FINANCIAL TIMES

FRIDAY 12 MAY 2023 EUROPE

Why European sovereignty is so important
EMMANUEL MACRON, PAGE 19

Warren Buffett's successor cuts a dash
COMPANIES, PAGE 8

On the move
US braced for migrant surge

Daniel Becerril/Reuters

Migrants cross the Rio Bravo at the eastern Mexican city of Matamoros this week to reach the Texas side of the river and turn themselves in to US border-patrol agents.

Authorities on both sides of the 3,000km frontier are braced for a surge in crossings as a pandemic-era US policy that allowed border guards to send back migrants to Mexico without processing their asylum claims expires at midnight tonight. The US, faced with a political backlash against immigration, has reinforced its border forces with 1,500 troops. Migrants from central and South America and beyond have converged on Mexico to try to reach the US.

Those who do not cross via a legal pathway will now be deemed ineligible for asylum by the US with few exceptions. Those removed will not be allowed to re-enter the US for five years.

Expiry of pandemic curb page 3

US accuses South Africa of covertly supplying arms for Russia's war effort

- Pretoria-Kremlin ties scrutinised
- Claims focus on ship under sanctions
- Rand declines 2%

JOSEPH COTTERILL — JOHANNESBURG

The US has accused South Africa of supplying arms to Russia in a covert naval operation, escalating a foreign policy crisis for President Cyril Ramaphosa over the country's ties to the Kremlin and its position on the Ukraine war.

Reuben Brigety, US ambassador to South Africa, told local media yesterday that the US believed that weapons and ammunition were loaded on to the Lady R, a Russian vessel under sanctions that docked at Simon's Town naval dockyard near Cape Town in December.

"Among the things we noted was the docking of the cargo ship . . . which we are confident uploaded weapons and ammunition on to that vessel in Simon's Town as it made its way back to Russia," he said, in comments reported by South Africa's News24.

Brigety said that senior US officials had "profound concerns" about the incident, which "does not suggest to us the actions of a non-aligned country".

Ramaphosa told parliament that "the matter is being looked into, and in time we will be able to speak about it".

His office said that an independent inquiry would be appointed under a retired judge to look into the allegations.

> 'The matter is being looked into, and in time we will be able to speak about it'
> President Cyril Ramaphosa

It said that there had been talks between South African and US officials over the vessel and an agreement to allow investigations to continue. "It is therefore disappointing that the US ambassador has adopted a counter-productive public position that undermines the understanding reached on the matter," it said.

US anger over the incident highlights tensions between the west and countries that have refused to condemn Russia over the war or join sanctions efforts.

Like South Africa, India has continued to regard Russia as a friendly nation and western diplomats have struggled to convince developing nations across Africa and Asia to back Ukraine.

Yesterday Brigety also criticised a resolution from the ruling African National Congress, which said "the US provoked the war with Russia over Ukraine". The rand fell 2 per cent to 19.2 against the US dollar after Brigety's comments, its weakest level since April 2020.

South Africa has said it is non-aligned in the war, but Ramaphosa's government is under pressure over signs that it is favouring Russia, for example by holding joint naval exercises this year.

Ramaphosa has also invited Russian president Vladimir Putin to attend a Brics leaders' summit in Johannesburg in August. The move has backfired on Pretoria after the International Criminal Court indicted Putin for war crimes. South Africa, an ICC member, would be legally obliged to arrest Putin.

Sydney Mufamadi, Ramaphosa's national security adviser, recently visited the US to explain South Africa's stance. The scandal over the Lady R is likely to overshadow these efforts.

The Lady R, owned by Transmorflot, a company placed under sanctions by the US last year, appeared to switch off its transponder as it made the stop in Cape Town. South Africa's defence minister said that after the ship left port that it had delivered a consignment for the country's defence forces, but provided no details on what the vessel may have picked up in Cape Town.

Pretoria in January officially denied that it had approved any arms sales from South Africa to Russia since Moscow began its full-scale invasion of Ukraine in February 2022.

Additional reporting by Mary McDougall

US to send seized assets to Kyiv page 2
UK missile boost for Ukraine page 3

Briefing

▸ Top US and China envoys meet for stabilisation talks
US national security adviser Jake Sullivan and China's top diplomat Wang Yi have held two days of Vienna talks to try to stabilise ties between the two nations.— PAGE 4

▸ Rolls-Royce boss squirms
Tufan Erginbilgic has been forced at the annual meeting of the UK's flagship engineer to defend his description of the group as a "burning platform".— PAGE 6

▸ Science scams exposed
One-fifth of articles in scientific journals may contain faked data from "paper mills" that are paid to fabricate submissions, a key German study has found.— PAGE 4

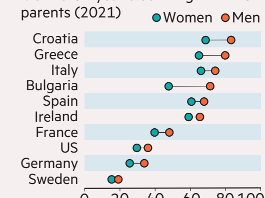
▸ BNP to pull back on gas
The French lender has said it will cease new financing of gasfield projects, as campaigners pursue the eurozone's biggest bank for backing the sector.— PAGE 10

▸ Mogul bullish on Biden
Jeffrey Katzenberg, Hollywood mogul and co-chair of Joe Biden's re-election push, is confident of topping $1bn in donations for 2024 bid.— PAGE 3; FT VIEW, PAGE 18

▸ BDO addresses shortage
The accounting firm intends to double the size of its offshore workforce after a slide in the numbers of graduates becoming accountants in the US.— PAGE 8

Datawatch

Home sweet home
% of 18-34 year olds living with their parents (2021)



Sources: Eurostat; US Census Bureau; Pew Research

In 2021 more than one in three adults in Europe aged 18-34 lived in their parents' home. In every country surveyed, young men were more likely than women to be living with their parents. The share for men was as high as 84 per cent in Croatia.

SoftBank curbs investment after funds post $39bn loss

Report ▸ PAGE 6; **Lex** ▸ PAGE 20

Regulator to hit biggest lenders with $16bn bill for SVB and Signature rescue

COLBY SMITH — WASHINGTON
BROOKE MASTERS AND STEPHEN GANDEL — NEW YORK

The biggest US banks will be hit with nearly $16bn in extra fees over two years under a Federal Deposit Insurance Corporation plan to recover losses associated with rescuing Silicon Valley Bank and Signature Bank.

The FDIC yesterday proposed that roughly 113 banks would be subject to a so-called "special assessment". Larger lenders whose assets total at least $50bn would pay more than 95 per cent of the total cost. The figure includes both big banks such as JPMorgan Chase and Bank of America as well as the regional lenders that have been at the heart of the US's recent banking sector turmoil.

The proposal spares the vast majority of the US's 4,500 FDIC-insured banks on the grounds that the fees are computed based on banks' uninsured deposits and that $15.8bn of the $18.5bn cost of the SVB and Signature losses were for accounts above the $250,000 limit. Most of those accounts are in large banks. Banks with assets below $5bn would also be spared the fee.

This is sure to please the influential trade body for that part of the sector, the Independent Community Bankers of America, which has argued for a distinction between big and small banks.

The FDIC said payments would not begin until the second quarter of 2024 and would be collected over two years, translating to an annual rate of 0.125 per cent of each bank's uninsured deposits.

FDIC officials said they could cut short the collection period or extend it depending on when the total losses are covered. It estimated that if the entire amount had come due in one quarter, it would result in an average 17.5 per cent hit to income for the affected banks.

The total cost of rescuing SVB and Signature has come down from more than $20bn to $18.5bn, largely because the FDIC now expects to recover more than it first anticipated from selling off the SVB assets. BlackRock is handling much of those sales.

The special assessment comes two months after the FDIC, the Federal Reserve and Treasury department warded off a more pronounced bout of banking contagion after SVB and Signature suffered depositors' runs. Over a marathon weekend of talks, authorities invoked a "systemic risk" exception for the two lenders, which enabled the FDIC to guarantee all deposits.

Blackstone in talks page 8
Gillian Tett page 19

World Markets

STOCK MARKETS

	May 11	Prev	%chg
S&P 500	4127.38	4137.64	-0.25
Nasdaq Composite	12320.92	12306.44	0.12
Dow Jones Ind	33293.08	33531.33	-0.71
FTSEurofirst 300	1834.03	1834.10	0.00
Euro Stoxx 50	4307.96	4306.76	0.03
FTSE 100	7730.58	7741.33	-0.14
FTSE All-Share	4215.22	4220.42	-0.12
CAC 40	7381.78	7361.20	0.28
Xetra Dax	15834.91	15896.23	-0.39
Nikkei	29126.72	29122.18	0.02
Hang Seng	19743.79	19762.20	-0.09
MSCI World $	2822.60	2815.29	0.26
MSCI EM $	979.64	982.24	-0.26
MSCI ACWI $	652.43	651.11	0.20
FT Wilshire 2500	5345.27	5321.64	0.44
FT Wilshire 5000	41666.73	41481.90	0.45

CURRENCIES

Pair	May 11	Prev	Pair	May 11	Prev
$/€	1.092	1.097	€/$	0.916	0.911
$/£	1.252	1.262	£/$	0.799	0.793
£/€	0.872	0.870	€/£	1.147	1.150
¥/$	134.425	134.425	¥/€	146.765	147.491
¥/£	168.334	169.604	£ index	80.327	80.362
SFr/€	0.976	0.976	SFr/£	1.120	1.122

CRYPTO

	May 11	Prev	%chg
Bitcoin ($)	27138.94	27615.10	-1.72
Ethereum	1805.64	1842.00	-1.97

COMMODITIES

	May 11	Prev	%chg
Oil WTI $	71.37	72.56	-1.64
Oil Brent $	75.35	76.41	-1.39
Gold $	2037.15	2030.20	0.34

GOVERNMENT BONDS

Yield (%)	May 11	Prev	Chg
US 2 yr	3.87	3.96	-0.09
US 10 yr	3.40	3.45	-0.06
US 30 yr	3.76	3.80	-0.04
UK 2 yr	3.72	3.81	-0.09
UK 10 yr	3.84	3.92	-0.08
UK 30 yr	4.10	4.14	-0.04
JPN 2 yr	-0.05	-0.05	0.00
JPN 10 yr	0.39	0.41	-0.02
JPN 30 yr	1.21	1.26	-0.05
GER 2 yr	2.53	2.57	-0.04
GER 10 yr	2.22	2.29	-0.06
GER 30 yr	2.41	2.47	-0.06

Prices are latest for edition
Data provided by Morningstar

Austria	€4.50	Morocco	Dh50
Bahrain	Din1.8	Netherlands	€4.30
Belgium	€4.50	Norway	NKr45
Croatia	Kn33.91/€4.50	Oman	OR1.60
Cyprus	€4.20	Pakistan	Rupee350
Czech Rep	Kc125	Poland	Zl 25
Denmark	DKr46	Portugal	€4.20
Egypt	E£80	Russia	€5.00
France	€4.50	Serbia	NewD530
Germany	€4.50	Slovenia	€4.20
Greece	€4.20	Spain	€4.20
Hungary	Ft1450	Switzerland	SFr6.70
India	Rup220	Tunisia	Din7.50
Italy	€4.20	Turkey	TL80
Luxembourg	€4.50	UAE	Dh24
Malta	€4.20		

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Political unrest

Pakistan Supreme Court orders Khan release

Arrest by anti-corruption agency ruled illegal after violence grips country

FARHAN BOKHARI — ISLAMABAD

Pakistan's Supreme Court yesterday ruled that the arrest of former prime minister Imran Khan by a government anti-graft agency was illegal, after two days of some of the country's worst political violence in decades.

The court ordered Khan's release from the custody of the National Accountability Bureau, but required him to spend the night under protection in a police guest house before an appearance in the Islamabad high court today.

Khan's arrest on Tuesday tipped Pakistan's political and economic crisis into violent unrest. His release just two days later underscored the central role in the nation's politics played by the 70-year-old former cricket star, who was ousted as prime minister in April last year.

Details of the Supreme Court's decision were not immediately available, but Babar Awan, a senior counsel for Khan, told reporters it had "reversed all legal proceedings" against him.

Khan is certain to remain the main focus of attention amid political turmoil and what analysts say is the risk of national debt default ahead of elections that must be held by October.

Before the Supreme Court ruling, Pakistan's currency fell nearly 3 per cent to around 299 rupees to the US dollar, a record low.

In the two days before Khan's release, at least five people were reported killed in violence that included attacks on government buildings. Police arrested hundreds of protesters and at least three senior leaders of Khan's Pakistan Tehreek-e-Insaf party (PTI).

During Khan's appearance at the Supreme Court, one of the members of the three-judge bench asked him to urge his followers to restrain themselves, according to a PTI senior member who declined to be named. The member said Khan replied that he did not know what had been happening while he was in custody, but that it was in his party's interest to see political calm that would allow elections to be held.

Prime Minister Shehbaz Sharif has condemned the protests that followed Khan's arrest as "terrorism". "Such a spectacle has never been witnessed in the last 75 years," Sharif said in a television address on Wednesday. He promised to respond with an "iron hand".

Shireen Mazari, a senior PTI member, said the party was seeking the release of scores of its workers and the three leaders who remained in custody. "The government used excessive force. They thought any means could be used to crush the PTI, but they failed," she said.

Analysts said events between Khan's arrest and release reinforced the view that he could not be sidelined. "Imran Khan cannot be subtracted from political equation of Pakistan through force," said Huma Baqai, a commentator.

The government has said Khan's arrest on Tuesday was related to a land purchase. He still faces legal challenges that include allegations of unlawfully selling gifts he received as prime minister and terrorism charges related to protests by his supporters.

Elections. Logistical challenge

Turkey quake victims face tough trip to vote

Millions who fled devastation must return to home towns and cast ballot in tight polls

ADAM SAMSON — ANTAKYA

Rented buses, criss-crossing Turkey. Free fuel. Tents to spend the night for those who have no home left.

Turkey's big political parties are gearing up for an election mission like no other on Sunday: helping a missing million people who fled after February's devastating earthquake to return to their ravaged home towns, find their local school buildings, and vote.

Polls suggest this number of voters could be a significant force in Turkey's most tightly contested — and consequential — electoral race in a generation, pitting Recep Tayyip Erdoğan, Turkey's leader for two decades, against Kemal Kılıçdaroğlu, who is representing an opposition alliance. The earthquake covers 11 provinces which produced sharply varying results in the previous presidential election.

The desperate situation and daunting logistical challenge has heightened longstanding concerns about the fairness of Turkey's elections after a slide towards authoritarianism under Erdoğan.

In the earthquake-hit city of Antakya, the capital of the southern Hatay province, Servet Mullaoğlu, a candidate for the opposition Republican People's party (CHP), said his team had received thousands of phone calls and social media messages from people seeking to return in order to vote in the only way possible under Turkish law.

"We will [also] let them sleep in our vehicles," said Mullaoğlu, speaking with an office wall behind him cracked from top to bottom by February's quake.

Almost a sixth of voters in Turkey lived in the earthquake zone, according to FT analysis of official data. A significant number were displaced from their homes — around 3mn, according to the government — leaving some of them far from the place where they registered with electoral authorities.

Most of those are in container cities, dormitories or other formal facilities and have a special dispensation to vote where they now live. But roughly a million people would still in theory need to travel back to their place of origin, a significant slice of the region's electorate.

Observers have highlighted the potential for people to be deprived of their votes in the parliamentary and presidential elections. A Council of Europe delegation, which visited the earthquake zone last month, interviewed a range of people from politicians to officials and observers. They were warned about registrations and whether many would be able to vote.

"This raised concerns about the logistical organisation of the elections in the areas affected by the earthquake (including the location of polling stations)," the parliamentary assembly delegation said in its report.

More than 50,000 people died on February 6 in Turkey's most severe earthquake in a century. Workers continue to clear massive piles of rubble that are scattered with mangled iron bars and concrete shards, while dusty roads remain difficult to traverse owing to craters and scattered debris. One man who was surveying the damage last week in central Antakya, where a near 1,400-year-old mosque was severely damaged, mumbled: "Everything is gone." Lütfü Savaş, Hatay metropolitan municipality mayor, said he expected just 10-15 per cent of the roughly 200,000 voters who left the province would come back to cast their ballots.

The results from the province are significant because in the 2018 election, Erdoğan beat his main opponent by only 6 percentage points there.

Bringing all the voters home would require an "enormous effort", Savaş said, estimating that in theory he would need to put on almost 4,000 buses for the displaced, in practice an impossible solution. The fraught conditions on the ground make even dealing with smaller numbers a tall order.

"Because of the increasing number of people [in Antakya], we will need additional accommodation and food distribution during the election day, but our means are limited," Savaş said.

Many of the displaced are living locally in informal settlements that have popped up across the earthquake area, for instance in front of collapsed homes or buildings. Others fled to Turkish cities such as the seaside towns of Mersin and Antalya, as well as big metropolitan areas like Istanbul and Ankara. Only 133,000 people across the entire earthquake zone have re-registered at a new address outside of their home town, according to Turkey's Supreme Election Council.

A shopkeeper selling sundries in downtown Antakya, who had a longstanding business before the earthquake, said: "We know nothing about the elections. If you ask 10 people where to go vote, only five will know."

Perihan Ağaoğlu, a regional official in the People's Democratic party (HDP), a pro-Kurdish group that is Turkey's third-biggest political party, said she was in regular contact with her colleagues in Kılıçdaroğlu's opposition alliance. The HDP is not part of the coalition, but it is backing Kılıçdaroğlu in the presidential race. In the HDP's strongholds, the opposition alliance will be relying on it to monitor the vote.

Beyond the earthquake zone, analysts worry about the impartiality of the Supreme Election Council, which has sweeping powers to annul vote results and cannot be challenged in the courts.

"We will exercise our democratic rights," said the CHP's Mullaoğlu, who added that if there were any irregularities regarding the election council, "demonstrations . . . and many other things will be done".

City in ruins: a man sits with his son amid the rubble of collapsed buildings in Antakya last month. More than 50,000 people died in the February 6 earthquake
Ozan Kose/AFP/Getty Images

İnce out
Candidate exit lifts Erdoğan's main rival

Turkish presidential candidate Muharrem İnce has withdrawn from the contest days before a tightly contested election on Sunday, boosting the main opposition contender's chances of ousting President Recep Tayyip Erdoğan.

İnce, who was Erdoğan's main opponent in the previous election in 2018, said yesterday that he would step out of the race for the good of the country. He has been under pressure since an alleged sex tape surfaced this week.

The founder and leader of the Memleket (Homeland) party said he had been the victim of a "character assassination" throughout the election campaign.

The main opposition contender, Kemal Kılıçdaroğlu, has been locked in a tight race with Erdoğan.

Adam Samson, Ankara

Technology

EU lawmakers back tighter rules on use of AI including chatbots

JAVIER ESPINOZA — BRUSSELS
IAN JOHNSTON — STRASBOURG

EU lawmakers have agreed a tough set of rules over the use of AI, including restrictions on chatbots such as ChatGPT, as Brussels presses on in enacting the world's most restrictive regime on the development of the technology.

MEPs yesterday voted for a sweeping spread of regulations that will form part of Europe's Artificial Intelligence Act, including a total banning of almost all facial recognition programs for surveillance of its citizens.

Under the European parliament's proposals, developers of generative AI models such as ChatGPT would have to disclose content that was generated by AI and publish summaries of copyrighted data used for training purposes, so that creators can be remunerated for the use of their work.

The agreement between MEPs, who have been fighting over measures to police AI for nearly two years, will kickstart talks between EU member states, the European Commission and the European parliament during the year ahead.

The proposed law comes amid growing concerns globally about potential abuses of the fast-developing technology. Last week, the US Federal Trade Commission fired a warning shot to the industry, saying it was "focusing intensely on how companies may choose to use AI technology, including new generative AI tools, in ways that can have actual and substantial impact on consumers".

The UK competition watchdog is also launching a review of the AI market.

Dragoş Tudorache, an MEP who led the development of the proposals, said on Wednesday that the agreed text had been among the most negotiated in the parliament's history, with more than 1,000 amendments.

"[The AI Act] is the first legislation of this kind worldwide," said Tudorache. "The EU can lead the way, globally, in making AI human-centric, trustworthy and safe."

Member states and legislators are likely to enter drawn-out talks on whether live facial recognition is acceptable in limited circumstances such as when there is a terrorist threat, people with knowledge of the discussions noted.

Restrictions on real-time biometrics is an area that will demand "tough" talks and on which the EU will probably "need to find a solution", said MEP Brando Benifei, who developed the proposals with Tudorache.

"Governments are speaking clearly about their willingness to use [these systems]," he added.

The parliament has agreed to retrospective "biometric identification systems" for the prosecution of serious crimes, if police forces gain the approval of a judge.

But Benifei said he was optimistic that members would be supportive of the parliament's proposals to legislate on generative AI models.

The European parliament is expected to endorse the rules in June, before negotiations on the final form of the law begin with other EU institutions.

John Thornhill see Opinion

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Malofeyev sanctions

US to send Russian oligarch's seized financial assets to Kyiv

JAMES POLITI — WASHINGTON
SAM FLEMING AND IAN JOHNSTON
BRUSSELS

The US has for the first time transferred seized assets from a sanctions-hit Russian oligarch to Ukraine for the reconstruction of the war-ravaged country.

The move comes amid a growing debate among Ukraine's allies in the west and around the world about the extent to which seized Russian assets can be used to fund a massive reconstruction effort if and when the conflict ends.

While Canada has already changed its legislation to allow for the confiscation of Russian state assets and their handover to Ukraine, discussions in Europe over similar moves are more fraught.

The authorisation came on Wednesday from attorney-general Merrick Garland, who said additional moves of this kind would be forthcoming.

The step taken by Garland stems from last year's indictment of Konstantin Malofeyev, a Russian investor and founder of a pro-Putin media empire, who was accused of breaching sanctions imposed in response to Moscow's 2014 annexation of Crimea.

The attorney-general said millions of dollars had been seized "from an account at a US financial institution traceable to Malofeyev's sanctions violations".

In February, following a meeting with Ukraine prosecutor-general Andriy Kostin, Garland had authorised the use of the funds "in Ukraine to remediate the harms of Russia's unjust war". On Wednesday, Garland said the money was transferred to the US state department and would be "dedicated to that purpose".

Malofeyev said "Biden's organised crime group" had "defrauded" him, and wrote to Russia's prosecutor-general's office asking them to file charges against the US officials behind the seizure. The Kremlin said the decision was a "boomerang" that would turn against the US.

Additional reporting by Anastasia Stognei and Max Seddon in Riga

ECB survey

Eurozone consumers gloomy on inflation despite easing

MARTIN ARNOLD — FRANKFURT

People have become more pessimistic about inflation in the eurozone, betting that price pressures will remain strong for years to come despite them abating for much of the past six months.

The European Central Bank said yesterday that its latest monthly survey of consumers showed their expectations for inflation next year and in three years had both risen in March further above the central bank's 2 per cent target, after four months of mostly falling readings.

Those polled now expected eurozone inflation to be 5 per cent in a year's time, up from 4.6 per cent in the same survey a month ago. In three years, they expect inflation to be 2.9 per cent, an increase from 2.4 per cent in the previous survey.

If people expect price pressures to remain high for longer, it makes them more likely to push for higher wages and accept higher prices, fuelling inflation.

The ratcheting up of inflation expectations is likely to spook policymakers, making further interest rate rises more likely. The ECB has already raised rates seven times since summer last year to combat the biggest surge in inflation for a generation, leaving the benchmark deposit rate at 3.25 per cent.

"As long as inflation, wage growth and inflation expectations remain high and sticky, the ECB is going to err on the hawkish side," said Frederik Ducrozet at Pictet Wealth Management. "The main justification would be that the risk of overdoing it is lower than the risk of doing too little."

Wage growth has been accelerating in the eurozone in recent months, and hourly labour costs in the bloc rose by a record 5.7 per cent in the final quarter of 2022, compared with a year earlier.

Eurozone inflation has fallen from an all-time high of 10.6 per cent in October to 7 per cent in April, but much of that reflects a sharp drop in energy prices.

The price of food, alcohol and tobacco has been rising at double-digit rates since August, and slowed only slightly to 14.9 per cent in the year to April.

Emmanuel Macron see Opinion

INTERNATIONAL

US braced for surge in migrants from Mexico after expiry of pandemic curb

Policy allowing border agents to rapidly send back new arrivals will no longer be in force from tonight

CHRISTINE MURRAY — CIUDAD JUÁREZ
JAMES POLITI AND FELICIA SCHWARTZ
WASHINGTON

Cities along both sides of the US-Mexico border are steeled for a potentially weeks-long surge in migrant crossings, threatening to ignite a politically toxic issue for President Joe Biden.

A rule known as Title 42, a pandemic-era policy that allowed US border agents to quickly send migrants back to Mexico instead of processing their asylum cases, is set to expire just before midnight today. The deadline has set off a desperate rush to cross the border; even more people are expected to attempt the fraught journey after it has passed.

Biden has warned the border will probably be "chaotic for a while", and the US has sent more than 1,500 military to help with the fallout, which could reverberate across the country.

The rule change will affect different categories of migrants differently, and there is confusion among them about how to react. Many at the border this week decided to attempt the crossing before Title 42 expires.

People are on the move across the Americas in record numbers, as countries in the region and worldwide experience political and economic crises. In the past six months alone, Mexico has recorded migrants from more than 100 countries, some of whom are hoping to cross the border into the US.

At a gate in the border fence in Mexico's Ciudad Juárez on Tuesday, hundreds, many from Venezuela and Colombia, were lined up under the sun hoping agents would open the gate. The group had tried to organise itself, and migrants had numbers written in pen on their arms to denote their place in the queue. US border patrol guards drove past but neither Mexican officials nor humanitarian groups were present.

Víctor Sánchez was among a group of Venezuelans huddled under a shady tree on the Mexican side on Tuesday, hungry and tired after waiting seven days for a chance to get into the US.

"We have to wait and see what happens . . . as there are a lot of rumours, saying we won't get in or that they will take us," the 29 year-old said, adding he had met migrants from all over on the trip, including Afghanistan and China. "The dream is to cross over and work, as the situation in Venezuela is too ugly."

Biden has struggled to contain the surge of migrants since entering office in early 2021, exposing him to regular criticism, mainly from Republicans, but also from Democrats in the most-affected cities and states.

"This catastrophic border crisis is a national security crisis, an economic crisis, and a humanitarian crisis," Elise Stefanik, chair of the House Republican conference, told reporters on Wednesday. "Every district is a border district."

The backlash has forced Biden to boost US law enforcement along the border with Mexico. Those who do not cross via a legal pathway will now be deemed ineligible for asylum with a few exceptions. Those removed will not be allowed to re-enter the US for five years and could face criminal prosecution.

To discourage travel, the US aims to open 100 regional processing centres around Latin America and will launch an online platform for appointments.

"Our overall approach is to build lawful pathways for people to come to the United States, and to impose tougher consequences on those who choose not to use those pathways," Alejandro Mayorkas, the US secretary of homeland security, said in Washington on Wednesday. He blamed Congress for failing to fix "a broken immigration system" and not giving the administration the resources it needs to respond. In recent years, US policies have resulted in migrants waiting on Mexico's side, where they face potential violence, extortion and robbery at the hands of authorities and cartels. Cities such as Juárez that were previously short stops have become major gathering points where migrants wait for months. Locals have grown increasingly frustrated.

Recently full shelters in Juarez have partly emptied out, with migrants turning themselves in at the border in hopes of claiming asylum.

More than 8,700 migrants were detained each day, said Raul Ortiz, chief of the US Border Patrol. That was far higher than the average of 7,500 a day in the last fiscal year, which was a record. More than 2.3mn were caught crossing illegally in the fiscal year to September.

"Border policies look different in Washington than they look at the border," said Andrew Selee, president of the Migration Policy Institute. "The messages that migrants themselves get about what's happening is not always what policymakers intend."

To prepare for more crossings, the four-lane central bridge from Juárez into El Paso, Texas, was slowed to one lane, its others covered by barbed wire.

In El Paso, dozens of migrants were sleeping on the streets outside a church on Wednesday. One said he had been picked up four times by migration officials; another that he had been hit on the head with a gun by cartel gangsters he refused to pay. Carlos, a Venezuelan fleeing extortion and threats, crossed illegally last week for fear of the rule changes but turned himself in to border patrol and got authorisation to stay while his case is processed.

Mexico has become a vital ally in the US government's drive to stop migrants arriving, and it has agreed to take back migrants from Cuba, Nicaragua, Venezuela and Haiti who cross illegally. President Andrés Manuel López Obrador has deployed his military and National Guard to stop migrants. Biden on Wednesday said his Mexican counterpart had been "very co-operative".

Ahead of Title 42's expiry, the White House on Wednesday published a new rule to force asylum seekers to request protection in safe third countries they pass through. Migrant rights groups denounced it as a "transit ban".

Giovanni Lepri, the UN Refugee Agency's representative in Mexico, said: "It's a difficult situation for states, for people, for institutions, for the civil society, as the numbers are high," he added. "We need to keep always in mind that we are talking about people, human beings, and that the solutions that are being looked at . . . put the protection and the alternatives at the centre."

'We need to keep always in mind that we are talking about people, human beings'

Taking risks: migrants try to climb a fence into the US in Matamoros, Mexico, this week. Below, a US National Guardsman puts razor wire around a makeshift migrant camp in El Paso, Texas
Daniel Becerril /Reuters; John Moore/Getty Images

Democratic donations

Hollywood mogul pledges 'all resources' for Biden to be re-elected

JAMES POLITI — WASHINGTON

Jeffrey Katzenberg has vowed to give "all the resources" Joe Biden needs for his 2024 re-election campaign as the Hollywood studio executive and Democratic donor rejected concerns about the president's political prospects.

In an upbeat interview, the co-chair of Biden's campaign, who plays a key role in the fundraising effort, said he was "confident" of pulling in more than the $1bn of contributions received during the 2020 race.

"For us, this is about a 19-month marathon, it's not a sprint," Katzenberg said. "The excitement and enthusiasm level since he's announced, certainly from the high-end donors I've been in touch with, has been very, very high."

The mogul's comments came after Biden's re-election campaign was hit by news of a Washington Post-ABC News poll on Sunday, which showed former president Donald Trump leading Biden by 7 percentage points in a general election match-up. The RealClearPolitics average shows Trump with a smaller edge of 0.7 per cent.

Katzenberg batted away suggestions that Biden, 80, is too old to run for office after polls repeatedly showed the president's age was a top concern for voters and one of his biggest vulnerabilities. In the survey on Sunday, only 32 per cent said Biden "has the mental sharpness it takes to serve effectively as president".

"The president has shown that he's 80 years young and brings with him the wisdom and knowledge and experience he has shown during the past two years," said Katzenberg, 72. "He is fit and engaged and has a high level of energy."

Trump is only four years younger than Biden but this week's Washington Post-ABC News poll signalled that voters were much less concerned about his mental sharpness and physical health.

