.57	111664.42
TrnCan	56.60	0.05	74.44	50.70	5.96	31.41	43183.04
China (HK$)							
AgricBkCh	3.07	0.04	3.07	2.22	7.07	3.94	12024.11
Bk China	3.15	0.04	3.17	2.51	7.19	3.82	33562.64
BkofComm	5.16	0.08	5.66	3.84	6.90	4.17	23019.25
BOE Tech	0.65	-0.01	0.85	0.55	-	10.26	16.48
Ch Coms Cons	5.25	0.17	5.32	3.09	3.95	4.26	2955.65
Ch Evrbrght	2.46	0.04	2.96	2.04	9.92	3.26	3974.02
Ch Rail Cons	6.30	0.18	6.38	3.75	4.24	3.28	1666.68
Ch Rail Gp	5.71	0.27	5.88	3.46	3.67	4.50	3061.09
ChConstBk	5.38	0.12	5.90	4.12	7.03	3.83	164806.07
China Vanke	13.00	0.10	20.80	9.96	11.16	5.73	3654.89
ChinaCitic	4.20	0.04	4.22	2.92	6.88	3.81	7964.19
ChinaLife	13.78	0.50	15.14	8.53	5.05	5.90	13065.14
ChinaMBank	41.85	1.30	54.45	25.40	3.48	7.55	24480.34
ChinaMob	69.00	2.05	69.65	46.85	4.75	10.42	179888.34
ChinaPcIns	23.10	0.55	23.30	12.10	5.79	7.37	8168.57
ChMinsheng	2.81	0.06	3.14	2.19	8.91	3.56	2979
ChMrchSecs	14.51	0.36	15.98	12.06	3.06	12.74	15671.34
Chna Utd Coms	5.88	0.08	6.45	3.30	1.94	29.01	26495.76
ChShenEgy	25.55	0.75	27.65	20.70	8.17	7.58	10995.33
ChShpbldng	3.95	0.04	4.02	3.36	-	-288.76	12893.77
ChStConEng	6.58	0.09	6.65	4.68	3.32	5.01	39564.69
ChUncHK	6.42	0.16	6.54	3.27	2.49	13.84	25029.57
CNNC Intl	6.88	0.10	8.09	5.78	1.84	17.66	18891.77
CSR	4.87	-0.07	4.97	2.37	4.33	13.10	2712.33
Daqin	7.65	0.20	7.68	5.95	6.36	11.39	16550.05
GuosenSec	9.85	0.21	10.55	8.43	2.38	11.13	12852.35
HaitongSecs	5.28	0.17	5.99	3.77	5.55	5.61	2293.82
Hngzh HikVDT	43.95	-0.61	48.84	28.10	1.85	23.75	58255.3
Hunng Pwr	4.55	0.03	4.80	2.62	4.43	-5.00	2725
IM Baotou Stl	1.92	0.02	2.71	1.75	-	32.15	8850.3
In&CmBkCh	4.32	0.07	4.80	3.37	7.17	3.87	47774.91
IndstrlBk	17.32	0.21	21.97	15.01	4.56	4.67	52358.83
Kweichow	1753	39.58	2077	1359	1.12	38.83	320447.48
Midea	0.40	0.01	0.49	0.32	-	-4.25	15.34
New Ch Life Ins	20.45	0.67	22.90	12.04	7.63	3.80	2894.53
PetroChina	5.33	0.25	5.34	3.01	4.56	10.52	14326.9
PingAnIns	54.10	2.00	64.15	31.30	4.72	8.41	51337.71
PngAnBnk	12.93	0.24	16.53	10.39	1.37	7.59	36512.51
Pwr Cons Corp	7.84	0.04	8.45	6.71	1.15	16.03	12539.65
SaicMtr	14.47	0.21	19.29	13.77	4.18	7.12	24601.28
ShenwanHong	0.11	0.00	0.18	0.07	-	3.04	117.86
ShgPdgBk	7.39	0.12	8.16	6.64	6.33	4.65	31564.74
Sinopec Corp	5.12	0.15	5.15	3.06	2.77	6.04	16166.34
Sinopec Oil	2.32	0.02	2.39	1.70	-	758.50	4581.02
Denmark (kr)							
DanskeBk	146.60	-1.50	165.35	86.90	1.30	10.54	18517.7
MollerMrsk	13665	490.00	22650	11100	2.34	2.37	17007.46
NovoB	1163.4	18.80	1170.8	720.40	0.77	58.88	297009.68
Finland (€)							
Nokia	4.46	-0.04	5.20	4.18	-	16.24	27531.63
SampoA	44.09	-0.76	49.97	39.86	3.69	9.86	24852.55
France (€)							
Airbus Grpe	128.08	1.80	128.50	86.52	-	24.68	110506.47
AirLiquide	160.02	1.56	160.58	114.48	1.63	31.05	91461.46
AXA	28.34	-0.38	30.34	20.34	4.80	10.03	70929.59
BNP Parib	58.19	-1.20	67.02	40.67	4.38	8.81	78404.7
ChristianDior	846.00	-20.00	868.50	516.00	0.79	32.47	166696.89
Cred Agr	10.82	-0.14	11.94	8.09	7.03	6.21	35739.14
Danone	59.50	0.67	59.99	46.76	3.10	21.28	43895.64
EDF	11.91	-	12.05	7.27	3.90	9.63	51993.93
Engie SA	15.21	0.13	15.41	10.07	3.31	11.27	40444.09
EssilorLuxottica	171.90	-3.68	184.70	132.70	0.60	56.11	83998.93
Hermes Intl	1937.8	-37.20	1984.6	957.60	0.22	87.46	223310.38
LOreal	423.15	2.50	425.65	300.45	0.90	54.20	247207.36
LVMH	873.60	-19.20	894.90	535.00	0.76	38.45	478762.44
Orange	11.38	0.12	11.94	9.08	5.02	3969.98	33032.56
PernodRic	211.50	2.50	212.20	166.60	1.40	33.57	59552.95
Renault	36.55	-1.49	43.96	21.20	-	-28.70	11798.68
Safran	139.90	3.00	139.90	87.65	0.29	1471.18	65248.77
Sanofi	102.48	0.44	104.38	76.45	2.97	21.78	141045.58
Sant Gbn	51.36	-0.22	58.53	35.18	2.52	12.92	28917.02
Schneider	151.38	0.96	159.62	110.02	1.63	28.08	94370.69
SocGen	21.94	-0.47	28.39	18.97	2.40	3.90	19351.88
Total	58.73	0.01	60.93	44.01	4.37	11.86	159649.25
UnibailR	49.68	0.06	73.09	39.68	-	-7.44	7615.7
Vinci	108.70	0.38	109.92	80.84	2.35	25.35	70069.13
Vivendi	9.48	0.01	12.04	7.59	6.02	-17.79	11408.09
Germany (€)							
Allianz	216.50	-2.60	224.55	156.22	4.22	14.38	95315.39
BASF	50.06	0.36	54.18	37.90	6.27	8.72	48844.96
Bayer	61.52	0.16	67.49	47.01	3.09	63.42	65974.66
BMW	103.20	-0.48	104.48	68.44	1.75	5.78	67816.38
Continental	69.10	0.72	79.24	44.44	-	11.20	15086.31
Deut Bank	9.73	-0.22	12.36	7.46	-	10.07	21676.56
Deut Tlkm	22.35	0.13	23.13	16.85	2.55	27.01	121628.25
DeutsPost	42.86	0.02	43.23	29.68	3.07	11.41	57970.39
E.ON	11.79	0.03	11.98	7.28	3.79	6.88	33979.14
Fresenius Med	41.65	-0.76	63.66	26.19	3.06	13.23	13321.43
Fresenius SE	25.66	-0.07	36.09	19.76	3.34	8.53	15643.84
HenkelKgaA	68.98	0.06	69.62	56.55	2.52	19.29	19562.18
Linde	330.20	3.20	344.00	261.20	1.07	53.94	177396.87
Mercedes-Benz	69.25	-1.16	75.92	50.19	1.85	7.28	80872.23
MuenchRkv	324.70	-8.80	335.50	212.70	2.87	16.31	49656.93
SAP	116.36	0.40	117.82	81.35	1.51	27.44	156042.26
Siemens	147.06	0.90	152.20	93.67	2.26	23.25	128424.06
Volkswgn	155.95	-1.00	222.50	144.35	2.93	5.54	50234.43
Hong Kong (HK$)							
AIA	85.90	1.35	93.65	57.25	1.43	21.46	127457.25
BOC Hold	25.35	0.50	31.85	23.55	4.50	12.70	34150.08
Ch OSLnd&Inv	21.60	0.20	27.10	14.58	5.11	5.24	30122.4
ChngKng	48.25	0.20	57.00	42.90	3.37	10.78	22087.13
Citic Ltd	9.68	0.22	9.72	7.01	5.11	4.37	35879.64
Citic Secs	17.56	0.52	19.18	11.82	2.50	8.83	5862.24
CK Hutchison	51.00	-0.05	57.90	38.80	4.10	6.31	24888.48
CNOOC	12.96	0.34	13.06	9.22	3.21	11.04	73610.06
HangSeng	115.10	1.60	154.00	110.00	4.87	18.07	28038.32
HK Exc&Clr	348.40	3.80	404.20	208.20	2.41	38.34	56281.54
MTR	39.15	0.15	43.70	33.45	2.89	27.67	30937.99
SandsCh	28.40	0.80	30.70	12.50	-	-30.61	29286.57
SHK Props	109.30	-1.20	115.90	83.10	4.16	12.19	40356.16
Tencent	371.00	5.60	411.00	188.69	0.40	14.25	452411.17
India (Rs)							
Bhartiartl	759.65	-7.40	860.55	628.75	-	161.34	55308.26
HDFC Bk	1666.65	-25.80	1720	1271.6	-	28.11	113448.06
Hind Unilevr	2551.85	15.65	2741.6	2047	1.26	68.00	73145.22
HsngDevFin	2742.05	-44.80	2827.95	2026	0.84	23.22	61368.42
ICICI Bk	901.30	2.30	958.20	669.95	0.22	28.44	76776.27
Infosys	1258.3	-130.90	1672.6	1185.3	2.42	24.73	63682.47
ITC	400.15	4.55	402.00	249.15	2.70	33.07	60668.49
L&T	2214	-44.75	2330	1456.35	0.82	36.53	37956.66
OilNatGas	160.15	1.40	179.80	119.85	5.72	4.51	24578.47
RelianceIn	2367.45	11.95	2856.15	2180	0.30	26.95	195414.74
SBI NewA	544.00	11.05	629.55	430.70	0.74	15.09	59227.92
SunPhrmInds	998.70	-4.80	1070.95	789.90	0.76	37.02	29232.41
Tata Cons	3139.5	-49.35	3644	2926.1	1.16	29.83	140141.7
Israel (ILS)							
TevaPha	34.56	0.59	38.52	23.83	-	26.91	10493.52
Italy (€)							
Enel	5.72	0.01	6.31	3.96	6.09	27.98	63480.04
ENI	13.88	0.08	14.98	10.43	4.62	6.14	54629.63
Generali	18.78	-0.15	19.23	13.67	7.44	11.09	32412.19
IntSPaolo	2.44	-0.03	2.60	1.58	1.42	79.57	51784.71
Unicred	19.03	-0.34	19.77	7.87	0.60	29.71	40311.67
Japan (¥)							
AstellasPh	1999.5	51.50	2205	1823.5	2.45	28.91	26893.76
Bridgestne	5354	83.00	5509	4544	3.31	11.69	28400.46
Canon	2953.5	22.00	3516	2790.5	3.52	13.72	29278.46
CntJpRwy	16170	175.00	17920	14730	0.86	-29.12	24757.67
Denso	7461	55.00	8330	6389	2.00	19.69	43811.48
EastJpRwy	7516	23.00	8280	6510	1.42	-7.24	21112.19
Fanuc	4867	94.00	24930	4409	10.33	5.33	35018.44
FastRetail	31950	-890.00	33220	18566.67	1.75	14.40	75566.98
Fuji Hvy Ind	2090.5	25.00	2684	1777	2.86	23.07	11951.11
Hitachi	7500	93.00	7563	5751	1.64	10.56	52291.97
HondaMtr	3518	41.00	3755	3001	3.91	7.15	47364.13
JapanTob	2827.5	20.00	2875.5	2139	5.15	13.82	42030.54
KDDI	4063	-	4636	3873	3.15	13.08	69537.47
Keyence	62160	150.00	64810	44880	0.34	49.89	112362.33
MitsbCp	5017	-21.00	5125	3740	2.93	10.75	54378.11
MitsubEst	995.45	-1.20	1023.46	876.51	-	-	-
MitsubishiEle	1581.5	2.00	1602.5	1273	2.70	13.58	25239.13
MitsuiFud	914.92	3.86	1007.12	684.38	-	-	-
MitUFJFin	869.80	21.80	999.50	632.60	3.19	8.47	82022.88
Mizuho Fin	1980.5	41.50	2238	1486.5	4.20	9.09	37377.71
Murata Mfg	7932	49.00	8811	6438	1.61	15.29	39840.74
Nippon TT	3970	-19.00	4128	3674	2.82	12.00	106874.22
Nissan Mt	497.80	7.00	577.60	408.10	-	15.18	15616.14
Nomura	514.10	9.90	573.90	464.30	4.77	-33.20	12355.54
Nppn Stl	2993	-3.00	3294	1838	2.85	4.44	21140.23
Panasonic	1289	44.00	1325	1006.5	2.07	12.24	23510.94
Seven & I	5890	14.00	6619	5041	1.86	21.05	38805.92
ShnEtsuCh	4155	26.00	21055	3892	7.44	3.74	62508.68
Softbank	5173	53.00	7180	4491	0.91	4.17	56518.52
Sony	12135	25.00	12420	9213	0.53	14.55	113740.59
SumitomoF	5574	136.00	6261	3817	3.83	10.18	56951.42
Takeda Ph	4462	-4.00	4478	3497	4.30	15.03	52474.68
TokioMarine	2615.5	-8.50	3000	2200	8.97	3.99	38927.78
Toyota	1834	26.00	2282.5	1764	2.97	7.77	222391.72
Mexico (Mex$)							
AmerMvl	19.51	0.12	21.45	15.67	1.62	16.28	45374.74
FEMSA UBD	168.26	-0.03	177.41	120.63	1.17	141.92	20041.31
WalMrtMex	70.47	-0.17	79.15	64.81	0.69	36.23	67816.94
Netherlands (€)							
ASML Hld	582.30	-24.20	637.50	375.75	0.55	47.27	256249.27
Heineken	99.74	-1.46	102.10	78.29	0.93	18.18	62712.73
ING	11.79	-0.23	13.55	8.43	4.84	10.08	46582.79
Unilever	49.30	0.60	49.40	40.28	2.91	25.31	153992.08
Norway (Kr)							
DNB	195.55	-2.35	209.50	168.20	9.64	11.53	29135.96
Equinor	308.35	1.35	410.95	278.70	1.73	12.27	93557.7
Telenor	128.35	1.30	135.80	87.60	7.60	20.01	17162.6
Qatar (QR)							
QatarNtBk	15.40	-0.10	24.41	15.16	3.37	12.08	39077.2
Saudi Arabia (SR)							
AlRajhiBnk	75.60	0.40	7317	0.00	2.93	13.89	80618.52
Natnlcombnk	49.75	-0.25	2070	0.00	2.69	18.09	58392.3
SaudiBasic	91.20	-0.30	2115	0.00	3.29	12.85	72940.56
SaudiTelec	42.50	0.05	8480	0.00	8.69	8.14	56651.55
Singapore (S$)							
DBS	32.85	0.28	36.40	29.45	3.38	14.07	63326.25
JardnMt US$	49.64	0.43	59.48	42.60	3.16	9.05	14361.94
OCBC	12.88	0.04	13.23	11.20	2.94	13.42	43360.29
SingTel	2.53	0.03	2.88	2.31	2.67	44.61	31282.14
UOB	30.05	-0.08	31.40	25.91	2.98	13.97	37692.98
South Africa (R)							
Firstrand	63.98	-0.60	72.95	59.16	4.30	10.90	19606.39
MTN Grp	127.80	-2.82	177.93	115.46	-	16.41	13155.41
Naspers N	3360.24	140.49	3510	1421.74	0.19	17.01	79946.56
South Korea (KRW)							
HyundMobis	228000	-3000.00	233500	189500	1.77	8.83	16394.91
KoreaElePwr	18930	200.00	24000	16500	6.52	-10.98	9268.14
SK Hynix	88500	-800.00	115000	60600	1.75	6.29	49136.83
SmsungEl	65300	200.00	79000	51800	2.23	11.23	297305.38
Spain (€)							
BBVA	6.71	-0.09	7.56	3.97	5.26	9.61	44181.4
BcoSantdr	3.54	-0.07	3.87	2.32	2.05	7.46	63573.3
CaixaBnk	3.53	-0.01	4.14	2.64	0.73	24.39	28891.83
Iberdrola	11.51	0.04	11.85	9.09	3.49	20.75	80958.66
Inditex	31.47	0.38	31.55	19.00	0.67	34.90	107064.85
Repsol	13.99	0.16	16.23	11.05	4.08	8.97	20263.99
Telefonica	4.07	0.02	5.06	3.22	8.08	3.12	25664.52
Sweden (SKr)							
AtlasCpcoB	117.00	1.05	123.16	22.08	6.52	7.54	17629.53
Ericsson	62.43	0.15	84.37	54.96	3.76	8.89	18516.41
H & M	156.54	1.76	157.30	98.25	4.20	20.83	22073.15
Investor	209.05	-2.55	213.95	158.22	1.75	8.68	36767.98
Nordea Bk	115.50	-2.20	134.94	88.32	13.21	13.01	40447.08
SEB	111.90	-2.70	133.50	97.38	9.42	9.03	23274.33
SvnskaHn	93.72	0.10	112.90	80.88	5.57	8.88	17594.96
Swedbank	180.15	-4.15	219.90	124.50	8.44	9.29	19686.53
Telia Co	26.88	0.16	41.70	25.54	7.77	9.16	10612.06
Volvo	212.25	1.70	219.75	148.24	3.20	13.35	32547.04
Switzerland (SFr)							
ABB	31.68	0.17	32.26	23.84	2.37	16.05	69270.62
CredSuisse	0.82	-0.04	6.91	0.66	11.01	-1.36	3642.48
Nestle	113.60	0.62	127.00	103.42	2.18	20.82	347671.25
Novartis	88.10	0.65	88.47	73.32	3.08	10.10	223299.52
Richemont	146.30	-3.35	150.05	90.28	1.20	36.83	84990.93
Roche	277.95	0.95	385.65	256.05	2.85	19.66	217324.91
Swiss Re	85.32	-3.44	99.68	68.18	6.24	21.76	30147.32
Swisscom	602.00	3.00	606.20	443.40	3.29	18.91	34705.66
UBS	18.73	-0.74	20.85	13.88	1.67	10.18	73450.34
Zurich Fin	416.50	-5.20	461.20	384.60	4.33	14.65	69741.98
Taiwan (NT$)							
Chunghwa Telecm	125.50	1.00	132.50	105.50	3.43	27.18	31924.14
Formosa PetChem	87.70	-0.50	97.90	75.20	0.68	16.81	27394.66
HonHaiPrc	104.00	-0.50	116.00	98.00	3.87	10.43	47276.68
MediaTek	709.00	-39.00	935.00	533.00	5.25	10.04	37189.83
TaiwanSem	520.00	4.00	571.00	370.00	2.07	20.59	442185.78
Thailand (THB)							
PTT Explor	31.50	-	38.50	29.50	6.02	8.85	26187.41
United Arab Emirates (Dhs)							
Emirtestele	24.30	0.70	38.98	11.60	2.75	27.17	57535.64
United Kingdom (p)							
Anglo American	2711.5	35.00	4292.5	2437.5	6.57	5.37	44840.6
AscBrFd	2034	18.00	2076	1223	0.30	33.62	19610.99
AstraZen	11824	-68.00	12828.45	9399	1.75	2002.03	226566.7
Aviva	417.40	-4.30	593.42	341.92	5.11	54.92	14336.25
Barclays	154.28	-3.60	198.86	128.12	1.94	3.74	29683
BP	543.80	2.80	570.57	4.75	2.90	19.73	119134.4
BrAmTob	2848	13.00	3645	2791	7.57	9.63	78730.01
BT	158.75	1.90	196.60	110.55	-	15.41	19493.51
Compass	2075	26.00	2081	1568.75	0.67	50.49	44764.92
Diageo	3684	6.00	4049.5	3388.5	1.97	28.34	102702.83
GlaxoSmh	1511.8	-3.20	2753.96	1280.92	5.29	17.46	76539.48
Glencore	489.00	-2.70	583.25	5.07	1.81	17.90	75964.26
HSBC	578.10	-6.20	653.80	434.70	2.79	12.63	142795.42
Imperial Brands	1904	20.50	2165	1612	7.25	6.37	21765.09
Jardine Mathes	62.50	-	55.30	46.89	2.51	11.39	18082.62
LloydsBkg	48.45	-0.49	54.33	38.51	5.30	6.73	39754.16
LSE Group	7868	-90.00	8893.86	6710	0.97	80.45	49329.95
Natl Grid	1118.5	-	1271.45	844.29	4.40	26.07	50853.09
Natwest Group	271.30	-4.50	310.00	210.90	3.87	10.68	32095.18
Prudential	1145	-24.00	1357.5	782.40	1.03	18.60	38975.07
ReckittB	6356	70.00	6824	5502	2.75	-27.50	56278.47
RELX	2634	-2.00	2666	2064	1.81	34.75	61973.57
RioTinto	5551	89.00	6354	4436.95	9.05	5.81	85844.62
RollsRoyce	151.00	1.25	160.00	64.44	-	102.72	15621.38
Shell PLC	2455	-7.00	2613.5	1908.6	2.47	12.94	207928.9
StandCh	642.00	-4.00	799.40	478.60	1.38	14.40	22487.08
Tesco	272.10	3.90	307.23	194.35	3.36	13.85	24619.78
Unilever	4357	47.00	4868.64	3359.41	3.32	22.37	136094.01
Vodafone	92.71	0.74	132.10	83.24	8.34	-207.40	30939.42
WPP	960.00	9.00	1082	713.00	2.76	18.29	12754.7
United States of America ($)							
21stC Fox A	33.59	0.18	40.12	28.02	1.28	14.90	9973.45
3M	106.51	0.74	154.66	100.16	5.07	11.53	58734.19
AbbottLb	104.23	0.27	124.35	93.25	1.58	28.98	181146.14
Abbvie	161.03	-0.57	168.11	134.09	2.95	27.35	284070.93
Accenture	281.02	1.77	330.32	242.80	1.20	31.26	186202.64
Activision Bli.	85.19	-0.08	85.88	70.94	0.50	27.13	66812.31
Adobe	375.93	-3.45	451.15	274.73	-	40.51	172392.37
Advanced Micro	88.87	-2.88	109.57	54.57	-	37.88	143027.95
AEP	93.20	0.70	105.60	80.30	2.94	20.59	47942.73
Aflac	65.98	-0.23	74.02	52.07	1.83	11.31	40393.53
AirProd	285.58	-0.64	328.56	218.88	1.92	32.86	63421.31
Allstate	113.86	1.73	144.46	103.20	2.60	7.35	29962.84
Alphabet	105.09	-3.78	131.40	83.34	-	1.03	625916.04
Altria	45.38	0.35	57.05	40.35	7.08	37.10	81056.72
Amazon	102.01	-0.50	158.65	81.43	-	1.72	1046418.72
AmerAir	13.00	0.21	21.42	11.65	-	-3.80	8486.61
AmerExpr	162.19	-1.03	192.42	130.65	1.05	17.26	120680.04
AmerIntGrp	51.59	0.15	65.73	45.66	2.26	5.22	37849.93
AmerTower	209.81	2.92	282.47	178.17	2.27	40.61	97778.76
Amgen	249.00	-1.00	296.67	223.30	2.56	26.54	133019.64
Amphenol Corp	78.06	-0.09	82.86	61.67	0.91	34.07	46463.19
Analog Devices	188.11	-0.40	198.25	133.48	1.35	69.20	95155.91
Anthem	482.58	12.71	-	-	-	-	-
Aon Cp	326.42	1.94	341.98	246.21	0.56	64.43	66962.58
Apple	164.47	-0.74	176.15	124.17	0.48	29.88	2602235.46
Applied Materi.	109.68	-3.22	125.62	71.12	0.79	16.58	92692.59
Aptiv	106.70	-0.38	124.88	77.96	-	60.25	28919.35
ArcherDan	82.02	0.23	98.88	70.02	1.65	18.76	44816.7
AT&T	19.74	-0.20	22.84	14.46	9.62	7.83	141174.65
Autodesk	197.48	2.82	235.01	163.20	-	95.67	42415.29
AutomData	216.26	0.56	274.92	196.61	1.62	36.67	89607.66
AutoZone	2661.19	22.87	2663.44	1703.32	-	26.34	48959.79
Avago Tech	622.18	2.64	648.50	415.07	2.21	38.49	259401.57
BakerHu	29.01	-0.15	38.66	20.42	2.33	73.54	29349.29
Bank of NY	43.17	-3.19	52.26	36.22	2.75	11.42	34522.01
BankAm	29.92	0.40	40.37	26.32	2.38	9.18	239474.87
Baxter	43.04	-0.02	78.73	37.35	2.30	18.63	21755.19
BectonDick	255.86	0.36	272.17	215.90	1.20	48.49	72639.07
BerkshHat	494500.01	-1499.99	526900	393012.25	-	9.11	291872.7
Biogen	291.52	3.39	311.88	187.16	-	30.71	42120.46
BlackRock	697.43	6.10	785.65	503.12	2.16	19.99	104779.95
Boeing	205.43	3.72	221.33	113.02	-	-31.48	123088.95
Booking Holdings	2656.62	6.76	2677.18	1616.85	-	103.31	100017.42
Bristol-Myers	70.48	0.03	81.44	65.28	2.60	24.75	148240.82
Broadcom	622.18	2.64	648.50	415.07	2.21	38.49	259401.57
Cadence Design	212.65	-1.90	217.67	132.32	-	93.18	58040.69
CapOne	96.86	0.28	144.73	86.84	1.88	3.94	36927.52
CardinalHlth	79.61	-1.02	81.57	49.70	2.25	45.19	20510.65
Carnival	9.63	0.03	20.63	6.11	-	-1.26	10747.22
Caterpillar	225.48	1.80	266.04	160.60	1.73	20.88	116425.56
Centene Corp	68.43	0.36	98.53	61.71	-	32.88	37684.43
CharlesSch	52.33	1.56	86.63	45.00	1.26	20.26	93746.49
Charter Comms	341.77	0.27	560.84	297.66	-	15.30	57798.66
Chevron Corp	170.80	-1.64	189.68	132.54	2.84	22.99	323610.41
Chipotle Mexic.	1742.55	4.25	1756.28	1196.28	-	83.36	48114.6
Chubb	196.61	0.83	231.37	173.78	1.48	11.16	81425.54
Cigna	257.63	-1.47	340.11	240.11	1.42	17.94	76531.56
Cintas Corp	458.41	-0.20	470.23	343.86	0.72	44.03	46621.12
Cisco	50.42	-0.12	53.83	38.61	2.70	19.61	206511.41
Citigroup	49.35	-0.21	54.56	40.01	3.77	5.33	95922.21
CME Grp	191.10	0.62	238.82	166.55	1.72	28.72	68746.26
Coca-Cola	63.29	0.24	67.20	54.02	2.42	30.81	273790.25
Cognizant	60.19	0.15	88.79	51.33	1.46	16.28	30654.44
ColgtPlm	75.69	0.10	83.81	67.84	2.16	32.52	62851.37
Comcast	38.06	0.10	48.22	28.39	2.40	13.71	160082.62
ConocPhil	106.35	-2.15	138.49	78.30	1.67	19.19	128883.28
Constellation	228.30	0.07	261.53	208.12	1.23	-126.16	42120.94
Corning	34.81	0.03	37.73	28.98	2.52	29.79	29492.14
Corteva	62.50	0.37	68.43	50.03	0.78	28.86	44537.84
Corteva	62.50	0.37	68.43	50.03	0.78	28.86	44537.84
Costco	493.64	2.34	609.18	406.51	0.59	43.17	218921.05
CrownCstl	131.90	2.63	199.97	121.71	3.78	54.12	57200.98
CSX	30.37	-0.10	38.17	25.80	1.17	18.37	62284.07
CVS	75.30	0.60	107.60	72.11	2.42	13.86	96368.82
Danaher	252.46	0.79	303.82	233.71	0.33	31.56	184066.65
Deere	392.25	4.48	448.40	283.81	0.92	23.60	116232.41
Delta	34.34	0.57	46.27	27.20	-	45.15	22070.18
Devon Energy	55.54	-0.16	79.40	44.03	3.24	14.52	36322.3
Digital Realty	93.72	3.94	153.50	85.76	4.52	17.28	27300.25
DiscFinServ	101.73	0.56	121.17	87.64	1.69	6.25	26384.75
Disney	99.88	-0.02	133.19	84.07	-	63.62	182461.51
Dollar General	213.76	0.53	262.21	183.25	0.72	22.61	46836.63
DominRes	58.47	0.54	88.05	52.03	3.93	20.08	48833.77
DukeEner	98.23	0.59	116.33	83.76	3.62	21.83	75700.77
DuPont	70.77	0.31	78.40	49.52	1.55	24.00	32484.57
Eaton	162.86	1.04	178.75	122.50	1.70	33.41	64899.78
eBay	43.57	0.04	55.86	35.92	1.51	125.59	23389.19
Ecolab	162.72	-1.65	185.50	131.04	1.09	45.59	46321.42
Edwards Lifesc.	83.88	-0.49	131.10	67.13	-	38.61	50836.66
Eli Lilly	372.76	-1.97	384.44	276.83	0.83	66.73	354232.39
Emerson	86.49	0.13	99.65	72.41	2.14	20.69	49420.39
EOG Res	121.58	-0.03	150.88	92.16	1.21	16.67	71462.52
Equinix	699.23	10.55	776.35	494.89	1.50	138.52	65387.8
EquityResTP	60.53	0.49	94.32	54.60	3.63	19.35	22916.82
Exelon	42.54	0.41	50.71	35.19	3.28	26.78	42290.16
ExxonMb	115.13	-0.92	119.63	79.29	2.77	23.40	467346.56
Fedex	229.10	-1.59	248.76	141.92	1.14	13.50	57584.73
Fidelity NIS	57.41	-	106.65	48.57	2.48	93.87	33983.02
Fiserv	116.10	0.51	119.48	87.03	-	63.91	72793.71
FordMtr	12.51	-0.01	16.68	10.61	0.73	3.08	49153.53
Franklin	26.61	-0.14	32.88	20.24	3.88	7.71	13314.22
GenDyn	228.70	1.01	256.86	207.42	1.86	21.69	62827.03
GenElectric	96.01	0.57	97.87	46.77	0.30	-32.36	104678.06
GenMills	87.07	0.51	88.34	64.94	2.16	25.20	51140.96
GenMotors	34.82	0.33	43.63	30.33	-	5.69	48554.3
GileadSci	83.30	0.30	89.74	57.17	3.11	18.51	104026.38
GoldmSchs	338.93	2.01	389.58	277.84	1.75	6.25	113133.08
Halliburton	33.50	-0.13	43.99	23.30	0.71	20.62	30246.46
HCA Hold	269.84	-3.51	279.02	164.47	0.65	13.97	74814.38
Hew-Pack	30.81	0.99	40.79	24.06	2.49	6.09	30357.96
Hilton Worldwi.	144.39	0.08	167.99	108.41	-	108.34	38378.28
HiltonWwde	144.39	0.08	167.99	108.41	-	108.34	38378.28
HomeDep	293.85	1.66	347.25	264.51	2.07	20.53	297567.72
Honywell	197.15	0.60	220.96	166.63	1.75	27.30	131243.17
HumanaInc	516.15	-7.68	571.30	410.87	0.50	24.94	64505.66
IBM	127.53	-0.61	153.21	115.56	4.69	26.82	115683.18
IDEXX Laborato.	477.34	-5.15	517.91	317.06	-	60.81	39606.25
IllinoisTool	231.12	-0.20	246.98	173.52	1.86	29.75	70450.26
Illumina	228.07	0.06	352.96	173.45	-	49.57	36035.06
Intcntl Exch	107.48	-0.04	125.37	88.60	1.12	16.40	60154.28
Intel	31.98	0.09	48.90	24.59	3.97	7.21	132301.26
Intuit	437.24	-4.38	492.37	339.36	0.54	59.98	122666.11
John&John	165.48	-0.36	186.69	150.11	2.31	23.21	516271.54
JohnsonCn	57.80	0.31	69.60	45.52	1.82	28.91	35727.46
JPMrgnCh	138.26	-0.47	144.34	101.28	2.51	9.86	405303.8
Kimb-Clark	138.21	0.88	144.53	108.74	3.11	28.41	46639.48
KinderM	17.75	-0.06	20.20	15.78	5.71	42.01	39902.41
KLA Corp	365.16	-9.88	428.56	250.20	0.97	20.59	50567.66
Kraft Heinz	39.37	0.27	44.87	32.73	3.71	52.59	48300.81
Kroger	47.70	1.05	58.97	41.82	1.51	23.85	34222.2
LasVegasSd	58.24	-0.01	60.99	28.88	-	-42.25	44511.17
LibertyGbl	18.95	-0.07	25.67	15.22	-	0.89	3257.24
Lilly (E)	372.76	-1.97	384.44	276.83	0.83	66.73	354232.39
Linde	360.47	0.80	364.14	262.47	1.07	53.95	177409.21
Lockheed	490.61	2.62	498.95	373.67	2.07	23.08	124868.27
Lowes	204.08	1.90	221.42	170.12	1.35	18.39	121701.4
Lyondell	96.91	0.06	117.22	71.46	4.18	6.33	31539.53
Marathon Ptl	128.54	-2.24	138.83	77.62	1.65	69.71	57270.6
Marsh&M	173.42	0.24	183.14	143.33	1.41	29.22	85853.54
MasterCard	368.92	-3.52	390.00	276.87	0.56	46.14	348891.4
McDonald's	288.60	-0.38	290.51	228.34	1.66	31.49	211110.02
McKesson	359.87	-2.13	401.78	298.69	0.45	44.65	49280.32
Medtronic	81.56	0.85	114.31	75.77	2.79	24.38	108502.71
Merck	114.58	-0.73	116.45	83.05	2.10	25.83	290871.92
Meta	217.66	-3.83	224.30	88.09	-	17.32	484459.59
Metlife	60.76	0.14	77.36	52.83	2.85	9.11	30041.32
Microsoft	287.07	0.93	294.18	213.43	0.73	33.49	2136892.88
Mnstr Bvrg	52.90	0.34	54.52	40.87	-	22.55	27632.84
MondelezInt	69.98	0.17	71.85	54.72	1.73	25.22	95386.7
Monsanto	10.07	0.02	11.13	9.56	-	51.84	251.75
MorganStly	88.14	1.43	100.99	72.05	2.17	12.02	147402.45
Netflix	329.26	-9.38	373.83	162.71	-	32.09	146632.65
NextEraE	78.34	0.32	91.35	67.22	1.89	112.74	158511.91
Nike	125.40	-0.55	139.14	82.22	0.85	35.91	154504.28
NorfolkS	207.99	0.40	276.65	196.33	1.83	18.82	51570.89
Northrop	476.06	3.49	556.27	430.94	1.18	11.98	72383.55
NXP	172.73	0.38	198.28	132.08	1.19	27.87	44825.49
Occid Pet	63.43	-1.06	77.13	51.53	0.06	33.73	56962.95
Oracle	95.74	0.03	96.08	60.78	1.23	39.66	258479.04
Pepsico	184.25	0.74	186.84	154.86	2.10	36.77	253770.23
Perrigo	36.50	0.06	43.90	30.78	2.40	-40.80	4930.81
Pfizer	41.03	-0.16	54.93	39.23	3.47	11.44	231589.83
Phillips66	104.25	-2.01	113.53	74.02	3.17	38.45	48362.32
PhilMorris	99.50	0.02	109.81	82.85	4.50	18.70	154438.71
PNCFin	122.40	2.05	183.19	117.51	3.58	10.56	48919.1
PPG Inds	139.95	1.53	141.36	107.06	1.55	33.64	32938.35
ProctGmbl	150.93	-0.07	164.90	122.18	2.16	28.10	356065.62
Prudntl	85.85	0.27	122.54	75.37	4.89	4.82	31504.73
PublStor	290.28	-0.07	421.76	270.13	2.52	32.22	51029.87
Qualcomm	119.19	-0.97	156.66	101.93	2.06	14.96	132896.85
Raytheon	102.92	1.24	108.84	80.27	1.78	43.70	150593.37
Regen Pharm	823.01	-6.32	837.55	538.01	-	12.53	88479.65
S&P Global	347.01	-0.85	403.48	279.32	0.81	30.39	113801.05
Salesforce	196.17	1.52	200.00	126.34	-	143.84	196170
Schlmbrg	51.70	-0.79	62.78	30.65	0.88	42.90	73830.26
Sempra Energy	153.73	0.70	176.47	136.54	2.61	42.00	48371.15
Shrwin-Will	229.33	3.68	285.00	195.24	0.88	35.99	59179.2
SimonProp	109.38	1.82	134.80	86.02	5.97	17.52	35737.91
SouthCpr	79.13	-1.41	81.60	42.42	3.69	19.75	61175.54
Starbucks	107.98	0.51	110.78	68.39	1.56	31.97	124101.41
StateSt	70.13	-9.90	94.74	58.62	2.84	10.69	23595.86
Stryker	290.29	-1.48	294.07	188.84	0.81	61.04	110053.43
Sychrony Fin	29.72	-0.08	41.88	27.15	2.78	4.29	12733.46
T-MobileUS	149.84	0.25	154.38	120.90	-	68.11	182706.27
Target	162.11	1.11	254.87	137.16	1.80	12.48	74629.61
TE Connect	126.07	0.15	138.24	104.76	1.43	18.77	39895.69
Tesla Mtrs	183.41	-1.59	364.07	101.81	-	41.01	581284.55
TexasInstr	178.50	-0.48	186.30	144.46	2.15	23.67	161757.73
TheTrvelers	170.03	1.66	194.45	149.65	1.94	11.48	39271.26
ThrmoFshr	565.64	-3.21	611.06	475.77	0.16	32.97	225878.4
TJX Cos	77.23	0.04	83.13	53.69	1.24	31.04	89007.14
Truist Financial Corp	33.85	0.60	53.63	28.70	5.02	8.29	44950.9
Twitter	53.70	0.35	60.16	31.30	-	-224.30	41093.72
UnionPac	199.05	0.52	250.52	183.69	2.12	20.15	121470.93
UPS	193.03	0.16	209.39	154.87	1.93	14.41	139522.56
USBancorp	35.04	0.07	53.88	32.72	4.58	7.53	53673.9
UtdHlthcre	505.00	-6.79	558.10	449.70	1.01	30.60	471087.53
ValeroEngy	128.55	-3.31	160.16	96.71	2.78	62.04	47711.48
Verizon	39.33	0.11	55.51	32.79	5.88	8.10	165160.4
VertexPharm	328.72	-4.80	335.00	233.01	-	39.97	84511.1
VF Cp	22.39	-0.09	58.86	20.03	8.03	8.04	8702.03
Visa Inc	231.40	-2.62	250.58	174.60	0.53	41.97	376014.37
Walgreen	35.56	0.24	47.28	30.39	4.92	5.64	30676.7
WalMartSto	148.93	0.45	160.77	117.27	1.36	33.19	401464.04
Walt Disney	99.88	-0.02	133.19	84.07	-	63.62	182461.51
Waste Manage.	165.30	-	175.98	138.89	1.27	42.21	67238.62
WellsFargo	40.65	1.01	49.49	35.25	1.73	9.00	153538.62
Williams Cos	30.46	0.07	37.97	27.80	4.91	26.91	37125.01
Workday	195.14	1.10	226.74	128.72	-	1764.66	39612.41
YumBrnds	136.28	1.40	136.39	103.97	1.34	28.65	38171.7
Zoetis	172.80	-1.80	190.80	124.15	0.53	44.33	79930.18
Zoom	68.12	-1.38	124.05	63.55	-	16.43	16836.99
Venezuela (VEF)							
Bco de Vnzla	3.72	-0.75	4.59	0.41	134.23	-	552.80
Bco Provncl	7.29	-0.01	79400	6.80	-	0.00	111.39