The co-founder of DreamWorks SKG, who is a founding partner of WndrCo, an investment firm, has been a prominent donor to the Democratic party for years. He spoke ahead of the first of two re-election campaign fundraisers attended by Biden on Wednesday in New York City, at the home of George Logothetis, executive chair of the Libra Group, then the home of Tony James, the former Blackstone executive.

At the second event, Biden took on the age question directly, saying it was a "legitimate" issue. "It wasn't an automatic decision about running again. Not because I didn't think there was more to do, but because I thought . . . four more years means six more years," he said.

Katzenberg said that Biden had the "great advantage" of incumbency but would run a strong campaign. "Biden has been a 'boots on the ground, shaking hands, meeting people politician' for four to five decades; he loves campaigning and connecting with people."

Katzenberg said Biden needed to tout his record in office rather than just highlighting how he differed from Trump.

See The FT View

Climate goals

Germany sets stage for clash at G7 with push to back gas

FT REPORTERS

Germany is pushing for G7 leaders to endorse public investment in the gas sector at their summit next week, setting up a clash with countries that argue such support is incompatible with global climate goals.

Tensions flared in pre-summit discussions as nations including the UK and France rejected Germany's demands to include support for public investments in gas in the meeting's final document, said several people briefed on the talks.

Environmentalists argue G7 countries should lead a global shift away from fossil fuels at the Japan summit from May 19 to 21 and avoid weakening commitments reached last month among G7 environment ministers.

Russia's full-scale invasion of Ukraine last year and its subsequent move to drastically reduce gas supplies to Europe plunged Germany and other big consumers of Russian hydrocarbons into an energy crisis from which they are only now recovering.

Berlin's response was to build liquefied natural gas terminals on its northern coast, supported by huge public subsidies, and to scour the world to lock up alternative supplies of gas.

Germany insisted on wording in the statement from last year's G7 summit in Bavaria that conceded the necessity of public investment in gas — a move that led environmental groups to accuse the G7 of "backsliding" on its climate goals.

The 2022 statement said that in the "exceptional circumstances" created by Russia's war and its halt to energy supplies, "publicly supported investment in the gas sector can be appropriate as a temporary response". It added: "Investment in this sector is necessary in response to the current crisis."

German officials want this year's communiqué from Hiroshima to include similar wording. "We need to use gas as a transitional source of energy," one said. "We can't overlook the fact that things have changed [with the Ukraine war] and overall supply of gas is scarce."

But countries including the UK and France have argued that last year's support for gas was meant to be temporary, saying Germany has already built the LNG terminals it needs, according to people familiar with the discussions.

Germany insists its gas investments are compatible with its climate goals because the LNG terminals it is building can be repurposed to receive hydrogen, which is cleaner than gas when burnt but whose production typically involves significant use of fossil fuels.

Reporting by Attracta Mooney, Guy Chazan, Kana Inagaki and Henry Foy

Russian invasion

British cruise missiles boost Ukraine before offensive

LUCY FISHER AND JOHN PAUL RATHBONE
LONDON
ROMAN OLEARCHYK — KYIV

Britain has delivered multiple Storm Shadow cruise missiles to Ukraine, defence secretary Ben Wallace has announced, boosting Kyiv's defensive capability as it prepares to launch a counteroffensive against Russian forces.

Wallace told MPs yesterday that the decision to donate the "long-range, conventional-only, precision-strike capability" was a "proportionate" response to Moscow's escalation of its full-blown invasion of Ukraine.

Highlighting that Russian air strikes had deliberately targeted civilian and critical national infrastructure in Ukraine, Wallace said: "Russia must recognise that their actions alone have led to such systems being provided to Ukraine."

Kyiv welcomed the move. "Our partners know very well why we need them: to be able to reduce the enemy's offensive potential by destroying their ammunition depots, command and control centres and logistics chains on the temporarily occupied Ukrainian territory," said Yuriy Sak, an adviser to Ukraine's defence minister.

However, Wallace said that while the Storm Shadow missiles, which have a range of 250km, would boost Kyiv, the systems were "not even in the same league" as the most deadly weapons that Russia has deployed in the conflict. These include the AS-24 Killjoy hypersonic missiles, Iranian Shahed "Kamikaze" attack drones and Kalibr cruise missiles, which had a range of more than 2,000km.

A British fighter jet carries two Storm Shadow cruise missiles during a training exercise over east England

Wallace did not disclose the number of Storm Shadow missiles provided but appeared to confirm that the air-fired missiles would be launched from Ukrainian jets. His decision comes as Ukraine gears up for a campaign to recover territory in southern and eastern regions and as Russian forces increasingly deploy air-launched, guided smart bombs.

Ukrainian officials have said their ability to launch a significant counteroffensive would be limited without longer-range missiles and fighter jets such as the US F16.

Defence operators see Companies

US default

Dimon warns of market panic as debt ceiling crisis looms

LAUREN FEDOR AND COLBY SMITH
WASHINGTON
JOSHUA FRANKLIN — NEW YORK

JPMorgan chief executive Jamie Dimon has warned that a looming crisis in Washington over raising the debt ceiling could spark "panic" in the markets, a day after Donald Trump implored Republicans to let the US default unless Democrats capitulated to demands for "massive" spending cuts.

The debt ceiling was "one more thing [Trump] doesn't know very much about", Dimon said, after the former president and current frontrunner for the Republican party nomination for the White House in 2024 brushed aside concerns about the economic ramifications of an unprecedented default.

"It's really psychological more than anything else. And it could be really bad, it could be maybe nothing, maybe it's a bad week, or a bad day, who knows?" Trump said on CNN on Wednesday.

The boss of the biggest US bank told Bloomberg TV yesterday a default would be "catastrophic", and warned that as the government got closer to the fiscal cliff, "you will have panic".

US Treasury secretary Janet Yellen has warned that the government risks running out of money as soon as next month if Congress does not raise the debt ceiling. Yesterday, ahead of the G7 meeting of finance ministers in Japan, Yellen said: "Defaulting on our debt . . . would so badly undermine the US and the global economy it should be regarded by everyone as unthinkable."

The IMF yesterday warned of "very serious repercussions" in the event of a default while the global economy was in a "very difficult" position of low growth and high inflation. "We strongly encourage the parties in the US to come together to reach a consensus to urgently address this matter," said Julie Kozak, director of communications.

Dimon said JPMorgan had assembled a "war room" to assess risks from a potential default. It was likely to meet more often as the "X-date" approached.

His intervention came as the White House entered crunch talks with congressional leaders to avert a default.

US president Joe Biden earlier this week met Kevin McCarthy, the Republican Speaker of the House, and other top lawmakers in the Oval Office in an effort to kick-start talks. Biden and McCarthy, plus Senate Republican leader Mitch McConnell and Hakeem Jeffries, the top Democrat in the House of Representatives, are expected to meet again today, but the sides remain at odds over how to lift the debt ceiling.

Chris Giles see Opinion

Bilateral ties

US official in talks with top China diplomat

Sullivan and Wang try to stabilise relations between nations at Vienna meeting

DEMETRI SEVASTOPULO — WASHINGTON

US national security adviser Jake Sullivan and China's top diplomat Wang Yi have held talks in Vienna in an attempt to stabilise relations between the two countries, which have hit their lowest level since diplomatic ties were normalised in 1979.

The White House said they held two days of "candid, substantive and constructive" discussions on issues that included the US-China relationship, global security, Russia's war against Ukraine, and Taiwan.

"The two sides agreed to maintain this important strategic channel of communication to advance these objectives, building on the engagement between President Joe Biden and President Xi in Bali, Indonesia, in November 2022," the White House added.

In Bali, ahead of a G20 summit, the two leaders agreed they needed to set a "floor" under the relationship and to ensure competition between the powers did not "veer into conflict", particularly as tensions remain high over Taiwan.

Early efforts to kick-start high-level dialogue in the wake of the Bali meeting were derailed after a suspected Chinese spy balloon flew over North America before being shot down by the US off the coast of South Carolina in early February. Secretary of state Antony Blinken cancelled a visit to China as a result.

Blinken met Wang at the Munich security conference in February, but it was a tense and unproductive meeting.

He is now trying to reschedule his visit to China, and Treasury secretary Janet Yellen and commerce secretary Gina Raimondo are also seeking to arrange trips to Beijing. But the two sides have so far failed to reach an agreement, unless Sullivan and Wang did so in Vienna.

The Financial Times reported last month that China was reluctant to agree to a visit from Blinken because it was concerned that the FBI planned to release a report about the Chinese balloon following its analysis of the debris salvaged off the coast of South Carolina.

The FT reported yesterday that Beijing told Washington it was unwilling to schedule a meeting between Li Shangfu, its defence minister, and his US counterpart, Lloyd Austin, when the two officials attend the Shangri-La Dialogue security forum in Singapore in June. China wants the US to remove sanctions placed on Li in 2018 as a precondition.

The US has told Beijing that the sanctions, imposed in connection with Chinese purchases of Russian fighter jets and missiles, did not preclude a meeting in a third country. But Beijing believes it would be inappropriate to agree to the talks while its defence minister remains under sanctions. Several people familiar with the debate in the Biden administration said there was no intention to lift the Trump-era sanctions on Li.

Biden has also been trying to schedule a call with Xi to try to break a stalemate in relations. In the first two years of the administration, Sullivan met his then counterpart, Yang Jiechi, on several occasions in third countries, for talks that often paved the way for a call, video meeting or in-person meeting.

In another sign that relations may be improving, Chinese foreign minister Qin Gang this week met US ambassador Nicholas Burns in Beijing.

Faked data

Study reveals wide scale of 'science scam' in academic publishing

CLIVE COOKSON — LONDON

One in five articles published in journals may contain faked data produced by unauthorised "paper mills" that are paid to fabricate scientific submissions, according to a study by German researchers who used new techniques to "red flag" problematic papers.

The study adds to the growing evidence that academic publishing faces a damaging surge in fabricated research sold by paper mills to researchers desperate for published work to boost their careers. It also backs up recent evidence that the majority of fake research comes from China.

The team, led by Professor Bernhard Sabel, who heads the Institute of Medical Psychology at Otto-von-Guericke-University Magdeburg, found that the number of fake papers had risen substantially in recent years. Pressure to publish had been particularly intense in China, they said; for example, some Chinese hospitals and health authorities required physicians to be first author on a set number of papers.

Reviews of clinical evidence lose credibility when fraudulent studies are included, undermining public trust in science and medicine. China's science sector also suffers from the western perception that the country's researchers have a cavalier attitude to the integrity of published work.

"Fake science publishing is possibly the biggest science scam of all time, wasting financial resources, slowing down medical progress and possibly endangering lives," said Sabel.

Most of the growing band of independent investigators who track scientific fraud analyse the papers, looking, for example, for manipulated images and implausible genetic sequences.

The German researchers took a different tack, identifying simple "red flag" indicators that do not require detailed examination of the paper itself, such as the use of private rather than institutional email addresses, affiliation with a hospital rather than university and lack of international co-authors. These were validated by comparing a sample of known fakes with papers that were regarded as genuine.

The paper, which has been posted as a preprint on the MedRxiv site but has not yet been peer reviewed, emphasises the red flag is not a definitive indication of fraud, because it can falsely identify a substantial number of genuine papers.

The number of red flag publications across biomedicine rose from 16 per cent in 2010 to 28 per cent in 2020, with a much sharper increase in neuroscience than in clinical medicine. Taking account of papers flagged as fake which are actually genuine, Sabel estimated the actual proportion now was about 20 per cent, equivalent to around 300,000 papers a year.

Citing the "mass production" of faked research by paper mills, the researchers also investigated the techniques used by a sector whose annual revenues were estimated at \$3bn-\$4bn.

Professor Gerd Gigerenzer of the University of Potsdam, a psychologist and co-author of the paper, said the ultimate solution was to reduce the pressure to publish, particularly in China.

Investment screening

Yellen presses G7 to deter Beijing coercion

FT REPORTERS

US Treasury secretary Janet Yellen has called for "co-ordinated action" by G7 nations against Beijing's use of economic coercion, as Washington finalises a new outbound investment-screening mechanism aimed at China.

Speaking in Niigata, central Japan, where she is attending a meeting of G7 finance ministers, Yellen said the new US investment restrictions would be "narrowly scoped" and "targeted at technologies where there are clear national security implications".

"Obviously, it would be most effective if there's co-ordinated action by a group of like-minded countries and agreement that this is a useful approach," she said yesterday, adding she would continue "informal" discussions on the measures with other G7 members.

The US has not finalised the investment-screening mechanism and is not expected to unveil it before a G7 leaders' summit in Hiroshima next week. Host nation Japan and the US are keen to make economic security one of the summit's main themes.

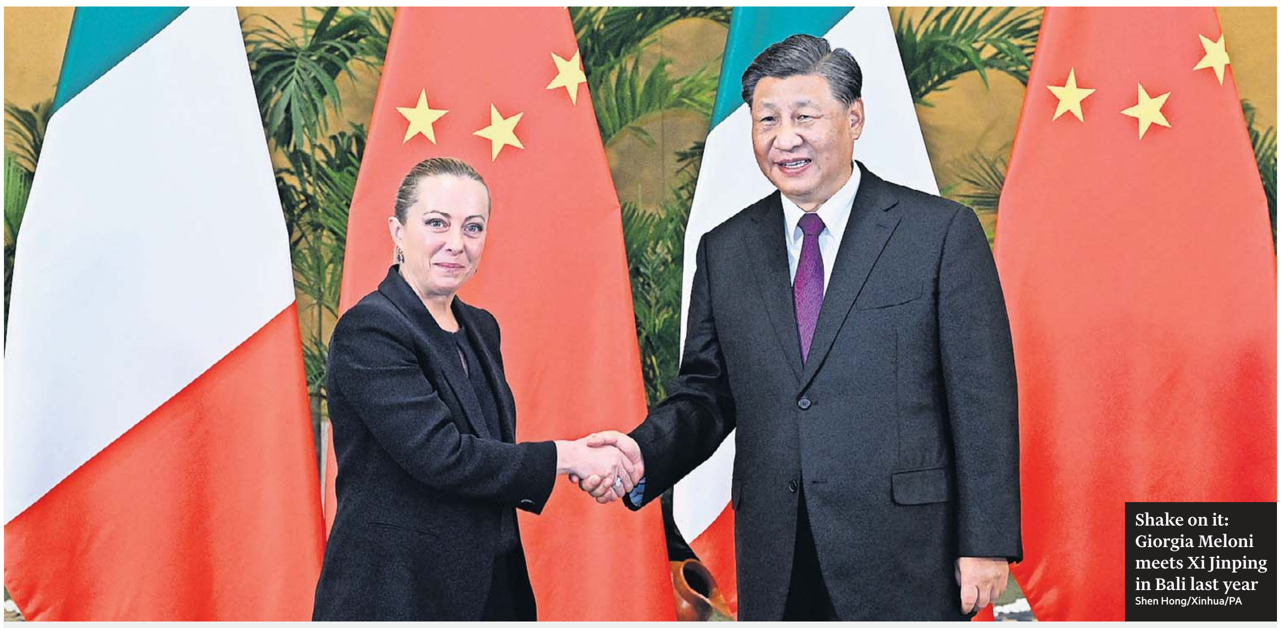
The G7 plans to issue for the first time a separate statement on economic security alongside the main summit communiqué. The statement will include a commitment to "collectively deter, respond to and counter economic coercion", according to documents seen by the Financial Times.

In recent months, China has imposed new sanctions on US weapons companies Lockheed Martin and Raytheon, launched an investigation into US chipmaker Micron, raided US due diligence firm Mintz and detained a local executive of Japan's Astellas Pharma group.

President Xi Jinping's administration is considering curbing western access to materials and technologies critical to the global car industry, according to a Chinese commerce ministry review.

"I would say that many G7 members share a common concern with this kind of activity and are looking to see what we could jointly do to try to counter this kind of behaviour," Yellen said.

Reporting by Kana Inagaki, Henry Foy, Sam Fleming and Demetri Sevastopulo



Shake on it: Giorgia Meloni meets Xi Jinping in Bali last year
Shen Hong/Xinhua/PA

Xi initiative

Italy looks to exit Belt and Road project

Italy plans to hold talks with China about a potential exit from Beijing's flagship infrastructure investment programme, while seeking to maintain friendly relations and robust commercial ties.

Rome was firmly rebuked by Washington and Brussels when it joined China's ambitious Belt and Road Initiative in 2019, the only G7 country to do so. Prime Minister Giorgia Meloni, during last year's election campaign, also called the decision "a big mistake".

Meloni said on Wednesday that she had not yet decided whether to terminate Italy's participation in the signature foreign policy programme of China president Xi Jinping. "The debate is open," she said in Prague.

But Italian officials say Meloni's government would ideally like to find a way to extricate itself from the BRI, without provoking Beijing's wrath or being subjected to punishing retaliation. "We want to maintain good relations with them and work to avoid problems escalating," said one official, adding that Rome did not wish to "antagonise" China.

For Meloni, the clock is ticking. Italy's four-year agreement to participate in the BRI contains an unusual provision for automatic renewal when it expires in March 2024 unless Rome formally notifies Beijing of its intent to withdraw three months beforehand. That gives Meloni — an arch-conservative eager to prove her government's credentials as a trustworthy ally to the US and EU — until December to resolve a big foreign policy test, and minimise its diplomatic and economic fallout.

"Given the state of relations between the US and China, we cannot remain an ally of the US and at the same time remain in the BRI," said Stefano Stefanini, Italy's former ambassador to Nato. "We have to try to negotiate a peaceful — or [the] least damaging possible — exit with the Chinese."

But officials said US pressure on Italy over the matter had eased recently, as Meloni proved staunch in her support of Ukraine. They also said that open channels of communication with Beijing could be useful in pressing it to push for an end to the war in Ukraine.

Italy's business community, already reeling from sanctions on Russia, is fretting, as it had turned its gaze towards post-pandemic China: Italian exports to China jumped 92.5 per cent in the first quarter of 2023 from a year earlier, mainly driven by a short-term surge of pharmaceutical exports.

"A possible withdrawal would lead to a cooling of bilateral relations at a historic moment in which companies and professionals are experiencing a frenzy and a desire to return to the Chinese market," said Mario Boselli, president of the Italy China Council Foundation, a business association.

China's foreign ministry said it believed Rome "should continue to tap the potential for Belt and Road cooperation . . . and let the fruits of developing the China-Italy relationship benefit the two countries".

Rome's entry into the BRI in 2019 was driven by former premier Giuseppe Conte, of the populist Five Star Movement, as Italy was suffering the effects of a debt crisis. By that time, Italy had already absorbed a series of large Chinese investments into key strategic businesses, including energy and telecommunications.

Conte's successor, former prime minister Mario Draghi, was more wary and used so-called golden powers to block several Chinese acquisitions, including an Italian microchip company and vehicle manufacturer Iveco.

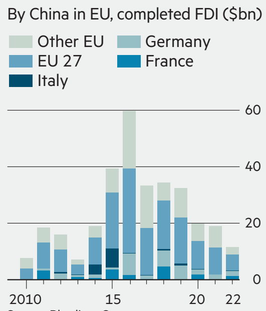
Meloni's government, too, is using that authority to scrutinise the impact of Sinochem, the Chinese state-owned chemical giant, owning a 37 per cent stake in Pirelli, the tyre company, a process some say could lead to limits on sharing sensitive technologies with the Chinese company. Pirelli did not comment.

For all its heavy political symbolism, Italy's participation in the BRI has brought little progress on the core offer of transport infrastructure. A Chinese state company lost an open tender, worth around €1bn, for a breakwater dam near the Port of Genoa.

Amy Kazmin and Yuan Yang in Rome

Italy's small share of EU-China direct investment

By China in EU, completed FDI (\$bn)



Source: Rhodium Group

Africa

Hopes rise for Sudan humanitarian ceasefire

ANDRES SCHIPANI — EAST AND CENTRAL AFRICA CORRESPONDENT

The US government has voiced cautious hope that emissaries of Sudan's warring generals who met this week in Saudi Arabia will renew efforts to put in place a ceasefire to allow humanitarian aid to get into the country.

The envoys have been meeting in Jeddah since Sunday as part of attempts to ease tensions in a conflict that has pitted de facto president and army chief General Abdel Fattah al-Burhan against the paramilitary Rapid Support Forces of General Mohamed Hamdan Dagalo, known as Hemeti.

The meetings, brokered by Washington and Riyadh, are the first tangible effort to try to tame the fighting that has spurred an exodus of more than 150,000 refugees since it began last month and has left at least 604 people dead, with the UN acknowledging the real figure may be much higher. More than 700,000 people have been displaced inside Sudan, the UN said.

"Our goal for these talks has been very narrowly focused," Victoria Nuland, US under-secretary of state, told a US senate committee. "First securing agreement on a declaration of humanitarian principles and then getting a ceasefire that is long enough to facilitate the steady delivery of badly needed services."

The Jeddah discussions have been limited to a ceasefire and humanitarian issues such as safe passage, to avoid political issues. Burhan and Hemeti have agreed to ceasefires in recent weeks, though residents of Khartoum say that troops ignore them.

"If this stage is successful, and I talked to our negotiators this morning who are cautiously optimistic, it would then enable expanded talks," said Nuland, adding that they could pave the way for a "permanent cessation of hostilities".

Both sides have accused each other of breaching truces in recent weeks. The RSF said this week that Sudanese forces had launched air raids. The army, in turn, said the RSF had "looted" foreign embassies, delegations and banks.

Volker Türk, the UN's human rights commissioner, said yesterday: "Despite intense diplomatic efforts — notably by the African Union, the Inter-Governmental Authority on Development, the League of Arab States and the UN — the leaders of the [Sudanese armed forces] and RSF have not agreed to discuss ending their hostilities."

Many Sudanese are sceptical about the talks amid little signs of a compromise. "The US-Saudi initiative that delivered the talks . . . may have been founded on good intentions, but it is riddled with deficiencies and defects that render it absurd," said Amjed Farid, who was an adviser to Abdalla Hamdok, the prime minister deposed by Burhan and Hemeti in a coup in 2021.

He added the low-level delegation sent to Jeddah by both sides showed "that neither is honestly interested in a fruitful outcome".

Latin America

Beijing agrees free trade deal with Ecuador

JOE DANIELS — QUITO
JOE LEAHY — BEIJING

Ecuador and China have signed a free trade agreement, deepening ties between the Andean nation and the world's second-biggest economy and frustrating US opposition to Beijing's growing influence in Latin America.

The deal would boost Ecuador's non-oil exports over the next 10 years by \$3bn to \$4bn, or as much as a third, according to the trade ministry. China is Ecuador's largest non-oil trade partner and has become an increasingly important source of financing for the Latin American nation, where it has backed infrastructure and energy.

The agreement could dismay the US, which is Ecuador's largest trading partner when including oil, its biggest export. Washington has sought to counter Beijing's growing influence in Latin America, where China has free trade deals with Peru, Chile and Costa Rica.

The accord allows preferential access for 99 per cent of exports to China, the government said, in particular agricultural and agro-industrial products including shrimp, bananas, cut flowers, cocoa and coffee. It excludes 800 products to protect local manufacturing.

The deal "puts Ecuador on Asia's map", said Ecuadorean production, trade, investment and fishing minister Julio José Prado during a signing ceremony. "This is an opportunity to widen co-operation," said China's trade minister Wang Wentao, who appeared from Beijing via video link.

But the deal, which still needs to be ratified by Ecuador's national assembly, is likely to face resistance. President Guillermo Lasso faces possible impeachment by the opposition-led Congress on embezzlement charges, which he denies. With a trial expected next week, the president may no longer be in office when the agreement reaches the legislature.

Signing ceremony: Ecuador's Julio José Prado with the agreement

Lasso is a pro-US conservative who had sought closer trade and investment ties with the US. But his ambassador to Washington, Ivonne Baki, complained in 2021 that the Biden administration did not understand the urgency of helping its allies in Latin America.

China has become Ecuador's most important financial partner over the past decade, beginning under leftist former president Rafael Correa, who was in office from 2007 to 2017 and was openly critical of the US.

Since 2010, loans from two Chinese state-backed policy banks — many tied to long-term oil delivery contracts — have totalled about \$18bn, says the China-Latin America Finance Database. Some economists say the debt burden gives Beijing more political leverage. Last September, Ecuador reached a debt restructuring deal with banks that is expected to provide \$1.4bn in relief until 2025.

Bilateral trade was estimated at \$12bn last year, with exports to China valued at \$5.7bn, up 58 per cent on 2021, according to the Quito Chamber of Commerce. Imports from China were put at \$6.4bn.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Military value Start-ups specialising in drones, robotics and artificial intelligence flourish amid conflict in Ukraine ➔ COMPANIES

Companies & Markets

SoftBank hit by $39bn loss in tech-heavy Vision funds

- Japanese group curtails investment
- Stake in China's Alibaba cut to 3.8%

KANA INAGAKI — TOKYO

SoftBank Group posted record annual investment losses of ¥5.3tn ($39bn) in its series of technology-focused Vision funds yesterday and warned that the war in Ukraine and the US-China dispute continued to pose big market risks.

Yoshimitsu Goto, the tech conglomerate's chief financial officer, said the company would not miss opportunities to invest in new tech such as ChatGPT but cautioned that it was not ready to accelerate its deal activity.

For the fiscal year to the end of March, the Japanese company logged a net loss of ¥970.1bn compared with a loss of ¥1.7tn the previous year. Analysts had expected a loss of only ¥166.5bn, according to S&P Capital IQ. In the March quarter, investment losses from Vision Fund 1 and 2, as well as its Latin American funds, amounted to ¥250bn.

> 'With no solution in sight, we need to be deeply concerned about the geopolitical risks'

SoftBank has turned to what founder Masayoshi Son has called "defence mode", halting new investments by its funds, preparing for the listing of its UK chip designer Arm and further reducing its stake in Chinese ecommerce group Alibaba. It is also close to a deal to sell asset manager Fortress Investment Group to Abu Dhabi's sovereign wealth fund Mubadala for as much as $3bn, according to people close to the talks.

While the valuation of some of the group's biggest publicly traded investments, such as South Korean ecommerce group Coupang and China's Didi Global, recovered in the March quarter, analysts said losses in its privately held portfolio proved bigger than expected.

Despite an improvement in market conditions, Goto said the biggest source of uncertainty came from geopolitical tensions. "With no solution in sight, we need to be deeply concerned about the geopolitical risks. Just because the last three months were good . . . we can't go back to resuming investments," he added. For the latest quarter, its two Vision funds only invested $400mn.

Kirk Boodry, an analyst at Astris Advisory Japan, said SoftBank was unlikely to go back on the offensive while central banks were still raising interest rates to control inflation.

"In that kind of environment, it's going to be difficult for SoftBank because they borrow a lot of money," said Boodry.

The Japanese group sold about $7.2bn-worth of Alibaba shares in the last quarter through prepaid forward contracts after a record $29bn selldown last year. The sales, revealed in regulatory filings with the US Securities and Exchange Commission, will cut SoftBank's stake in the $262bn Chinese ecommerce group to just 3.8 per cent.

After its asset sales, SoftBank's net cash has risen from ¥2.9tn to ¥5.1tn.

SoftBank is also preparing for a blockbuster initial public offering of Arm in New York this year. Son has stepped away from public view, focusing on changing Arm's business model so that it can generate higher revenues.

Regarding the lawsuit by Credit Suisse against SoftBank in London, to pursue $440mn that it claims its wealthiest clients are owed following the collapse of specialist finance firm Greensill Capital, Goto said that was unfortunate considering its longstanding ties with the Swiss bank. "I don't know how many years it will take but we will undoubtedly win this case," Goto said.

See Lex

Business as usual Head of Geely parent group relaxed about car brand's Russian sales push

A Geely Emgrand on the assembly line of the carmaker's Changxing plant in Huzhou, Zhejiang — Yi Fan/VCG/Getty Images

PETER CAMPBELL AND ERI SUGIURA
LONDON

The head of Chinese car conglomerate Geely has defended a decision by the Geely brand to increase car sales in Russia after global rivals pulled out of the market following the Ukraine invasion.

Daniel Li, chief executive of the Geely holding company, which also owns the Volvo and Lotus marques, said that the parent group allowed its businesses to make their own strategic decisions and that he was unwilling to tell them to withdraw from Russia.

"I totally don't see why we have to force every brand to punish the Russian customer," he said, talking at the FT's Future of the Car Summit in London yesterday.

Sales of Geely branded cars in Russia more than doubled for the first three months of the year from last year, up from 5,543 units to 12,673 units, according to car industry data group MarkLines.

The pullout from Russia had been "something decided by Geely Auto, not Geely Holding", Li said. "Geely Holding totally gives autonomy to Geely Auto as well as any other brands [under the portfolio] that are Volvo, Lotus or Polestar."

The Geely holding group owns stakes in several large western carmakers including Aston Martin, Volvo Cars and Mercedes, all of which pulled out of Russia following last year's invasion.

> 'I totally don't see why we have to force every brand to punish the Russian customer'

Volvo Cars, which the holding group owned outright until the car brand's stock market listing, was the first leading carmaker to suspend sales into Russia last February.

Li said that many of Geely's companies had pulled out, and had donated to charities working in Ukraine.

Sales of Chinese-branded models accounted for 38 per cent of Russia's new car market in January, according to data agency Autostat, up from 10 per cent in January 2022 before the invasion.

Geely car sales volumes in Russia were "relatively a very small part of our total of 1.5mn cars", Li said. "Even then, Geely Auto followed all the compliance with every local country and also globally."

Geely is trying to push further into the European market with its electric Zeekr brand. The company has a presence in Europe with Volvo and Lotus as well as London taxi-maker LEVC.

Zeekr is the first time the company has brought a Chinese brand into the market, as one of several electric vehicle brands from China that are trying to break in.

Leaks put Rolls-Royce boss on back foot at AGM

SYLVIA PFEIFER — BRISTOL

The chief executive of Rolls-Royce has been forced to defend his description of Britain's flagship engineer as a "burning platform" at its annual meeting, telling shareholders that he had been trying to press home the fact that this was an "underperforming company".

Tufan Erginbilgic said his bleak assessment of Rolls-Royce in an internal employee meeting shortly after taking the helm in January had been based on facts and on previous experiences of managing transformations.

In his remarks, which were leaked to the Financial Times, Erginbilgic also warned that Rolls-Royce's performance was unsustainable and that it underperformed all its key competitors.

"Why did the CEO issue the extremely destabilising burning platform threat to the world," asked one individual shareholder, who said he had been "astounded" by the remarks.

Erginbilgic replied that his description, which had been intended for employees only, had been a part of a 90-minute-long presentation and that he had gone on to talk about how he intended to improve performance.

"The first bit of it was about putting the mirror up . . . there is a reason the share price is [where it is]. This is definitely an underperforming company," he told the meeting in Bristol.

Shares in Rolls-Royce have been among the top risers in the FTSE 100 index since the start of the year but remain far below the 337p level they were trading at before the coronavirus pandemic brought air travel to a halt.