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 %
MollerMrsk	13865.00	13375.00	490.00	3.66	1905.00	20.9	-12.39
Hunng Pwr	4.55	4.52	0.03	0.66	0.56	14.9	9.35
PetroChina	5.33	5.08	0.25	4.92	0.29	11.3	27.21
Volvo	212.25	210.55	1.70	0.81	18.85	10.7	6.85
Ch Rail Gp	5.71	5.44	0.27	4.96	0.25	10.0	8.76
Petrobras	29.78	29.82	-0.04	-0.13	2.74	10.0	12.90
FastRetail	31950.00	32840.00	-890.00	-2.71	3775.00	9.9	15.71
Ch Coms Cons	5.25	5.08	0.17	3.35	0.30	9.8	7.36
ShenwanHong	0.11	0.10	0.00	0.96	0.01	9.4	26.83
Cielo	5.11	5.08	0.03	0.59	0.40	9.2	4.50
Sinopec Corp	5.12	4.97	0.15	3.02	0.25	8.5	10.61
China Vanke	13.00	12.90	0.10	0.78	0.90	8.3	2.85
Ch Rail Cons	6.30	6.12	0.18	2.94	0.30	8.2	8.81
NovoB	1163.40	1144.60	18.80	1.64	69.00	8.2	19.54
JPMrgnCh	138.26	138.73	-0.47	-0.34	10.84	8.1	9.87
Ch OSLnd&Inv	21.60	21.40	0.20	0.93	1.40	8.0	12.27
ChinaPcIns	23.10	22.55	0.55	2.44	1.10	7.7	9.74
Pwr Cons Corp	7.84	7.80	0.04	0.51	0.52	7.7	1.55
New Ch Life Ins	20.45	19.78	0.67	3.39	0.78	7.6	11.41
ChStConEng	6.58	6.49	0.09	1.39	0.37	7.5	8.22