The crisis severely dented the company's civil aerospace business, which still generates 40 per cent of the group's underlying revenues. Rolls-Royce builds and maintains large engines for widebody aircraft including Airbus A350 jets and Boeing's 787. The crisis forced Rolls-Royce to launch a restructuring programme, including the loss of 9,000 jobs, to save £1.3bn in costs.

Rolls-Royce shares were down 6.4 per cent to 146p yesterday even though the company confirmed that its full-year guidance on underlying profit was unchanged at between £800mn and £1bn. Erginbilgic said Rolls-Royce had the potential to be a "much higher quality and more competitive company" and will communicate the findings of its strategic review and medium-term targets in the second half.

AI's disruptive forces are rapidly reshaping music boundaries

INSIDE BUSINESS
TECHNOLOGY
Anna Nicolaou

A few months ago, French DJ David Guetta posted a video that may have sent chills down the spines of some artists and music executives. "There's something that I made as a joke and it worked so good I could not believe it!" Guetta marvelled.

In the clip, Guetta is DJ-ing a set for thousands of fans in a dark club. He plays a song that appears to sample the rapper Eminem, whose distinctive voice delights through the crowd.

"Eminem, bro!" Guetta says. Except it was not actually Eminem. Instead, Guetta had used an artificial intelligence site to generate lyrics in the style of Eminem, and then entered that text into another AI site that recreated the sound of Eminem's voice. The result: "I played the record and people went nuts."

The use of AI to produce music has made the industry increasingly alarmed in recent months, with insiders likening the disruption to that of the sharing site Napster in the early 2000s.

The barrier to entry to making music had already been a lot lower than, say, making a movie. Artists can produce songs from their bedrooms, but AI has further opened the floodgates. It has never been easier to create a piece of music and add it to Spotify. One such site that enables this, called Boomy, says its users have generated more than 14mn songs. In comparison: Spotify's entire catalogue is about 100mn songs.

Lucian Grainge, chief executive of Universal Music, has been sounding the alarm. "Unchecked generative AI poses many dangers", he told investors last month. Universal Music recently sent a letter to all the major streaming platforms warning them against allowing AI technology to train itself on copyrighted music, the Financial Times reported.

There are a few reasons for such concerns. The first one is obvious: copyright infringement. An AI-generated fake Drake can only sound like the star because it learned to do so by listening to Drake. So the music companies argue Drake should receive some of the money these songs earn. Some musicians, such as Grimes, though, are happy to opt in and allow their voices to be duplicated, while splitting the royalty income 50/50. The copyright issue could take time to sort out, but eventually music companies and other stakeholders will create a framework for how to license music used by AI generators.

> Artists can produce songs from their bedrooms, but AI has further opened the floodgates. Boomy users have created 14mn songs

But there's another reason why Universal is worried. The market share of major label music on streaming platforms has been declining, slowly but steadily. In 2017, the four biggest suppliers accounted for 87 per cent of all listening on Spotify. By 2022, that had shrunk to 75 per cent.

Listening is increasingly being diverted towards music from independent artists, as well as ambient tracks and AI-generated songs. Grainge has spent the past few months talking about an "oversupply" of content on Spotify, where 100,000 new tracks are being added every day. He says AI has been a major contributor to this.

The big music companies care because they earn billions of dollars of royalty income that is directly tied to their proportion of streams. But this shift is fundamentally changing what Spotify is, and raises big questions about how we'll consume music in the future.

For a long time, Spotify had compared itself with Netflix. It was the place where you could pay a monthly subscription fee for access to a large catalogue of professionally produced music. But Spotify is turning into more of a combination of Netflix and YouTube — a platform where you can listen to megastars, but also 30-second clips of rainfall that can be created in seconds by anyone with access to a computer.

AI has helped spur this shift. A senior music executive described AI-generated music to me as "UGC on steroids", referring to "user-generated content" — the homemade clips of cats, memes, covers of popular songs, etc that dominate YouTube.

Grainge and his peers, such as Warner Music chief executive Robert Kyncl, are talking about developing an economic model for streaming. "It can't be that an Ed Sheeran stream is worth exactly the same . . . [as] a stream of rain falling on the roof", Kyncl said recently.

What might this model look like? Maybe all the user-generated music will be siphoned off to a different platform entirely, while professional music is kept to premium services. Spotify might be reluctant to agree to that. But more industry change is looming.

"The music industry's disruption has only had one chapter", says Mark Mulligan, analyst at consultancy Midia. "There's more to come."

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Financial services

BDO flags up auditor 'talent shortage'

Dearth of young recruits prompts accountancy's US unit to focus overseas

STEPHEN FOLEY AND ANDREW EDGECLIFFE-JOHNSON — NEW YORK

BDO USA is planning to double the size of its offshore workforce after a slide in the numbers of young graduates becoming accountants in the US.

The accounting firm would add thousands of jobs overseas, largely in India, according to chief executive Wayne Berson, amid a talent shortage affecting the US audit and tax businesses.

BDO USA, which employs about 12,000 people, is aiming to have 5,000 people at its offshore joint venture, BDO Rise, within five years, Berson told the Financial Times.

BDO Rise already has 2,000 people in India and recently added about 100 jobs in South Africa, Berson said, with plans to grow in both countries.

"We are seeing a tremendous talent shortage in the profession," he said. "While it would be nice to just hire domestically, you have got to be open to the notion that maybe someone else has something that you don't have, that you can buy."

US accounting bosses are wrestling with the question of why interest in the profession has dropped, just as they need to replace a wave of baby boomers who are retiring.

The US has never had more than 80,000 graduates with bachelor's or master's degrees in accounting annually. But the Bureau of Labor Statistics projects 136,400 new accountants and auditors will be needed annually over the next decade.

The Big Four accounting firms — Deloitte, PwC, EY and KPMG — have all established significant offshore presences in recent years, notably in India, to streamline their operations and provide round-the-clock service to clients. PwC US, for example, has what it calls "acceleration centres" in Malaysia, Argentina, China, India, Mexico and the Philippines. Deloitte's US business employs almost as many people outside the US as it does inside the country.

The offshoring trend is also now being embraced by midsize and even smaller firms as the labour market for trained accountants has tightened.

US starting salaries for accountants often fail to match those available elsewhere in finance or technology, and the profession also struggles with a reputation for being boring, which trade bodies are trying to overcome with social media campaigns and work in schools.

Berson said young people appeared more interested in becoming consultants than joining the more stable, but less immediately lucrative, tax and audit professions. "The next generation are wanting to move quickly, wanting to be excited by their job," he said.

"I was an auditor, how about I told you about audit first? Because I think it's always better to get your feet wet, get a foundation. You need to hone your skills before you can be a consultant to anyone."

Berson, a native of South Africa, has been chief executive of BDO USA for 10 years, and chair of BDO International — the global network of accounting firms that share the brand — since 2014.

Annual revenue for the US firm has grown from $618mn a decade ago to about $3bn, in part through acquiring smaller firms across the US.

Financials. Stewardship

Buffett's chosen successor cuts a dash in Omaha

Abel displays confidence and no-nonsense attitude during group's annual investor bash

ERIC PLATT — OMAHA

In a 45-minute video that Warren Buffett showed thousands of Berkshire Hathaway shareholders last weekend, one investor recounted his worst nightmare: a headline "Buffett Kicks Bucket".

Concern over how long the 92-year-old will be at Berkshire's helm have stalked its investors for years. But at this year's annual meeting in Omaha, Nebraska, they got their best view yet of the man whom Buffett regards as the answer to the succession question: Greg Abel, the 60-year-old vice-chair of the group's businesses outside insurance.

At the same event in 2022, the media-shy Abel was able to walk around the convention floor largely unnoticed. But this year, Abel — heir apparent to lead the $710bn conglomerate that includes the BNSF railroad, private jet operator NetJets and insurer Geico, as well as the other public and private groups Berkshire has invested in over the years — was surrounded by dozens of people hoping for a picture together. He took a moment with each, thanking them for attending.

"A few years ago I was quite frustrated that they weren't putting him up on stage or in front of the camera," said Darren Pollock, a portfolio manager at Cheviot, a Berkshire investor. "People are getting to know him a lot better . . . We need to see who the next generation is when Warren is 92 and Charlie [Munger, Berkshire's long-term business partner] is 99."

How Abel is perceived is critical, not least because Berkshire's reputation — hand in hand with Buffett's — has won the investment powerhouse a first look at deals, convinced potential targets that they would be better managed under Berkshire than rival bidders and, some analysts have argued, allowed it to disclose less financial information about its divisions or engage less willingly with its shareholders than typical publicly traded companies.

Abel appeared more confident than previously in his answers to shareholder questions, even if he lacked Buffett's folksy charm. He was grilled about BNSF, which suffered a derailment in March, and spoke on a separate incident after the railroad was found to have trespassed on tribal land for nearly a decade. One investor said they were concerned Berkshire did not have systems in place to address what they called "reprehensible behaviour" at BNSF.

Abel said the criticism was valid, that lessons were learnt and that the lawsuit underscored that BNSF had to live by its commitments. "There were some fundamental breakdowns . . . We have had significant discussions with the tribe looking to resolve the issue, recognising we obviously benefited from moving those trains."

Deft approach: Greg Abel, below, withstood a grilling over a derailment at Berkshire-owned railroad company BNSF in a quick and forthright exchange — Markus Mainka/Alamy Stock Photo

The quick and forthright admission follows a model that Buffett reminds Berkshire shareholders of each year: his famous 1991 congressional testimony over a bond trading scandal at Salomon Brothers that nearly brought down the investment bank. "Lose money for the firm and I will be understanding; lose a shred of reputation for the firm and I will be ruthless," he said.

Abel also spoke about Berkshire Hathaway Energy's planned $70bn of projects in the next decade as the group shifts to renewable power sources including wind and solar. "As we deploy that capital, we obviously earn a return on equity. But it will be a long journey."

Pollock said Abel had presented himself as a no-nonsense operator. Seeing Abel talk through returns on capital projects was noteworthy, he added, given that Buffett has long said the Berkshire home office is responsible for capital allocation, not business operations.

Abel's experience at the helm of BHE and his hands-on approach with Berkshire's dozens of businesses may mean he will be a more active manager than Buffett, perhaps aiming for synergies or tie-ups among subsidiaries, something Buffett never sought to foster.

In a sign of the potential, last year BHE announced it would develop a manufacturing site powered by renewable energy, with Berkshire-owned metal components group Precision Castparts agreeing to be the first business to take up space. "There are tremendous opportunities for Berkshire's businesses to work together," said Chris Rossbach, chief investment officer at fund manager J Stern & Co.

Managers of some Berkshire businesses said Abel had been taking a more hands-on approach. In March, he visited Brooks Running chief executive Jim Weber to see the footwear business, while newly acquired toy company Jazwares has been reporting its results monthly to Abel and his team.

"Warren grew up with all the businesses," Abel told CNBC last month. "I had to learn the businesses and their industries, which means there's going to be an active dialogue with the managers. And that helps immediately."

> 'People are getting to know him a lot better . . . We need to see who the next generation is'
>
> Darren Pollock, Cheviot

Investors still crave more insight into Abel and the executives who will surround him, including Todd Combs and Ted Weschler, who already manage a portion of Berkshire's $328bn stock portfolio.

"It's almost impossible to start off as Warren Buffett: that takes years and years and years of people getting to know you," said Rhys Williams, chief strategist at Spouting Rock Asset Management. "Nobody replaces Warren Buffett, but they will be admirable stewards."

Buffett has been setting the stage for his eventual successor, providing a blueprint in more than 50 letters to shareholders over the decades and in his answers at Berkshire's annual meetings.

"The framework has been laid out," Abel said, speaking on stage alongside Buffett, Munger and Ajit Jain, Berkshire's vice-chair of insurance operations. "We know how . . . you and Charlie have approached it and [I] really don't see that framework changing."

Buffett told shareholders Abel had proved himself as a capital allocator and that he had no alternative to head the company. "I don't have a second choice," Buffett said.

Financials

Blackstone in talks with US regional banks over lending partnerships

ANTOINE GARA — NEW YORK

Blackstone is in discussions with large US regional banks about providing them with extra firepower to lend to companies amid signs that the recent industry turmoil is morphing into a credit crunch.

Jon Gray, president of Blackstone, told the Financial Times his company was talking to regional banks about entering into partnerships, which would involve lenders making or "originating" loans that the private equity group could funnel to its insurance customers.

"The discussions we are having are to potentially partner with a regional bank," Gray said in an interview. He declined to name the lenders involved in the negotiations but said they had between $100bn and $250bn in assets. The insurers would pay a fee to Blackstone for directing the assets their way.

Private capital giants such as Blackstone, Apollo Global, KKR and Ares Management are exploring ways to increase their exposure to credit after the collapse of two big regional banks, Silicon Valley Bank and First Republic.

The Federal Reserve on Monday warned the collapse of the lenders was fuelling a "sharp contraction" in credit that could "drive up the cost of funding for businesses and households".

> 'We have a very low-cost capital because of our insurance clients'
>
> Jon Gray

Gray said regional banks were still best placed to decide whether to lend to commercial and real estate clients.

But he said groups such as his could be a "valuable partner" by helping to offload some of the risk after a loan has been securitised. "Rather than putting all [of the risk] on its balance sheet, maybe they keep 50 cents [on the dollar], and put 50 cents with us."

Blackstone plans to channel the securities to asset-hungry insurers which would hold the debt to maturity. "What's really changed from our standpoint is that we have a very low-cost capital because of our insurance clients," Gray said.

Blackstone does not have a controlling stake in any insurers but offers asset management services to large players such as AIG. These, Gray said, were a natural home for assets that might otherwise be held on banks' balance sheets.

Private equity groups are making a big push into the insurance sector, which vacuums up trillions of dollars of debt each year. Apollo chief executive Marc Rowan said this week he expected his group to dramatically increase lending following the banking turmoil.

The New York group has in recent years built more than a dozen lending businesses that write loans, which sit on the balance sheets of the insurers it owns. The company has forecast these units could originate at least $150bn in annual loans by 2026.

Earlier this year, Apollo increased its own securitisation capabilities by buying a significant chunk of Credit Suisse's securitised products division. The unit, now called Atlas SP, lent US regional bank PacWest $1.4bn in March and accepted some of the lender's asset-backed securities as collateral.

"The banking system wants the client, but not the asset," Rowan said, echoing Gray's opinion that in many cases the lender should still have the primary relationship with customers.

Rowan said his group did not pose a significant threat to traditional lenders.

Technology

Sharp writedown slashes Foxconn profits

KATHRIN HILLE — TAIPEI

Sharp's largest shareholder Foxconn has said it will push for management changes if the Japanese electronics maker fails to provide a satisfactory explanation for a big writedown that blasted a hole in the Taiwanese contract manufacturer's quarterly profits.

The threat from the iPhone maker over a ¥220bn ($1.63bn) impairment loss — as Sharp yesterday wrote down the value of its display businesses in Japan and other manufacturing facilities globally — is likely to underline Japanese companies' fears over the risks of foreign ownership.

Foxconn reported yesterday a 56 per cent drop in net profit to NT$12.8bn ($416mn) for the first quarter, which Apple's largest manufacturer said was mainly due to a NT$17.3bn investment loss from Sharp's writedown.

"Although our operating income and gross margin both increased, our net profit fell because of [Sharp's writedown]," said David Huang, chief financial officer. Sharp had blamed decreased profitability for the impairment charges, but Huang added: "We will ask for an explanation from Sharp, and if needed, demand an adjustment of Sharp management in the interest of our shareholders."

Foxconn's first-quarter numbers sharply missed expectations, with analysts polled by Reuters forecasting NT$29.2bn in net profit. Operating income was up 11 per cent compared with the same period a year earlier, with revenues up 4 per cent to NT$1.46tn — a new record for a first quarter.

Soft demand in Foxconn's main business of assembling smartphones and other electronic gadgets drove chair Young Liu to give a cautious outlook.

He said revenues in the current quarter would contract, according to typical seasonal patterns, while persistent "noises", such as geopolitical tensions and inflation weighing on the global economy, meant the company was revising its previous expectation that its server business would grow in the full year. He predicted flat revenues instead.

In the electrical vehicle sector, where Foxconn aims to grab a 5 per cent global manufacturing market share by 2025, the company has yet to announce any orders from a big traditional car brand.

Financials

Man Group picks veteran Grew as next chief

HARRIET AGNEW — LONDON

Luke Ellis, chief executive of the largest listed hedge fund manager Man Group, is to retire and be replaced by the company's president Robyn Grew.

Man, which has $144.7bn in assets under management, said yesterday that Ellis would retire in September after six years in the role.

Grew will become one of the few women to lead a large hedge fund group. She joined Man 14 years ago and has held roles including group chief operating officer, head of ESG and general counsel. Following her appointment as chief executive, she will relocate from New York to London.

Man's business spans long-only equities and alternatives strategies across liquid and private markets. Originally known for its quantitative strategy AHL, it was transformed in 2010 when it bought GLG for $1.6bn. The acquisition added discretionary hedge fund strategies to its portfolio of predominantly quant funds that depend on complex algorithms.

Ellis arrived at Man with GLG, lured back to the City after a stint as a farmer by Manny Roman, then GLG's chief executive. Ellis was promoted to chief executive of Man in 2016.

Last year, Man reported an 18 per cent rise in profit to $779mn, driven by an increase in performance fees, much of which came from the group's computer-driven macro funds. Client inflows for the year were $3.1bn.

Man said yesterday that Grew had actively championed a more diverse and collaborative culture. Before joining the group, she held senior positions at Barclays Capital, Lehman Brothers and the then-London International Financial Futures and Options Exchange.

She takes the reins as asset managers face a changed world after two decades of low rates and quantitative easing. Higher inflation and rising rates have ended the bull market in stocks and squeezed profits across the industry.

Man's evolution reflects changes in the $3.88tn hedge fund industry. Once dominated by highly paid star managers and a client base of wealthy individuals, hedge funds increasingly manage money for pension funds, insurance companies and other big institutions.

See Lex

Ukraine conflict shines spotlight on smaller, tech-led defence operators

Start-ups specialising in drones, robotics and AI are demonstrating their value to military planners

SYLVIA PFEIFER
INDUSTRY CORRESPONDENT

An industrial estate on the outskirts of Tallinn in Estonia houses an unlikely winner from the war in Ukraine: a start-up that makes autonomous vehicles used to carry casualties and clear routes for soldiers on the battlefield.

Milrem Robotics is part of a wider shake-up of the arms trade in the wake of the conflict that has seen smaller, technology-led companies gain prominence in an industry dominated by long-established incumbents such as Lockheed Martin and BAE Systems.

As well as Milrem, others such as America's AeroVironment and Turkey's Baykar, have caught the headlines after the success of their equipment on the Ukrainian battlefield. Milrem, together with Germany's Krauss-Maffei Wegmann, has delivered 14 unmanned ground vehicles to Ukraine, while the Pentagon has sent several hundred of AeroVironment's Switchblade drones armed with warheads. Baykar's armed Bayraktar TB2 drone has similarly been deployed in Ukraine.

These companies' success and the speedy deployment of their products in Ukraine underline the changes sweeping through the defence industry, and how long-established players face challenges from new entrants.

Innovative technologies such as sensors, robotics and unmanned systems — often developed for both civil and military uses — had already started to disrupt procurement before the war but the conflict has accelerated that trend.

"Ukraine has definitely made governments think harder and deeper about their industrial bases, their supply chains' agility and resilience," said Trevor Taylor, professional research fellow at the Royal United Services Institute. He noted that "military effectiveness is depending increasingly on information advantage derived from sensors, data processing, computing and so on".

While the big defence contractors are not at risk from the success of their smaller counterparts, it does underline the challenges they — and government procurement agencies — face to keep up with the faster pace of innovation in the commercial world.

The often lengthy development cycles of prime contractors mean that they can struggle to keep up with the rapid advances offered by more agile technology companies, said Johannes Pinl, chief executive of MARSS Group, whose surveillance system has been deployed in Ukraine to protect critical infrastructure from unmanned threats such as drone attacks.

"Agile tech companies have an advantage. We are seeing the beginning of the future battlefield: technology, driven by the commercial market, is taking over," he said.

Robotics and autonomous systems in particular are expected to evolve significantly over the next five to 10 years, said Kuldar Väärsi, Milrem's chief. Founded 10 years ago, the group has evolved into one of Europe's leading robotics companies with exports to 16 countries, including Nato members. Its vehicles can be rapidly configured to host cameras, rangefinders and even weapons.

Väärsi said that given the fast pace of development, the question for governments would be "how to buy the best available on the market with the most reasonable pricing while also ensuring that you get the necessary updates and upgrades".

The challenge has already prompted governments to look outside of their usual pool of suppliers. "It seems that defence departments have recently been putting more focus on leap-ahead technologies to achieve transformational results, regardless of their origin," said Charles Dean, vice-president of global sales and business development at AeroVironment.

Compared with the past, orders are made to both large and small companies rather than primarily from large prime vendors, he added.

For governments, the question of how to involve smaller suppliers in the procurement process is not new. The US and UK have for some time wanted to diversify their supplier base but their procurement processes made it difficult for smaller groups, said Rusi's Taylor.

"The preference is for competitions which are expensive for everybody and time-consuming. The big companies are set up for them and are used to them," he said.

"The defence acquisition process is quite rigid," said Milrem's Väärsi, adding that it would take time to change and governments would need to be reassured the company they were contracting with would exist long term. He said one positive development was the establishment in 2021 of the European Defence Fund, which encourages small and medium-sized companies to take part in collaborative research projects.

In the US, the war in Ukraine has led to the Pentagon "mobilising the defence industrial base in a way that we haven't seen in decades", said Jeff Jurgensen, spokesperson for the Department of Defense.

The DoD, he added, had already been working to diversify its industrial base before the Ukraine war but a new strategy for engaging smaller businesses and helping them compete for defence contracts was launched in January. The initiative includes technical assistance centres to help small firms find opportunities to do business with the department.

Similar efforts are being made in the UK. Andy Start, chief executive of Defence Equipment & Support, the procurement agency of the Ministry of Defence, said the government had made it easier for small and medium-sized groups to bid for public sector contracts by changing processes, including ensuring payment within 30 days and abolishing pre-qualification questions for low-value contracts.

It was also bringing industry, including SMEs, "much earlier into the acquisition process and at a much higher level of classification so . . . [that] we can work together to come up with more innovative solutions that can be deployed faster", he added.

For the companies that have benefited from the conflict in Ukraine the big question is whether their success is sustainable.

"Some of the smaller US technology companies have been very active in terms of pushing their way into Ukraine," said Byron Callan, managing director of research group Capital Alpha Partners. But the big question is, "does that give them a leg-up into the broader defence market?"

> 'Some of the smaller US technology companies have been very active in pushing their way into Ukraine'
> Byron Callan, Capital Alpha

> 'We are at the start of the drone wars'
> Trevor Taylor, Rusi

Industry experts point out that leaps in demand for niche technologies have happened in previous wars, often with mixed results for companies involved.

Pieter Wezeman, senior researcher at the Stockholm International Peace Research Institute, said that in the aftermath of the wars in Iraq and Afghanistan, it became clear that the US needed protective trucks. At the start, different companies stepped into the breach to supply these so-called mine-resistant ambush protected vehicles but, eventually, the larger US companies took over.

The same phenomenon could happen this time as larger companies look to gain market share from their smaller rivals or snap up key technologies.

Milrem in February announced that the United Arab Emirates state-owned conglomerate EDGE Group had agreed to buy a majority share in the company. Väärsi said the deal meant the company would be able to keep pace with the developments in the robotics market.

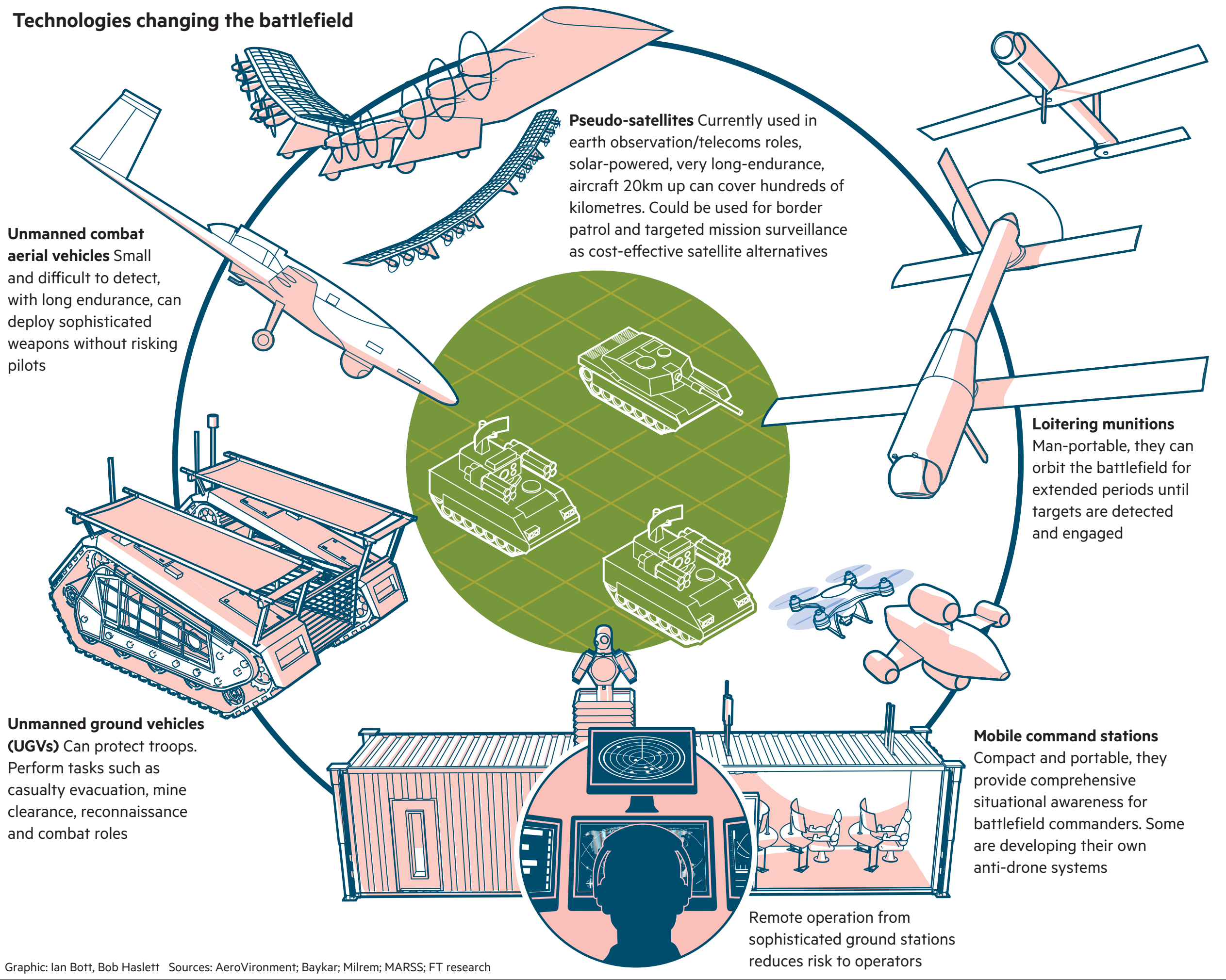
"We need to be able to grow to keep our position," he said, while stressing that Milrem's development footprint would remain in Europe.

Some larger contractors are also looking at partnerships. Germany's Rheinmetall said last year it was joining artificial intelligence start-up Helsing to build software-based systems, including retrofitting existing platforms.

The drone industry is ripe for consolidation, said Rusi's Taylor. Governments were already looking to develop counter-drone measures which, he predicted, would mean that unmanned aerial systems would quickly become more expensive "and then less and less viable for smaller companies".

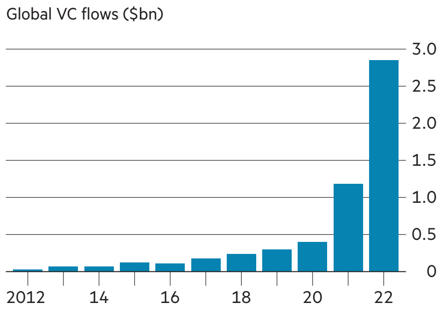
"We are at the start of the drone wars," he said.

Technologies changing the battlefield



Graphic: Ian Bott, Bob Haslett Sources: AeroVironment; Baykar; Milrem; MARSS; FT research

Investment into defence tech start-ups jumps in 2022
Global VC flows ($bn)



Source: PitchBook

Retail

Adidas to sell Yeezy shoes for charity in next step after rapper outcry

OLAF STORBECK — FRANKFURT

Adidas is to sell its stock of unsold Yeezy shoes and donate some of the proceeds to charity, as the sports brand seeks to mitigate the financial and reputational damage related to its ill-fated partnership with US rapper and fashion designer Kanye West.

Responding to investors chiding Adidas for the delays in finding a solution for the Yeezy stock, chief executive Bjørn Gulden said the group had decided against destroying the shoes. Instead, it will "try to sell parts of the product" and donate some of the money to charities representing people who "were hurt" by West's comments, he added.

"Burning several million pairs [of shoes] does not make sense," Gulden told investors at the company's annual meeting yesterday. He previously said that selling the remaining Yeezy stock would imply that West would receive additional payments from Adidas, saying in March that the company needed "to pay royalties, of course".

Gulden yesterday did not name specific charities or clarify whether Adidas was planning to donate all the proceeds from the sales. In March Gulden had said the company would "probably not make profit" on the remaining stock.

The German brand stopped selling Yeezy shoes in October and terminated its partnership with West, — now known as Ye, after his antisemitic remarks.

The move wiped out €1.2bn in annual revenue and €500mn in operating profit. Adidas earlier warned that destroying its remaining stock in Yeezy shoes would create the need to write off another €500mn.

The unsold stock has a market value of more than €1bn, Gulden told investors at the meeting.

Adidas responded to investors' pressure to disclose the results of an internal investigation into the affair that was launched after employees accused the company in an anonymous letter of turning a blind eye to West's inappropriate behaviour.

Chief financial officer Harm Ohlmeyer said yesterday that senior management learned about the allegations hours before Rolling Stone magazine reported them.

The investigation, conducted by a law firm that interviewed two dozen current and former employees, did not confirm the gravest allegations raised by employees, according to Ohlmeyer.

The only incident found in the probe was one that West himself had documented in a YouTube video, he explained. Adidas could neither back up allegations West showed an intimate picture of his former wife Kim Kardashian in job interviews, nor that he made antisemitic remarks in the presence of Adidas employees or harassed women, he added.

However, the investigation uncovered "partially inappropriate behaviour" by West, which Ohlmeyer did not detail. Adidas is evaluating ways to "improve the management of Adidas partnerships and to minimise the risk of inappropriate behaviour by partners and unacceptable working conditions", he added.

Josef Schuster, president of the Central Council of Jews in Germany, told the Financial Times that Adidas's willingness to donate some money had to be "highly appreciated", but pointed out that it was "very problematic" that West was going to have financial gains from further Yeezy sales.

"From my perspective, the wrong party [Adidas] is going to be punished here," Schuster added.

Shares in the group climbed about 2 per cent yesterday.

Media

Disney cuts streaming losses by a quarter after raising fees but subscriber base weakens

CHRISTOPHER GRIMES — LOS ANGELES

Shares in Walt Disney fell as much as 9 per cent yesterday despite the US entertainment group announcing that it had sharply reduced losses from video streaming in the second quarter as it cut costs and raised subscription prices for services, including its flagship Disney Plus platform.

Disney's streaming business also lost 4mn subscribers in the quarter, mostly due to the loss of Indian Premier League cricket on its Hotstar service in India.

Since he returned to the company in November, Bob Iger, Disney chief executive, has been under pressure to stop the bleeding of cash at its streaming services, as investors lose patience with the growth-at-all costs investment into streaming by the company and its rivals. Disney has pumped more than $10bn into its streaming business since launching in 2019 as it went head-to-head with Netflix.

On Wednesday, Disney said it had cut streaming losses 26 per cent from a year earlier to $659mn in the quarter ended April 1 — better than the $850mn loss Wall Street had expected and a $400mn improvement from the previous quarter. Streaming revenue rose 12 per cent from a year earlier, thanks in part to a rise in subscription fees.

Disney said it had achieved the streaming savings in part by cutting marketing costs, though company executives said those costs would increase by $100mn in the current quarter because of the timing of new releases.

Though it reported a decline in total subscribers to its streaming services — which include Disney Plus, ESPN Plus and Hulu — its average revenue per subscriber rose. Iger said a rise in subscription prices only led to a "de minimus" loss of subscribers of about 300,000.

"That leads us to believe that we, in fact, have pricing elasticity," he told investors in a conference call.

Iger said in a statement that he was "pleased" with the improvements in the streaming business, which he said "reflect the strategic changes we've been making throughout the company to realign Disney". The company is in the middle of cutting 7,000 jobs, which is expected to save at least $5.5bn. It took a charge of $152mn in the quarter, "primarily for severance".

Iger on the investor call said the company would integrate the Hulu and Disney Plus streaming services into one app later this year, which would create more opportunities for advertisers. He also appeared to back off earlier comments that Hulu's general entertainment offering was "undifferentiated", which had led some analysts to wonder whether he was looking to offload the company.

$10bn	4mn
Amount Disney has pumped into its streaming unit since 2019 launch	Fall in subscribers after the loss of Indian Premier League rights

"That was a little harsh," Iger said of his previous comment, adding that he was "bullish" on the combination of Disney Plus and Hulu.

He also hit back at Florida lawmakers, led by Republican governor Ron DeSantis, who have been seeking to curb its power in the state. Disney sued DeSantis and others last month, accusing them of retaliating against the group for exercising its free speech rights when it criticised the so-called Don't Say Gay law.

"We certainly never expected to be in the position of having to defend our business interests in federal court, particularly having such a terrific relationship with the state, as we've had for more than 50 years," he said. "Does the state want us to invest more, employ more people and pay more taxes or not?"

Disney earned 93 cents a share in the quarter, in line with Wall Street forecasts, and $1.27bn in net profit on revenue of $21.98bn. Its theme parks continued to show strong results since pandemic restrictions were lifted, with operating income up 23 per cent to $2.1bn thanks to strong attendance at its Shanghai, Hong Kong and Paris parks.

But revenue at Disney's television networks fell 7 per cent in the quarter and operating income dropped 35 per cent due to lower advertising sales.

Disney shares were down 8.7 per cent at $92.31 at lunchtime in New York.

Fixed income. Debt ratings

Swedish property sector rattled as refinancing worries surface

Bridge too far: a residential area of Stockholm, where real estate groups are vulnerable to tighter bank lending — Casper Hedberg/Bloomberg

Analysts highlight country's exposure to rising interest rates after downgrade of SBB

GEORGE STEER, DARIA MOSOLOVA, JOSHUA OLIVER AND LAURENCE FLETCHER

Hedge funds have cranked up their bets against Sweden's real estate sector as investors predict higher interest rates will weigh on domestic property prices and expose its vulnerability to tighter bank lending.

Traders' worries have intensified after S&P on Monday flagged its concerns over the outlook for SBB, one of the market's biggest players, which needs to refinance short-term debt that matures in the coming year.

The credit rating agency cut the Swedish landlord's rating to junk territory and drew attention to its high leverage and tightening market liquidity.

But investors fear S&P's doubts are a harbinger for an industry grappling with the impact of rising interest rates and cooling real estate prices.

"The closer we look at Sweden, the worse things seem to appear," said James McMorrow, Europe commercial property economist at Capital Economics.

For a decade, global commercial real estate groups took advantage of rising property values and low interest rates to load up on debt. But many will need to refinance their borrowings just as interest rates touch their highest levels since before the 2008 financial crisis.

Analysts and traders have set their sights on the Scandinavian country because of the industry's reliance on short-term debt.

Hedge funds' short positions in the Swedish real estate sector have soared this year, reaching their highest level in more than a decade, according to data provider Breakout Point.

A sell-off in SBB spread to domestic residential and commercial property competitors, including Fabege, Fastighets and Corem, which have also increasingly been targeted by short sellers this year.

On Tuesday, five of the 10 worst-performing stocks in the region-wide Stoxx Europe 600 index were Swedish real estate businesses.

Charles Boissier, head of European real estate at UBS research, pointed out that "as a sector [real estate] has been leveraging up quite aggressively in the last 10-15 years. That is not just Sweden, but Germany and other markets".

Property yields, which move inversely to prices, are also forecast to push higher as rates and the cost of debt rise.

Based on the current cost of debt available in the market, yields on "prime" Stockholm offices could yet rise this year to 4.7 per cent from 3.5 per cent, said Mark Unsworth, head of real estate economics at Oxford Economics, implying a 25 per cent drop in prices.

Swedish property groups also rely more on bank funding. Several US regional bank stocks have slumped since the collapse of Silicon Valley Bank in March, while April's euro area bank lending survey showed the pace at which lenders were tightening their credit standards was at its highest level since the continent's sovereign debt crisis in 2011.

Bloomberg data suggests that about $40bn of Swedish property groups' combined bond debt will mature over the next five years, with $10bn due in 2023.

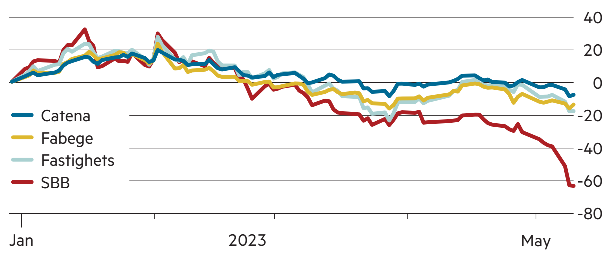
About 70 per cent of Swedish property bond issuance is also floating rate compared with just 2 per cent in the eurozone.

"These together make Swedish property and Swedish property companies particularly vulnerable to higher interest rates," McMorrow said, even though the outlook for Sweden's economy "does not look drastically worse than its neighbours in Scandinavia or the eurozone".

Simon Harvey, head of FX analysis at Monex Europe, said investors were paying close attention to the trouble brewing in Sweden's real estate industry — in part because the country's sensitivity to higher interest rates means the effects of tighter monetary policy are likely to show up earlier than elsewhere.

Swedish property groups tumble

Share price change (%)



Source: Bloomberg

'Sweden is potentially a canary in the coal mine and that's why markets are taking heed'

The Riksbank has raised rates from zero to 3.5 per cent over the past year.

"Sweden is potentially a canary in the coal mine for [other European economies] and that's why markets are taking heed," he said.

However, Boissier played down the risk. Across Europe's big listed real estate companies as a whole, just 16 per cent of the debt matures before the end of next year, making a broad "liquidity crunch" unlikely, UBS found.

In Sweden, investors' fears have coalesced around SBB, which was forced to cancel its dividend and a rights issue after S&P cut its debt rating.

Its shares are down 40 per cent this week, to its lowest level in five years, and 90 per cent since the start of last year.

In February 2022, Fraser Perring's Viceroy Research announced that it was shorting the stock, describing SBB as a "debt-fuelled roll-up of rent-controlled assets".

SBB said the short report contained "numerous and material errors, misleading assumptions and [made] unsubstantiated claims".

Hedge funds have upped their bets against the company's stock from 18.3 per cent of the outstanding shares at the start of the year to 24.1 per cent, according to data group S&P Global Market Intelligence.

Among funds betting against the company were Marshall Wace, Gladstone Capital and Perbak Capital, according to Breakout Point.

But SBB's domestic rivals are expected to come under pressure, too. At roughly 45 per cent, Swedish listed real estate companies' average loan-to-value ratio is the third highest in Europe after Norway and Italy, said Unsworth.

"[But] there will be a distribution around that average so perhaps what we are seeing is those stocks with the highest leverage starting to face refinancing challenges," he added.

Equities

Dimon calls for probe into bets against bank stocks

JENNIFER HUGHES

JPMorgan Chase's chief executive Jamie Dimon has called on US regulators to look into the behaviour of investors betting against bank stocks as part of official efforts to "finish" the banking turmoil.

Four lenders have failed while some hedge fund short sellers have made large profits from bets against such stocks in the past two months.

Regulatory action to deal with the bank collapses has failed to halt falls in some lenders' shares.

"The SEC has the enforcement capability to look at what people are doing by name in options, derivatives, short sales," said Dimon on Bloomberg Television yesterday, echoing a recent call from a US banking lobby group.

"If someone's doing anything wrong, people are in collusion or people are going short and then making a tweet about a bank, they should go after them and vigorously," he added.

Earlier this month, the American Bankers Association called for the Securities and Exchange Commission to take measures against alleged "market manipulation".

In a letter to the regulator, the group noted "significant short sales" of several bank stocks "that do not appear to reflect the issuers' financial status or general industry conditions" and urged the SEC to reduce "the avenues for abusive trading".

'Banning short selling will increase market volatility, hurt price discovery and delay a recovery in prices'

Short sellers borrow shares and then sell them in the market, betting that they will be able to buy them back at a lower price before returning them.

The Financial Times reported last month that funds had made billions of dollars betting against bank shares during the early stages of the banking turmoil.

The SEC and other regulators introduced controversial temporary short selling bans following the collapse of Lehman Brothers in 2008.

Academic studies since have tended to conclude that such bans have little positive impact and may be counterproductive by reducing liquidity and hindering market efficiency.

Hedge funds have been pushing back against any suggestions of a ban on short selling.

"Banning short selling will only increase market volatility, hurt price discovery and delay a recovery in regional banks' prices," the US trade group Managed Funds Association on Monday wrote to the SEC.

Regional banking stocks have been hit hard following the recent collapses of lenders, which began with the unexpectedly rapid disintegration of Silicon Valley Bank in March.

Banks including PacWest, Western Alliance and Zions Bancorp have each fallen at least 50 per cent this year.

Commodities

BNP Paribas to stop funding new gas projects amid rising danger of litigation

SARAH WHITE — PARIS
KENZA BRYAN — LONDON

BNP Paribas has said it will no longer finance new gasfield projects, further restricting some of its funding for fossil fuels, as campaigners pursue lawsuits against the eurozone's biggest bank for supporting the sector.

The French banking group yesterday joined other leading fossil fuel lenders such as HSBC in extending a previous commitment on new oil projects to include some gas activities, an area where clients such as BP and TotalEnergies have big operations.

But climate activists said most of BNP's support for oil and gas was given through corporate loans and bond underwriting services, not the direct loans that it addressed in its new policy.

Alexandre Poidatz, Oxfam France's head of advocacy, said the move was "a big step according to BNP but a small step for humanity".

The bank has previously committed to restricting its lending to companies involved in oil and gas exploration and production by 2030 — by 80 per cent for oil and 30 per cent for gas.

Campaigners argue this leaves the door open to underwriting services for oil and lending to gas companies.

BNP is at present in the top 20 of the world's biggest financial backers for companies in the oil and gas sector. The latest annual ranking by the Rainforest Action Network estimated that BNP had provided $20.8bn worth of financing to the sector in 2022, more than other European banks, and a total of $165bn since the 2016 Paris climate agreement.

BNP said in January that its outstanding loans for gas extraction and production stood at €5.3bn at the end of 2022. It said its loans to cleaner energy sources, a category in which it includes renewable power and nuclear energy, stood at just over €28bn compared with almost €24bn for fossil fuels.

It said yesterday that it would also cease so-called reserve-based lending, where loans are secured against oil reserves of companies taking on debt.

The bank, like many others involved in financing fossil fuels, has argued that it is accompanying companies as they pivot towards cleaner energy sources and is providing funding accordingly.

Lucie Pinson, founder of campaign group Reclaim Finance, said BNP should commit to "progressively restrict all of its financial services to companies" that did not drop all of their new oil and gas projects. "This is the only way for BNP to help prevent and arm itself against the risk of the climate situation worsening."

Lorette Philippot, campaign lead at Friends of the Earth France, said BNP's move was a "step in the right direction" but "sadly failed to respond to an elementary and urgent demand . . . to stop supporting the development of any new oil and gas fields".

BNP is in the top 20 biggest backers for groups in the oil and gas sector

Crypto

US risks falling behind Europe without digital asset rules, warns SEC's Peirce

SCOTT CHIPOLINA — LONDON

The US is in danger of falling behind the EU and UK without rules for governing crypto asset markets, the Securities and Exchange Commission's Hester Peirce has warned.

Speaking at the Financial Times' crypto and digital assets summit, the US stock market regulator's senior Republican member said frameworks set out by Brussels and London could be a blueprint for Washington lawmakers.

The EU has drawn up an extensive set of new rules, known as the Markets in Crypto Assets (Mica) regulation, which is expected to come into force next year.

The UK this year set out a sweeping new regulatory regime for crypto that aims to bring the rules governing crypto tokens in line with those already in place for traditional financial assets such as stocks and bonds.

"[The UK] approach is one that can serve as a model for us, Mica can serve as a model for us," Peirce said. "I think we're shooting ourselves in the foot by not having a regulatory regime in the US."

In contrast to the UK and EU, the US has not developed a regime for regulating crypto assets, instead opting to issue a wave of enforcement cases against crypto activity, predominantly led by SEC chair Gary Gensler.

Some of the biggest crypto firms, including lender Genesis, and exchanges Gemini and Kraken, have been targeted by the US securities regulator.

Peirce, one of five members of the SEC, has often split with Gensler over cryptocurrency regulation.

'I think we're shooting ourselves in the foot by not having a regulatory regime in the US'

Gensler has resisted crafting new rules for crypto markets, arguing that existing laws are sufficiently clear.

The SEC has also issued a Wells notice to publicly listed exchange Coinbase, warning that it was considering potential enforcement action against the crypto exchange over possible securities laws violations.

America's crackdown on digital assets has raised questions over whether the industry will leave the US and set up in offshore jurisdictions with rules perceived as friendly to crypto business.

"You keep coming back to this question of what if people move their companies to [other jurisdictions]," Peirce said. "The point is if we built a good regulatory regime, people would come."

Speaking at the same panel, senior officials from the US Treasury and the UK's Financial Conduct Authority said it was important for regulators to extend their oversight beyond national boundaries to adequately mitigate risks posed by the crypto industry.

Sandra Lee, deputy assistant secretary for the Financial Stability Oversight Council at the US Treasury, emphasised the "importance of supervisors and regulators to be able to see into affiliates and subsidiaries of certain crypto asset firms".

Sarah Pritchard, executive director of supervision, policy and competition at the FCA, said the UK's proposed crypto rules "will bite on firms marketing to UK consumers", adding that the regulator "will be on the lookout for firms that are not abiding by those rules".

The day in the markets

What you need to know

- Wall Street stocks steady amid fresh regional banking worries
- FTSE 100 inches down and sterling weakens after BoE lifts benchmark rate
- European stocks surrender early gains while Asian indices are mixed

Wall Street stocks lacked direction yesterday as renewed jitters over regional banks undercut traders' optimism that the US Federal Reserve would halt its rate-tightening campaign.

The benchmark S&P 500 was flat by midday New York trading but the tech-heavy Nasdaq Composite added 0.1 per cent to touch its highest level since August. Lower rates increase the appeal of groups that promise long-term growth.

US initial jobless claims hit 264,000 on a seasonally adjusted basis in the week to May 6, marking their highest level since late October 2021.

That boosted traders' belief that the Fed might soon begin to cut interest rates due to the economy cooling.

But investors' mood clouded as fears over the health of US regional bank stocks returned. PacWest shares dived after the bank announced that it lost almost a tenth of its deposits in the first week of May. The KBW Regional Banking index fell 1.4 per cent.

"With yet another regional bank taking emergency action in response to fleeing customers, worries about the fragility of the [. . .] sector show little sign of abating," said Susannah Streeter, head of money and markets at Hargreaves Lansdown.

The souring sentiment spread across the Atlantic with the region-wide Stoxx Europe 600 reversing its early gains to end the day flat.

Frankfurt's Xetra Dax fell 0.4 per cent while France's CAC 40 lost 0.3 per cent.

London's FTSE 100 edged down 0.1 per cent after the Bank of England raised its benchmark rate for the 12th consecutive time — by 0.25 percentage points to 4.5 per cent as had been anticipated by markets. Traders expect BoE rates to peak at 4.75 per cent in September.

Sterling weakened against the dollar to trade nearly 1 per cent lower at $1.25.

Former US president Donald Trump on Wednesday urged Republican lawmakers to let the US default on its debts unless Democrats agree to demands for "massive" spending cuts.

The US Dollar index, a gauge measuring the currency's strength against six peers, rose 0.6 per cent.

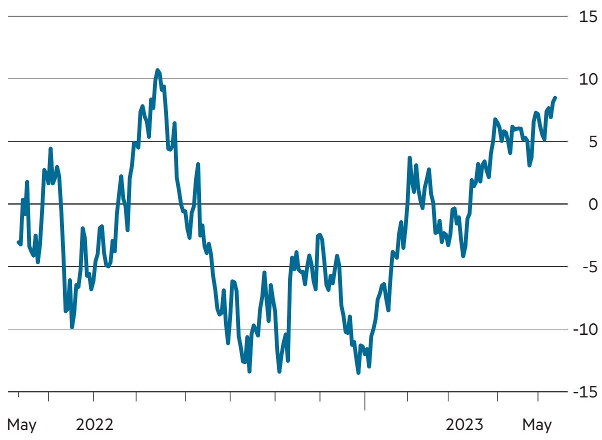
Yields on interest rate-sensitive two-year Treasuries rose 4 basis points to 3.86 per cent while those on benchmark 10-year debt were down 5bp to 3.38 per cent.

In Asia, Hong Kong's Hang Seng index shed 0.2 per cent, Tokyo's Topix fell 0.3 per cent and China's CSI 300 of Shanghai and Shenzhen stocks added 0.1 per cent.

Daria Mosolova and William Langley

Nasdaq hits highest level since August

Nasdaq 100 performance, rebased (%)



Source: Refinitiv

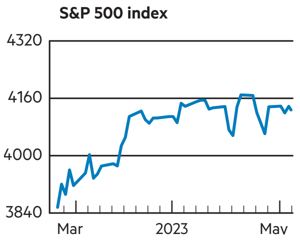
Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4127.38	1834.03	29126.72	7730.58	3309.55	107204.10
% change on day	-0.25	0.00	0.02	-0.14	-0.29	-0.23
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	101.800	1.092	134.425	1.252	6.940	4.975
% change on day	0.318	-0.456	0.000	-0.792	0.255	0.381
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	3.396	2.222	0.387	3.844	2.739	11.703
Basis point change on day	-5.660	-6.300	-2.360	-7.700	-1.900	-8.800
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	429.17	75.35	71.37	2037.15	25.52	3808.90
% change on day	-0.36	-1.39	-1.64	0.34	-0.18	-1.82

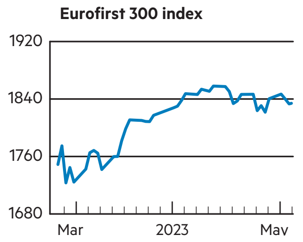
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

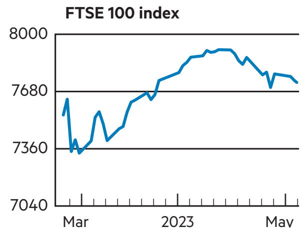
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Steris	10.79	Bbva	3.84	Smurfit Kappa	3.71
	Tapestry	8.47	Ing	3.49	Melrose Industries	3.08
	Alphabet	4.56	Alstom	3.47	3i	3.01
	Alphabet	4.46	Grifols	3.32	Convatec	2.73
	Albemarle	2.62	Merck	2.64	Admiral	2.71
Downs	Walt Disney (the)	-8.53	Bayer	-7.51	Rolls-royce Holdings	-6.65
	Perkinelmer	-6.61	Thyssenkrupp	-5.83	Airtel Africa	-5.34
	Comerica	-4.74	Telefonica	-4.39	Antofagasta	-3.99
	Warner Bros Discovery	-4.72	Coloplast	-4.25	Anglo American	-3.95
	Invesco Ltd	-4.61	Saipem	-3.70	Glencore	-3.94

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

Dropping to the bottom of the S&P 500 index was **Walt Disney**, the entertainment conglomerate, which said subscribers of its Disney+ streaming service stood at 157.8mn by April, down 4mn from last year.

The news weighed on peers **Paramount Global** and **Warner Bros**, both of which have competing services.

Better than expected revenue pushed **Steris** to the top of the blue-chip index.

The medical equipment group, which specialises in infection prevention, posted revenue of $1.38bn for its fiscal fourth quarter, almost 9 per cent ahead of Wall Street estimates.

Google's parent company, **Alphabet**, rallied a day after unveiling an overhaul of its search engine powered by artificial intelligence.

"Overall, we feel better about Google's competitive position", said UBS, which was encouraged by demos that showed AI-generated answers interspersed with ads.

Fitness bikes and treadmills group **Peloton** fell sharply on news that it would be recalling around 2.2mn bikes following reports of seat posts breaking and detaching during use.

In yet another sign of jitters within the banking sector, **PacWest** tumbled after disclosing that its deposits declined 9.5 per cent during the week ended May 5. *Ray Douglas*

Europe

A surge in sales buoyed **Bénéteau**, the sail and motor boat manufacturer, which reported first-quarter revenue of €478mn, up 51 per cent from 2022.

The French group lifted its 2023 outlook thanks to "an improvement in sourcing condition" and a "solid order book", now forecasting revenue of €1.75bn against a €1.66bn estimate stated in February.

Another revenue beat propelled **SalMar** higher with the fish farmer posting revenue of NKr6.79bn ($644mn) in the first quarter — 14 per cent ahead of analyst estimates.

The Norwegian group said it was benefiting from "record high salmon prices", driven by strong demand and "limited growth" in the supply of Atlantic salmon.

SalMar peers **Leroy**, **Grieg** and **Mowi** rose in tandem.

Germany's **Bayer**, the chemicals and pharma multinational, sank after warning that its annual results would be at "the lower end of our guidance", partly because of weakness in the pricing of its glyphosate-based weedkillers.

Luxembourg-registered software group **Suse** dived after revealing that it had "experienced softer trading than anticipated" in the quarter ended April 30, amid delays and reductions in contract lengths. *Ray Douglas*

London

Sinking to the bottom of the FTSE 100 index was **Rolls-Royce**, which had risen about 60 per cent this year.

A trading update by the engine maker was "in line" with expectations, said Russ Mould, investment director at AJ Bell.

There was nothing, however, on "the company's new markets business", noted Mould, a unit that "encompasses its investments in areas like small modular reactors . . . and electrical aviation".

He added: "On this front, recent news that the development of small modular reactors in the UK will be put out to public tender was a blow for Rolls."

Joining Rolls-Royce at the tail-end of the blue-chip benchmark was Africa-focused telecoms group **Airtel Africa**, which reported profit after tax of $227mn for its fiscal fourth quarter, down 5.5 per cent year on year.

Weighing on earnings was an increase in finance costs, driven by higher foreign exchange and derivative losses, it said.

FirstGroup fell on news that the transport company's TransPennine Express railway operations would be stripped of its contract after months of poor service.

Commercial broadcaster **ITV** dipped after reporting a 7 per cent decline in first-quarter revenue to £776mn, dragged down by a 10 per cent fall in advertising revenue. *Ray Douglas*

City of London needs to embrace more risk-taking

Peter Harrison

Markets Insight

It seems the City of London has developed a new passion — commentating on its own demise. The challenges the UK faces are significant and important. The long-term wealth creation capacity of the country is at stake.

But the arguments over those challenges have been well-rehearsed to the point of becoming clichéd.

The Financial Conduct Authority must be applauded for joining the movement for change with proposals for a regulatory overhaul last week. Reforming the listings regime and simplifying related party transactions will make London an easier place to do business.

As importantly, the FCA's move recognises that we cannot aspire to a risk-free market in which there are no participants. Understanding the need to take risk to achieve return is a fundamental tenet on which the City was built.

"It's not enough" has been a familiar refrain in the past few days. Nobody says it is. But it is part of a set of wholesale changes which are now moving swiftly in the right direction.

A series of government-sponsored reviews led by Ron Kalifa on fintech, Lord Jonathan Hill on listings and Mark Austin on secondary capital raising have all made important contributions.

The Edinburgh reforms proposed by chancellor Jeremy Hunt for financial services set out an ambitious agenda.

The Prudential Regulation Authority is engaging constructively on reforms of the so-called Solvency II for insurance.

Nicholas Lyons, the lord mayor of London, is making strides in pushing for the creation of a UK sovereign wealth fund. Regulators, politicians and the wider business community have reached an extraordinary state of agreement. The skies are brightening.

Reform is never comfortable and we should not expect diehard defenders of the status quo and corporate governance fanatics to lead the charge. Equally, they should not hold us back.

The reality is that neither companies nor savers have been better off for their protestations. My own industry, asset management, needs to come to the party wholeheartedly if it wants a vibrant market in which to operate.

This will include some uncomfortable conversations over executive compensation. It is a critical issue. I applaud Julia Hoggett, the London Stock Exchange's chief executive, for speaking out and sparking that debate by calling for UK executives to be paid more if the country wants to retain talent and deter companies from moving overseas.

> We should not expect diehard defenders of the status quo and corporate governance fanatics to lead

No one person, politician, regulator or corporate can answer this question in isolation; it is a question for broader society.

Which is more important: limiting the gap between chief executive and worker pay, or accepting that boards need the freedom to attract the best talent to run Britain's global companies for the best long-term outcomes?

This is just one problem. There is more work to do elsewhere. Asset managers need to support productive growth by allocating finance to those businesses that deserve it.

They must also not indulge in tick-box governance — slavishly following proxy agencies instead of investing resources in independent thought. And asset managers cannot continue to apply strict rules to UK companies listed in London but show less rigour elsewhere.

The excellent returns achieved by the huge pooled pension funds in Canada and Australia also provide an important signal for one area the UK should focus on. We need to push for the consolidation of the fragmented defined contribution pensions plans nationwide.

Likewise, requirements on local government to pool their pension funds need to be properly implemented. Insurance company regulation needs to permit investment into more growth assets.

Our efforts should be directed towards the opportunities of the future. We should look to capitalise on our national ability to innovate in areas like life sciences or green technologies.

We should be preparing for the continued, rapid growth of private markets. Technology, particularly blockchain, will massively shrink the difference between public and private markets — and London has the opportunity to lead in this.

Seldom has there been such uniform agreement about how financial services can serve the country. Let's seize the moment. The total pool of global wealth will continue to grow.

London's cultural, legal and timezone advantages remain strong. It is time to stop admiring the problem and — in the words of Canadian ice hockey player Wayne Gretzky — "skate to where the puck is going, not where it is".