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 %
Infosys	1258.30	1389.20	-130.90	-9.42	-32.70	-11.5	-10.85
Swiss Re	85.32	88.76	-3.44	-3.88	-5.46	-9.4	-5.39
StateSt	70.13	80.03	-9.90	-12.37	2.70	-9.3	-1.95
AmerAir	13.00	12.79	0.21	1.64	-1.36	-8.1	-6.87
Zurich Fin	416.50	421.70	-5.20	-1.23	-30.40	-7.9	1.96
Advanced Micro	88.87	91.75	-2.88	-3.14	-3.73	-6.9	-9.09
PublStor	290.28	290.35	-0.07	-0.02	-21.11	-6.8	-1.79
Applied Materi.	109.68	112.90	-3.22	-2.85	-3.60	-5.9	-10.52
MediaTek	709.00	748.00	-39.00	-5.21	-1.00	-5.3	-6.22
ValeroEngy	128.55	131.86	-3.31	-2.51	-3.24	-4.8	1.76
KLA Corp	365.16	375.04	-9.88	-2.63	-7.63	-4.6	-5.81
Bank of NY	43.17	46.36	-3.19	-6.88	1.13	-4.6	1.42
Zoom	68.12	69.50	-1.38	-1.99	-1.67	-4.3	-1.52
Qualcomm	119.19	120.16	-0.97	-0.81	-4.13	-4.1	-1.23
Target	162.11	161.00	1.11	0.69	-8.00	-4.1	1.69
ASML Hld	582.80	606.50	-23.70	-3.91	-0.50	-4.0	-0.77
Tencent	371.00	365.40	5.60	1.53	-20.00	-3.7	10.30
WalMrtMex	70.31	70.64	-0.33	-0.47	-2.33	-3.6	-1.19
Hngzh HikVDT	43.95	44.56	-0.61	-1.37	-1.02	-3.6	15.63
Charter Comms	341.77	341.50	0.27	0.08	-12.39	-3.4	-2.32

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Apr 17	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	166.12	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

Apr 17	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
FleetBoston Financial Corp.	01/28	6.88	BBB+	Baa1	A-	129.00	2.54	-0.01	-0.05	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A3	A	117.21	2.47	0.00	0.32	-
NationsBank Corp.	03/28	6.80	BBB+	Baa1	A-	127.69	2.72	-0.01	0.06	-
GTE LLC	04/28	6.94	BBB+	Baa2	A-	128.27	2.80	0.00	-0.11	-
United Utilities PLC	08/28	6.88	BBB	Baa1	A-	130.43	2.62	-0.07	-0.22	-
Barclays Bank plc	01/29	4.50	A	A1	A+	96.46	5.02	0.00	0.02	-
Euro										
Electricite de France (EDF)	04/30	4.63	A-	A3	A-	137.45	0.82	-0.01	0.10	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	124.42	0.68	0.00	-0.11	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	121.70	0.93	0.00	0.02	-
Finland	04/31	0.75	AA+	Aa1	AA+	111.08	-0.27	0.00	-0.05	-0.87
Yen										
Mexico	06/26	1.09	-	Baa1	BBB-	98.73	1.34	-0.02	-0.14	0.27
£ Sterling										
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	137.45	2.19	-0.03	0.02	-
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	128.68	3.20	0.00	-0.01	0.40

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INTEREST RATES: OFFICIAL

Apr 17	Rate	Current	Since	Last
US	Fed Funds	4.75-5.00	22-03-2023	4.75-4.50
US	Prime	7.75	23-02-2023	7.75
US	Discount	4.75	02-02-2023	4.75
Euro	Repo	2.396	21-03-2023	2.396
UK	Repo	4.25	23-03-2023	4.25
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

Apr 17 (Libor: Apr 14)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	4.81471	0.003	3.889	0.012	4.95943	5.26171	5.30529	5.27214
Euro Libor	-0.64957	-0.064	-0.224	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	-0.043	0.001	4.20130	4.49090	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				0.014	2.94800	3.17500	3.51000	3.72300
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.020	4.99000	5.21000	5.30000	
Euro CDs				0.030	2.96000	3.22000	3.49000	

Apr 17	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	2.64	2.94	2.67	2.97	2.81	3.11	3.07	3.37	3.34	3.64	3.50	3.80
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	4.63	4.83	4.65	4.85	4.89	5.09	5.11	5.31	5.20	5.40	5.13	5.33
Japanese Yen	-0.15	0.05	-0.20	0.00	-0.15	0.05	-0.10	0.10	-0.05	0.15	0.00	0.20

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

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	May	81.90	-0.62	Corn♦	May	666.75	0.50
Brent Crude Oil‡		84.81	-1.50	Wheat♦	May	687.50	5.00
RBOB Gasoline†	May	2.80	-0.03	Soybeans♦	May	1506.50	6.00
Natural Gas†	May	2.23	0.12	Soybeans Meal♦	May	460.70	1.00
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)⊕	May	2240.00	37.00
Aluminium		2377.50	-12.50	Cocoa (ICE US)♥	May	3007.00	23.00
Aluminium Alloy		2150.00	-75.00	Coffee(Robusta)⊕	May	2437.00	26.00
Copper		8977.00	-67.00	Coffee (Arabica)♥	May	197.40	4.00
Lead		2109.50	-48.00	White Sugar⊕		666.50	-1.70
Nickel		24485.00	-115.00	Sugar 11♥		24.20	0.10
Tin		27160.00	2110.00	Cotton♥	May	83.01	0.15
Zinc		2827.00	-19.00	Orange Juice♥	May	274.40	-0.45
Precious Metals (PM London Fix)				Live Cattle♣	Apr	174.75	-0.75
Gold		2019.40	-29.05	Feeder Cattle♣	May	134.88	-
Silver (US cents)		2602.50	40.50	Lean Hogs♣	May	80.35	0.40
Platinum		1043.00	7.00				
Palladium		1484.00	2.00		Apr 14	% Chg Month	% Chg Year
Bulk Commodities							
Iron Ore		119.11	-0.81	S&P GSCI Spt	590.56	9.08	-22.76
Baltic Dry Index		1412.00	-23.00	DJ UBS Spot	107.78	5.06	-18.61
Richards Bay ICE Futures		127.25	-1.25	TR/CC CRB TR	303.79	6.24	-8.48
				LEBA EUA Carbon	58.91	-1.98	129.94
				LEBA UK Power	1046.00	-37.43	-39.60

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

BOND INDICES

	Index	Day's change	Month's change	Year change	Return 1 month	Return 1 year
Markit IBoxx						
ABF Pan-Asia unhedged	211.49	0.31	0.79	3.82	2.17	0.02
Corporates(£)	330.68	-0.26	0.04	2.34	0.06	-8.91
Corporates(€)	210.97	-0.14	0.05	1.77	1.03	-6.46
Eurozone Sov(€)	210.75	-0.40	-0.83	1.56	0.34	-10.24
Gilts(£)	272.70	-0.81	-1.19	1.16	-0.65	-15.56
Overall(£)	282.55	-0.66	-0.89	1.46	-0.48	-13.74
Overall(€)	207.25	-0.31	-0.52	1.50	0.56	-9.17
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	679.58	-0.62	-	-	-3.62	-11.48
Eurozone Govt Bond	110.04	-0.19	-	-	-0.34	-0.64

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	433.86	5.19	-25.18	-	510.17	426.49
Europe 5Y	81.97	0.37	-5.97	-	101.15	80.80
Japan 5Y	82.62	-1.10	-7.48	-	99.54	82.39
Senior Financials 5Y	94.49	-0.09	-9.83	-	124.01	93.47
Markit CDX						
Emerging Markets 5Y	231.66	1.46	-9.73	-	265.81	229.64
Nth Amer High Yld 5Y	459.01	-4.34	-20.45	-	509.56	459.01
Nth Amer Inv Grade 5Y	73.94	-0.88	-3.89	-	88.71	73.94

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

BONDS: INDEX-LINKED

	Price Apr 14	Yield Apr 14	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	110.58	1.254	1.155	-0.34	5.25	70975.73	8
Fr 0.25%' 24	101.00	-0.526	-0.529	-0.04	17.92	256474.45	17
Swe 1.00%' 25	126.57	0.499	0.230	-0.57	35.88	224487.04	7
UK 2.500%' 24	374.90	0.918	0.949	0.06	6.82	556648.95	30
UK 2.50%' 24	374.90	0.918	0.949	0.06	6.82	556648.95	30
UK 2.00%' 35	249.16	0.231	0.202	-1.78	9.08	556648.95	30
US 0.625%' 26	97.41	1.590	1.519	-0.07	42.42	1678024.84	48
US 3.625%' 28	110.95	1.353	1.281	-0.21	16.78	1678024.84	48

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

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	3.31	0.91	-0.24	Netherlands	2.72	0.32	-0.83
Austria	2.94	0.53	-0.61	New Zealand	4.10	1.70	0.55
Canada	3.01	0.61	-0.54	Norway	3.11	0.71	-0.44
Denmark	2.67	0.27	-0.88	Portugal	2.82	0.42	-0.73
Finland	2.91	0.50	-0.64	Spain	3.19	0.79	-0.36
Germany	2.40	0.00	-1.15	Sweden	0.62	-1.78	-2.93
Italy	1.71	-0.69	-1.84	Switzerland	1.05	-1.35	-2.50
Japan	0.25	-2.15	-3.30	United States	3.55	1.15	0.00

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

VOLATILITY INDICES

	Apr 17	Day Chng	Prev	52 wk high	52 wk low
VIX	17.39	0.32	17.07	36.64	17.07
VXD	14.76	0.06	14.70	37.57	11.88
VXN	22.55	0.33	22.22	44.02	5.85
VDAX	17.33	0.70	16.63	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	83.94	3.31	0.05	0.13	-0.13	0.33
	02/50	1.00	104.39	1.40	0.00	-0.01	-0.23	0.45
Austria	02/29	0.50	87.09	2.94	0.09	0.28	-0.08	1.90
	02/47	1.50	72.28	3.17	0.05	0.24	0.04	1.70
Belgium	06/27	0.80	92.21	2.80	0.09	0.30	-0.08	2.04
	06/47	1.60	70.14	3.44	0.05	0.20	0.04	1.64
Canada	03/25	1.25	95.35	3.85	0.11	0.31	0.23	1.34
	06/30	1.25	88.77	3.01	0.07	0.27	0.19	0.29
	12/48	2.75	92.44	3.18	0.06	0.19	0.27	0.46
Denmark	11/29	0.50	87.07	2.67	0.06	0.25	-0.06	1.64
	11/52	0.25	51.19	2.65	0.04	0.21	0.06	1.40
Finland	09/24	0.00	95.77	3.11	0.10	0.31	0.03	2.80
	09/29	0.50	86.11	2.91	0.07	0.27	-0.05	1.85
France	05/28	0.75	90.39	2.80	0.08	0.30	-0.08	1.90
	05/48	2.00	77.67	3.33	0.05	0.21	0.05	1.61
Germany	08/29	0.00	86.06	2.40	0.08	0.28	-0.06	1.71
	08/50	0.00	52.13	2.41	0.05	0.22	0.06	1.44
Greece	-	-	-	-	-	-	-	-
	01/28	3.75	100.56	3.62	-0.03	0.20	-0.22	1.89
Ireland	-	-	-	-	-	-	-	-
	05/26	1.00	94.77	2.80	0.04	0.27	-0.10	2.14
	02/45	2.00	80.06	3.29	0.02	0.16	0.03	1.64
Italy	02/25	0.35	94.75	3.40	0.05	0.29	-0.11	2.38
	05/30	0.40	91.29	1.71	0.03	0.17	-0.02	2.22
	03/48	3.45	84.35	4.50	0.05	0.23	0.05	1.62
Japan	04/25	0.05	100.00	0.05	0.01	0.02	0.01	0.03
	12/29	0.10	98.99	0.25	0.00	-0.01	0.05	0.09
	12/49	0.40	80.08	1.28	0.01	-0.01	0.10	0.35
Netherlands	07/27	0.75	92.21	2.72	0.08	0.30	-0.05	2.01
	01/47	2.75	99.42	2.78	0.04	0.23	0.07	1.67
New Zealand	05/31	1.50	82.27	4.10	0.05	0.14	-0.18	0.69
	09/40	2.50	125.59	2.20	0.00	0.03	-0.09	0.87
Norway	08/30	1.38	88.77	3.11	0.08	0.26	0.03	0.28
Poland	-	-	-	-	-	-	-	-
	07/27	2.50	86.70	6.13	-0.03	0.11	-0.03	-0.26
	04/47	4.00	75.00	5.99	0.00	-0.40	-0.26	-0.31
Portugal	04/27	4.13	104.86	2.82	0.06	0.22	-0.16	1.61
Spain	-	-	-	-	-	-	-	-
	10/29	0.60	84.93	3.19	0.07	0.28	-0.03	1.79
	10/46	2.90	85.16	3.87	0.05	0.23	0.02	1.70
Sweden	06/30	0.13	113.08	0.62	0.14	0.29	0.34	2.12
	03/39	3.50	113.49	2.47	0.03	0.17	0.17	0.82
Switzerland	04/28	4.00	113.91	1.11	0.10	0.02	-0.12	0.59
	06/29	0.00	93.76	1.05	0.02	0.00	-0.16	0.42
United Kingdom	07/23	0.75	99.05	4.40	0.10	0.23	0.43	2.97
	07/27	1.25	91.05	3.53	0.11	0.23	0.06	1.91
	07/47	1.50	61.27	4.01	0.08	0.23	0.07	1.94
United States	-	-	-	-	-	-	-	-
	03/25	0.50	93.30	4.10	0.12	0.11	-0.09	1.42
	02/30	1.50	87.66	3.55	0.08	0.12	-0.15	0.75
	02/50	0.25	72.48	1.50	0.06	0.04	-0.04	1.09

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

GILTS: UK CASH MARKET

Apr 17	Price £	Red Yield	Change in Yield Day	Change in Yield Week	Change in Yield Month	Change in Yield Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
Tr 0.75pc '23	99.07	4.33	0.00	5.35	13.35	213.77	99.56	97.34	34.36
Tr 0.125pc '24	96.67	4.21	0.96	9.35	15.66	175.16	98.11	94.34	35.55
Tr 2pc '25	96.05	3.75	0.81	7.45	9.65	146.71	102.39	93.15	39.93
Tr 0.125pc '26	90.92	3.58	0.85	7.51	8.46	135.53	95.84	86.33	35.32
Tr 1.25pc '27	91.01	3.54	0.85	7.60	7.60	128.39	99.59	85.65	40.99
Tr 0.5pc '29	83.70	3.65	0.83	6.73	8.63	119.88	95.60	78.21	28.92
Tr 1pc '32	80.26	3.65	1.39	7.99	10.27	102.78	123.55	78.92	35.96
Tr 4.25pc '36	104.33	3.82	1.33	7.30	9.46	93.91	128.23	94.91	31.68
Tr 4.5pc '42	106.22	4.04	1.25	7.16	7.73	102.00	142.73	93.79	28.35
Tr 3.75pc '52	95.15	4.03	1.26	7.47	7.18	107.73	142.86	82.51	25.11
Tr 4pc '60	101.60	3.92	1.29	8.29	7.69	114.21	161.77	87.32	25.13

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

GILTS: UK FTSE ACTUARIES INDICES

Price Indices Fixed Coupon	Apr 17	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	81.39	-0.04	2356.25	-0.70	-2.01	3.73
2 5 - 10 Years	148.03	-0.27	3159.19	-2.49	-8.38	3.59
3 10 - 15 Years	156.84	-0.49	3653.88	-4.00	-13.22	3.83
4 5 - 15 Years	149.07	-0.34	3276.78	-2.98	-9.77	3.69
5 Over 15 Years	211.76	-0.90	3682.25	-5.31	-26.78	3.98
7 All stocks	134.88	-0.42	3035.49	-2.97	-14.22	3.88

Index Linked	Apr 17	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	326.71	0.02	0.46	1.91	2771.95	0.46	3.11
2 Over 5 years	547.82	-0.64	-3.08	-27.58	4182.68	-3.08	-27.19
3 5-15 years	460.89	-0.22	-1.24	-9.48	3738.10	-1.24	-8.73
4 Over 15 years	612.54	-0.93	-4.33	-36.13	4537.01	-4.33	-35.90
5 All stocks	519.09	-0.53	-2.51	-23.99	4044.39	-2.51	-23.52

Yield Indices	Apr 17	Apr 14	Yr ago		Apr 17	Apr 14	Yr ago
5 Yrs	3.53	3.49	1.68	20 Yrs	4.04	3.99	2.22
10 Yrs	3.71	3.66	2.00	45 Yrs	3.82	3.77	1.97
15 Yrs	3.94	3.89	2.18				

	inflation 0%				inflation 5%			
Real yield	Apr 17	Dur yrs	Previous	Yr ago	Apr 17	Dur yrs	Previous	Yr ago
Up to 5 yrs	0.38	2.43	0.39	-3.38	0.05	2.44	0.06	-3.95
Over 5 yrs	0.48	19.41	0.45	-1.59	0.46	19.46	0.43	-1.62
5-15 yrs	0.17	9.36	0.15	-2.09	0.10	9.37	0.08	-2.21
Over 15 yrs	0.56	26.11	0.52	-1.52	0.55	26.12	0.51	-1.54
All stocks	0.48	16.61	0.45	-1.61	0.45	16.67	0.42	-1.65

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

Tradeweb

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ARTS

Tragic tale is a musical triumph

Tenderness and fragility: Lisette Oropesa as Lucia in 'Lucia di Lammermoor' — Brescia e Amisano

OPERA

Lucia di Lammermoor
La Scala, Milan
★★★★★

James Imam

Old-fashioned starry casting remains the best way to ensure box-office success in Milan, and Juan Diego Flórez and Lisette Oropesa have done the trick for La Scala's new production of *Lucia di Lammermoor*. The duo did not disappoint on the opening night, when La Scala's exacting audience filled the auditorium with untypically delirious applause.

Adapted from Walter Scott's historical novel, Donizetti's *dramma tragico* centres on Lucia's tragic fate after Enrico, her brother, arranges her marriage to settle his financial woes. La Scala originally conceived the production to open the season in 2020 but cancelled the performances because of lockdown. The Milan house has bided its time, rescheduling the run to coincide with Flórez and Oropesa's availability.

That, in hindsight, was a smart move, with Flórez ensuring a stirringly dramatic and noble reading of the opera's hero, Edgardo. At the age of 50, the Peruvian tenor, who has been drawn to some heavier romantic roles of late, has lost little of his trademark burnish, his high-lying voice soaring incandescently through Donizetti's voluptuous bel canto lines. Flórez infused his crystal-clear Italian text with affecting pathos.