Peter Harrison is chief executive of Schroders

MARKET DATA

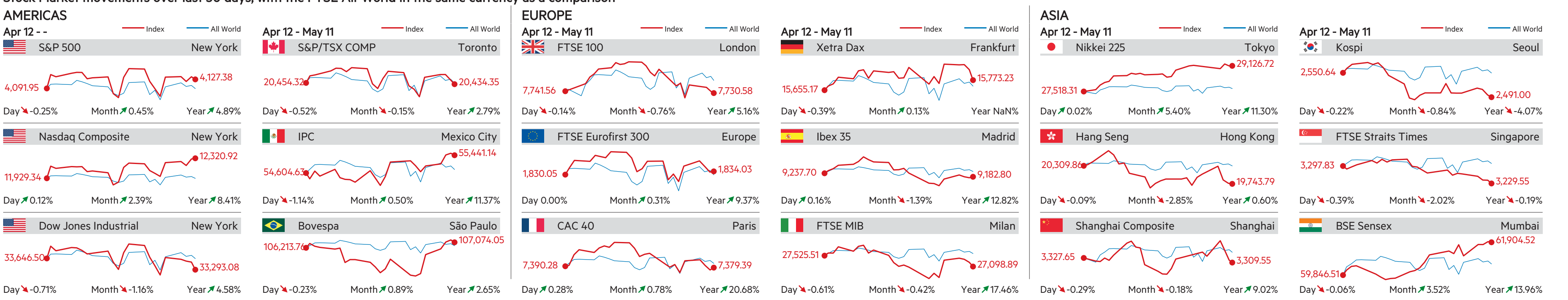
WORLD MARKETS AT A GLANCE

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 $
-0.25%	0.12%	-0.71%	-0.14%	No change	0.02%	-0.09%	-0.36%	-0.456%	-0.792%	No change	0.230%	-0.43%	0.34%

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	312528.56	310497.17
Australia	All Ordinaries	7449.70	7452.30
	S&P/ASX 200	7251.90	7255.70
	S&P/ASX 200 Res	6000.70	6025.30
Austria	ATX	3181.01	3195.54
Belgium	BEL 20	3739.83	3737.51
	BEL Mid	10021.09	9956.53
Brazil	IBovespa	107204.10	107448.21
Canada	S&P/TSX 60	1231.86	1237.04
	S&P/TSX Comp	20393.58	20499.31
	S&P/TSX Div Met & Min	1843.12	1882.51
Chile	S&P/CLX IGPA Gen	28489.10	28270.25
China	FTSE A200	10513.84	10531.93
	FTSE B35	9000.71	8988.96
	Shanghai A	3469.19	3479.26
	Shanghai B	292.01	292.52
	Shanghai Comp	3309.55	3319.15
	Shenzhen A	2126.48	2122.80
	Shenzhen B	1189.56	1194.64
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1387.67	1389.99
Denmark	OMXC Copenahgen 20	2105.60	2087.71
Egypt	EGX 30	17494.73	17326.27
Estonia	OMX Tallinn	1910.36	1918.21
Finland	OMX Helsinki General	10525.03	10541.59
France	CAC 40	7381.78	7361.20
	SBF 120	5625.02	5610.38
Germany	M-DAX	27247.61	27365.67
	TecDAX	3218.95	3233.30
	XETRA Dax	15834.91	15896.23
Greece	Athens Gen	1122.41	1131.21
	FTSE/ASE 20	2737.69	2762.35
Hong Kong	Hang Seng	19743.79	19762.20
	HS China Enterprise	6695.11	6683.23
	HSCC Red Chip	4116.92	4138.19
Hungary	Bux	46073.98	46252.72
India	BSE Sensex	61904.52	61940.20
	Nifty 500	15484.05	15466.05
Indonesia	Jakarta Comp	6755.94	6811.91
Ireland	ISEQ Overall	8544.01	8536.86
Israel	Tel Aviv 125	1772.05	1772.05
Italy	FTSE Italia All-Share	29233.10	29391.97
	FTSE Italia Mid Cap	43004.54	42941.71
	FTSE MIB	27098.89	27264.77
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	29126.72	29122.18
	S&P Topix 150	1789.82	1791.26
	Topix	2083.09	2085.91
Jordan	Amman SE	2474.20	2434.57
Kenya	NSE 20	1507.78	1507.78
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1159.76	1159.76
Lithuania	OMX Vilnius	1008.07	1008.07
Luxembourg	LuxX	1487.06	1504.31
Malaysia	FTSE Bursa KLCI	1425.18	1425.68
Mexico	IPC	54902.13	55534.68
Morocco	MASI	10409.17	10420.74
Netherlands	AEX	751.12	748.29
	AEX All Share	1016.59	1013.83
New Zealand	NZX 50	11887.76	11987.30
Nigeria	SE All Share	52605.41	52579.52
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	41325.63	41325.63
Philippines	Manila Comp	6675.46	6658.59
Poland	Wig	63116.34	63573.42
Portugal	PSI 20	6071.22	6116.49
	PSI General	4589.62	4601.99
Romania	BET Index	12136.91	12176.46
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	11293.18	11256.39
Singapore	FTSE Straits Times	3229.55	3242.29
Slovakia	SAX	309.88	309.88
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	76997.16	77775.02
	FTSE/JSE Res 20	69272.25	71197.35
	FTSE/JSE Top 40	71633.93	72352.66
South Korea	Kospi	2491.00	2496.51
	Kospi 200	325.28	326.04
Spain	IBEX 35	9182.80	9167.70
Sri Lanka	CSE All Share	8949.82	8892.37
Sweden	OMX Stockholm 30	2229.91	2208.66
	OMX Stockholm AS	842.93	834.28
Switzerland	SMI Index	11522.97	11447.23
Taiwan	Weighted Pr	15514.64	15641.76
Thailand	Bangkok SET	1566.76	1567.65
Turkey	BIST 100	4823.52	4494.48
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2833.90	2829.80
	FTSE 100	7730.58	7741.33
	FTSE 4Good UK	7075.67	7067.27
	FTSE All Share	4215.22	4220.42
	FTSE techMARK 100	6889.16	6873.88
USA	DJ Composite	11065.76	11148.20
	DJ Industrial	33293.08	33531.33
	DJ Transport	13806.72	13916.08
	DJ Utilities	959.16	966.64
	Nasdaq 100	13385.73	13347.83
	Nasdaq Cmp	12320.92	12306.44
	NYSE Comp	15239.77	15349.17
	S&P 500	4127.38	4137.64
	Wilshire 5000	40684.48	40810.56
Venezuela	IBC	33866.58	33835.47
Vietnam	VNI	1057.12	1058.26
Cross-Border	DJ Global Titans ($)	469.03	468.78
	Euro Stoxx 50 (Eur)	4307.96	4306.76
	Euronext 100 ID	1360.84	1360.26
	FTSE 4Good Global ($)	10552.36	10575.75
	FTSE All World ($)	429.17	430.72
	FTSE E300	1834.03	1834.10
	FTSE Eurotop 100	3641.55	3639.74
	FTSE Global 100 ($)	2803.70	2804.63
	FTSE Gold Min ($)	2123.56	2137.03
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	2929.60	2917.03
	FTSE World ($)	781.11	784.17
	FTSEurofirst 100 (Eur)	4908.16	4917.22
	FTSEurofirst 80 (Eur)	5843.36	5843.61
	MSCI ACWI Fr ($)	652.43	651.11
	MSCI All World ($)	2822.60	2815.29
	MSCI Europe (Eur)	1875.97	1882.93
	MSCI Pacific ($)	2776.41	2778.34
	S&P Euro (Eur)	1907.77	1907.96
	S&P Europe 350 (Eur)	1880.38	1881.24
	S&P Global 1200 ($)	3107.96	3120.46
	Stoxx 50 (Eur)	4016.70	4018.36

(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	44.4	168.18	-0.36
Alphabet	39.9	116.73	4.98
Microsoft	32.6	308.94	-3.37
Alphabet	27.2	117.40	5.12
Nvidia	24.0	285.70	-3.15
Amazon.com	23.4	111.48	1.29
Walt Disney (the)	21.3	92.51	-8.63
Advanced Micro Devices	21.0	97.33	0.31
Apple	19.9	172.67	-0.89
Meta Platforms	12.1	236.55	3.47

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Steris	209.83	20.44	10.79
Tapestry	40.29	3.15	8.47
Alphabet	117.40	5.12	4.56
Alphabet	116.73	4.98	4.46
Albemarle	199.61	5.10	2.62
Downs			
Walt Disney (the)	92.51	-8.63	-8.53
Perkinelmer	116.32	-8.23	-6.61
Comerica	33.38	-1.66	-4.74
Warner Bros Discovery	12.43	-0.62	-4.72
Invesco Ltd	15.20	-0.74	-4.61

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Shell	176.9	2387.00	-11.50
Glencore	148.7	427.60	-17.55
Rio Tinto	123.4	4882.50	-102.00
Rolls-royce Holdings	109.5	145.90	-10.40
Bp	105.6	477.70	-9.40
Relx	103.0	2496.00	33.00
London Stock Exchange	102.1	8504.00	46.00
Anglo American	102.1	2347.50	-96.50
Unilever	99.1	4339.50	47.00
British American Tobacco	96.3	2727.50	-26.50

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Diploma	2840.00	146.00	5.42
Smurfit Kappa	3022.00	108.00	3.71
Bank Of Georgia	3260.00	110.00	3.49
Abrdn Private Equity Opportunities Trust	458.00	14.50	3.27
Melrose Industries	458.40	13.70	3.08
Downs			
Rolls-royce Holdings	145.90	-10.40	-6.65
Petershill Partners	157.00	-9.40	-5.65
Airtel Africa	111.70	-6.30	-5.34
Firstgroup	117.40	-5.90	-4.79
Bridgepoint	225.00	-11.00	-4.66

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nestle N	454.2	117.94	0.59
Bayer Ag Na O.n.	367.6	53.91	-4.38
Unicredit	276.8	18.82	0.01
Volkswagen Ag Vzo O.n.	172.3	119.62	-7.06
Ing Groep N.v.	172.2	11.45	0.39
Novartis N	171.5	94.56	0.40
Asml Holding	166.6	592.40	-7.20
Stellantis	156.0	14.89	-0.08
Intesa Sanpaolo	149.4	2.39	-0.02
Lvmh	142.2	886.50	14.20

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Bbva	6.54	0.24	3.84
Ing Groep N.v.	11.45	0.39	3.49
Adyen	1452.00	45.20	3.21
Prosus	65.90	1.32	2.04
Lonza N	590.30	10.86	1.87
Downs			
Bayer Ag Na O.n.	53.91	-4.38	-7.51
Volkswagen Ag Vzo O.n.	119.62	-7.06	-5.57
Volkswagen Ag St O.n.	149.25	-4.95	-3.21
Neste	39.25	-0.79	-1.97
Stmicroelectronics	38.36	-0.76	-1.93

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nippon Steel & Sumitomo Metal	766.5	2870.00	45.00
Toyota Motor	664.3	1916.00	-15.50
Tokyo Electron	423.9	15885.00	255.00
Mitsubishi Ufj Fin,.	350.4	870.20	7.20
Kao	343.6	5037.00	-278.00
Mitsubishi Heavy Industries,	337.8	5340.00	-168.00
Softbank .	329.3	5138.00	-44.00
Nintendo Co.,	327.2	5631.00	-94.00
Panasonic	325.3	1374.50	77.50
Keyence	305.2	63800.00	-310.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Tokyu Fudosan Holdings	726.00	47.00	6.92
Panasonic	1374.50	77.50	5.98
Fujifilm Holdings	7659.00	425.00	5.88
Eneos Holdings, .	506.00	25.60	5.33
Yamato Holdings Co.,	2504.00	122.00	5.12
Downs			
Kyowa Hakko Kirin Co.,	2619.00	-391.00	-12.99
Sumitomo Metal Mining Co.,	4466.00	-594.00	-11.74
Sumitomo Osaka Cement Co.,	3530.00	-300.00	-7.83
Obayashi	1089.00	-83.00	-7.08
Teijin	1413.00	-100.00	-6.61

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	May 11 price(p)	%Chg week	%Chg ytd
Winners			
Melrose Industries	458.40	10.5	12.4
Jd Sports Fashion	168.60	5.5	32.9
Int Consolidated Airlines S.a.	155.00	5.4	25.2
Smurfit Kappa	3022.00	4.2	-1.6
Flutter Entertainment	15975.00	3.9	41.5
Standard Chartered	620.00	3.6	-0.4
Barclays	153.48	3.5	-3.5
Convatec	218.40	3.4	-6.7
St. James's Place	1145.00	3.3	4.6
Informa	702.40	3.2	13.4
Wpp	890.60	3.1	8.7
Mondi	1298.50	3.0	-7.9
Losers			
Ocado	453.00	-6.1	-
Airtel Africa	111.70	-5.7	-0.1
Land Securities	626.00	-4.7	0.6
Fresnillo	690.40	-4.2	-
Persimmon	1304.00	-4.1	7.5
Vodafone	90.99	-3.7	-
Intercontinental Hotels	5326.00	-3.5	12.1
Endeavour Mining	2038.00	-3.1	16.3
British Land	382.00	-2.9	-3.4
British American Tobacco	2727.50	-2.7	-
Antofagasta	1382.00	-2.6	-
Tesco	273.60	-2.5	21.8

FTSE 250	May 11 price(p)	%Chg week	%Chg ytd
Winners			
Mitchells & Butlers	193.10	10.8	39.9
Bank Of Georgia	3260.00	9.9	24.8
Carnival	723.80	8.1	25.1
Just	89.70	7.0	9.9
Abrdn Private Equity Opportunities Trust	458.00	7.0	1.3
Wetherspoon (J.d.)	779.00	6.9	75.2
Diploma	2840.00	6.8	2.3
Digital 9 Infrastructure	66.70	5.5	-
Playtech	607.50	5.3	18.7
Spire Healthcare	239.50	5.0	5.0
Hilton Food	736.00	4.4	30.3
Target Healthcare Reit	77.90	3.9	-3.0
Losers			
Asos	500.00	-26.9	-7.1
Victrex	1512.00	-8.6	-5.3
Iwg	153.50	-6.9	-7.5
Bridgepoint	225.00	-6.6	20.9
Aston Martin Lagonda Global Holdings	203.20	-6.4	31.9
Morgan Advanced Materials	283.50	-6.1	-9.9
Ninety One	173.80	-6.0	-6.5
Helios Towers	93.85	-5.7	-
Tullow Oil	24.26	-5.2	-
Hammerson	25.60	-4.9	7.6
W.a.g Payment Solutions	97.00	-4.4	22.2
Puretech Health	208.50	-4.4	-

FTSE SmallCap	May 11 price(p)	%Chg week	%Chg ytd
Winners			
Civitas Social Housing	80.10	52.3	26.9
Triple Point Social Housing Reit	55.70	23.5	-9.1
Restaurant	50.30	14.4	62.0
Hostelworld	146.00	12.3	26.7
Seraphim Space Investment Trust	42.35	11.4	-7.7
Treatt	715.00	11.2	14.4
Hochschild Mining	80.40	9.4	14.2
Fuller, Smith & Turner	530.00	8.8	6.9
Int Personal Finance	105.00	8.0	43.6
Palace Capital	232.00	7.4	8.4
Chrysalis Investments	62.00	6.9	-
Ct Private Equity Trust	518.00	6.1	22.5
Losers			
Funding Circle Holdings	50.80	-7.6	-7.6
Sabre Insurance	118.40	-7.4	11.3
Up Global Sourcing Holdings	128.25	-7.1	-22.2
Reach	77.85	-6.8	-
De La Rue	40.55	-5.7	-48.3
Esken	5.03	-5.2	3.1
Ncc	101.20	-4.9	-49.4
Schroders Capital Global Innovation Trust	14.23	-4.8	-9.0
Capital	95.00	-4.8	-2.1
Trustpilot	81.75	-4.6	-
Xp Power	2230.00	-4.5	9.6
Phoenix Spree Deutschland	199.00	-4.3	-

Industry Sectors	May 11 price(p)	%Chg week	%Chg ytd
Winners			
Construction & Materials	8075.55	2.1	17.7
Travel & Leisure	7699.83	2.0	24.1
Banks	3523.25	1.9	7.1
Life Insurance	6980.31	1.9	-1.1
Industrial Transportation	3434.53	1.9	-0.9
Media	9673.07	1.7	6.5
General Financial	13495.70	1.7	16.8
General Industrials	6463.30	1.6	6.8
Oil & Gas Producers	8251.87	1.1	1.5
Support Services	10432.80	0.9	5.0
Nonlife Insurance	3177.69	0.8	-5.4
Health Care Equip.& Services	11011.49	0.8	0.9
Losers			
Mining	11261.10	-3.4	0.9
Mobile Telecommunications	2410.52	-2.8	12.7
Tobacco	30199.67	-2.4	-
Real Estate Investment Trusts	2254.05	-2.1	0.9
Beverages	28064.07	-1.5	0.9
Real Estate & Investment Servic	2284.13	-1.4	7.9
Food & Drug Retailers	4435.90	-1.3	7.7
Personal Goods	35450.26	-1.1	15.5
Household Goods	11714.71	-1.1	18.3
Industrial Engineering	14443.23	-1.1	4.7
Industrial Metals	6213.96	-0.9	-
Food Producers	6615.76	-0.6	16.4

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

CURRENCIES

May 11	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	228.9740	0.4886	249.9935	-0.7010	286.7336	-1.5469
Australia	Australian Dollar	1.4920	0.0128	1.6289	0.0060	1.8683	0.0021
Bahrain	Bahrainin Dinar	0.3770	-	0.4116	-0.0020	0.4721	-0.0036
Bolivia	Bolivian Boliviano	6.9100	-	7.5443	-0.0373	8.6531	-0.0653
Brazil	Brazilian Real	4.9750	0.0189	5.4318	-0.0061	6.2300	-0.0232
Canada	Canadian Dollar	1.3476	0.0107	1.4713	0.0045	1.6875	0.0008
Chile	Chilean Peso	795.9100	8.1950	868.9733	4.6916	996.6815	2.8196
China	Chinese Yuan	6.9398	0.0176	7.5768	-0.0181	8.6903	-0.0433
Colombia	Colombian Peso	4612.7200	57.4600	5036.1622	38.1239	5776.3001	28.9160
Costa Rica	Costa Rican Colon	539.0350	0.5600	588.5176	-2.2978	675.0088	-4.3864
Czech Republic	Czech Koruna	21.5575	0.1558	23.5364	0.0544	26.9955	-0.0072
Denmark	Danish Krone	6.8229	0.0355	7.4493	0.0021	8.5441	-0.0197
Egypt	Egyptian Pound	30.8966	0.0256	33.7329	-0.1388	38.6904	-0.2596
Hong Kong	Hong Kong Dollar	7.8353	0.0067	8.5546	-0.0350	9.8118	-0.0656
Hungary	Hungarian Forint	340.4928	3.9087	371.7495	2.4491	426.3834	1.7146
India	Indian Rupee	82.0913	0.0975	89.6271	-0.3365	102.7991	-0.6526
Indonesia	Indonesian Rupiah	14723.5000	-1.5000	16075.1029	-81.1866	18437.5640	-141.0253
Israel	Israeli Shekel	3.6437	-0.0039	3.9781	-0.0239	4.5628	-0.0393
Japan	Japanese Yen	134.4250	-	146.7650	-0.7262	168.3343	-1.2701
..One Month		134.4244	-0.0013	146.7646	-0.7271	168.3336	-1.2714
..Three Month		134.4231	-0.0038	146.7637	-0.7289	168.3322	-1.2743
..One Year		134.4183	-0.0135	146.7597	-0.7369	168.3336	-1.2793
Kenya	Kenyan Shilling	136.9000	0.1500	149.4672	-0.5750	171.4336	-1.1042
Kuwait	Kuwaiti Dinar	0.3066	0.0003	0.3347	-0.0014	0.3839	-0.0026
Malaysia	Malaysian Ringgit	4.4625	0.0040	4.8722	-0.0197	5.5882	-0.0371
Mexico	Mexican Peso	17.6418	0.0173	19.2612	-0.0764	22.0920	-0.1449
New Zealand	New Zealand Dollar	1.5853	0.0116	1.7308	0.0042	1.9852	-0.0003
Nigeria	Nigerian Naira	462.5000	-	504.9568	-2.4987	579.1675	-4.3698
Norway	Norwegian Krone	10.6568	0.1601	11.6350	0.1180	13.3450	0.1012
Pakistan	Pakistani Rupee	295.7500	5.9050	322.8994	4.8811	370.3541	4.6560
Peru	Peruvian Nuevo Sol	3.6835	0.0085	4.0216	-0.0106	4.6127	-0.0241
Philippines	Philippine Peso	55.7650	0.0955	60.8841	-0.1965	69.8319	-0.4064
Poland	Polish Zloty	4.1578	0.0351	4.5395	0.0160	5.2066	0.0049
Romania	Romanian Leu	4.5134	0.0258	4.9277	0.0039	5.6519	-0.0101
Russia	Russian Ruble	76.7938	0.6937	83.8433	0.3463	96.1653	0.1497
Saudi Arabia	Saudi Riyal	3.7502	-	4.0945	-0.0203	4.6962	-0.0354
Singapore	Singapore Dollar	1.3308	0.0040	1.4530	-0.0028	1.6665	-0.0075
South Africa	South African Rand	19.1382	0.2694	20.8950	0.1922	23.9658	0.1591
South Korea	South Korean Won	1326.2000	1.3000	1447.9433	-5.7384	1660.7395	-10.8900
Sweden	Swedish Krona	10.3293	0.1024	11.2775	0.0565	12.9349	0.0315
Switzerland	Swiss Franc	0.8943	0.0051	0.9764	0.0008	1.1200	-0.0020
Taiwan	New Taiwan Dollar	30.7400	0.0125	33.5619	-0.1524	38.4943	-0.2747
Thailand	Thai Baht	33.7200	0.0550	36.8154	-0.1218	42.2260	-0.2492
Tunisia	Tunisian Dinar	3.0628	0.0061	3.3439	-0.0099	3.8353	-0.0213
Turkey	Turkish Lira	19.5803	0.0416	21.3777	-0.0602	24.5195	-0.1326
United Arab Emirates	UAE Dirham	3.6721	-	4.0091	-0.0198	4.5983	-0.0347
United Kingdom	Pound Sterling	0.7986	0.0060	0.8719	0.0022	-	-
..One Month		0.7986	0.0060	0.8718	0.0022	-	-
..Three Month		0.7988	0.0060	0.8716	0.0023	-	-
..One Year		0.7986	0.0060	0.8706	0.0023	-	-
United States	United States Dollar	-	-	1.0918	-0.0054	1.2523	-0.0094
..One Month		-	-	1.0916	-0.1699	1.2523	-0.0094
..Three Month		-	-	1.0913	-0.1699	1.2525	-0.0095
..One Year		-	-	1.0902	-0.1699	1.2523	-0.0094
Vietnam	Vietnamese Dong	23467.0000	4.0000	25621.2513	-122.4190	29386.6996	-216.7036
European Union	Euro	0.9159	0.0045	-	-	1.1470	-0.0030
..One Month		0.9157	0.0045	-	-	1.1469	-0.0030
..Three Month		0.9154	0.0045	-	-	1.1467	-0.0030
..One Year		0.9143	0.0045	-	-	1.1457	-0.0029

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

FTSE ACTUARIES SHARE INDICES

UK SERIES
www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg May 11	Day's chge%	Euro Index	£ Strlg May 10	£ Strlg May 09	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7730.58	-0.14	6905.72	7741.33	7764.09	7347.66	3.66	1.78	15.33	129.51	8077.22
FTSE 250 (250)	19266.30	-0.04	17210.56	19273.29	19277.04	19647.15	3.26	0.87	35.44	234.15	16244.29
FTSE 250 ex Inv Co (170)	19914.82	-0.25	17789.88	19963.86	19975.43	20205.07	3.36	1.18	25.32	248.11	17138.90
FTSE 350 (350)	4258.80	-0.12	3804.38	4264.10	4274.98	4090.08	3.60	1.67	16.67	68.60	8824.86
FTSE 350 ex Investment Trusts (267)	4209.19	-0.16	3760.07	4215.92	4227.35	4024.02	3.65	1.82	15.11	69.13	4509.11
FTSE 350 Higher Yield (135)	3599.53	-0.50	3215.46	3617.63	3629.67	3589.82	4.99	1.73	11.61	74.73	8455.37
FTSE 350 Lower Yield (215)	4500.36	0.25	4020.16	4488.95	4496.90	4157.48	2.21	1.53	29.55	51.52	5608.14
FTSE SmallCap (228)	6239.18	-0.08	5573.45	6244.40	6255.48	6596.05	3.54	-0.55	-51.40	84.79	10652.63
FTSE SmallCap ex Inv Co (120)	5088.55	-0.15	4545.59	5096.43	5104.81	5563.91	3.63	1.61	17.08	70.16	9034.45
FTSE All-Share (578)	4215.22	-0.12	3765.45	4220.42	4231.12	4058.67	3.60	1.62	17.20	67.66	8819.85
FTSE All-Share ex Inv Co (387)	4132.09	-0.16	3691.19	4138.69	4149.85	3958.15	3.65	1.81	15.13	67.72	4494.16
FTSE All-Share ex Multinationals (517)	1103.54	-0.05	818.47	1104.06	1106.59	1133.26	3.99	1.06	23.71	17.37	2390.96
FTSE Fledgling (78)	11528.83	-0.10	10298.68	11540.04	11457.11	12696.60	3.24	-1.27	-24.27	131.62	25306.22
FTSE Fledgling ex Inv Co (30)	15456.11	0.05	13806.92	15448.60	15263.97	17661.76	3.54	6.21	4.55	226.62	33012.21
FTSE All-Small (306)	4349.26	-0.08	3885.19	4352.93	4358.45	4607.78	3.52	-0.59	-48.35	58.57	9523.30
FTSE All-Small ex Inv Co (150)	3829.32	-0.15	3420.72	3834.95	3839.25	4193.79	3.63	1.79	15.44	52.90	8610.32
FTSE AIM All-Share (722)	815.23	-1.21	728.25	825.19	829.35	953.90	1.78	1.57	35.81	4.66	964.06
FTSE All-Share Technology (18)	2054.42	0.32	1770.67	2047.88	2036.93	1775.95	1.86	1.53	35.17	15.02	2999.42
FTSE All-Share Telecommunications (6)	1543.17	-1.67	1330.03	1569.45	1581.61	1917.66	6.83	1.07	13.64	1.03	2372.40
FTSE All-Share Health Care (14)	15413.06	0.83	13284.25	15286.58	15376.76	14370.36	2.36	1.12	37.60	185.25	14453.98
FTSE All-Share Financials (254)	4738.00	0.10	4083.60	4733.23	4730.85	4421.39	3.98	1.26	19.88	121.53	5410.14
FTSE All-Share Real Estate (54)	828.63	-0.10	747.12	829.43	827.85	1048.98	4.32	0.71	32.56	13.80	889.54
FTSE All-Share Consumer Discretionary (83)	5164.54	0.45	4451.23	5141.23	5154.73	4565.67	2.19	1.25	36.46	48.79	5532.54
FTSE All-Share Consumer Staples (22)	19500.38	0.37	16807.04	19429.31	19722.61	19298.41	3.98	1.61	15.58	253.08	18183.34
FTSE All-Share Industrials (84)	6826.96	-0.06	5884.04	6830.72	6808.18	6040.89	2.26	1.22	36.28	69.81	7991.21
FTSE All-Share Basic Materials (21)	7619.55	-2.79	6567.16	7838.59	7866.44	8718.60	6.69	3.43	4.36	247.51	10704.92
FTSE All-Share Energy (14)	8530.31	-0.97	7352.13	8613.93	8574.97	8132.32	3.91	1.78	14.41	122.39	10519.28
FTSE All-Share Utilities (8)	9498.59	-0.37	8186.67	9533.70	9515.21	9552.90	4.12	0.96	25.14	42.27	14571.91
FTSE All-Share Software and Computer Services (16)	2223.81	0.32	1916.66	2216.68	2204.67	1911.09	1.84	1.55	35.03	15.79	3434.25
FTSE All-Share Technology Hardware and Equipment (2)	4184.85	0.15	3606.85	4178.76	4178.50	4854.35	3.13	0.65	49.27	89.37	5541.11
FTSE All-Share Telecommunications Equipment (1)	401.03	0.67	345.64	398.35	390.30	517.72	3.50	2.14	13.32	9.21	586.89
FTSE All-Share Telecommunications Service Providers (5)	2406.87	-1.74	2074.44	2449.61	2470.64	2985.22	6.93	1.06	13.65	0.00	3371.05
FTSE All-Share Health Care Providers (3)	11390.63	-0.12	9817.39	11404.58	11398.07	8524.66	0.51	7.04	27.78	0.00	10572.34
FTSE All-Share Medical Equipment and Services (2)	6091.65	1.83	5250.29	5981.99	5980.22	5836.97	2.47	1.16	34.77	92.56	5983.63
FTSE All-Share Pharmaceuticals and Biotechnology (9)	22006.22	0.78	18966.78	21835.45	21973.29	20527.18	2.38	1.11	37.91	263.42	18581.37
FTSE All-Share Banks (12)	3475.86	-0.77	2995.78	3502.70	3494.36	3033.99	4.62	2.65	8.15	136.04	3193.91
FTSE All-Share Finance and Credit Services (8)	11625.60	0.55	10019.90	11561.60	11480.20	10047.66	1.85	1.91	28.29	148.60	15839.21
FTSE All-Share Investment Banking and Brokerage Services (31)	9041.39	1.24	7792.62	8930.54	8990.21	8681.53	4.95	2.06	9.80	177.30	13034.18
FTSE All-Share Closed End Investments (191)	11400.58	0.44	9825.96	11350.33	11349.84	11858.33	2.86	-2.29	-15.29	122.72	7227.29
FTSE All-Share Life Insurance (6)	7099.48	0.58	6118.92	7058.28	7051.27	6437.58	4.53	0.57	38.47	215.96	8963.92
FTSE All-Share Nonlife Insurance (6)	3583.56	1.22	3088.61	3540.53	3573.28	3391.76	4.69	1.24	17.26	56.37	7752.69
FTSE All-Share Real Estate Investment and Services (10)	2186.88	-0.10	1884.84	2188.99	2188.16	2431.23	2.25	3.28	13.51	21.39	6612.51
FTSE All-Share Real Estate Investment Trusts (44)	2042.91	-0.10	1760.75	2044.88	2040.40	2649.14	4.71	0.48	44.38	36.73	3164.84
FTSE All-Share Automobiles and Parts (3)	1677.23	0.89	1445.57	1662.45	1677.95	2119.06	0.25	-26.35	-14.90	0.00	1744.89
FTSE All-Share Consumer Services (1)	3484.72	1.10	3003.42	3446.81	3403.95	2796.65	1.49	1.37	48.87	36.27	4471.54
FTSE All-Share Household Goods and Home Construction (11)	9767.20	-1.56	8418.18	9921.65	9820.44	10399.82	7.03	1.95	7.28	266.65	9044.33
FTSE All-Share Leisure Goods (2)	26631.43	1.21	22953.17	26312.68	26399.44	17875.36	3.37	1.14	25.92	666.68	30560.46
FTSE All-Share Personal Goods (4)	30425.95	0.57	26223.60	30252.81	30322.66	22645.12	1.86	2.79	19.26	21.42	23949.48
FTSE All-Share Media (11)	9930.93	0.93	8559.30	9839.12	9926.68	9258.59	2.35	2.00	21.33	128.39	7073.88
FTSE All-Share Retailers (22)	2227.84	0.83	1920.14	2209.44	2222.36	2017.14	2.50	3.23	12.40	8.10	2920.16
FTSE All-Share Travel and Leisure (29)	7510.03	0.10	6472.76	7502.56	7547.09	6245.29	0.67	-7.91	-18.95	24.25	7795.18
FTSE All-Share Beverages (5)	28183.74	0.95	24291.08	27917.81	28253.88	28580.47	2.17	2.34	19.66	220.38	22785.65
FTSE All-Share Food Producers (8)	6790.65	-0.33	5852.74	6813.15	6842.27	6271.36	2.23	2.15	20.81	2.98	6617.59
FTSE All-Share Tobacco (2)	30199.73	-0.91	26028.62	30476.12	30976.46	34996.96	7.97	1.52	8.23	675.92	29331.10
FTSE All-Share Construction and Materials (15)	8550.44	0.98	7369.47	8467.31	8486.49	7185.95	2.94	0.53	63.99	166.90	10642.75
FTSE All-Share Aerospace and Defense (8)	6676.68	-1.98	5754.52	6811.69	6718.45	4801.69	1.85	0.20	270.05	74.85	8234.85
FTSE All-Share Electronic and Electrical Equipment (11)	12079.36	0.53	10410.99	12015.50	12051.57	10444.43	1.48	2.34	28.90	46.94	12014.32
FTSE All-Share General Industrials (7)	5201.17	0.96	4482.80	5151.92	5159.63	4904.18	3.32	1.34	22.47	70.97	6979.13
FTSE All-Share Industrial Engineering (6)	15946.92	-0.27	13744.37	15989.46	15975.99	14775.40	1.96	2.38	21.37	210.47	21693.19
FTSE All-Share Industrial Support Services (29)	10042.83	0.20	8655.74	10023.18	9993.55	9735.06	2.05	1.62	30.05	70.31	11649.68
FTSE All-Share Industrial Transportation (8)	5159.08	-0.10	4446.52	5164.35	5139.82	4652.38	2.23	1.59	28.21	14.93	5424.78
FTSE All-Share Industrial Materials (1)	19378.62	-0.64	634.51	19503.64	19753.69	14702.74	1.75	1.34	42.55	231.04	24787.60
FTSE All-Share Industrial Metals and Mining (8)	6695.73	-3.21	5770.93	6917.46	6951.06	7757.60	7.30	3.54	3.87	242.91	10625.54
FTSE All-Share Precious Metals and Mining (5)	10625.66	-1.83	9158.07	10823.31	10888.17	10501.96	3.52	1.61	17.64	131.63	7590.34
FTSE All-Share Chemicals (7)	12858.33	0.46	11082.37	12798.85	12680.91	14020.20	2.76	1.77	20.52	100.06	13016.75
FTSE All-Share Oil. Gas and Coal (13)	8280.72	-0.97	7137.01	8361.92	8324.09	7892.54	3.91	1.78	14.40	118.83	10590.23
FTSE Sector Indices											
Non Financials (324)	**5139.47**	**-0.19**	**4591.08**	**5149.18**	**5166.78**	**4991.85**	**3.48**	**1.73**	**16.55**	**68.13**	**9437.01**