Oropesa was not upstaged, the soprano streaming through acrobatic coloratura runs with a crystalline precision that never interrupted the shapely flow of her phrases. Her slender-toned interpretation radiated a tenderness and fragility that made Lucia's demise at the hands of a brutal patriarchal society especially compelling. Accompanied by otherworldly glass harmonica rather than flute, Oropesa delivered a riveting mad scene, her chemistry with Flórez electrifying from the opening duet.

Music director Riccardo Chailly, an erstwhile musical revisionist, formed the third pillar of this performance, drawing playing that teemed with unfamiliar detail, from grimly slithering lower strings to explosive marches that fizzled into skittering waltzes. The conductor locked into the vocal lines with spacious changes in speed, artfully colouring onstage contributions rather than smothering them.

Chailly has selected a two-year-old edition of the score for this production that reinstates music cut in most performances today, claiming that it ensures better flow throughout the opera. It was arguably more his craftsmanship, however, that cohered playing into a seamless whole, Chailly painting scenes with the breadth and rich detail of an enormous fresco.

Boris Pinkhasovich's menacing Enrico, a convincing counterweight to Edgardo's authentic love, and Michele Pertusi's ponderous Raimondo ensured this was much more than a two-singer show. There were further strong contributions from Valentina Pluzhnikova (Alisa) and Leonardo Cortellazzi (Arturo). La Scala's irrepressible chorus gave stirring interjections.

The audience reserved a smattering of indignant boos for Yannis Kokkos's uneventful staging that failed to flesh out decorative backdrops, including a forest complete with large statues of wild animals, with an obvious overarching concept. Given the quality of the playing and singing, that hardly mattered. As in the days when Renata Scotto, Beverly Sills and Luciano Pavarotti graced La Scala's stage in performances of *Lucia*, on this occasion music was paramount.

To May 5, teatroallascala.org

DANCE

A Streetcar Named Desire
Theatre Royal Glasgow
★★★★☆

Louise Levene

A steamy night in chilly Glasgow for the latest revival of *A Streetcar Named Desire*, strongly played and danced by Scottish Ballet and newly energised by Royal Ballet guest Ryoichi Hirano as the bestial but beguiling Stanley Kowalski.

The 2012 production was a bold commission by the company's then-director Ashley Page, co-devised by theatre director Nancy Meckler and Belgian-Colombian choreographer Annabelle Lopez Ochoa. The scenario sticks fairly closely to Tennessee Williams's 11 scenes but opts to reorder the material, robbing Blanche's arrival of its mystery and giving us her whole tragic back story in an expository prologue.

Blanche DuBois, an innocent southern belle in white chiffon, is wooed and won by a nice young man, only to see him retreat to the other end of the ballroom with one of their (male) wedding guests before shooting himself. Sister Stella leaves for New Orleans, sundry relations drop dead (in canon) and Miss DuBois falls victim to the unkindness of strangers with a bottle of whiskey in a seedy hotel. You could argue that this chronological treatment makes better sense in a wordless narrative but if so why all the flashbacks? The bloodstained bridegroom regularly plays ghostly gooseberry in Blanche's affairs and her sordid past is re-enacted by a doppelgänger entertaining gentleman callers in a cool follow spot.

Nicola Turner's clever, adaptable designs begin with an ingenious puzzle-brick picture of the DuBois family mansion which collapses spectacularly, its beer crate blocks supplying props and furniture for the rest of the action.

Tim Mitchell's lighting is dominated by the naked lightbulbs that the ageing Blanche has learned to loathe and he sets each scene with skill, carefully zoning the space so that we can distinguish past from present.

Peter Salem's cinematic score is a smooth mix of pre-recorded sound — trains, church bells, malicious whispers — and his own jazzy writing. During flashbacks, 18 members of the Scottish Ballet Orchestra are supplemented by mangled snatches of "It's Only a Paper Moon" and the folksy "Varsouviana" polka.

Thursday's cast was led by a nervy, expressive Marge Hendrick as the brittle, deluded heroine. Lopez Ochoa's pairwork takes care to embody Blanche's many relationships. There are faux-innocent twosomes for her dates with Jerome Barnes's Mitch, a study in klutzy virtuosity. Key moments of her ugly past are chillingly conveyed in a pass-the-parcel pas de quatre, a dummy run for the final sickening showdown with her predatory brother-in-law.

Ryoichi Hirano as Stanley

Hirano excels as a ballet prince but is at his very best in more dramatically complex roles: Leontes, Rudolf, Onegin, Lescaut. In *Streetcar* he dominates the action with a pantherish blend of grace and menace. Bethany Kingsley-Garner is more than a match for her handsome Stanley and relishes the no-holds-barred duet which gives unnerving physical expression to Williams's orgasmic "coloured lights" and reminds us, crucially, that her need is as great as his.

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After the deluge — it's up to you

GAMING

Flooded
PC
Terra Nil
PC & Netflix Games

Chris Allnutt

Do you ever wonder if there's too much destruction in games? No, me neither. But it can sometimes feel as though the depths of virtual obliteration we enjoy haven't quite been matched by an equal and opposite desire to foster and preserve life. At a time when climate change poses such a threat to our ability to continue blowing each other up online, it's reassuring to find two new titles facing down our ecologically fraught future with a determination that would make David Attenborough proud.

The first is *Flooded*, a "reversed city-builder" in which the world has been engulfed by rising sea levels and you must help a stranded group of miners escape a watery grave. Before you can flee to the next bit of high ground, however, you'll need to complete objectives — constructing buildings, accumulating resources, exploring — and advance through four technological eras. As you build up infrastructure, a clock ticks ominously down in the corner; when it reaches zero, more land will give way to the sea, taking with it any buildings you've erected. Allow the waves to reach the heart of your base and it's game over.

Whether it's adding water supply to increase your workforce, bringing in miners to boost your resources, using those resources to add electricity or researching technologies, there is always something in *Flooded* that requires your attention. The prospect of losing your lowest-lying buildings at the end of each countdown adds another layer of complexity, forcing a trade-off between expansion and optimisation.

It's not just water levels you have to contend with: trees and rocks act as obstacles to construction; weather can be either a boon or a burden to your buildings; and pirates, prospering in this new water-based economy, will try to attack your island. It's a compelling combination of base-building, tower defence and real-time strategy whose procedurally generated maps, different modes and £10 price tag more than make up for its relatively short campaign length. And its combination of human and environmental threats is an effective reminder that when it comes to the climate, we are often our own worst enemies. ★★★★☆

In 'Terra Nil', players encounter human and environmental threats

The world is way past flooding in *Terra Nil*. Confronted with a barren, lifeless planet, your objective is to restore water, flora and fauna across a series of different biomes. This is easier said than done. To cover the soil in lush grass, you'll need an irrigator — but these need clean soil. To clean the soil you need toxin scrubbers. To power them, you'll need wind turbines. For turbines, you'll need rocky terrain, which requires a calcifier. To build a calcifier, you'll need a river. Rivers are filled by water pumps, which need to be placed in dry river beds. The excavator creates river beds, but again requires power — and also poisons the land around it. Got it? Job one for your would-be eco-warrior is to work out where and when to place these structures.

It doesn't end there, though — having created the conditions for life, you'll need to cultivate it. Once the environment looks a little less like Death Valley, you'll be given targets for habitats such as wetlands, meadows and forests in preparation for the final stage of the process: getting rid of all the ugly structures you've littered the landscape with and replacing them with wildlife. This isn't Ohio — you've got to clean up after yourself and make sure living beings can survive in your creation. And there's no point getting this far if you can't afford any of the tools to do so.

If *Terra Nil* has deliberately been made this hard in order to show the complexities of sustainable development, then it's working. I had to restart the very first region multiple times because my construction had been too short-sighted or my rewilding too patchy to support the necessary animal habitats or fund the clean-up. But when it all comes together and the rains begin to fall and the flamingoes start wading around the home you've sculpted for them, all those environmental planning procedures fade from your mind. It's a rewarding experience. ★★★★☆

Where both *Flooded* and *Terra Nil* succeed is that neither sets out to preach: although there are allusions to the theme, these are not explicitly climate-change games. What they do instead is create clever mechanics around environmental destruction and reinforce the notion that there are actions we can take to counter it. And rather than letting you shrug and leave it to Greta Thunberg to sort out, in these games it really is all down to you.

The world has been engulfed by rising sea levels in 'Flooded'

FT BIG READ. FINANCIAL REGULATION

Over their first decade, the FCA and the PRA have had to guard against scandals even as government priorities shifted away from punishing errant bankers and towards post-Brexit growth.

By Laura Noonan

Clockwise from top left: George Osborne, Andrew Bailey, Martin Wheatley, Nikhil Rathi, Andrew Griffith and, centre, Tracey McDermott

FT montage/Bloomberg/Getty Images

Ten years on a political tightrope

The 2008 financial crisis was a calamity for many, but for David Cameron and George Osborne, then leaders of the UK's Conservative opposition party, it was also an opportunity.

After Lehman Brothers collapsed in the US and the UK nationalised several banks, Osborne devised a plan to dismantle the regulatory structure created by the ruling Labour party centred on the Financial Services Authority.

After the 2010 election, he put the plan into practice. James Sassoon, the former civil servant charged with creating the blueprint, says it was clear before the crisis that, from "the division of responsibility for identifying problems, and where the tools were to resolve them, that [set-up] was not working".

The FSA was abolished. In its place came two regulators: the Prudential Regulation Authority, which sits under the Bank of England and oversees banks and insurers big enough to pose a threat to the wider financial system if they were to fail; and the Financial Conduct Authority, which is accountable to the Treasury and parliament, and regulates the wider financial services industry.

But in the 10 years since Osborne's "twin peaks" regulatory regime commenced operation, both the regulators he created have faced accusations that their risk aversion is hobbling the City's efforts to carve out a post-Brexit future.

The FCA, which regulates the day-to-day behaviour of more than 60,000 firms ranging from spread betting companies to pension providers and high-street lenders, has faced questions about its operational effectiveness as its remit continually expanded.

"I think the FCA's [task] is genuinely quite a lot more difficult because it's so broad, and also because of the repeated habit of governments and parliament of handing it other stuff," says Sam Woods, chief executive of the PRA.

Woods, who sits on the FCA's board, has also had run-ins with Westminster; this year, he and Bank of England governor Andrew Bailey argued that planned changes to the regulation of insurers would increase the chances of a taxpayer-funded bailout. Ministers have indicated they intend to proceed with the reforms anyway. Woods denies the episode put the regulator's independence at risk. "If that did start happening repeatedly . . . I think you'd have a problem, but I'm not expecting it to," he tells the Financial Times.

But both he and FCA chief executive Nikhil Rathi have indicated that they intend to continue to speak truth to power when they feel it is required.

"What's important for [the FCA] to do is to explain where something falls within our remit, and where we see some tension with our objectives, just to explain that thoughtfully and carefully," Rathi tells the FT.

> 'The FCA is swamped with the volume of firms it regulates . . . it is a massive operational challenge'

Last year's crisis among pension funds employing liability-driven investment strategies, along with the more recent rescue of Credit Suisse and the travails of various midsized US banks, have reminded politicians that excessive risk and poor management have not disappeared from the financial system.

After 10 years in operation, the financial industry's watchdogs are still learning to navigate the delicate path between supporting growth and guarding against repeats of past scandals.

Political from the start

Howard Davies, a previous chair of the FSA, says the creation of two separate regulators "was a political decision" that allowed the Conservatives to blame Labour for the fact that the UK had a worse crisis than other jurisdictions.

Other FSA insiders say the government of the day became very focused on bringing cases against bankers in the aftermath of the crisis.

Woods believes the main motivation for two regulators "was the idea . . . that the conduct side of regulation is extremely voluminous and very noisy and there is a risk that, particularly through good times, [macroprudential regulation] will get submerged".

But he too acknowledges the political dimension: "There had been a big blow-up. So, yeah, let's move the deck chairs around, put them into a different shape, and it'll work better."

The FCA's first chief executive was Martin Wheatley, a Briton who had previously run Hong Kong's securities regulator and who told MPs before taking up the role that he would use the FCA's early intervention powers to "shoot first and ask questions later".

Timeline
A decade of the 'twin peaks' regime

2012

September First FCA chief Martin Wheatley says, ahead of taking up the role, that he plans to 'shoot first, ask questions later'

2013

April FCA and PRA formally created

2014

April FCA takes on consumer credit, adding 35,000 firms to its remit

2014-2015

FCA gets tough on consumer credit, including crackdown on payday lending

2016

June Brexit vote puts extra workload on the FCA and PRA

October New FCA chief Andrew Bailey in his mission statement tries to tame expectations of the regulator, while pledging transparency

2019

June Collapse of the Woodford Equity Income fund brings criticism of FCA inaction

2020

December Independent review into minibonds scandal finds FCA 'did not effectively supervise and regulate'

2021

July FCA signals it will introduce 'Consumer Duty' rule despite widespread concerns about implementation

2022

July Public accounts committee criticises FCA for allowing 'pension switching' that left former British Steel employees worse off

September Brief crisis as pension funds using LDI strategies face heavy margin calls

December FCA given new powers to regulate parts of the cryptocurrency industry; is praised for approach as many registration applications turned down

2023

February Ministers say they will press ahead with Solvency II reform despite PRA warning that it could increase risks

March Silicon Valley Bank implodes. PRA says the UK's swift handling of failure shows how well the regulatory structure works

He "looked absolutely the right person on paper," says one person close to the appointment process. "He'd come from the private sector . . . he had a torrid time having to deal with all sorts of markets issues in Hong Kong . . . But for whatever reason it didn't work out."

Wheatley pushed through big changes to the regulation of financial advice and mortgages and continued to extract hundreds of millions of pounds of fines relating to past misconduct from banks and other institutions.

"Suddenly the government started taking more of an interest in the FCA, it felt like they saw us as a revenue source," says Matt Nunan, an FSA and FCA enforcement official from 2007 to 2014, though he stresses that the Treasury never sought to influence cases.

But Wheatley's guilty-until-proven-innocent approach rankled many, and he soon fell victim to a change in political priorities. From 2015, Osborne sought to normalise relations with the City and by then Wheatley had "burnt through a lot of goodwill very quickly", recalls one industry insider. "There were not many favours left in the bank."

In the summer of 2015, Osborne told him his contract would not be renewed the following year. Wheatley, who did not respond to a request to be interviewed for this piece, promptly quit.

A senior official of the day describes the episode as "a choice to override independence in order to bring conduct policy into line with political wishes".

"Wheatley was experienced in market and conduct regulation," the former official says. "Since then, no FCA CEO or chair has had direct experience of the FCA's mission until the [latest] chair. Instead, FCA appointments have been approached as though experience in a broadly related field is enough."

Rathi regards dealing with the politics as part of the job. "We are operationally independent but we don't live in a vacuum and we must take account of the government's economic policies . . . And those economic policy priorities can evolve over time," he says.

The PRA's Woods adds: "You need to be very clear about your operational independence. But of course, you do work within a wider climate . . . and so as the political tune changes, you need to be aware of that."

Scope creep

A parallel challenge at the FCA was the gradual expansion of its remit. The first big addition was consumer credit regulation, previously overseen by the Office of Fair Trading, in 2014. That gave the FCA an extra 35,000 firms to oversee. In the same year, ministers also ordered the FCA to create a standalone regulator for the payments system.