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	7746.85	7781.70	7757.58	7743.66	7743.84	7715.33	7695.60	7689.59	7715.36	7784.24	7680.09
FTSE 250	19297.60	19302.64	19288.01	19278.19	19252.36	19247.06	19211.38	19181.10	19235.64	19330.43	19169.91
FTSE SmallCap	6239.03	6245.32	6243.12	6244.57	6245.25	6244.11	6238.08	6230.21	6237.25	6246.99	6228.49
FTSE All-Share	4223.60	4239.78	4228.28	4221.64	4220.95	4207.74	4197.55	4193.76	4207.30	4241.24	4189.59

Time of FTSE 100 Day's high:07:52:30 Day's Low14:12:30 FTSE 100 2010/11 High: 8014.31(20/02/2023) Low: 7335.40(17/03/2023)
Time of FTSE All-Share Day's high:07:48:00 Day's Low14:12:00 FTSE 100 2010/11 High: 4377.36(16/02/2023) Low: 4007.66(17/03/2023)

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FT 30 INDEX

	May 11	May 10	May 09	May 08	May 05	Yr Ago	High	Low
FT 30	2833.90	2829.80	2840.10	2848.20	2850.70	0.00	2895.30	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
2829.8	2837.4	2832.2	2829.6	2830.3	2824.7	2817.1	2816.6	2824.3	2840.1	2811.0

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

FT WILSHIRE 5000 INDEX SERIES

	May 10		May 10
FT Wilshire 5000	41666.73	FT Wilshire Mid Cap	5379.65
FT Wilshire 2500	5345.27	FT Wilshire Small Cap	4813.96
FT Wilshire Mega Cap	5425.46	FT Wilshire Micro Cap	4392.20
FT Wilshire Large Cap	5418.88		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Fixed Line Telecomms	27.55	Industrials	10.31	FTSE 250 Index	2.19
Aerospace & Defense	24.11	Health Care Eq & Srv	8.16	Technology	1.87
Oil Equipment & Serv	24.02	Industrial Eng	7.77	Oil & Gas	1.55
Electronic & Elec Eq	19.54	Media	7.59	Oil & Gas Producers	1.40
Travel & Leisure	18.83	Banks	7.08	Consumer Goods	0.94
General Retailers	17.79	Mobile Telecomms	6.87	Beverages	0.82
Construct & Material	17.55	Real Est Invest & Se	6.80	Real Est Invest & Tr	0.38
Food & Drug Retailer	16.56	Software & Comp Serv	6.20	Beverages	31.66
Food Producers	15.64	Electricity	5.67	FTSE SmallCap Index	-0.01
Leisure Goods	15.46	Health Care	5.15	Chemicals	-0.63
Consumer Services	14.69	Pharmace & Biotech	4.96	Life Insurance	-1.02
Household Goods & Ho	14.12	Personal Goods	4.76	Equity Invest Instr	-1.55
Gas Water & Multi	13.74	Industrial Metals &	4.14	Industrial Transport	-2.94
Telecommunications	12.91	FTSE 100 Index	3.74	Nonlife Insurance	-4.89
Automobiles & Parts	12.10	Financials	3.65	Tobacco	-15.28
Utilities	11.56	Support Services	3.52	Basic Materials	-18.31
Financial Services	11.12	FTSE All{HY-}Share Index	3.44	Mining	-20.10
		NON FINANCIALS Index	3.32	Tech Hardware & Eq	-21.12

FTSE GLOBAL EQUITY INDEX SERIES

May 11 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9504	729.74	0.2	1.1	7.3	1181.64	8.2	2.3
FTSE Global All Cap	9504	729.74	0.2	1.1	7.3	1181.64	8.2	2.3
FTSE Global Large Cap	1937	660.27	0.2	1.2	8.6	1102.34	9.6	2.3
FTSE Global Mid Cap	2227	916.66	0.0	0.6	3.8	1395.72	4.6	2.2
FTSE Global Small Cap	5340	933.08	0.2	0.4	3.5	1357.45	4.2	2.2
FTSE All-World	4164	430.72	0.2	1.1	7.7	738.69	8.6	2.3
FTSE World	2657	784.17	0.2	1.3	8.3	1805.22	9.3	2.2
FTSE Global All Cap ex UNITED KINGDOM In	9223	769.35	0.2	1.0	7.2	1221.52	8.1	2.2
FTSE Global All Cap ex USA	7713	524.55	-0.2	1.7	7.3	946.80	8.7	3.2
FTSE Global All Cap ex JAPAN	8082	760.08	0.2	0.8	7.2	1241.34	8.1	2.2
FTSE Global All Cap ex Eurozone	8861	767.04	0.2	1.0	6.7	1214.33	7.5	2.2
FTSE Developed	2148	720.47	0.2	1.4	8.4	1174.62	9.4	2.1
FTSE Developed All Cap	5780	747.16	0.2	1.3	7.9	1200.00	8.9	2.1
FTSE Developed Large Cap	816	681.11	0.3	1.5	9.5	1130.49	10.5	2.1
FTSE Developed Europe Large Cap	205	426.03	-0.3	2.1	12.5	860.87	14.7	3.1
FTSE Developed Europe Mid Cap	346	632.30	-0.1	3.3	11.6	1100.76	12.9	2.9
FTSE Dev Europe Small Cap	737	865.04	0.2	3.4	8.1	1449.80	9.6	3.0
FTSE North America Large Cap	234	898.76	0.5	1.2	9.4	1360.41	10.0	1.7
FTSE North America Mid Cap	413	1111.52	0.1	-0.7	1.7	1556.75	2.3	1.8
FTSE North America Small Cap	1320	1086.19	0.2	-0.5	2.3	1457.25	2.8	1.7
FTSE North America	647	582.34	0.4	0.8	7.9	901.28	8.5	1.7
FTSE Developed ex North America	1501	285.18	-0.2	2.6	9.6	555.45	11.3	3.0
FTSE Japan Large Cap	175	402.61	-0.1	5.0	8.5	599.92	9.8	2.5
FTSE Japan Mid Cap	339	565.89	0.0	5.5	6.9	801.75	8.3	2.5
FTSE Global wi JAPAN Small Cap	908	630.19	0.0	4.7	6.0	928.43	7.5	2.7
FTSE Japan	514	165.68	-0.1	5.1	8.2	276.49	9.5	2.5
FTSE Asia Pacific Large Cap ex Japan	1124	683.09	-0.3	-1.3	1.7	1256.96	2.4	3.2
FTSE Asia Pacific Mid Cap ex Japan	839	996.83	-0.1	1.3	3.6	1771.64	4.3	3.2
FTSE Asia Pacific Small Cap ex Japan	2100	556.24	0.1	-0.9	4.1	958.48	4.8	2.9
FTSE Asia Pacific Ex Japan	1963	545.50	-0.3	-1.0	1.9	1067.01	2.6	3.2
FTSE Emerging All Cap	3724	716.01	-0.1	-0.8	1.7	1261.47	2.5	3.6
FTSE Emerging Large Cap	1121	658.49	-0.2	-1.1	1.3	1166.39	2.1	3.6
FTSE Emerging Mid Cap	895	1052.63	-0.3	0.9	3.0	1871.58	4.2	3.7
FTSE Emerging Small Cap	1708	777.56	0.3	-0.1	3.2	1309.03	4.0	3.3
FTSE Emerging Europe	147	125.03	-0.2	-4.0	-2.7	266.41	-1.2	3.2
FTSE Latin America All Cap	252	756.43	1.2	5.9	8.4	1544.54	10.9	9.1
FTSE Middle East and Africa All Cap	330	709.29	-0.4	1.1	-2.1	1326.99	-0.1	3.6
FTSE Global wi UNITED KINGDOM All Cap In	281	342.67	-0.2	2.6	9.1	712.48	10.7	3.6
FTSE Global wi USA All Cap	1791	994.04	0.5	0.6	7.3	1449.99	7.9	1.6
FTSE Europe All Cap	1470	479.61	-0.2	2.3	11.8	928.85	13.7	3.1
FTSE Eurozone All Cap	643	473.43	-0.1	1.2	14.3	908.30	16.1	3.0
FTSE EDHEC-Risk Efficient All-World	4164	478.18	0.0	0.4	3.2	761.92	4.2	2.7
FTSE EDHEC-Risk Efficient Developed Europe	551	347.64	-0.2	2.3	10.8	620.61	12.4	3.1
Oil & Gas	133	388.92	-0.5	-4.1	-4.8	811.32	-3.5	5.0
Oil & Gas Producers	88	390.37	-0.5	-4.2	-4.1	837.06	-2.8	5.3

May 11 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	25	262.12	-1.0	-2.9	-5.7	494.55	-4.4	4.7
Basic Materials	404	612.99	-0.4	-0.2	2.6	1148.55	4.1	4.1
Chemicals	201	820.17	0.1	-0.1	5.2	1470.62	6.3	3.1
Forestry & Paper	19	237.89	0.3	0.2	-5.6	493.14	-3.5	4.3
Industrial Metals & Mining	104	505.67	-1.3	-3.0	2.3	985.47	3.8	4.6
Mining	80	973.74	-0.6	1.4	-0.4	1941.89	1.8	5.4
Industrials	810	515.65	-0.1	1.9	5.7	831.21	6.7	2.1
Construction & Materials	163	623.97	-0.1	6.4	12.0	1062.78	13.2	2.1
Aerospace & Defense	36	926.71	0.2	-2.9	2.4	1456.04	3.0	1.5
General Industrials	78	257.33	-0.6	3.5	7.8	460.67	9.1	2.5
Electronic & Electrical Equipment	158	637.26	-0.2	0.2	6.3	922.04	6.9	1.6
Industrial Engineering	159	1036.85	-0.4	3.5	5.5	1669.11	6.6	2.1
Industrial Transportation	129	946.00	-0.1	1.0	4.9	1560.83	6.0	3.4
Support Services	87	520.96	0.4	1.8	3.1	781.65	3.8	1.6
Consumer Goods	563	588.76	-0.3	1.6	9.5	1002.74	10.6	2.4
Automobiles & Parts	132	510.29	0.4	-0.6	17.1	836.29	18.5	2.2
Beverages	71	818.37	-0.3	2.1	5.6	1404.52	6.3	2.2
Food Producers	138	766.53	-0.6	2.5	6.4	1341.94	7.8	2.4
Household Goods & Home Construction	61	580.37	0.0	4.3	8.0	991.07	9.3	2.5
Leisure Goods	54	254.82	0.1	1.0	10.9	362.93	11.6	1.2
Personal Goods	94	1038.25	-0.9	2.3	12.3	1611.68	13.0	1.7
Tobacco	13	958.08	-0.8	-0.2	-4.0	2800.92	-2.4	6.6
Health Care	337	740.49	0.1	0.9	1.7	1190.94	2.4	1.8
Health Care Equipment & Services	131	1400.78	0.3	0.6	1.6	1726.14	1.9	1.0
Pharmaceuticals & Biotechnology	206	503.42	0.0	1.1	1.7	873.19	2.8	2.3
Consumer Services	424	563.36	0.3	1.6	9.7	809.08	10.3	1.2
Food & Drug Retailers	69	308.37	-0.5	-0.8	-1.9	495.41	-1.0	2.5
General Retailers	139	972.00	0.9	2.1	9.1	1335.18	9.6	1.0
Media	75	327.95	-0.1	-1.2	13.2	474.14	13.8	1.3
Travel & Leisure	141	506.02	-0.4	3.5	14.3	742.89	14.8	1.1
Telecommunication	83	134.37	0.1	-1.9	4.4	323.03	6.2	4.2
Fixed Line Telecommuniations	29	106.48	0.1	-3.0	5.8	295.15	7.8	5.0
Mobile Telecommunications	54	157.54	0.1	-1.3	3.6	325.65	5.3	3.8
Utilities	201	330.61	0.6	1.3	2.6	784.74	3.9	3.3
Electricity	145	369.63	0.7	1.1	1.1	863.09	2.3	3.1
Gas Water & Multiutilities	56	336.10	0.4	1.8	6.4	827.76	7.9	3.7
Financials	854	258.77	-0.3	1.2	-0.3	505.52	1.1	3.4
Banks	271	192.48	-0.4	1.2	-2.9	421.50	-1.0	4.5
Nonlife Insurance	72	377.47	-0.5	2.1	3.2	642.89	5.1	3.0
Life Insurance	51	221.26	-0.7	1.3	-2.9	432.78	-1.6	4.1
Financial Services	213	433.50	-0.4	0.9	2.2	663.38	2.8	1.8
Technology	355	550.66	1.2	2.1	24.5	721.54	24.9	0.9
Software & Computer Services	180	837.56	1.7	3.2	23.6	1015.53	23.8	0.6
Technology Hardware & Equipment	175	484.37	0.7	0.8	25.5	684.22	26.1	1.3
Alternative Energy	20	156.18	2.2	-5.6	-14.6	224.19	-14.6	0.3
Real Estate Investment & Services	140	245.48	0.1	1.2	-2.2	483.80	-1.2	3.4
Real Estate Investment Trusts	107	438.28	0.8	0.4	0.7	1044.87	1.9	4.1
FTSE Global Large Cap	1937	660.27	0.2	1.2	8.6	1102.34	9.6	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
3I Group PLC	1798.5	52.50
Abrdn PLC	208.10	2.80
Admiral Group PLC	2234	59.00
Airtel Africa PLC	111.70	-6.30
Anglo American PLC	2347.5	-96.50
Antofagasta PLC	1382	-57.50
Ashtead Group PLC	4670	3.00
Associated British Foods PLC	1908	-9.50
Astrazeneca PLC	11924	104.00
Auto Trader Group PLC	632.80	5.00
Aviva PLC	414.40	1.50
B&M European Value Retail S.A.	488.70	9.40
Bae Systems PLC	982.00	-11.80
Barclays PLC	153.48	0.26
Barratt Developments PLC	496.00	-4.00
Beazley PLC	586.50	1.50
Berkeley Group Holdings (The) PLC	4329	-106.00
BP PLC	477.70	-9.40
British American Tobacco PLC	2727.5	-26.50
British Land Company PLC	382.00	-3.70
Bt Group PLC	152.55	-2.05
Bunzl PLC	3167	-5.00
Burberry Group PLC	2524	18.00
Centrica PLC	113.50	-0.10
Coca-Cola Hbc AG	2546	23.00
Compass Group PLC	2114	23.00
Convatec Group PLC	218.40	5.80
Crh PLC	3949	52.00
Croda International PLC	6852	70.00
Dcc PLC	4742	-33.00
Diageo PLC	3619.5	35.50
Endeavour Mining PLC	2038	-30.00
Entain PLC	1473.5	-6.50
Experian PLC	2743	15.00
F&C Investment Trust PLC	895.00	8.00
Flutter Entertainment PLC	15975	80.00
Frasers Group PLC	781.00	6.50
Fresnillo PLC	690.40	-21.80
Glaxosmithkline PLC	1444.8	8.40
Glencore PLC	427.60	-17.55
Haleon PLC	342.85	3.00
Halma PLC	2433	48.00
Hargreaves Lansdown PLC	803.60	20.40
Hiscox LTD	1163	1.00
HSBC Holdings PLC	593.60	-7.50
Imperial Brands PLC	1881.5	-13.50
Informa PLC	702.40	4.00
Intercontinental Hotels Group PLC	5326	8.00
International Consolidated Airlines Group S.A.	155.00	0.80
Intertek Group PLC	4158	6.00
Jd Sports Fashion PLC	168.60	4.20
Johnson Matthey PLC	1942	-12.00
Kingfisher PLC	253.30	0.10
Land Securities Group PLC	626.00	-10.60
Legal & General Group PLC	229.70	3.60
Lloyds Banking Group PLC	45.88	-0.30
London Stock Exchange Group PLC	8504	46.00
M&G PLC	200.30	0.65
Melrose Industries PLC	458.40	13.70
Mondi PLC	1298.5	13.00
National Grid PLC	1154.5	-1.00
Natwest Group PLC	259.90	-0.70
Next PLC	6852	44.00
Ocado Group PLC	453.00	-2.00
Pearson PLC	811.00	13.80
Pershing Square Holdings LTD	2708	28.00
Persimmon PLC	1304	-35.00
Phoenix Group Holdings PLC	575.80	3.00
Prudential PLC	1181.5	3.50
Reckitt Benckiser Group PLC	6454	50.00
Relx PLC	2496	33.00
Rentokil Initial PLC	643.40	7.00
Rightmove PLC	566.80	3.40
Rio Tinto PLC	4882.5	-102.00
Rolls-Royce Holdings PLC	145.90	-10.40
Rs Group PLC	866.00	-14.20
Sage Group PLC	817.20	9.40
Sainsbury (J) PLC	287.30	2.10
Schroders PLC	468.80	2.10
Scottish Mortgage Investment Trust PLC	626.60	7.00
Segro PLC	809.40	2.80
Severn Trent PLC	2935	-12.00
Shell PLC	2387	-11.50
Smith & Nephew PLC	1276.5	19.50
Smith (Ds) PLC	316.80	3.20
Smiths Group PLC	1652.5	-1.00
Smurfit Kappa Group PLC	3022	108.00
Spirax-Sarco Engineering PLC	11115	-65.00
Sse PLC	1862	-14.50
St. James's Place PLC	1145	24.50
Standard Chartered PLC	620.00	6.20
Taylor Wimpey PLC	123.55	-2.00
Tesco PLC	273.60	-4.30
Unilever PLC	4339.5	47.00
Unite Group PLC	926.00	3.00
United Utilities Group PLC	1076.5	-10.00
Vodafone Group PLC	90.99	-1.76
Weir Group PLC	1787.5	10.50
Whitbread PLC	3246	4.00
Wpp PLC	890.60	2.00

UK STOCK MARKET TRADING DATA

	May 11	May 10	May 09	May 05	May 04	Yr Ago
Order Book Turnover (m)	214.01	107.40	130.59	68.93	68.93	68.93
Order Book Bargains	551329.00	564159.00	487705.00	487221.00	487221.00	487221.00
Order Book Shares Traded (m)	1725.00	3729.00	2056.00	2882.00	2882.00	2882.00
Total Equity Turnover (£m)	21612.26	10751.60	9830.28	7824.39	7824.39	7824.39
Total Mkt Bargains	741950.00	762702.00	685284.00	669107.00	669107.00	669107.00
Total Shares Traded (m)	5693.00	8214.00	6849.00	7453.00	7453.00	7453.00

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

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	
Airtel Africa	Pre	**5255.000**	4714.000	**1034.000**	1224.000	**0.177**	0.168	**3.27000**	3.00000	Jul 26	**5.500**	5.000
BlackRock Greater Europe Investment Trust	Int			**79.160**	137.665L	**78.220**	138.270L	**1.75000**	1.75000	Jun 19	**6.600**	6.300
ICG Enterprise Trust	Pre			**164.525**	226.490	**240.190**	329.970	**9.00000**	16.00000	Jul 21	**16.000**	22.000

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

UK RECENT EQUITY ISSUES

Issue date	Issue price(p)	Sector	Stock code	Stock	Close price(p)	+/-	High	Low	Mkt Cap (£m)
05/10	8.50	AIM	GMET	Golden Metal Resources PLC	8.13	-	8.80	7.95	0.0
05/03	100.00		AWEM	Ashoka WhiteOak Emerging Markets Trust plc	103.00	0.40	103.40	98.50	0.0
04/11	2.50		SCSP	Seed Capital Solutions PLC	0.88	0.00	0.78	0.76	162.2
04/06	144.00	AIM	FADL	Fadel Partners Inc	147.00	0.00	150.00	144.00	2935.3
04/06	6.25		CHSS	World Chess PLC	9.50	0.00	11.50	6.55	6335.6
04/04	16.00	AIM	OHT	Ocean Harvest Technology Group PLC	21.00	0.24	27.00	16.00	2643.0