"There was a phase where there was no new task that the government didn't think it was a good idea for the FCA to get involved," says Chris Woolard, who was its interim chief executive for seven months in 2020.

"[Adding new tasks] was often the right answer, and often continues to be the case, but you could say that it might cause senior management stretch because the organisation is having to manage constant change," he adds.

Against that backdrop, recruiting a successor to Wheatley was a challenge. "I wouldn't touch it with a bargepole," one international regulator who was approached at the time told the FT recently, citing the vastness of the role and the challenging politics.

Tracey McDermott, the FCA's head of supervision, was installed on a temporary basis before Andrew Bailey, who had been head of the PRA, took over in 2016. Bailey immediately made expectation management a key focus.

Woolard says a 2016 mission statement was "an attempt to get clarity with the public and politicians around the fact that for the majority of firms, this is not about the kind of continuous supervision a large bank or insurer might have from a prudential perspective".

> 'We are independent but we don't live in a vacuum; we must take account of the government's policies'

The FCA has also assumed new powers to oversee some parts of the fast-growing cryptocurrency industry and in 2021 announced it would introduce landmark consumer protection rules.

As the work piled up, staff vacancies rose and morale worsened; by early 2022, just 33 per cent of staff had confidence in the FCA's leadership, an internal survey revealed.

The industry complained volubly about delays to authorising firms, activities and staff. "The FCA is swamped with the volume of firms it regulates," says David Postings, chief executive of UK Finance, a lobby group. "It is a massive operational challenge."

Such hold-ups have been "hugely damaging", one financial adviser says, adding that deals have fallen through because approvals could not be processed in time.

The FCA was also heavily criticised for inadequate supervision of London Capital & Finance, which collapsed in 2019 leaving investors out of pocket, and its failure to prevent the implosion of Neil Woodford's flagship equities fund, which found itself unable to liquidate large positions in unquoted stocks quickly enough to repay its investors.

The minutes of FCA board meetings from late last year show internal concerns about how stretched the organisation was becoming, with one noting the need for "clear communication" with the Treasury around "the FCA's capability and support" in respect of the future regulatory framework that will underpin the UK's post-Brexit approach to rulemaking.

The Brexit dimension

The UK's decision to leave the EU created an immense amount of work for both regulators but also altered the UK's status in the global financial regulation world order and intensified the politicisation of regulation.

Ministers and a significant number of MPs pushed for a "Brexit dividend" to free the City from what they regarded EU shackles and to embrace a more growth-focused regulatory regime.

"Where the government wants to go now is different to where it wanted to go when it appointed some of these people," another senior City executive says, adding that the "government hasn't helped itself. We've had a lot of governments, a lot of different chancellors."

Miles Celic, head of lobby group TheCityUK, says both the FCA and the PRA need a cultural shift away from the "excessive risk aversion" that seems to be driving them to "eliminate every form of risk from the system and indeed from society and the economy".

It was this tension that led to the bust-up between the PRA and ministers over the arcane issue of Solvency II, the rules that apply to large insurance companies. The Treasury wanted looser rules so insurers could invest more in infrastructure projects; the BoE wanted to tighten up another area of the regime.

But the PRA and the BoE said the move would increase the risk of pension providers going bust. Woods describes the issue as "an item that we considered . . . important enough to argue that point in a climate that was obviously not going to be favourable . . . and to take that point a very long way".

Postings argues that the FCA's forthcoming consumer reforms, which require the industry to deliver "good outcomes" for clients, could lead to less choice for customers as firms pull back products that could fall foul of the rules.

Another senior City figure says the consumer duty is part of a broader push that will make the UK less competitive, adding that he has told Prime Minister Rishi Sunak that "regulators are going in a different direction to your direction, and I think the industry would like to see some more accountability to parliament".

A recent reprieve

For all the criticism, both regulators have notched up some wins in recent months. The often-critical Treasury select committee praised the FCA's cautious approach to cryptocurrency — it declined to approve 85 per cent of those who applied to be included in the UK's crypto register even as the government talked of making London a crypto hub.

In January, the FCA appointed a generally respected chair in the shape of Ashley Alder, a lawyer who, like Wheatley, previously headed Hong Kong's financial regulator. Meanwhile Rathi, a former Treasury official and London Stock Exchange executive appointed in 2020 after Bailey was made governor of the BoE, has whittled down the number of pending authorisations to 5,000 from a high of 12,500.

He says most of the delays are down to genuine regulatory concerns about the applications — and promises to be "much more forthright and much more public about saying that" in future.

Rathi has also appointed a transformation director to implement a plan to use data more effectively and says it is now using data "on an industrial scale", for instance intervening in financial promotions 8,000 times last year — a 13-fold increase on its 2021 tally.

Some political pressure has also eased. A plan mooted by Liz Truss ahead of her brief premiership to fold the FCA back into the PRA appears to have found no favour with her successor, while a separate proposal to allow government to veto regulatory decision-making has also been abandoned.

Woods says the PRA has overseen a rebuilding of banks' capital levels and that "the political wind was in our sails for most of that journey". But the climate has become more deregulatory "and that introduces a bit of tension".

"So . . . one needs to be sensitive to those things and you're trying to navigate them as intelligently as you can."

Harriett Baldwin, the Conservative chair of the Treasury select committee, acknowledges that some differences of opinion between regulators and their political masters are inevitable. "Those can be thrashed out privately, occasionally they will come into the open," she says. She would prefer the former route: "What you want people to observe is an economy that is firing on all cylinders in terms of the role of the government, the role of regulators and the role of the private sector."

Rathi says that for all the challenges, the FCA has "played a central role in managing through the extraordinary market events, crises, we've seen", and points out that the regulator should be judged as much by what has not happened as by what has.

"When things go wrong, there's obviously a lot of focus on the regulator," he says. "Everything that goes right, and that is prevented, it goes off unspoken and unnoticed."

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

Sudan's warring generals must pull back from the brink

International actors should use any sway over the protagonists to calm tensions

There was a grim inevitability to the fighting that erupted in Sudan over the weekend. Ever since the army and a paramilitary unit known as the Rapid Support Forces ousted Omar al-Bashir from his 30-year dictatorship in 2019, they have shared an uneasy power. Sudan may be Africa's third-largest country, but it is clearly not big enough for both of them.

As jets strafe parts of the capital Khartoum and as fighting spreads around the country, the danger is that Sudan will topple into full-fledged civil war. That would be a disaster not only for Sudan's 45mn people, but also for the wider region.

Sudan borders on seven countries and has a long coastline on the Red Sea through which much of Europe's oil passes. The Gulf states that have backed the Sudanese government above all fear chaos. They have placed too much faith in the supposed stability provided by strongmen.

The two men in question, each in charge of different parts of the security apparatus, are now in open warfare. General Abdel Fattah al-Burhan, head of the army and de facto ruler, has ordered the dissolution of the Rapid Support Forces run by his deputy, Lieutenant General Mohamed Hamdan Dagalo. He has branded Dagalo, better known as Hemeti, "a criminal" while the latter has pledged to kill Burhan "like a dog". At stake is not only power, but control of a kleptocratic economy. It now looks like a fight to the death.

Nearly 100 civilians have been killed. Dreams of a transition to democracy, which flickered after months of street protests leading up to Bashir's overthrow, are shattered. They were always based on the shaky idea that men with guns and illicit business interests, not to mention blood on their hands, would hand over authority to civilians.

More broadly, international hopes that Sudan could be nudged towards democracy through carrots, including an end to western sanctions and the prospect of debt relief, now look naive. Sudan's leaders have played the west, including when Burhan met US demands to recognise Israel, unlocking finance in the process.

The biggest danger is that the conflict in Sudan could pull in outside forces. The United Arab Emirates and Saudi Arabia have backed the military government, with the former close to Hemeti. Egypt has supported Burhan. At the weekend, Hemeti's forces captured dozens of Egyptian soldiers said to be on joint exercises with the army.

Russia also has interests. Yevgeny Prigozhin, the man behind the notorious paramilitary group Wagner, owns a Sudanese gold company, the US Treasury says, and reportedly has ties to Hemeti's own gold operations in Darfur. Moscow has not only benefited from gold shipments, but has pressed the generals for military access to Port Sudan.

> It was always a shaky idea that men with guns and illicit business interests, not to mention blood on their hands, would hand over authority to civilians

This is a toxic mix. But it serves no one's interests, not even Russia's, to see Sudan descend into war. Insofar as international actors have sway over the two main protagonists, they should push for a ceasefire and help Sudan pull back from the brink. Washington, which still has some financial leverage, should consider targeted sanctions on Burhan, Hemeti and associates to try to staunch the flow of money and arms.

Of course, any break in hostilities would still leave in charge the two men who have brought the country to this point, most likely to fight another day. To democrats, Sudan provides a cautionary tale. Even when millions of people take to the streets, it is very hard to prise men with guns from power. Yet until the military is forced to stand aside — an even more distant prospect now — the country's prospects are bleak.

Opinion Society

We cannot 'unsee' race, but we can view it in context

Ewan White

Stephen Bush

The election in 2008 of Barack Obama, the first black American president was an occasion of great national excitement. The same can't be said for the elections of Rishi Sunak, the UK's first British-Indian prime minister, or Scottish first minister Humza Yousaf, the first Muslim politician to become a national leader in western Europe.

In part that is a result of the circumstances in which they took office. Obama was elected by the voters, at the end of eight years in opposition for the Democrats, and as a relative outsider within his party. Sunak and Yousaf became leader in whole or in part because they were the preferred candidate of their parties' establishments.

They took office against a backdrop of crisis, some of which they helped to create, and as leaders of parties that have been in power for more than a decade and are both, perhaps, entering a period of prolonged decline.

> The Obama-Trump years showed us progress is not linear. Things don't only get better

Yet some people were excited at the elections of Sunak and Yousaf. One of those people is me, and I can trace back my excitement to an unhappy incident at primary school. I was six years old, and the girl who had sat next to me for the best part of a year informed me matter-of-factly that she wasn't going to be sitting next to me anymore, because her mother had told her she wasn't allowed to be friends with Pakistanis. This came as something of a surprise to me for any number of reasons, not least the fact I am not from Pakistan.

I learnt two things from this. The first is that racists are not particularly sophisticated or discerning. The second is that I had a vested interest in racial tolerance: a country that was unwelcoming to one group of ethnic minorities would, almost certainly, prove unwelcoming to me. I became what the academics Maria Sobolewska and Robert Ford describe as a "necessity liberal" — someone who supports liberalism for reasons of self-interest rather than ideological conviction.

Like me, Rishi Sunak does not claim Pakistani heritage, though Yousaf does. Nonetheless, I can draw a direct line between that horrible morning a quarter of a century ago and my sense of anticipation when he and Sunak became first minister and prime minister respectively.

A country in which Sunak and Yousaf can reach the highest office is, at least for the moment, a warmer home for all ethnic minorities than one in which they could not. It's not to say everything in the UK is perfect. In the last month alone, the home secretary, Suella Braverman, has falsely suggested "almost all" members of grooming gangs in the UK are British Pakistanis, a charge that the Labour party's attack ads on Sunak seemed to exploit and echo. But the accession of the two men to the two jobs is a bullish indicator, nevertheless.

The public celebrations that greeted Obama's election eventually gave way to the age of Donald Trump. Now, one of the few things most Americans can agree on is that their debate over race and race relations has got more vitriolic. Will the UK's more low-key history-makers fare better?

Well, maybe. There are two lessons from the Obama-Trump years. The first is an old one: progress is not linear. Things don't only get better. But the second is that we will never "unsee" race. That is, we are all shaped not only by our own experiences, even if they took place a lifetime ago, but also by our parents, and their experiences. And people will often want to celebrate their heritage and upbringing, and will therefore emphasise their differences. For good and for ill, Sunak and Yousaf's journeys to the top were shaped by their own backgrounds.

During Yousaf's campaign for the Scottish National party leadership and thereafter, it was commonplace to compare the scrutiny of his faith with the much greater attention given to his main leadership rival, Kate Forbes, a member of the Free Church of Scotland. This is a view of the world in which merely being a practising Muslim is a position of equal radicalism or distinction in modern Britain to being an avowed critic of abortion, same-sex marriage and sex outside wedlock.

But Yousaf's ethnicity gives his government a veneer of freshness that his fairly unimpressive CV as a minister in a middling government would not.

Something similar is true of Sunak. He has impeccable Conservative credentials and is a Brexiter, yet he has faced suspicion from his own side that he is some kind of liberal wet. But the fact that this same perception obtains among liberals makes him a great asset to the Tory party.

What we can do instead of "unseeing" race is to see it in its context. The ethnicity of the prime minister, and of each of us, should be no more, or no less, important than our family stories and the clothes we wear.

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Revanchist China fuels Indo-Pacific rearming

There are a number of broad-based assertions in Gideon Rachman's column "Why Taiwan matters to the world" (Opinion, April 11). But one of the more dubious is the notion that China's neighbours would react to a successful Chinese invasion of the island by accommodating Beijing on other areas of policy.

The evidence thus far suggests the opposite: petrified that China would have grander ambitions after a successful Taiwan operation, other countries in the Indo-Pacific region would accelerate attempts to balance against Beijing instead of catering to its wishes.

This is already happening. Japan is on course to double its defence budget in five years and is in the process of purchasing and developing longer-range missiles that can reach Chinese territory in the event of a conflict.

The Philippines just granted the US military four additional access points. India is increasing its own defence budget, signing military and intelligence co-operation agreements with Japan, Australia, the US and the UK. And Australia clearly had China in mind when it formally agreed to a highly expensive nuclear-powered submarine deal with the US and the UK this year.

Could these calculations change if China subjugates Taiwan? Perhaps. But we shouldn't be under the illusion that such an operation would be easy, quick, or even successful over the long term for the PRC, which hasn't fought a war in more than four decades.

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Starmer should remember leftists win elections too

"The soft leftists are the people that [Keir] Starmer has to upset" Janan Ganesh writes in his column "Starmer's war on the left is unfinished" (Opinion, April 12).

He concludes: "Only when he is resented by most of his own party will swing voters believe he is a true moderate."

In other words, Labour should shed any pretence of radicalism or even liberalism and turn itself into an alternative Conservative party, which indeed one might say is what happened under Tony Blair's leadership.

To make his point, Ganesh also claims that "the British choose Labour prime ministers from the very right of the party, when they choose them at all". But Clement Attlee won the leadership of the Labour party in 1935 as the candidate of the left, against Herbert Morrison, and then led the party, on a programme to the left of anything Jeremy Corbyn could have imagined, to a landslide victory in 1945, and another victory in 1950.

"HE'S GOT THE NUMERACY SKILLS OF A SOMETHING OR OTHER YEAR OLD"

Harold Wilson likewise won the party leadership in 1963 as the candidate of the left, against George Brown, and then led the party to four election victories.

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Why executives are often in denial about succession

Margaret Heffernan makes some characteristically insightful comments about Logan Roy, the foul-mouthed business titan at the centre of HBO hit series *Succession*, in her article "Succession is painful but it doesn't need to be" (Opinion, March 27).

In particular referencing the catch-22 whereby Roy and his ilk are the people who most need the resources available to help "seasoned executives" reposition their working lives, but are least likely to take advantage of them.

I'd suggest there are two other factors at play. First, executive compensation schemes have increasingly blurred the lines between what is a personal and what is professional expense.