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ Bank	24.31	0.20	26.08	20.78	6.22	10.16	48936.2
BHP Group	44.00	-0.45	50.09	35.83	9.37	10.30	149396.16
CmwBkAu	98.35	0.50	111.38	86.98	3.57	18.43	111166
CSL	302.00	-1.20	314.21	254.30	1.00	43.10	97639.05
NatAusBk	26.37	0.11	32.83	25.43	3.42	14.00	55474.65
Telstra	4.32	0.01	4.40	3.62	2.32	35.02	33455.61
Wesfarmers	51.30	-0.05	52.79	40.03	3.48	26.29	38991.01
Westpac Bank	21.13	-0.57	24.61	18.80	4.22	15.32	49696.92
Woolworths	38.57	-0.01	39.88	31.67	2.81	43.84	31505.33
Belgium (€)							
AnBshInBv	56.51	0.06	62.01	45.56	0.91	29.27	107180.74
KBC Grp	60.70	-0.12	72.46	45.53	5.46	10.25	27646.72
Brazil (R$)							
Ambev	14.50	0.10	16.88	12.60	3.87	21.97	45915.18
Bradesco	13.31	0.01	17.71	11.15	6.21	6.18	14260.43
Cielo	5.54	0.03	6.22	3.02	2.62	18.81	3025.34
ItauHldFin	22.94	0.07	26.04	18.86	3.36	9.11	22862.73
Petrobras	27.50	0.01	42.08	23.61	17.38	3.93	41138.76
Vale	67.76	-1.60	94.48	61.90	19.09	3.04	61821.1
Canada (C$)							
Bausch Hlth	7.93	-0.03	14.54	5.10	-	-2.41	2129.43
BCE	64.43	0.29	69.50	55.66	5.36	21.85	43611.85
BkMontrl	117.79	0.01	138.85	113.47	3.79	9.18	62336.74
BkNvaS	66.44	0.35	86.22	63.19	5.51	8.42	59072.95
Brookfield	58.88	11.29	63.88	41.28	1.09	19.91	69948.82
CanadPcR	109.57	0.36	111.43	86.42	0.68	26.58	75702.12
CanImp	56.10	0.46	71.10	53.58	10.56	3.94	37972.75
CanNatRs	74.92	-0.76	87.92	58.75	2.63	11.76	60958.18
CanNatRy	162.72	0.27	175.39	137.26	1.49	23.94	80336.32
Enbridge	53.22	0.08	59.69	48.88	6.19	18.80	79969.27
GtWesLif	37.78	-0.28	39.12	27.99	5.04	10.75	26121.12
ImpOil	61.26	-0.88	79.83	52.67	1.66	17.85	26554.76
Manulife	26.07	-0.18	27.50	20.81	4.43	7.46	35702.73
Nutrien	80.47	-4.20	134.19	79.15	2.85	11.70	29663.23
RylBkC	129.53	0.57	140.18	116.75	3.39	11.65	133668.45
SHOP	84.35	-0.23	87.53	33.00	-	2.96	83694.31
Suncor En	38.80	-0.39	53.62	36.39	2.67	14.20	37965.87
ThmReut	166.23	-1.71	180.93	119.23	1.21	11.60	58079.09
TntoDom	82.06	-0.09	97.13	76.40	3.93	10.41	111476.34
TrnCan	55.98	0.24	74.44	50.70	6.13	30.51	42482.24
China (HK$)							
AgricBkCh	3.13	0.02	3.28	2.20	7.02	3.98	12279.24
Bk China	3.27	-	3.45	2.51	7.01	3.92	34898.92
BkofComm	5.32	-0.01	5.65	3.83	6.77	4.25	23772.35
BOE Tech	0.67	0.03	0.85	0.55	-	10.46	17.01
Ch Coms Cons	5.14	-0.09	5.52	3.09	4.08	4.13	2898.56
Ch Evrbrght	2.60	-0.01	2.86	2.03	9.49	3.40	4207.18
Ch Rail Cons	6.81	-0.01	7.46	3.75	3.96	3.50	1804.59
Ch Rail Gp	5.68	-0.07	6.30	3.41	3.73	4.42	3050.02
ChConstBk	5.44	-0.01	5.90	4.10	7.03	3.83	166919.34
China Vanke	11.82	-0.16	19.90	9.87	12.41	5.15	3328.66
ChinaCitic	4.33	-0.01	4.74	2.92	6.67	3.89	8224.33
ChinaLife	15.08	-	15.84	8.53	4.66	6.38	14321.43
ChinaMBank	40.30	0.25	53.00	25.40	3.65	7.19	23612.79
ChinaMob	67.10	-0.55	70.20	46.80	4.94	10.02	175225.25
ChinaPcIns	24.75	-0.05	26.50	12.10	5.47	7.80	8766.56
ChMinsheng	3.36	-0.01	3.52	2.19	7.54	4.21	3567.99
ChMrchSecs	14.65	-0.06	15.98	12.12	3.10	12.57	15668.08
Chna Utd Coms	5.35	-0.11	6.45	3.30	2.18	25.80	23872.04
ChShenEgy	27.95	-0.05	28.70	20.50	7.55	8.20	12048.12
ChShpbldng	4.62	-0.12	5.32	3.37	-	-330.20	14701.85
ChStConEng	6.73	-0.04	7.35	4.68	3.32	5.01	40071.69
ChUncHK	6.39	-	6.58	3.27	2.53	13.62	24953.99
CNNC Intl	7.16	0.04	7.44	5.78	1.81	17.99	19468.81
CSR	4.84	-0.09	5.26	2.37	4.40	12.87	2700.09
Daqin	7.72	-0.08	8.21	5.95	6.47	11.24	16538.46
GuosenSec	9.74	-0.01	10.55	8.43	2.46	10.76	12388.95
HaitongSecs	5.56	-0.03	6.01	3.77	5.33	5.84	2419.46
Hngzh HikVDT	36.27	-0.13	48.84	26.80	2.30	19.16	47606.15
Hunng Pwr	4.87	0.09	5.16	2.62	4.18	-5.29	2921.52
IM Baotou Stl	1.86	-0.01	2.71	1.75	-	30.45	8490.13
In&CmBkCh	4.42	-0.05	4.73	3.37	7.08	3.92	48961.39
IndstrlBk	17.25	-0.06	21.00	14.91	4.68	4.55	51638.17
Kweichow	1717.07	-7.93	2077	1333	1.17	37.18	310815.22
Midea	0.40	-0.01	0.49	0.32	-	-4.15	15.18
New Ch Life Ins	23.50	-0.05	25.00	12.04	6.72	4.32	3101.55
PetroChina	5.42	-0.08	5.62	2.95	4.54	10.58	14594.95
PingAnIns	57.65	-0.05	63.10	31.30	4.48	8.87	54797.26
PngAnBnk	12.85	0.01	15.27	10.22	1.41	7.38	35932.28
Pwr Cons Corp	7.46	-0.02	8.45	6.76	1.24	14.91	11815.43
SaicMtr	14.13	-0.13	19.29	13.72	4.38	6.80	23788.69
ShenwanHong	0.12	-	0.18	0.07	-	3.41	133.81
ShgPdgBk	7.67	-0.03	8.22	6.63	6.24	4.72	32440.9
Sinopec Corp	5.15	-0.07	5.47	3.06	2.79	6.01	16288.01
Sinopec Oil	2.21	0.03	2.39	1.80	-	706.42	4321.3
Denmark (kr)							
DanskeBk	138.60	1.50	165.35	86.90	1.39	9.84	17514.24
MollerMrsk	11945	145.00	22650	11100	2.75	2.02	14658.21
NovoB	1155.6	14.00	1171.4	720.40	0.78	57.77	295137.28
Finland (€)							
Nokia	3.73	-0.03	5.20	3.66	-	13.35	22921.65
SampoA	45.58	-0.57	49.97	39.86	3.62	10.07	25428.38
France (€)							
Airbus Grpe	121.32	-0.38	129.68	86.52	-	23.09	104693.42
AirLiquide	162.72	0.72	164.52	114.48	1.63	31.18	93030.24
AXA	26.93	-0.24	30.34	20.34	5.11	9.41	67412.51
BNP Parib	57.35	-0.57	67.02	40.67	4.50	8.58	77287.23
ChristianDior	839.00	9.00	872.00	516.00	0.80	31.80	165348.29
Cred Agr	11.55	-0.15	11.94	8.09	6.67	6.55	38164.07
Danone	59.02	0.81	61.88	46.76	3.17	20.85	43549.6
EDF	12.00	-	12.05	7.27	3.91	9.58	52418.55
Engie SA	14.79	0.10	15.56	10.07	3.45	10.81	39318.92
EssilorLuxottica	185.70	1.52	188.28	132.70	0.56	58.79	90767.43
Hermes Intl	1988.8	29.00	2020	957.60	0.22	88.64	229230.11
LOreal	423.70	6.50	442.60	300.45	0.91	53.59	247933.84
LVMH	887.60	15.30	904.60	535.00	0.76	38.58	486525.2
Orange	11.57	-0.06	11.94	9.08	5.00	3985.77	33590.5
PernodRic	215.00	1.90	218.00	166.60	1.40	33.70	60549.7
Renault	33.33	0.30	43.96	21.20	-	-25.84	10759.61
Safran	139.48	0.50	143.68	87.85	0.30	1448.40	65064.96
Sanofi	99.16	0.35	105.18	76.45	3.11	20.81	136642.8
Sant Gbn	53.05	0.21	58.53	35.18	2.47	13.17	29874.57
Schneider	157.12	1.56	159.80	110.02	1.59	28.78	97967.2
SocGen	21.80	-0.11	28.39	18.97	2.45	3.82	19236.35
Total	54.87	-0.72	60.93	45.81	4.74	10.95	149184.08
UnibailR	49.68	0.06	73.09	39.68	-	-7.44	7615.7
Vinci	108.68	-0.70	112.40	80.84	2.38	25.02	70069.25
Vivendi	9.76	0.03	11.45	7.59	5.92	-18.09	11747.37
Germany (€)							
Allianz	211.60	-0.75	228.40	156.22	4.37	13.88	93175.43
BASF	47.11	-0.02	53.77	37.90	6.75	8.10	45975.09
Bayer	53.94	-4.35	67.49	46.70	3.57	54.91	57856.54
BMW	108.40	-0.32	109.84	68.44	1.69	6.00	71246.7
Continental	65.22	-0.70	79.24	44.31	-	10.44	14241.84
Deut Bank	9.59	-0.13	12.09	7.25	-	9.79	21357.59
Deut Tlkm	21.54	0.29	23.13	17.27	2.68	25.71	117268.24
DeutsPost	41.12	-0.51	44.64	29.68	3.24	10.80	55620.5
E.ON	11.97	-0.13	12.29	7.28	3.78	6.90	34504.52
Fresenius Med	44.21	-0.33	58.84	25.95	2.92	13.87	14142.85
Fresenius SE	27.80	-0.42	34.32	19.69	3.12	9.13	16951.66
HenkelKgaA	67.46	0.40	69.68	56.55	2.61	18.63	19134.67
Linde	337.70	3.20	344.00	261.20	1.06	54.48	180787.48
Mercedes-Benz	67.77	0.11	75.92	50.19	1.92	7.04	79158.54
MuenchRkv	324.90	-2.40	342.90	212.70	2.90	16.12	48408.71
SAP	122.30	-0.38	124.60	79.58	1.46	28.48	164038.42
Siemens	148.86	-0.30	152.20	93.67	2.26	23.24	130020.09
Volkswgn	149.75	-4.45	217.00	144.35	3.09	5.26	48246.24
Hong Kong (HK$)							
AIA	80.95	-0.05	93.65	57.25	1.53	20.00	120049.31
BOC Hold	24.65	-0.20	31.85	23.55	4.68	12.21	33262.18
Ch OSLnd&Inv	20.00	0.08	25.60	14.40	5.58	4.79	27937.36
ChngKng	46.45	0.45	57.00	42.90	3.54	10.26	21298.43
Citic Ltd	10.18	-0.10	10.86	7.01	4.91	4.55	37795.52
Citic Secs	17.04	0.02	18.52	11.60	2.61	8.47	5698.06
CK Hutchison	53.00	0.05	56.85	38.55	3.99	6.48	25907.42
CNOOC	12.82	-0.14	13.36	9.22	3.28	10.80	72935.61
HangSeng	113.90	-0.40	141.40	108.30	4.98	17.69	27792.04
HK Exc&Clr	312.40	-0.40	404.20	208.20	2.72	34.00	50549.73
MTR	39.50	-0.10	43.70	33.15	2.89	27.60	31266.39
SandsCh	26.00	0.25	30.20	12.50	-	-27.72	26856.26
SHK Props	105.00	-0.80	114.80	83.10	4.38	11.58	38832.83
Tencent	326.40	-3.20	397.60	188.69	0.46	12.40	399411.02
India (Rs)							
Bhartiartl	788.60	-7.45	860.55	628.75	-	165.12	57332.11
HDFC Bk	1653.2	1.10	1734.45	1271.6	-	27.49	112442.58
Hind Unilevr	2592.4	69.70	2741.6	2100	1.26	68.11	74198.89
HsngDevFin	2767.15	14.50	2867	2026	0.85	23.10	61839.83
ICICI Bk	939.20	3.15	958.20	669.95	0.22	29.22	79938.51
Infosys	1256.1	-7.15	1672.6	1185.3	2.46	24.34	63482.42
ITC	420.40	-4.95	433.45	249.15	2.61	34.26	63645.49
L&T	2242.15	-122.30	2416.35	1456.35	0.82	36.47	38385.1
OilNatGas	167.05	0.10	168.65	119.85	5.56	4.64	25599.99
RelianceIn	2480.3	-16.30	2817.35	2180	0.29	27.83	204430.81
SBI NewA	573.45	1.25	629.55	430.70	0.71	15.68	62343.06
SunPhrmInds	961.05	7.25	1070.95	789.90	0.80	35.12	28089.24
Tata Cons	3282.15	-4.65	3575	2926.1	1.13	30.74	146295.2
Israel (ILS)							
TevaPha	33.25	0.44	38.39	23.83	-	25.64	10078.82
Italy (€)							
Enel	6.04	-0.05	6.26	3.96	5.84	29.19	67088.19
ENI	13.19	-0.24	14.98	10.45	4.92	5.77	51939.28
Generali	18.61	-0.26	19.23	13.67	7.61	10.85	31673.54
IntSPaolo	2.40	-0.01	2.60	1.58	1.47	77.29	47936.58
Unicred	18.87	0.06	20.05	8.24	0.61	29.09	39975.89
Japan (¥)							
AstellasPh	2102	6.50	2205	1823.5	2.36	30.03	28297.65
Bridgestne	5422	-55.00	5570	4548	3.30	11.70	28786.85
Canon	3200	-19.00	3516	2754.5	3.29	14.69	31750.37
CntJpRwy	16710	-75.00	17920	14730	0.84	-29.74	25607.29
Denso	8123	-47.00	8330	6389	1.86	21.13	47613.74
EastJpRwy	7950	27.00	8280	6510	1.36	-7.57	22351.22
Fanuc	4598	-48.00	24930	4409	10.61	5.19	34531.5
FastRetail	31140	90.00	33220	18696.67	1.82	13.87	73716.95
Fuji Hvy Ind	2217.5	-0.50	2684	1909	2.73	24.18	12688.47
Hitachi	7814	11.00	7946	5983	1.59	10.87	54529.9
HondaMtr	3582	-71.00	3755	2990.5	3.89	7.19	48268.83
JapanTob	2964	-21.50	3049	2248.5	4.98	14.32	44098.94
KDDI	4312	91.00	4636	3825	3.00	13.71	73864.95
Keyence	63800	-310.00	64810	44880	0.34	50.60	115429.8
MitsbCp	5350	8.00	5460	3740	2.78	11.33	58039.18
MitsubEst	1010	-1.65	1023.46	876.51	-	-	-
MitsubishiEle	1747.5	7.00	1788	1273	2.47	14.82	27913.21
MitsuiFud	915.47	7.84	1007.12	684.38	-	-	-
MitUFJFin	870.20	7.20	999.50	632.60	3.22	8.37	82133.9
Mizuho Fin	2016.5	1.50	2238	1486.5	4.18	9.15	38091.11
Murata Mfg	7707	-9.00	8811	6438	1.68	14.68	38745.17
Nippon TT	4189	-1.00	4233	3674	2.71	12.51	112870.46
Nissan Mt	505.80	-1.40	577.60	408.10	-	15.24	15881.24
Nomura	489.80	4.80	573.90	464.30	5.07	-31.26	11782.04
Nppn Stl	2870	45.00	3294	1838	3.01	4.20	20289.55
Panasonic	1374.5	77.50	1379	1006.5	1.96	12.89	25092.8
Seven & I	6270	-3.00	6619	5041	1.77	22.14	41346.41
ShnEtsuCh	3982	9.00	21055	3797	7.86	3.54	59959.52
Softbank	5138	-44.00	7180	4491	0.92	4.10	56186.25
Sony	12555	35.00	12835	9213	0.52	14.88	117782.28
SumitomoF	5697	19.00	6261	3817	3.79	10.29	58260.11
Takeda Ph	4565	-10.00	4629	3497	4.26	15.20	53733.92
TokioMarine	2759.5	3.00	3000	2200	8.60	4.16	41107.68
Toyota	1916	-15.50	2267	1764	2.87	8.02	232542.41
Mexico (Mex$)							
AmerMvl	19.26	0.04	21.27	15.67	1.62	16.32	46069.76
FEMSA UBD	175.76	-0.73	177.83	120.63	1.10	150.54	21531.23
WalMrtMex	73.88	-1.00	79.15	64.81	0.65	38.57	73124.69
Netherlands (€)							
ASML Hld	593.30	-6.30	637.50	375.75	0.55	47.56	261138.43
Heineken	103.75	1.20	106.30	78.28	0.91	18.67	65246.17
ING	11.50	0.44	13.55	8.43	5.03	9.71	45437.54
Unilever	49.77	0.39	50.93	40.28	2.88	25.55	157307.78
Norway (Kr)							
DNB	182.45	-1.70	209.50	168.20	10.66	10.43	26697.02
Equinor	295.80	-12.70	410.95	278.70	1.86	11.42	88141.72
Telenor	123.55	-6.40	135.80	87.60	8.14	18.68	16224.74
Qatar (QR)							
QatarNtBk	16.55	-0.33	23.53	14.31	3.18	12.80	41995.27
Saudi Arabia (SR)							
AlRajhiBnk	75.20	-0.30	7317	0.00	2.97	13.70	80209.04
Natnlcombnk	36.15	-0.45	1552.5	0.00	3.73	13.04	43165.64
SaudiBasic	92.20	0.60	2115	0.00	3.28	12.89	73756.08
SaudiTelec	44.45	0.65	8480	0.00	8.37	8.44	59263.5
Singapore (S$)							
DBS	31.10	-0.52	36.40	29.45	3.61	13.19	60263.73
JardnMt US$	50.60	0.06	59.48	42.60	3.14	9.11	14609.34
OCBC	12.30	-0.02	13.23	11.20	3.11	12.69	41537.03
SingTel	2.58	0.01	2.88	2.31	2.65	45.06	32002.19
UOB	27.98	-0.14	31.40	25.91	3.23	12.88	35222.41
South Africa (R)							
Firstrand	60.09	-2.41	72.95	56.80	4.85	9.67	17612.67
MTN Grp	109.53	-5.47	176.83	107.35	-	13.28	10783.6
Naspers N	3225.6	81.06	3510	1454.08	0.20	15.42	73402.31
South Korea (KRW)							
HyundMobis	230000	3500	239500	189500	1.79	8.70	16351.66
KoreaElePwr	19340	100.00	24000	16500	6.54	-10.95	9361.77
SK Hynix	86300	-600.00	115000	60600	1.84	5.98	47373.4
SmsungEl	64200	-400.00	79000	51800	2.32	10.77	288991.14
Spain (€)							
BBVA	6.54	0.24	7.56	3.97	5.47	9.24	43044.06
BcoSantdr	3.14	0.00	3.87	2.32	2.35	6.53	56390.47
CaixaBnk	3.32	-0.02	4.14	2.64	0.78	22.69	27226.29
Iberdrola	11.77	-0.01	11.96	9.09	3.45	20.96	82838.81
Inditex	31.30	0.07	32.10	19.57	0.68	34.28	106506.25
Repsol	13.06	-0.05	16.23	11.19	4.42	8.27	18927.19
Telefonica	3.85	-0.18	5.06	3.22	8.66	2.92	24152.79
Sweden (SKr)							
AtlasCpcoB	132.10	2.50	134.30	22.08	5.83	8.43	19961.83
Ericsson	53.49	-0.83	82.25	53.36	4.43	7.54	15910.31
H & M	143.36	2.28	157.30	98.27	4.63	18.89	20272.62
Investor	216.10	0.85	221.95	158.20	1.71	8.89	38116.87
Nordea Bk	107.00	1.42	134.94	88.32	14.40	11.94	37341.73
SEB	112.20	1.85	133.50	99.42	9.49	8.97	23403.58
SvnskaHn	86.26	0.30	112.90	80.88	6.11	8.09	16240.83
Swedbank	165.50	1.40	219.90	124.50	9.27	8.45	18137.43
Telia Co	27.08	0.12	41.24	25.54	7.79	9.14	10721.66
Volvo	205.20	0.80	219.75	154.28	3.34	12.78	31556.14
Switzerland (SFr)							
ABB	32.94	0.34	32.95	23.84	2.29	16.55	72363.96
CredSuisse	0.76	0.00	6.76	0.66	11.94	-1.25	3400.95
Nestle	115.18	0.60	124.10	103.42	2.17	20.94	343859.34
Novartis	92.58	0.64	93.95	73.33	2.96	10.53	235756.57
Richemont	149.45	2.75	152.55	90.28	1.19	37.32	87228.6
Roche	282.45	2.25	337.10	256.05	2.83	19.82	221880.51
Swiss Re	89.46	0.42	99.68	68.16	6.00	22.63	31758.6
Swisscom	592.40	-1.60	619.40	443.40	3.37	18.46	34312.6
UBS	17.15	-0.13	20.85	13.87	2.05	8.27	59357.49
Zurich Fin	426.80	0.20	461.20	384.70	4.26	14.89	71802.31
Taiwan (NT$)							
Chunghwa Telecom	126.00	-	130.50	105.50	3.49	26.73	31796.92
Formosa PetChem	85.70	0.50	97.90	75.20	0.71	16.09	26557.42
HonHaiPrc	105.00	-1.50	116.00	98.00	3.91	10.31	47352.37
MediaTek	668.00	-	935.00	533.00	5.69	9.26	34760.61
TaiwanSem	499.00	-4.00	560.00	370.00	2.20	19.35	420953.23
Thailand (THB)							
PTT Explor	32.25	0.25	38.50	29.50	5.85	9.12	27317.94
United Arab Emirates (Dhs)							
Emirtestele	24.30	0.70	38.98	11.60	2.75	27.17	57535.64
United Kingdom (p)							
Anglo American	2347.5	-96.50	4036	2328.5	7.59	4.65	39320.32
AscBrFd	1908	-9.50	2076	1223	0.32	31.54	18592.73
AstraZen	11924	104.00	12828.45	9399	1.74	2018.96	231421.29
Aviva	414.40	1.50	544.08	341.92	5.15	54.53	14328.75
Barclays	153.48	0.26	198.86	128.12	1.95	3.72	29885.88
BP	477.70	-9.40	570.57	359.20	3.30	17.33	105328.74
BrAmTob	2727.5	-26.50	3645	2709	7.90	9.23	76368.61
BT	152.55	-2.05	196.60	22.98	-	14.81	18973.53
Compass	2114	23.00	2144.3	1630.5	0.66	51.44	46193.08
Diageo	3619.5	35.50	3960	3413.5	2.00	27.84	102094.68
GlaxoSmh	1444.8	8.40	2753.96	16.64	5.54	16.68	74088.12
Glencore	427.60	-17.55	584.50	395.40	2.07	15.65	67046.74
HSBC	593.60	-7.50	653.80	434.70	2.72	12.97	148509.74
Imperial Brands	1881.5	-13.50	2185	1646.5	7.34	6.29	21696.02
Jardine Mathes.	62.50	-	55.30	46.89	2.54	11.25	18045.13
LlydsBkg	45.88	-0.30	54.33	38.51	5.60	6.37	37775.38
LSE Group	8504	46.00	8893.86	6710	0.90	86.95	53936.41
Natl Grid	1154.5	-1.00	1271.45	844.29	4.26	26.91	53164.87
Natwest Group	259.90	-0.70	308.65	210.90	4.04	10.23	30889.76
Prudential	1181.5	3.50	1336	782.40	1.00	19.19	40734.75
ReckittB	6454	50.00	6824	5502	2.71	-27.93	57892.51
RELX	2496	33.00	2735	2064	1.91	32.93	59416.05
RioTinto	4882.5	-102.00	6329	4424.5	10.29	5.11	76484.55
RollsRoyce	145.90	-10.40	160.00	64.44	-	99.25	15287.93
Shell PLC	2387	-11.50	2613.5	1908.6	2.54	12.58	204482.66
StandCh	620.00	6.20	797.40	515.60	1.43	13.90	21929.33
Tesco	273.60	-4.30	307.23	194.35	3.34	13.93	25062.6
Unilever	4339.5	47.00	4868.64	3407.5	3.34	22.28	137158.35
Vodafone	90.99	-1.76	132.10	1.04	8.50	-203.56	30758.04
WPP	890.60	2.00	1082	713.00	2.98	16.96	11984.81
United States of America ($)							
21stC Fox A	30.54	-0.65	37.26	28.02	1.42	13.37	8216.99
3M	100.62	-0.28	152.50	99.60	5.44	10.75	55509.26
AbbottLb	110.08	-0.61	118.23	93.25	1.51	30.22	191423.26
Abbvie	145.86	-0.56	168.11	134.09	3.30	24.46	257339.29
Accenture	270.70	1.81	322.88	242.80	1.26	29.73	179364.65
Activision Bli.	76.49	0.49	87.01	70.94	0.57	24.05	59989.93
Adobe	340.56	-3.46	451.15	274.73	-	36.24	156214.87
Advanced Micro	96.93	-0.09	109.57	54.57	-	40.79	156092.38
AEP	90.76	-0.96	105.60	80.30	3.06	19.79	46638.49
Aflac	66.26	-0.46	74.02	52.07	1.84	11.22	40036.08
AirProd	275.66	-5.29	328.56	218.88	2.01	31.32	61230.35
Allstate	117.01	-0.67	142.15	103.20	2.56	7.45	30754.99
Alphabet	117.45	5.70	122.43	83.34	-	1.13	697740.75
Altria	45.38	-0.56	54.89	40.35	7.17	36.63	81005.09
Amazon	112.57	2.38	146.57	81.43	-	1.88	1154956.71
AmerAir	14.15	-0.19	18.22	11.65	-	-4.09	9238
AmerExpr	147.89	-0.79	182.15	130.65	1.16	15.53	109917.87
AmerIntGrp	52.69	0.08	64.88	45.66	2.25	5.27	38134.52
AmerTower	194.51	-1.85	282.47	178.17	2.48	37.17	90650.07
Amgen	231.69	-2.43	296.67	223.30	2.81	24.38	123795.46
Amphenol Corp	75.17	-0.29	82.86	61.67	0.96	32.39	44750.13
Analog Devices	179.94	-1.50	198.25	133.48	1.43	65.35	91020.48
Anthem	482.58	12.71	-	-	-	-	-
Aon Cp	333.94	0.18	337.11	246.21	0.55	65.08	68205.75
Apple	173.60	0.05	176.15	124.17	0.46	31.14	2730502.67
Applied Materi.	114.50	-0.91	125.62	71.12	0.77	17.09	96766.06
Aptiv	93.53	-1.38	124.88	77.96	-	52.15	25300.46
ArcherDan	74.99	0.35	98.28	70.02	1.82	16.93	40842.16
AT&T	16.95	-0.10	21.53	14.46	11.35	6.64	121139.81
Autodesk	193.73	-2.59	235.01	163.20	-	92.66	41609.91
AutomData	210.40	-4.61	274.92	196.61	1.68	35.23	86921.03
AutoZone	2714.67	-18.98	2750	1703.32	-	26.53	49943.7
Avago Tech	622.65	-3.62	648.50	415.07	2.23	38.03	259597.52
BakerHu	27.35	-0.55	38.66	20.42	2.50	68.46	27683.04
Bank of NY	40.90	-0.12	52.26	36.22	2.94	10.69	32275.57
BankAm	27.35	0.03	38.60	26.32	2.64	8.29	217956.33
Baxter	43.27	-0.57	77.08	37.35	2.32	18.50	21888.13
BectonDick	250.93	-0.12	269.06	215.90	1.24	46.96	71267.86
BerkshHat	491662.01	-337.99	506000	393012.25	-	8.94	288039.21
Biogen	310.66	-2.61	319.74	188.51	-	32.31	44964.92
BlackRock	637.23	8.05	785.65	503.12	2.40	18.03	95433.26
Boeing	201.83	0.99	221.33	113.02	-	-30.53	121417.09
Booking Holdings	2648.94	3.02	2731.75	1616.85	-	101.71	97835.03
Bristol-Myers	68.17	-0.33	81.44	65.28	2.73	23.63	143204.25
Broadcom	622.65	-3.62	648.50	415.07	2.23	38.03	259597.52
Cadence Design	200.52	-3.68	217.67	132.32	-	86.75	54677.23
CapOne	86.84	-0.20	128.95	83.93	2.13	3.49	33156.05
CardinalHlth	85.12	-0.06	85.93	49.70	2.13	47.70	21671.57
Carnival	10.24	-0.26	14.96	6.11	-	-1.32	11422.4
Caterpillar	209.34	-3.83	260.50	160.60	1.89	19.14	107884.55
Centene Corp	67.04	0.18	98.53	61.71	-	31.80	36789.49
CharlesSch	47.31	0.01	86.63	45.00	1.41	18.08	83698.12
Charter Comms	339.24	-0.70	515.66	297.66	-	14.99	51081.14
Chevron Corp	155.47	-1.62	189.68	132.54	3.16	20.66	294560.22
Chipotle Mexic.	2052.8	-2.04	2077.29	1196.28	-	96.96	56636.42
Chubb	200.60	0.13	230.27	173.78	1.47	11.26	83083.4
Cigna	260.54	-2.91	340.11	240.11	1.42	17.91	77086.55
Cintas Corp	473.90	0.87	475.25	343.86	0.71	44.93	48196.48
Cisco	46.55	-0.16	52.56	38.61	2.97	17.88	190679.42
Citigroup	45.87	-0.50	66.00	40.01	4.11	4.89	89297.51
CME Grp	183.21	-2.10	212.09	166.55	1.82	27.18	65903.3
Coca-Cola	63.51	0.01	66.38	54.02	2.45	30.53	274632.34
Cognizant	61.99	-0.57	75.40	51.33	1.43	16.56	31571.51
ColgtPlm	81.24	0.14	83.81	67.84	2.04	34.46	67389.97
Comcast	40.46	0.60	44.66	28.39	2.29	14.40	168288.64
ConocPhil	99.53	-0.95	138.49	78.30	1.81	17.73	120431.09
Constellation	224.50	-1.69	261.32	208.12	1.26	-1093.35	41135.58
Corning	30.91	-0.38	37.73	28.98	2.87	26.12	26278.3
Corteva	56.67	-0.90	68.43	50.03	0.87	25.86	40285.17
Corteva	56.67	-0.90	68.43	50.03	0.87	25.86	40285.17
Costco	499.95	0.29	564.75	406.51	0.59	43.16	221719.43
CrownCstl	116.80	-2.16	193.95	114.43	4.32	47.31	50650.64
CSX	31.71	-0.11	34.71	25.80	1.14	18.94	64458.01
CVS	69.01	-0.70	107.26	68.10	2.68	12.54	88472.56
Danaher	230.58	-2.85	303.82	227.00	0.36	28.46	170144.7
Deere	374.22	-6.17	448.40	283.81	0.97	22.22	110889.72
Delta	33.21	-0.60	42.45	27.20	-	43.10	21341.35
Devon Energy	47.20	-0.92	79.40	44.03	3.86	12.18	30865.53
Digital Realty	98.37	-0.50	141.77	85.76	4.36	17.91	28659.03
DiscFinServ	95.49	0.14	118.71	87.64	1.82	5.79	24249.31
Disney	93.00	-8.14	126.48	84.07	-	58.48	169896.36
Dollar General	216.87	-1.31	261.59	183.25	0.72	22.85	47518.06
DominRes	55.66	-0.69	86.28	52.03	4.19	18.87	46528.5
DukeEner	97.62	-0.52	114.50	83.76	3.69	21.42	75231.02
DuPont	63.58	-0.56	78.40	49.52	1.74	21.29	29184.29
Eaton	168.43	-0.68	178.75	122.50	1.67	34.12	67136.2
eBay	45.77	-0.06	50.82	35.92	1.45	130.26	24461.54
Ecolab	173.93	-1.00	179.77	131.04	1.04	48.11	49521.52
Edwards Lifesc.	88.85	-	107.92	67.13	-	40.38	53862.49
Eli Lilly	434.34	-1.58	438.39	283.00	0.72	76.76	412307.21
Emerson	81.87	-0.09	99.65	72.41	2.29	19.33	46788.71
EOG Res	110.04	-2.12	150.88	92.16	1.35	14.90	64357.84
Equinix	745.86	-4.44	752.63	494.89	1.42	145.88	69754.79
EquityResTP	62.61	-0.04	80.89	54.60	3.56	19.76	23723.22
Exelon	42.57	-0.36	49.86	35.19	3.32	26.46	42333.83
ExxonMb	105.94	-1.80	119.92	80.69	3.05	21.26	428313.83
Fedex	224.09	-2.24	248.76	141.92	1.18	13.04	56325.46
Fidelity NIS	55.05	-0.09	106.65	48.57	2.62	88.87	32613.63
Fiserv	119.43	1.08	122.39	87.03	-	64.91	75013.99
FordMtr	11.87	-0.02	16.68	10.61	0.78	2.89	46648.13
Franklin	24.40	-0.60	32.88	20.24	4.28	6.98	12221.07
GenDyn	207.94	-3.59	256.86	205.40	2.08	19.47	57045.34
GenElectric	99.70	0.16	102.95	46.77	0.30	-33.18	108569.31
GenMills	90.01	0.44	90.38	64.94	2.12	25.72	52867.78
GenMotors	33.14	0.06	43.63	30.33	-	5.35	46068.69
GileadSci	78.16	0.05	89.74	57.17	3.36	17.15	97486.85
GoldmSchs	320.66	-1.90	389.58	277.84	1.87	5.83	106601.14
Halliburton	28.41	-1.16	43.99	23.30	0.85	17.26	25626.85
HCA Hold	277.24	-1.30	294.02	164.47	0.64	14.17	76293.62
Hew-Pack	29.39	-0.47	40.79	24.08	2.64	5.74	28952.55
Hilton Worldwi.	141.03	-1.38	152.89	108.41	-	104.48	37320.28
HiltonWwde	141.03	-1.38	152.89	108.41	-	104.48	37320.28
HomeDep	287.45	-1.59	347.25	264.51	2.14	19.83	291086.64
Honywell	195.86	-1.48	220.96	166.63	1.78	26.78	130379.45
HumanaInc	527.76	-1.87	571.30	410.87	0.49	25.18	65940.98
IBM	121.14	-0.88	153.21	115.55	5.00	25.15	110000.62
IDEXX Laborato.	486.34	1.23	515.79	317.06	-	61.17	40317.59
IllinoisTool	227.43	-1.32	247.09	173.52	1.92	28.91	69116.61
Illumina	206.57	-2.92	258.07	173.45	-	44.33	32658.72
Intcntl Exch	107.82	-0.68	113.07	88.60	1.13	16.24	60362.06
Intel	29.05	-0.93	44.93	24.59	4.42	6.46	121146.7
Intuit	428.99	-2.54	490.83	339.36	0.55	58.10	120350.19
John&John	160.36	-1.29	183.35	150.11	2.42	22.21	416733
JohnsonCn	61.97	-0.33	69.15	45.52	1.72	30.61	42517.54
JPMrgnCh	136.44	-0.04	144.34	101.28	2.57	9.61	398717.04
Kimb-Clark	143.59	0.18	147.87	108.74	3.03	29.15	48444.39
KinderM	16.69	-0.11	20.20	15.78	6.16	38.99	37394.65
KLA Corp	383.48	-2.90	428.28	250.20	0.94	21.35	52613.03
Kraft Heinz	40.61	-0.07	44.53	32.73	3.64	53.57	49844.13
Kroger	48.92	-0.20	55.83	41.82	1.49	24.15	35098.51
LasVegasSd	61.55	-0.97	65.58	28.88	-	-44.09	47040.9
LibertyGbl	17.45	-0.20	25.13	15.22	-	0.80	2985.56
Lilly (E)	434.34	-1.58	438.39	283.00	0.72	76.76	412307.21
Linde	367.42	-1.48	373.58	262.47	1.07	54.29	180159.69
Lockheed	451.19	-1.96	508.10	373.67	2.28	20.95	114265.02
Lowes	203.24	-1.08	221.42	170.12	1.38	18.09	121203.45
Lyondell	88.56	-1.98	117.22	71.46	4.64	5.71	28806.28
Marathon Ptl	109.87	-1.85	138.83	77.62	1.95	58.83	46615.95
Marsh&M	180.33	-0.19	182.43	143.33	1.37	30.00	89213.1
MasterCard	383.44	0.90	387.46	276.87	0.54	47.34	360585.58
McDonald's	294.63	-1.94	298.86	228.34	1.65	31.74	215089.25
McKesson	393.03	-1.44	401.78	298.69	0.42	48.14	53295.08
Medtronic	89.04	-0.37	106.33	75.77	2.59	26.28	118461.19
Merck	117.26	-0.64	119.65	83.05	2.08	26.10	297533.14
Meta	237.62	4.54	244.92	88.09	-	18.66	525651.84
Metlife	51.31	-0.51	77.36	50.90	3.42	7.59	39294.27
Microsoft	309.55	-2.76	313.00	213.43	0.69	35.66	2301655.18
Mnstr Bvrg	58.97	-0.15	60.47	41.70	-	24.82	58965
MondelezInt	78.01	0.12	78.59	54.72	1.58	27.75	106231.38
Monsanto	10.07	0.02	11.13	9.56	-	51.84	251.75
MorganStly	82.49	-1.23	100.99	72.05	2.35	11.11	137767.68
Netflix	339.33	3.91	373.83	162.71	-	32.65	150844.61
NextEraE	76.03	-0.86	91.35	67.22	1.98	108.03	153840.77
Nike	122.65	-0.86	129.23	82.22	0.88	34.67	151116.03
NorfolkS	209.04	0.54	264.22	196.33	1.84	18.67	47585.78
Northrop	439.12	-3.92	556.27	433.18	1.30	10.91	66683.76
NXP	161.90	-3.30	198.28	132.08	1.28	25.79	42013.05
Occid Pet	57.50	0.65	77.13	54.30	0.06	30.19	51275.35
Oracle	97.32	-0.20	97.68	60.78	1.23	39.80	262744.73
Pepsico	194.73	0.46	195.58	154.86	2.02	38.36	268278.18
Perrigo	36.00	-0.46	43.90	30.78	2.47	-39.73	4871.73
Pfizer	37.42	-0.48	54.93	37.21	3.85	10.30	211185.31
Phillips66	93.20	-1.03	113.53	74.02	3.59	33.94	42765.97
PhilMorris	94.44	-0.67	109.81	82.85	4.80	17.52	146581.69
PNCFin	113.10	-0.88	176.47	111.22	3.92	9.63	45137.12
PPG Inds	136.29	-0.57	145.51	107.06	1.61	32.35	32084.85
ProctGmbl	154.04	0.01	158.11	122.18	2.15	28.32	363067.55
Prudntl	79.83	-0.52	110.96	75.37	5.33	4.43	29137.95
PublStor	296.18	-3.83	357.13	270.13	2.50	32.46	52072.02
Qualcomm	103.89	-2.57	156.66	101.93	2.39	12.87	115733.46
Raytheon	95.67	-0.63	104.91	80.27	1.94	40.11	139787.46
Regen Pharm	744.70	-4.89	837.55	538.01	-	11.19	80060.19
S&P Global	360.40	-1.78	395.80	279.32	0.79	31.16	116048.8
Salesforce	203.10	-1.75	206.28	126.34	-	147.03	199212.23
Schlmbrg	44.45	-1.42	59.45	30.65	1.04	36.42	63120.28
Sempra Energy	153.27	-2.33	176.47	136.54	2.65	41.34	48224.91
Shrwin-Will	229.66	-0.34	278.31	195.24	0.89	35.59	59227.09
SimonProp	105.86	-0.68	129.55	86.02	6.24	16.74	34613.36
SouthCpr	70.25	-4.27	82.05	42.42	4.21	17.31	54310.47
Starbucks	105.69	-1.28	115.48	68.39	1.61	30.90	121163.02
StateSt	67.91	-0.59	94.74	58.62	2.97	10.22	22848.89
Stryker	288.16	2.56	306.56	188.84	0.83	59.82	109387.89
Sychrony Fin	27.30	0.18	40.89	26.59	3.07	3.89	11699.98
T-MobileUS	143.24	1.21	154.38	121.50	-	64.29	171872.6
Target	159.01	1.28	223.30	137.16	1.85	12.08	73389.21
TE Connect	120.45	-0.15	138.24	104.76	1.52	17.70	37952.22
Tesla Mtrs	169.88	1.34	314.67	101.81	-	37.50	538435.39
TexasInstr	160.36	-2.69	186.30	144.46	2.43	21.00	145551.37
TheTrvelers	182.59	-0.57	194.45	149.65	1.83	12.17	42174.01
ThrmoFshr	527.37	-6.13	611.06	475.77	0.18	29.31	203417.83
TJX Cos	77.98	-	83.13	53.69	1.24	30.94	89793.41
Truist Financial Corp	26.69	-0.70	52.22	25.56	6.44	6.46	35542.23
Twitter	53.70	0.35	60.16	31.30	-	-224.30	41093.72
UnionPac	197.62	-1.44	242.36	183.69	2.17	19.75	120488.02
UPS	170.10	-1.47	209.39	154.87	2.22	12.53	123285.02
USBancorp	28.97	-0.48	53.37	27.27	5.62	6.14	44408.71
UtdHlthcre	488.86	-1.21	558.10	449.70	1.06	29.25	455144.32
ValeroEngy	110.32	-0.70	146.81	96.93	3.29	52.56	39880.74
Verizon	37.51	-0.12	52.18	34.55	6.25	7.63	157537.61
VertexPharm	348.28	-1.76	354.46	233.01	-	41.81	89700.07
VF Cp	21.37	-0.03	51.40	20.03	8.53	7.58	8303.65
Visa Inc	230.62	-0.20	235.57	174.60	0.54	41.30	373193.38
Walgreen	31.11	-0.48	44.96	30.39	5.70	4.87	26841.57
WalMartSto	152.84	0.29	154.64	117.27	1.34	33.62	412262.49
Walt Disney	93.00	-8.14	126.48	84.07	-	58.48	169896.36
Waste Manage.	170.49	-0.06	175.98	138.89	1.25	42.98	69358.18
WellsFargo	38.35	0.07	48.84	35.25	1.86	8.38	143897.77
Williams Cos	29.01	-0.15	37.97	27.80	5.23	25.30	35339.61
Workday	177.29	-2.11	206.68	128.72	-	1582.92	35989.87
Yum!Brnds	137.52	-0.22	143.25	103.97	1.34	28.55	38517.56
Zoetis	183.71	-1.43	187.82	124.15	0.50	46.53	84894.62
Zoom	64.25	-0.19	124.05	60.45	-	15.30	15881.36
Venezuela (VEF)							
Bco de Vnzla	4.39	-0.01	4.59	0.57	118.16	-	636.68
Bco Provncl	8.27	0.08	70000	6.80	-	0.00	123.32