The second is denial. Whatever you think about the pay, the reality is that running a global organisation is all-consuming. Unless executives plan another "big move" the thought of leaving the job can be terrifying.

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Democracies struggle to confront today's polycrisis

Ivan Krastev ("Democracies can't take too much drama", Opinion, April 10) rightly points out that modern representative democracies rest on the likelihood that losers in a given election have a decent chance of winning next time. And levelling the influence of fanaticism and apathy at the ballot box underscores the political equality of all citizens.

Yet is it "the job of the election to turn madness into reason and to translate passions into interests", as Krastev argues? Ideally, citizens hold this quintessentially liberal promise. But it is striking how many of the political leaders mentioned, from Donald Trump and Emmanuel Macron to Recep Tayyip Erdoğan and Benjamin Netanyahu (we could add many others), have aggrandised executive power, fanned the polarising civic discourse attributed to partisan voters, and eroded the conditions for genuinely competitive elections.

Meanwhile, the slow, incremental and piecemeal churning of liberal democratic institutions struggles to confront the polycrisis we face today. Governments seem to change too infrequently, and too slowly. At the moment it is moderation, rather than radicalism, that seems excessive.

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Correction

- An article on April 17 wrongly suggested Charles de Gaulle was involved in the 1957 Treaty of Rome. The Single European Act was signed in 1986, leading to the introduction of the European single market in 1993, not 1992 as wrongly stated in the same article.

OUTLOOK

ENVIRONMENT

How geckos can help us save the planet

by Patti Waldmeir

For millions of years, humans have mimicked nature. But now more and more companies are looking to nature for solutions to some of the world's biggest problems: a process known as "biomimicry".

Airbus is taking inspiration from the dragonfly and its piercing, 360-degree vision to help its aircraft "see" and manoeuvre better. Nasa is studying the way a stingray swims to design a planetary exploration module for the extreme weather of Venus. San Francisco airport recently built part of a terminal with concrete made from waste carbon dioxide, an airport spokesperson said, mimicking the way coral reefs are built. Ford avoids the word biomimicry but says it "used processes inspired by nature" to design what will be its first carbon neutral vehicle manufacturing and battery campus in Tennessee.

"It's an innovation practice where the people who make our world . . . when they go to solve a problem, they say, 'what in the natural world has already solved this problem?' and then they try to emulate that organism or ecosystem," Janine Benyus, a biologist who popularised the term biomimicry, said in a recent radio interview.

"It's been around for a very long time. Prehistoric men were shaping spears by mimicking the shape of animal teeth," says Amir Lebdioui, a development economist at Soas University of London and an expert on nature-inspired innovation. Japan's bullet train was inspired by a kingfisher and a dog inspired Velcro by the way burrs stuck to its coat after a walk. And as a diabetic, one example is close to my heart: the wearable insulin pump that mimics the operation of my own failed pancreas.

Those innovations are decades old. But now that we are more urgently looking for economic development models that respect the planet's ecosystem, Lebdioui says, "biomimicry is having a boost — because solutions in nature tend to be more resource efficient and sustainable than solutions that stem from human engineering".

Interface, a global leader in commercial floor coverings, was an early adopter. One of its first nature-based innovations was carpet tiles inspired by the forest floor. "The big revelation was there was variety in colour and pattern [on the forest floor] but it's pleasing to the eye," says Liz Minné, Interface global sustainability director. That meant carpet tiles could be substituted for one another and installed in any direction, "which meant a lot less waste, a lot less products we can't sell because they aren't 'perfect'". This helped lead to an 85 per cent reduction in waste sent to landfill, she says.

Interface also got inspiration from the gecko, the lizard that can cling to vertical surfaces, to develop a glue-free installation system with an environmental footprint 90 per cent less than traditional carpet adhesives.

But just because a design is based on natural principles doesn't make it sustainable, says Lamiita Traista, one of the authors of a study of biomimicry and sustainability. "Velcro, for example, is a good fix but it's still made out of plastic and will end up in a landfill," she says.

That's why Interface is working with Biomimicry 3.8, the bio-inspired consultancy co-founded by Benyus, on a more comprehensive nature-inspired solution. The "factory as forest" concept aims to design factories to be more like natural ecosystems by, among other things, cleaning and cooling air and water like a forest does, Benyus said.

But all this takes time, Nicole Miller, Biomimicry 3.8's managing director, told me. "Product innovation can be where it starts [but] to be a truly regenerative business you have to look at what the company creates, where, and how — including both upstream and downstream impacts. This is about systemic change and that doesn't happen overnight."

"The good news," Benyus said, "is that we'll have plenty of help. We are surrounded by geniuses" — by which she means the natural world has a lot to teach us about how to live in it. Learning those lessons "will take only stillness on our part, a quieting of the voices of our own cleverness, and into that quiet will come a symphony of good sense". For the Earth's sake — and ours — I can only hope she's right.

The writer is a contributing columnist, based in Chicago

Opinion

Why countries are jostling to attract migrant workers

EMPLOYMENT

Sarah O'Connor

When the word "migrant" hits the headlines, it is often accompanied by the word "crisis". But another story about migration is playing out, too — one in which countries are increasingly vying with one another to draw skilled workers to their shores.

There has always been a global competition to lure the top scientists, computer engineers and entrepreneurs, but nations are now trying to attract a much wider range of migrants with different skills, from manufacturing to nursing and construction.

Jean-Christophe Dumont, head of international migration at the OECD, says acute labour shortages after the pandemic have been one driver, together with worsening demographic pressures in a swath of ageing countries. Almost half the global population now lives in a country or area where the lifetime fertility rate (the average number of babies per woman) sits below the "replacement rate" of 2.1 — the number that would keep the population stable.

In Canada, the government is targeting a big expansion in immigration, noting that the worker-to-retiree ratio is expected to shift from seven-to-one 50 years ago to two-to-one by 2035. It wants 465,000 new permanent residents this year (up from a record 405,000 last year), 485,000 in 2024 and 500,000 in 2025.

Germany, meanwhile, is trying to attract more people from outside the EU. It can no longer rely only on workers from within the bloc, given that countries such as Poland are ageing rapidly, too. Under planned reforms, an "opportunity card" will use a points system to allow skilled people to move to Germany more easily. It also wants to cut the length of time people must live in the country before they acquire citizenship, and to lift the ban on dual citizenship for people outside the EU. Australia has also promised reforms to make its immigration system less complex and more attractive to permanent skilled migrants. "We're all wanting to drive our own green revolutions, our digital revolutions, and we're competing with Germany and the US and the UK and Canada," Andrew Rose from the Australian Permanent Mission to the UN told the Vienna Migration Conference last year.

Nations want to bring in a much wider range of people with different skills to tackle labour shortages

Dumont says countries are "increasingly recognising that . . . it's not enough to allow people to come. You need to offer them an attractive package." Many factors matter: can they bring their family? Can their spouse work? Can they transition to a longer-term permit? Will they feel unwelcome?

If it is a race, one of the unexpected winners so far is the UK. Plenty of Brits who voted against Brexit — myself included — thought that outside the EU, the country would become more insular. But net migration reached a record high of about half a million people last year. The UK shot into the top 10 of the OECD's rankings of countries that are most attractive to highly skilled workers. Most strikingly, the public seems fine with it. In 2022, for the first time in polling history, more people favoured maintaining, or even increasing, levels of migration than favoured cuts.

One big question is whether governments will be able to maintain public consent for bringing in more migrant workers (even as people voice unhappiness about irregular migration). Rob Ford, a politics professor at Manchester university, is cautiously optimistic for the UK, at least. First, there are structural changes at work: people who have been to university are more open to immigration, and the population is becoming steadily more educated.

Plus, the post-Brexit visa system gives people a sense of control: "If you were to have asked me in spring 2016 what migration policy framework would be most in line with public preferences, I would have said something like what we have now," Ford tells me. "Very liberal on student migration, which voters don't care about at all, and rules-based liberalism on the labour market."

On the other hand, the mood might change if the economic cycle turns sharply. Policymakers who want to maintain public consent should make sure they enforce robust floors under pay and working conditions, so migrants aren't exploited and locals don't feel undercut in a downturn (something the UK has failed miserably to do for agricultural workers). They will also need to focus on housing supply and the quality of public services.

Even then, there could be "unexploded landmines" that suddenly change the debate, says Ford. "It's always the basic problem with immigration as an issue — immigrants are by definition outsiders, and one of the most powerful campaign messages in politics is, 'The outsiders are to blame'."

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How the war in Ukraine has split the world

GLOBAL AFFAIRS

Gideon Rachman

While Joe Biden was on a sentimental journey to Ireland, Xi Jinping was busy in Beijing. Following a high-profile visit by President Emmanuel Macron of France, the Chinese leader played host to President Luiz Inácio Lula da Silva of Brazil.

The messaging to emerge from the Lula-Xi summit was congenial to China and disturbing to the US. Brazil's leader said that his country wanted to work with China to "balance world politics" and accused America of "incentivising" the war in Ukraine. He also backed a longstanding Chinese goal of undermining the US dollar's role in the world financial system, remarking: "Every night I ask myself why all countries have to base their trade on the dollar."

China has also made recent headway with its Middle East diplomacy. This month, the foreign ministers of Iran and Saudi Arabia met in Beijing, after China brokered a deal to restore diplomatic relations between the two powers.

The preferred messages to the world from Xi and China are clear: "While America promotes war, China promotes peace. While China promotes trade, America imposes economic sanctions."

These developments are causing some concern in Washington. Larry Summers, the former US Treasury secretary, spoke last week of "troubling" signs that America was losing global influence. He added that someone from a developing country had told him: "What we get from China is an airport. What we get from America is a lecture."

A significant divergence in attitudes to the war in Ukraine is driving these shifts. Pratap Bhanu Mehta, an eminent Indian political scientist, points out that for much of the world, America's reaction to the Russian invasion seems to be as problematic as the invasion itself. It is this constituency China is appealing to.

Viewed from the US and much of Europe, Vladimir Putin's war is a unique event that requires a unique response. As they see it, this is a very unusual conflict since it is not about a boundary dispute or even regime change. It is a war of territorial acquisition. Such conflicts have been very rare since 1945. The attempted annexation of Kuwait in 1990 by Saddam Hussein of Iraq was another example — and it provoked a broad global response. A war of annexation, the US argues, is even more threatening when carried out by Russia — a nuclear-weapons state and a permanent member of the UN Security Council.

In response to the Ukraine war, the US launched an effort to turn Russia into an economic and diplomatic outcast. Unprecedented economic sanctions were imposed and Russian foreign reserves were frozen.

But the Russian economy has not suffered the catastrophic collapse that some predicted. In large part, this is because a substantial number of countries — including major economies, such as China, India and Brazil — have kept trading with Russia.

For these countries, the Ukraine war may be regrettable — but it is a conflict to be managed by the pursuit of ceasefires and compromises. S Jaishankar, India's foreign minister, gave pithy expression to the global south's refusal to join in the ostracism of Russia, with a much-quoted complaint that Europe thinks that "Europe's problems are the world's problems, but that the world's problems are not Europe's problems".

The Indians and others argue that sanctions imposed on Russia have created new problems for the rest of the world. They point to the impact of the war on food and energy prices, and therefore on poor people around the world. Rich people in the global south are also getting nervous. Actions that were widely applauded in the west — such as the freezing of Russian foreign reserves and sanctions on the assets of Russian oligarchs — have sent a chilling message about the potential danger of keeping your assets in dollars.

Western sanctions have sent a chilling warning about keeping your assets in dollars

The US dollar, which has gained international credibility as a "safe haven" currency, now looks less safe to those who fear they might one day be on the wrong side of a geopolitical dispute with Washington. That particularly concerns traditional American allies, such as Saudi Arabia, that are also open to criticism on human rights or the use of military force.

After Saudi Arabia's de facto ruler, Mohammed bin Salman, was implicated in the brutal murder of the journalist Jamal Khashoggi, Biden called Saudi Arabia a pariah. Although the US president has attempted to mend fences with the crown prince, the Saudi has clearly neither forgiven nor forgotten his humiliation — and he is drawing closer to China.

Concerns about potential US sanctions in the future have become even more pointed, given the rise in tensions between Washington and Beijing. What if the US ever tried to impose Russia-style financial sanctions on China? The dollar is the world's most popular currency for trade. But China is the world's largest trading nation.

Rather than doing less trade with China, some countries are looking to do less trade in dollars. Russia has already moved in this direction for obvious reasons and Beijing is encouraging others — such as Saudi Arabia and Brazil — to use the yuan for bilateral trade.

The US may be right that the war in Ukraine is a struggle of transcendent significance. But if it cannot persuade or browbeat the rest of the world into agreement, America's own global position may be eroded.

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Competition authorities need to move fast and break up AI

Sarah Myers West

If AI is poised to occupy an increasingly central place in our digital infrastructure, it's time to think long and hard about who will control it.

At present, Big Tech companies such as Microsoft, Google and Amazon are positioned to strengthen their foothold on the digital economy, consolidating their power by dominating both the commercial AI industry and the horizon for future AI research. Without the robust enforcement of competition laws, generative AI could irreversibly cement Big Tech's advantage, giving a handful of companies power over technology that mediates much of our lives.

There are several reasons why, as things stand, there is no AI without Big Tech. The biggest technology companies have significant first-mover advantages in this market. Most notably, they have access to the resources large-scale AI is dependent on, from massive data sets to the computational power to process them, to the skills and expertise needed to build these AI systems.

These resource dependencies are a chokepoint even for companies such as Microsoft and Alphabet, Google's parent company. For example, Alphabet recently combined its AI teams, forcing them to overcome intense internal rivalries, while Microsoft is limiting internal access to AI hardware to keep Bing's GPT-4 chatbot and its new Office 365 tools up and running. Sam Altman, chief executive of ChatGPT-maker OpenAI, described his company's computational costs as "eye-watering". While new start-ups are appearing, OpenAI, Anthropic, Cohere and even the open-source company Hugging Face all have contracts with the big three hyperscalers.

Given this resource intensity, there will be significant pressure to leverage generative AI systems for profit. Here too, Big Tech companies are best positioned. They already operate digital ecosystems across which generative AI systems can be applied, and can maximise their dominance over platforms and markets.

OpenAI's release of an app marketplace is an indicator that it intends to operate from the same playbook, by offering a product and operating a marketplace in which to compete with other companies. Amazon's launch of its generative AI cloud service Bedrock is also a case in point: Amazon will both offer its own Titan generative AI models and operate a platform, tied to Amazon Web Services, on which companies can access other generative AI services. This structure means Amazon is well placed to secure its dominant position in the cloud computing market.

Without robustly enforced laws, Big Tech's advantage over the digital economy could be cemented

If anti-competitive conduct by Big Tech companies was a problem in the past, the introduction of generative AI is set to make things far worse. That is why we need early and sure-footed enforcement of competition law to shape the direction of generative AI. This is an opportune moment for intervention: there is already a push for more muscular enforcement of the laws to address the concentration of power in Big Tech.

The US Federal Trade Commission has demonstrated an appetite for early intervention through its challenge to Meta's takeover of the VR studio Within, indicating that it will be more aggressive in targeting future harms to competition before they materialise.

FTC chair Lina Khan has expressed concern about the lack of competition in AI, noting that in transitional moments like this one, incumbent companies often "panic" and attempt to block new entrants through unlawful tactics to protect their dominance. Support for this stance is reinforced by the White House, through its executive order outlining its intention of curbing industry consolidation.

Intervention is needed on several fronts. For one, companies must be held accountable for attempting to stave off competition — starting with Microsoft's recent move to limit access to data for competitor chatbot-search engines. The resource dependencies in AI must also be addressed: regulators in the UK, Japan, the Netherlands, France and most recently the US have all identified concerns with the concentration in the cloud market. The emerging consensus among regulators about the dangers of cloud monopolies should galvanise structural interventions that anticipate future attempts at consolidation by these companies.

Generative AI could irreversibly cement the Big Tech advantage. But concentration in the tech industry emerged partly because lax regulators missed many opportunities to intervene. This time around, we should learn from past mistakes and act before the market is cornered. It's now regulators, not companies, who need to move fast and break things up.

The writer is a former senior adviser on AI at the Federal Trade Commission and managing director of the AI Now Institute. Amba Kak also contributed to this article

UK financial regulation will be more effective after changes

Andrew Griffith

In a matter of days in March, Silicon Valley Bank went from sending warning signals to full-scale collapse — one of the fastest in the history of finance.

Alarm bells began ringing in the Treasury early on the morning of Friday March 10, but they weren't the familiar chimes of Big Ben; they meant trouble.

I won't discuss the exact decision-making process, but the Treasury machine — in lock-step with the Bank of England — ran at full steam that weekend. We worked all hours to support a deal, in which HSBC acquired SVB UK for the symbolic price of £1, in order to contain the problem and protect the tech sector — a critical industry for growing the UK economy.

I learnt many things during this episode, not least the commitment of the Treasury and BoE officials who rose to the challenge. But what struck me the most was the agility and stability of our finance sector in the face of a crisis.

A quotation often attributed to Mark Twain famously says that "history never repeats itself, but it does often rhyme". Thanks to the reforms we put in place after the global financial crisis, those words rang true, and we avoided the mammoth systemic issues we saw in 2008. Put simply: the British arm of SVB fell under UK rules, which made it infinitely easier to sell to a buyer without any cost to the taxpayer. That's because it was subject to higher capital requirements and rules which separated its capital and liquidity from its parent company over the Atlantic. And with the urgency of finding a solution before markets opened on the Monday, the fact we had control of our own rule book was a vital asset.

The key is to maintain a system that can face down or deal with market shocks like the collapse of SVB

The system worked.

The government's objective now is to use the opportunities provided to us by Brexit to make the system even better. And our "Edinburgh reforms" are the blueprint for this.

There has been speculation about whether these reforms have any place in a prudent, well-run financial system. Let me reassure you: they do.

Our reforms will ensure stability and promote growth in several ways. They will remove EU measures which are inappropriate to the UK to overhaul London's listing regime; they will liberalise what insurers can invest in; and they will review some post-crisis regulations such as ringfencing measures to address any unintended consequences that might get in the way of growth.

Put it this way: if you take a plane from London City Airport to Edinburgh, you want your pilots to use a checklist that ensures your safety. A checklist with too few items puts that safety at risk. But using a checklist the length of the Oxford English Dictionary would also increase risk by distracting the pilots from their job of flying the plane safely.

Just as a good checklist gets passengers safely and quickly from A to B, so a good and proportionate regulatory system can help businesses fly — helping grow the UK economy at the same time.

The government's changes certainly aren't about stripping away important protections. On the contrary, they represent a targeted and thoughtful approach to make them more effective.

Working closely with regulators, we are moving towards proportionate and simple regulation that works for the UK and will help drive growth in the economy, while maintaining crucial safeguards for financial stability. The key is to maintain a system that can face down or deal effectively with market shocks like the collapse of SVB.

The events of the past few years, from the Covid-19 pandemic to the war in Ukraine and economic volatility, have demonstrated the resilience of our financial system. But they also show the need for a focus on growth.

The measured changes to our regulatory regime that this government is taking forward will cement the position of Britain's financial services sector at the heart of these efforts.

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Charles Schwab: fight or flight

Charles Schwab has shown that it can ride out a deposit flight.

That is both good news and bad for the leading US brokerage and bank, whose share price has taken a drubbing following the collapse of three regional banks last month.

Client deposits stood at about $326bn at the end of the first quarter. That is down 11 per cent from the previous quarter and 30 per cent lower than the year ago period.

Despite the outflow, Schwab increased revenue by 10 per cent to $5.1bn. Net income was 14 per cent higher at $1.6bn.

The good news is that the money is not leaving Schwab. Clients are mostly moving any uninvested cash from its low-yielding bank deposits into money-market funds offered by Schwab.

True, the 0.27 per cent it nets in fees on these funds is paltry compared with what it would earn by putting clients' idle cash to work itself.

But the volume effect helps. The amount of cash parked in Schwab money market funds jumped 150 per cent to $358bn during the first quarter.

Unfortunately, Schwab buttressed its finances by borrowing heavily from the Federal Home Loan Bank system. It tapped the FHLB for $33.2bn during the first quarter, taking its total borrowing to $45.6bn.

This has helped provide a financial buffer for Schwab and keep its tier one leverage ratio at a healthy 7.1 per cent, well above the regulatory minimum of 4 per cent.

But emergency liquidity is expensive. Schwab is paying about 5 per cent on these short-term loans. That compares with the 2 per cent average yield that it expects to receive from its securities holdings when they mature. Schwab said that it expected to pay back the FHLB loans by the end of 2024.

Moreover, Schwab's first-quarter results do not offer a full picture of the pressure it will face in the coming quarters. Net interest income benefited greatly from the sharp spike in interest rates last year.

Assuming rates will eventually fall, these gains will be tougher in the quarters ahead.

A one-third drop in the company's share price over the past month suggests fears that Schwab has a liquidity problem. That is wrong.

Higher funding costs and uncertainty over its long-term earnings trajectory is the real worry.

Wood Group: offshore score

After decades of aiding oil companies to find prospective targets, Wood Group became one itself. Private equity group Apollo has tried to tempt Wood to the table five times since January.

After "feedback" from shareholders, Wood has decided to dicker with Apollo over a "final" offer of 240p per share in cash, offered earlier in April. Apollo will now begin its due diligence in earnest and may water down or improve its terms subsequently. A deal at that price — 20 per cent above its opening approach — values Wood at just over £2.2bn including net debt.

There is symmetry to that number. Wood paid a similar amount for its then UK rival Amec Foster Wheeler (AFW) in 2017. Wood inherited problem contracts and historic corruption allegations — now settled — from the ill-fated deal. Exceptional charges have averaged $150mn a year since 2017, Jefferies analyst Mark Wilson estimates. In 2022 Wood had negative free cash flow of $730mn, partly due to these legacy AFW issues.

This would leave Apollo with a business moving away from its often lossmaking fixed-price contracts to steadier cost-reimbursable work in areas such as project management. Wood expects free cash flow, after the impact of legacy issues, to turn positive in 2024. At 240p, Wood trades at an enterprise value of 6.7 times forward ebitda. That represents a discount to peer Worley of Australia, which trades at 11.5 times, but a premium to Italy's Saipem on under five times.

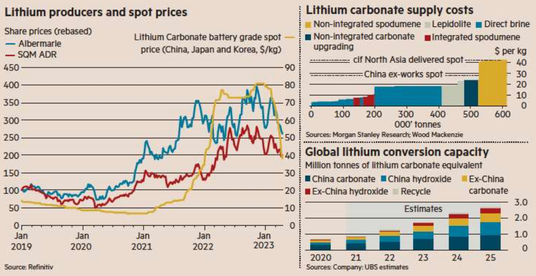
Frankly, this looks a decent price for shareholders. Imagine in five years Apollo sells Wood for seven times its forecasted 2028 ebitda, having borrowed 60 per cent for the purchase.

After interest charges the new owners should compound low to double-digit annual returns. More debt, to pay for an added dividend to Apollo, would improve an OK result.

Wood couldn't ignore bidders forever. Shareholders rightly nudged it back to the table. But do not expect any much higher offers from Apollo either.

Lithium: peddling the metal

Share prices of top lithium producers have held up despite a collapse in spot prices for the battery material. High-cost lithium carbonate producers are unprofitable at current market prices. Lithium hydroxide capacity is expected to grow faster as the chemistry of batteries evolves.



Source: Refinitiv

Sources: Morgan Stanley Research; Wood Mackenzie

Sources: Company; UBS estimates

When China suffers a short-circuit, the rest of the world gets a shock. The nation makes most of the world's electric vehicles. It controls supply chains for batteries, even though it lacks large domestic deposits of lithium-bearing minerals.

Slowing EV sales in China have hit battery demand. Spot prices for lithium carbonate there have dropped 64 per cent this year to $27,298 per tonne.

Despite the global abundance of lithium, soaring prices previously had reflected a supply pinch for the refined product used in EV batteries. Top producer Albemarle recently anticipated a fivefold growth in demand by 2030. An integrated miner and refiner, the US-listed group has some of the lowest operating costs globally.

While higher prices do boost its earnings, Albemarle is less sensitive to spot-market fluctuations. However, higher cost producers, representing marginal lithium supplies made from the much cheaper spodumene ore, did begin to weigh on prices. Albemarle and Chilean rival SQM are trading at their cheapest forward earnings valuations for almost two decades.

The slowing pace of EV China's sales has undercut lithium's price. Chinese year-on-year sales growth for January and February slowed compared with 2021 and 2022. Domestically made EVs favour batteries made using lithium carbonate, not the lithium hydroxide formulas more common in non-Chinese EVs. At about $15 per kg the premium for lithium hydroxide is at five-year highs.

More positively, cash margins for the high-cost carbonate refiners — about a tenth of total equivalent lithium material supply — have turned deeply negative. Key input spodumene may need to fall a further 40 per cent before break-even is reached, thinks Morgan Stanley. This should curtail further spodumene investment in the short term.

An economic recovery in China may improve matters in the lithium market. Those confident of a recovery in lithium prices and the long-term potential for electrification of transport should consider the shares of Albemarle and SQM.

Merck/Prometheus: big pill to swallow

At Merck, 2028 is circled on the calendar. The New Jersey pharmaceuticals titan's share price has doubled in the past five years, well ahead of the wider S&P 500 index.

The catalyst is cancer treatment Keytruda, which generated one-third of Merck's $60bn revenue last year. But Keytruda is expected to lose its patent protection in five years.

The future is now. On Sunday, Merck announced that it would acquire Prometheus Biosciences for $10.8bn. It is paying Prometheus shareholders a 72 per cent premium over the three-month average share price.

Yet the company's monoclonal antibody treatment for inflammatory bowel disease has yet to be fully approved. In a quieter deal environment, this deal underscores that big pharma has the means to make big bets.

Prometheus was born in the early 2000s from research at Cedars-Sinai hospital in Los Angeles (Cedars-Sinai is a shareholder). Scientists there noted the association of Crohn's Disease and ulcerative colitis with a particular protein known as TL1A. Its drug that inhibits this protein, PRA023, has only reached Phase 2 approval.

Merck is either optimistic or desperate if it is willing to pay $5bn more than Prometheus's valuation three days ago. But it has the funds.

Merck's market capitalisation is $300bn and it has more than $13bn in cash. Its shareholders understand that these gambles are required ahead of blockbuster drugs rolling off patent.

Large cash balances along with stable businesses in a wobbly economy allow pharma companies to pursue such deals. Prometheus comes just weeks after Pfizer spent $43bn acquiring SeaGen, a maker of cancer treatments, previously pursued by Merck.

Late last year, Amgen bought Horizon Therapeutics for $28bn.

Biotech and life science valuations have moderated since 2021. But the chance for premium buyouts has not disappeared.

THG/Apollo: beautiful dreams

THG specialises in attraction. No surprise then that its brief and beleaguered history as a listed group is littered with takeover approaches.

These have so far fallen by the wayside. The market dares to hope that the latest one from Apollo will succeed.

News of the bid — sketchy on details — bounced the internet retailer's shares up more than 40 per cent yesterday.

Understandably, investors would cheer an offer for THG. The Hut houses a motley crew of businesses in the beauty and wellness space. Prior to news of Apollo's bid the company had an enterprise value of about £1.5bn, a lowly 0.6 times this year's sales. Its share price has fallen some 90 per cent since the group's IPO in 2021.

The problem has been THG's disappointing business performance. THG consistently loses money at the operating line. Raw materials have become more expensive just as consumers are tightening their belts. But four profit warnings in the space of a year have not inspired trust in management's forecasting capacity.

THG's straitened circumstances must frustrate shareholders because the group trades at an eye-popping discount to the sum of its parts.

Its beauty unit, with highly rated skincare brands and well-trodden online platforms, might alone be worth £1.4bn, says broker Liberum, on an undemanding multiple of one times forward sales. Healthy nutrition, with brands such as Myvegan, could be worth another £1.8bn. Throw in £500mn for its ecommerce technology and the enterprise value would shoot up to £3.7bn — more than double what it was yesterday morning.

This gap helps explain why past takeover talks have floundered.

THG chief, co-founder and largest shareholder Matthew Moulding has rebuffed offers well above the current market price before. Apollo's bid may well go the way of its predecessors.

But if THG's performance continues to disappoint, pressure will only grow on Moulding to lower his expectations.

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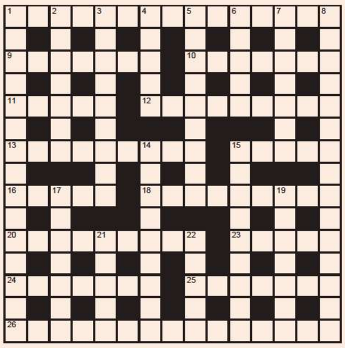
CROSSWORD

No 17,390 Set by BUCCANEER



ACROSS

1 Business welcomes a city in Oz's help? That's novel (4,4,2,5)
9 Service with drink rapidly becomes a disappointment (3-4)
10 A great striker initially playing a blinder (4,3)
11 Maybe sounds like a Berkshire home has green lights around (5)
12 Scaly creature, fleet but tailless, I'm going to love (9)
13 Taints and stains here cut out (9)
15 Cake one will give raccoon-like animal (5)
16 Go off beer, drinking sizable cups (5)
18 Gathering around empty Slough building again (9)
20 Dribbles past Everton's wingers? They hold people in thrall (9)
23 Curiously diagonal walls in ancient kingdom (5)
24 Big cat crossing river with grunt (7)
25 Grotesque fences round hotel in Turkish city (7)
26 Occupant of chair goes for surprise parties (6,9)

DOWN

1 Pair up with composer, boring chap one accompanies (6,9)
2 Person chanting about cracking football club (7)
3 Low number keeping quiet, getting banned intoxicant (9)
4 One with working capital raised in Greek region (5)
5 Choose current films — they exude positivity (9)
6 What Angus might wear in a party in Cardiff? (5)
7 Finery of Spanish outfit including grand insignia on the outside (7)
8 A checker of accounts, I spot error — high jinks involving head of accounting (15)
14 Husband and wife admitting sore bum in thong (9)
15 Monarch wanting seconds eats extravagant dessert (9)
17 Cleaner roughly donning camp attire (7)
19 During party, men succeeded taking shelter (7)
21 I'm leaving something rolled gold covers (5)
22 Soldier's accessory, extremely stylish, a big hit (5)

JOTTER PAD

Solution 17,389

B	O	O	Z	E	R	■	A	G	N	O	S	T	I	C
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S	T	A	R	T	L	E	D	■	M	E	T	E	O	R

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