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 %
SHOP	83.37	84.58	-1.21	-1.43	21.53	32.2	38.21
Advanced Micro	97.33	97.02	0.31	0.32	15.40	19.2	3.63
ChMinsheng	3.36	3.37	-0.01	-0.30	0.36	11.6	24.63
McKesson	394.56	394.46	0.10	0.02	40.04	11.3	7.75
Alphabet	116.73	111.75	4.98	4.46	6.34	10.7	11.06
Bradesco	13.32	13.30	0.02	0.15	1.17	9.8	9.11
Carnival	10.34	10.49	-0.15	-1.45	1.06	9.6	2.84
ChUncHK	6.39	6.39	0.00	0.00	0.51	8.7	6.50
ItauHldFin	22.89	22.87	0.02	0.09	1.75	8.4	6.06
ChShenEgy	27.95	28.00	-0.05	-0.18	2.10	7.9	14.34
Amazon	111.48	110.19	1.29	1.17	6.54	7.6	11.62
Petrobras	27.19	27.49	-0.30	-1.09	2.15	7.3	-6.24
Equinix	747.84	750.29	-2.46	-0.33	52.66	7.2	5.87
ChinaMBank	40.30	40.05	0.25	0.62	2.45	7.2	2.94
Cred Agr	11.51	11.71	-0.20	-1.71	0.97	7.2	8.54
BMW	108.08	108.72	-0.64	-0.59	7.70	7.0	6.97
Fresenius SE	27.52	28.22	-0.70	-2.48	2.40	6.6	6.58
Renault	33.40	33.03	0.37	1.12	1.63	6.4	-8.90
New Ch Life Ins	23.50	23.55	-0.05	-0.21	1.45	6.3	23.16
MitsbCp	5350.00	5342.00	8.00	0.15	310.00	6.3	12.49

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 %
Bausch Hlth	8.00	7.96	0.04	0.50	-2.08	-20.3	-21.93
Metlife	51.08	51.82	-0.74	-1.43	-6.89	-13.0	-15.07
Nutrien	82.91	84.67	-1.76	-2.08	-6.69	-9.2	-15.94
ShenwanHong	0.12	0.12	0.00	0.00	-0.01	-8.5	23.96
Disney	92.51	101.14	-8.63	-8.53	0.28	-8.3	-7.87
Walt Disney	92.51	101.14	-8.63	-8.53	0.28	-8.3	-7.87
NatAusBk	26.37	26.26	0.11	0.42	-2.29	-7.6	-5.42
MTN Grp	109.35	115.00	-5.65	-4.91	-3.25	-7.5	-15.64
Qualcomm	104.39	106.46	-2.08	-1.95	-6.37	-7.5	-15.61
SouthCpr	70.44	74.52	-4.08	-5.48	-1.60	-7.5	-9.22
Regen Pharm	744.40	749.59	-5.19	-0.69	-53.58	-7.3	-9.10
21stC Fox A	30.35	31.19	-0.84	-2.69	-1.51	-7.2	-11.09
LibertyGbl	17.39	17.64	-0.26	-1.45	-0.99	-6.7	-11.37
DeutsPost	40.92	41.63	-0.71	-1.69	-2.22	-6.7	-6.68
Baxter	43.53	43.84	-0.32	-0.72	-2.66	-6.4	1.47
Danaher	230.55	233.43	-2.88	-1.23	-12.14	-6.1	-7.81
AirProd	276.35	280.95	-4.60	-1.64	-12.94	-6.0	-3.29
Aptiv	93.93	94.91	-0.98	-1.03	-4.93	-5.9	-10.59
Bayer	53.91	58.29	-4.38	-7.51	1.09	-5.8	-5.66
Allianz	210.75	212.35	-1.60	-0.75	-11.00	-5.6	-5.62

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

May 11	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$										
Truist Financial Corporation	01/28	6.00	-	A3	A	98.34	6.41	-0.16	0.14	-
High Yield Euro										
HBOS plc	03/30	4.00	-	Baa1	BBB+	97.30	4.73	-0.07	-0.01	-
Emerging US$										
Turkey	03/27	6.00	-	B2	BB-	91.38	8.67	-0.23	0.16	5.28
Emerging Euro										
Colombia	03/26	3.00	-	Baa2	BBB-	95.33	5.68	-0.03	-0.04	2.30

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

May 10	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
FleetBoston Financial Corp.	01/28	6.88	BBB+	Baa1	A-	129.00	2.54	-0.01	-0.05	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A3	A	117.21	2.47	0.00	0.32	-
NationsBank Corp.	03/28	6.80	BBB+	Baa1	A-	127.69	2.72	-0.01	0.06	-
GTE LLC	04/28	6.94	BBB+	Baa2	A-	128.27	2.80	0.00	-0.11	-
United Utilities PLC	08/28	6.88	BBB	Baa1	A-	130.43	2.62	-0.07	-0.22	-
Barclays Bank plc	01/29	4.50	A	A1	A+	96.46	5.02	0.00	0.02	-
Euro										
Electricite de France (EDF)	04/30	4.63	A-	A3	A-	137.45	0.82	-0.01	0.10	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	124.42	0.68	0.00	-0.11	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	121.70	0.93	0.00	0.02	-
Finland	04/31	0.75	AA+	Aa1	AA+	111.08	-0.27	0.00	-0.05	-0.87
Yen										
Mexico	06/26	1.09	-	Baa1	BBB-	98.73	1.34	-0.02	-0.14	0.27
£ Sterling										
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	137.45	2.19	-0.03	0.02	-
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	128.68	3.20	0.00	-0.01	0.40

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

INTEREST RATES: OFFICIAL

May 11	Rate	Current	Since	Last
US	Fed Funds	4.75-5.00	22-03-2023	4.75-4.50
US	Prime	8.25	04-05-2023	8.00
US	Discount	5.00	02-05-2023	4.75
Euro	Repo	3.25	02-05-2023	2.899
UK	Repo	4.50	11-05-2023	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

May 11 (Libor: May 10)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	5.06029	-0.001	0.245	0.002	5.10800	5.34243	5.39843	5.35286
Euro Libor	-0.64957	-0.064	0.000	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	0.000	0.001	4.20130	4.67550	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				-0.015	3.14600	3.30100	3.62500	3.80800
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.000	5.13000	5.24000	5.24000	
Euro CDs				0.060	3.14000	3.30000	3.52000	

May 11	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	2.89	3.19	2.93	3.23	2.99	3.29	3.15	3.45	3.37	3.67	3.42	3.72
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	4.89	5.09	4.90	5.10	5.03	5.23	5.14	5.34	5.14	5.34	4.90	5.10
Japanese Yen	-0.30	-0.10	-0.30	-0.10	-0.25	0.05	-0.15	0.05	-0.05	0.15	0.00	0.20

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

BOND INDICES

	Index	Day's change	Month's change	Year change	Return 1 month	Return 1 year
Markit IBoxx						
ABF Pan-Asia unhedged	211.16	-0.13	0.70	3.66	0.38	4.95
Corporates(£)	330.23	0.19	-0.42	2.20	-0.99	-7.48
Corporates(€)	212.61	0.18	0.15	2.56	-0.06	-3.34
Eurozone Sov(€)	212.57	0.38	0.11	2.43	-0.88	-7.70
Gilts(£)	269.03	0.38	-0.65	-0.20	-3.35	-16.98
Overall(£)	279.62	0.32	-0.57	0.41	-2.75	-14.57
Overall(€)	208.93	0.30	0.16	2.32	-0.62	-6.60
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	630.24	27.45	-	-	-7.86	-1.91
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	454.32	0.85	-12.88	9.51	510.17	424.31
Europe 5Y	87.10	0.18	-2.93	2.56	101.15	79.69
Japan 5Y	79.28	-2.34	-0.75	-10.29	99.54	79.25
Senior Financials 5Y	103.94	0.83	-2.92	4.06	124.01	91.28
Markit CDX						
Emerging Markets 5Y	248.99	-4.60	4.77	13.59	265.81	229.64
Nth Amer High Yld 5Y	492.16	-8.38	-5.67	12.44	509.56	458.20
Nth Amer Inv Grade 5Y	80.42	-1.93	-1.21	2.94	88.71	73.57

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

VOLATILITY INDICES

	May 11	Day Chng	Prev	52 wk high	52 wk low
VIX	17.34	0.40	16.94	35.05	15.53
VXD	16.97	0.37	16.60	37.57	10.88
VXN	19.94	0.18	19.76	44.02	5.85
VDAX	19.04	0.36	18.68	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	83.09	3.45	0.00	0.04	0.11	-0.13
	02/50	1.00	98.58	1.67	0.03	0.07	0.19	0.23
Austria	02/29	0.50	88.27	2.72	-0.04	0.02	-0.05	1.51
	02/47	1.50	72.41	3.17	-0.05	0.11	0.07	1.54
Belgium	06/27	0.80	93.09	2.59	-0.04	-0.02	-0.09	1.66
	06/47	1.60	70.30	3.43	-0.05	0.10	0.04	1.42
Canada	03/25	1.25	95.74	3.71	-0.09	0.05	0.01	1.00
	06/30	1.25	89.79	2.86	-0.07	0.10	0.02	-0.11
	12/48	2.75	94.32	3.07	-0.05	0.08	0.07	0.07
Denmark	11/29	0.50	88.22	2.48	-0.04	-0.01	-0.07	1.24
	11/52	0.25	51.65	2.62	-0.04	0.10	0.05	1.19
Finland	09/24	0.00	96.32	2.82	-0.04	-0.01	-0.05	2.45
	09/29	0.50	87.20	2.72	-0.04	0.00	-0.07	1.52
France	05/28	0.75	91.41	2.59	-0.05	-0.02	-0.06	1.54
	05/48	2.00	77.91	3.31	-0.05	0.09	0.05	1.40
Germany	08/29	0.00	87.30	2.19	-0.05	0.00	-0.07	1.35
	08/50	0.00	52.53	2.39	-0.04	0.11	0.06	1.27
Greece	-	-	-	-	-	-	-	-
	01/28	3.75	101.02	3.51	-0.01	-0.07	-0.12	0.99
Ireland	-	-	-	-	-	-	-	-
	05/26	1.00	95.44	2.60	-0.05	-0.06	-0.08	1.81
	02/45	2.00	80.25	3.28	-0.05	0.08	0.05	1.34
Italy	02/25	0.35	95.18	3.25	-0.04	-0.03	-0.08	1.76
	05/30	0.40	90.97	1.78	-0.04	-0.02	0.05	1.37
	03/48	3.45	83.70	4.55	-0.04	0.14	0.11	1.31
Japan	04/25	0.05	100.00	0.05	0.00	-0.01	0.00	0.00
	12/29	0.10	99.39	0.19	-0.01	-0.01	-0.01	-0.01
	12/49	0.40	80.91	1.25	-0.01	-0.01	-0.02	0.26
Netherlands	07/27	0.75	93.26	2.47	-0.05	-0.03	-0.09	1.62
	01/47	2.75	100.15	2.74	-0.04	0.10	0.05	1.46
New Zealand	05/31	1.50	82.22	4.13	-0.02	0.01	0.06	0.35
	09/40	2.50	123.18	2.37	-0.01	0.15	0.13	0.55
Norway	08/30	1.38	88.10	3.24	0.05	0.13	0.08	0.34
Poland	-	-	-	-	-	-	-	-
	07/27	2.50	88.06	5.78	-0.02	-0.12	-0.15	-1.52
	04/47	4.00	76.52	5.85	0.00	-0.09	-0.09	-0.46
Portugal	04/27	4.13	105.43	2.65	-0.05	-0.02	-0.07	1.32
Spain	-	-	-	-	-	-	-	-
	10/29	0.60	85.87	3.04	-0.05	0.01	-0.03	1.35
	10/46	2.90	85.20	3.87	-0.04	0.10	0.07	1.37
Sweden	06/30	0.13	113.43	0.68	-0.04	-0.12	-0.06	1.61
	03/39	3.50	113.60	2.46	-0.05	0.01	0.02	0.43
Switzerland	04/28	4.00	114.71	0.92	-0.07	-0.11	-0.03	0.39
	06/29	0.00	94.37	0.95	-0.06	-0.08	-0.04	0.32
United Kingdom	07/23	0.75	99.27	4.45	0.03	0.12	0.19	3.23
	07/27	1.25	90.57	3.70	-0.03	0.07	0.03	2.21
	07/47	1.50	59.18	4.20	-0.03	0.10	0.11	2.11
United States	-	-	-	-	-	-	-	-
	03/25	0.50	93.78	3.95	-0.12	-0.04	-0.16	1.12
	02/30	1.50	88.69	3.38	-0.10	0.00	-0.11	0.41
	02/50	0.25	70.31	1.62	-0.04	0.07	0.07	0.83

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

GILTS: UK CASH MARKET

May 11	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	99.33	4.18	-1.88	-0.95	-1.42	239.84	99.56	97.34	34.36
Tr 0.125pc '24	97.17	4.14	-1.66	0.73	4.02	206.67	98.11	94.34	35.55
Tr 2pc '25	95.96	3.84	-2.04	0.79	6.67	176.26	102.39	93.15	39.93
Tr 0.125pc '26	90.97	3.64	-2.41	0.83	5.81	158.16	95.84	86.33	35.32
Tr 1.25pc '27	90.93	3.60	-2.17	1.12	5.88	143.24	99.59	85.65	40.99
Tr 0.5pc '29	83.70	3.69	-1.86	1.37	4.83	120.96	95.60	78.21	28.92
Tr 1pc '32	80.32	3.66	-2.14	0.83	5.17	96.77	123.55	78.92	35.96
Tr 4.25pc '36	104.07	3.84	-2.04	0.79	4.63	85.51	128.23	94.91	31.68
Tr 4.5pc '42	105.49	4.09	-1.21	0.99	6.23	91.12	142.15	93.79	28.35
Tr 3.75pc '52	93.73	4.12	-1.20	0.98	7.57	97.13	141.09	82.51	25.11
Tr 4pc '60	99.64	4.02	-1.23	1.01	8.94	101.00	158.02	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	May 11	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	81.49	0.20	2359.37	-0.14	-2.51	3.79
2 5 - 10 Years	148.22	0.57	3163.19	-0.84	-9.37	3.60
3 10 - 15 Years	156.87	0.80	3654.65	-1.56	-14.17	3.85
4 5 - 15 Years	149.21	0.64	3279.82	-1.07	-10.75	3.71
5 Over 15 Years	209.42	0.87	3641.62	-4.44	-28.30	4.06
7 All stocks	134.48	0.55	3026.51	-1.89	-15.28	3.94

Index Linked	May 11	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	326.43	0.18	0.06	0.45	2774.41	0.24	1.81
2 Over 5 years	538.81	0.88	-4.01	-28.54	4118.88	-3.89	-28.08
3 5-15 years	456.08	0.64	-1.62	-11.76	3704.77	-1.47	-10.89
4 Over 15 years	599.88	1.06	-5.64	-36.72	4447.68	-5.55	-36.43
5 All stocks	511.89	0.77	-3.35	-24.96	3993.51	-3.22	-24.40

Yield Indices	May 11	May 10	Yr ago		May 11	May 10	Yr ago
5 Yrs	3.56	3.65	1.47	20 Yrs	4.09	4.15	2.17
10 Yrs	3.73	3.80	1.88	45 Yrs	3.92	3.97	1.92
15 Yrs	3.98	4.04	2.11				

Real yield	inflation 0% May 11	Dur yrs	Previous	Yr ago	inflation 5% May 11	Dur yrs	Previous	Yr ago
Up to 5 yrs	0.66	2.36	0.74	-4.15	0.29	2.38	0.36	-4.59
Over 5 yrs	0.60	19.23	0.65	-1.58	0.58	19.28	0.62	-1.60
5-15 yrs	0.35	9.29	0.42	-2.27	0.27	9.30	0.34	-2.35
Over 15 yrs	0.66	25.88	0.71	-1.48	0.65	25.89	0.69	-1.49
All stocks	0.60	16.41	0.65	-1.61	0.57	16.49	0.62	-1.64

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

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change	
Crude Oil†	Jun	72.25	-0.31	Corn♦	Jul	590.00	-4.00	
Brent Crude Oil‡		75.35	-1.06	Wheat♦	Jul	636.75	-4.50	
RBOB Gasoline†	Jul	2.47	-0.02	Soybeans♦	Jul	1395.50	-8.50	
Natural Gas†	Jun	2.18	-0.01	Soybeans Meal♦	Jul	419.30	-0.20	
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)✤	Jul	2248.00	-9.00	
Aluminium		2233.50	-36.00	Cocoa (ICE US)♥	Jul	3023.00	-80.00	
Aluminium Alloy		2150.00	-75.00	Coffee(Robusta)✤	May	2549.00	-73.00	
Copper		8182.00	-302.00	Coffee (Arabica)♥	Jul	183.55	-2.40	
Lead		2118.50	-8.00	White Sugar✤		706.20	-12.00	
Nickel		22005.00	-455.00	Sugar 11♥		26.34	-0.32	
Tin		25220.00	-680.00	Cotton♥	Jul	80.85	0.09	
Zinc		2561.50	-55.50	Orange Juice♥	Jul	250.50	2.85	
Precious Metals (PM London Fix)				Live Cattle♣	Jun	163.03	-0.90	
Gold		2037.15	6.95	Feeder Cattle♣	May	134.88	-	
Silver (US cents)		2552.00	-4.50	Lean Hogs♣	Jun	84.20	-0.20	
Platinum		1085.00	41.00					
Palladium		1570.00	115.00			May 10	% Chg Month	% Chg Year
Bulk Commodities								
Iron Ore		106.85	0.80	S&P GSCI Spt		542.80	-8.34	-27.23
Baltic Dry Index		1608.00	-32.00	DJ UBS Spot		101.41	-5.34	-20.40
Richards Bay ICE Futures		117.00	-4.50	TR/CC CRB TR		289.46	-3.07	-8.50
				LEBA EUA Carbon		58.91	-1.98	129.94
				LEBA UK Power		1048.00	-37.43	-39.60

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

BONDS: INDEX-LINKED

	Price May 10	Yield May 10	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	110.55	1.208	1.267	0.00	5.25	72257.01	8
Fr 0.25%' 24	100.57	-0.223	-0.179	0.22	17.92	260952.82	17
Swe 1.00%' 25	126.46	0.906	0.941	0.29	35.93	225536.79	7
UK 2.500%' 24	375.63	1.265	1.344	0.19	6.82	543598.85	30
UK 2.50%' 24	375.63	1.265	1.344	0.19	6.82	543598.85	30
UK 2.00%' 35	244.54	0.465	0.540	-0.55	9.08	543598.85	30
US 0.625%' 26	97.49	1.586	1.605	0.14	42.42	1662624.63	48
US 3.625%' 28	111.16	1.281	1.339	0.25	16.78	1662624.63	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	3.45	1.25	0.06	Netherlands	2.47	0.27	-0.92
Austria	2.72	0.53	-0.66	New Zealand	4.13	1.94	0.75
Canada	2.86	0.67	-0.52	Norway	3.24	1.04	-0.15
Denmark	2.48	0.29	-0.90	Portugal	2.65	0.45	-0.74
Finland	2.72	0.53	-0.66	Spain	3.04	0.84	-0.35
Germany	2.19	0.00	-1.19	Sweden	0.68	-1.51	-2.70
Italy	1.78	-0.42	-1.61	Switzerland	0.95	-1.24	-2.43
Japan	0.19	-2.00	-3.19	United States	3.38	1.19	0.00

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

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

POWERED BY MORNINGSTAR

MANAGED FUNDS SERVICE

abrdn Capital (CI) Limited (JER)
PO Box 189, St Helier, Jersey, JE4 9RU 01534 709130
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
abrdn Capital Offshore Strategy Fund Limited				
Bridge Fund	£ 2.2038	-	0.0134	2.09
Global Equity Fund	£ 3.3436	-	0.0296	1.38
Global Fixed Interest Fund	£ 0.7417	-	0.0021	6.19
Income Fund	£ 0.6336	-	0.0028	3.15
Sterling Fixed Interest Fund	£ 0.6774	-	0.0036	4.30
UK Equity Fund	£ 1.9740	-	0.0051	3.58

Algebris Investments (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Algebris Financial Credit I EUR	€ 168.15	-	-1.85	0.00
Algebris Financial Credit R EUR	€ 144.23	-	-1.59	0.00
Algebris Financial Credit Rd EUR	€ 85.67	-	-0.95	6.13
Algebris Financial Income I EUR	€ 173.68	-	-0.48	-
Algebris Financial Income R EUR	€ 157.43	-	-0.44	-
Algebris Financial Income Rd EUR	€ 94.28	-	-0.27	-
Algebris Financial Equity B EUR	€ 158.94	-	-0.75	0.00
Algebris Financial Equity R EUR	€ 133.10	-	-0.63	0.00
Algebris IG Financial Credit I EUR	€ 96.67	-	0.17	0.00
Algebris IG Financial Credit R EUR	€ 94.97	-	0.16	0.00
Algebris Global Credit Opportunities I EUR	€ 124.85	-	-0.14	0.00
Algebris Global Credit Opportunities R EUR	€ 121.57	-	-0.13	0.00
Algebris Global Credit Opportunities Rd EUR	€ 104.94	-	-0.12	2.65
Algebris Core Italy I EUR	€ 147.61	-	-0.75	0.00
Algebris Core Italy R EUR	€ 139.68	-	-0.70	0.00
Algebris Sust. World B	€ 104.33	-	-0.08	-
Algebris Sust. World R	€ 103.59	-	-0.08	-

The Antares European Fund Limited
Other International

Fund	Bid	Offer	D+/-	Yield
AEF Ltd Usd	$ 553.26	-	-4.98	0.00
AEF Ltd Eur	€ 506.36	-	-4.68	0.00

Artemis Fund Managers Ltd (1200)F (UK)
57 St. James's Street, London SW1A 1LD 0800 092 2051
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Artemis Corporate Bond I Acc	98.87	-	0.57	3.61
Artemis Positive Future Fund	67.23	-	0.58	-
Artemis Target Return Bond I Acc	106.74	-	0.17	3.77

Ashmore Group
61 Aldwych, London WC2B 4AE. Dealing team: +352 27 62 22 233
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Emerging Markets Equity Fund	$ 118.04	-	-1.24	0.00
Emerging Markets Equity ESG Fund	$ 136.46	-	-1.37	0.00
Emerging Markets Frontier Equity Fund	$ 176.70	-	-1.22	1.01
Emerging Markets Blended Debt Fund	$ 52.95	-	-0.20	4.97
Emerging Markets Blended Debt ESG Fund	$ 87.33	-	0.00	0.00
Emerging Markets Active Equity Fund	$ 119.92	-	-0.38	0.00
Emerging Markets Corporate Debt Fund	$ 59.36	-	-0.16	7.62
Emerging Markets Debt Fund	$ 56.94	-	-0.20	5.94
Emerging Markets Local Currency Bond Fund	$ 63.99	-	-0.05	4.29

Atlantas Sicav (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
American Dynamic	$ 6539.32	-	-154.07	0.00
American One	$ 7000.57	-	-99.01	-
Bond Global	€ 1527.65	-	5.43	0.00
Eurocroissance	€ 1391.57	-	-2.38	0.00
Far East	$ 1016.11	-	-1.49	0.00

Blue Whale Investment Funds ICAV (IRE)
www.bluewhale.co.uk, info@bluewhale.co.uk
FCA Recognised - Ireland UCITS

Fund	Bid	Offer	D+/-	Yield
Blue Whale Growth USD T	$ 9.46	-	0.08	-

Brooks Macdonald International Fund Managers Limited (JER)
5 Anley Street, St Helier, Jersey, JE2 3QE
+44 (0) 1534 700 104 (Int.) +44 (0) 800 735 8000 (UK)

Fund	Bid	Offer	D+/-	Yield
Brooks Macdonald International Investment Funds Limited				
Euro High Income	€ 1.2143	-	0.0022	2.50
High Income	£ 0.6483	-	0.0022	3.77
Sterling Bond	£ 1.2469	-	0.0045	2.06
Brooks Macdonald International Multi Strategy Fund Limited				
Balanced Strategy A	£ 0.9252	-	0.0009	0.57
Balanced Strategy	£ 0.9224	-	0.0009	0.09
Cautious Balanced Strategy A	£ 0.8973	-	0.0012	1.11
Growth Strategy A	£ 0.9326	-	0.0009	0.49
High Growth Strategy A	£ 0.9294	-	0.0016	0.12
Cautious Balanced Strategy	£ 1.2522	-	0.0017	0.00
Growth Strategy	£ 1.9474	-	0.0019	0.00
High Growth Strategy	£ 2.7196	-	0.0045	0.00
US$ Growth Strategy	$ 1.7164	-	0.0041	0.00

Dealing Daily. Initial Charge Nil for A classes and up to 2% for other classes

CG Asset Management Limited (IRL)
25 Moorgate, London, EC2R 6AY
Dealing: Tel. +353 1434 5098 Fax. +353 1542 2859
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
CG Portfolio Fund Plc				
Absolute Return Cls M Inc	£ 134.14	134.74	0.31	1.67
Capital Gearing Portfolio GBP P	£ 36845.34	37048.49	89.42	1.69
Capital Gearing Portfolio GBP V	£ 179.20	180.18	0.44	1.69
Dollar Fund Cls D Inc	£ 163.92	164.41	0.69	1.24
Dollar Hedged GBP Inc	£ 95.42	95.71	0.41	1.19
Real Return Cls A Inc	£ 197.25	197.84	0.80	1.73

Chartered Asset Management Pte Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
CAM-GTF VCC	$ 287397.45	287397.45	1722.97	-
CAM GTi VCC	$ 780.49	-	-32.39	-
RAIC VCC	$ 1.64	1.64	0.03	2.06

Dodge & Cox Worldwide Funds (IRL)
48-49 Pall Mall, London SW1Y 5JG.
www.dodgeandcox.worldwide.com 020 3713 7664
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Dodge & Cox Worldwide Funds plc - Global Bond Fund				
EUR Accumulating Class	€ 15.83	-	0.05	0.00
EUR Accumulating Class (H)	€ 10.70	-	0.06	0.00
EUR Distributing Class	€ 11.33	-	0.03	3.42
EUR Distributing Class (H)	€ 7.59	-	0.04	3.39
GBP Distributing Class	£ 12.11	-	0.05	4.18
GBP Distributing Class (H)	£ 8.18	-	0.04	3.47
USD Accumulating Class	$ 12.54	-	0.06	0.00
Dodge & Cox Worldwide Funds plc-Global Stock Fund				
USD Accumulating Share Class	$ 29.53	-	-0.11	0.00
GBP Accumulating Share Class	£ 38.47	-	-0.16	0.00
GBP Distributing Share class	£ 25.82	-	-0.11	0.80
EUR Accumulating Share Class	€ 40.38	-	-0.23	0.00
GBP Distributing Class (H)	£ 13.59	-	-0.05	0.76
Dodge & Cox Worldwide Funds plc-U.S. Stock Fund				
USD Accumulating Share Class	$ 36.96	-	-0.13	0.00
GBP Accumulating Share Class	£ 45.54	-	-0.18	0.00
GBP Distributing Share Class	£ 27.22	-	-0.11	0.17
EUR Accumulating Share Class	€ 43.65	-	-0.23	0.00
GBP Distributing Class (H)	£ 14.57	-	-0.06	0.36

Dragon Capital
www.dragoncapital.com
Fund information:info@dragoncapital.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Vietnam Equity (UCITS) Fund A USD	$ 25.60	-	0.03	0.00

EdenTree Investment Management Ltd (UK)
PO Box 3733, Swindon, SN4 4BG, 0800 358 3010
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
EdenTree Short Dated Bond Cls B	93.33	-	0.23	1.63

Euronova Asset Management UK LLP (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
Smaller Cos Cls One Shares	€ 54.94	-	0.46	0.00
Smaller Cos Cls Two Shares	€ 34.99	-	0.29	0.00
Smaller Cos Cls Three Shares	€ 17.46	-	0.14	0.00
Smaller Cos Cls Four Shares	€ 23.02	-	0.19	0.00

Fidelity Investments International
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Emerging Mkts NAV	£ 7.21	-	-0.16	2.04

FIL Investment Services (UK) Limited (1200)F (UK)
Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, KT20 6RP
Callfree: Private Clients 0800 414161
Broker Dealings: 0800 414 181

Fund	Bid	Offer	D+/-	Yield
OEIC Funds				
Index Sterling Corporate Bond Fund P-ACC-GBP	£ 0.84	-	0.01	2.95
Sustainable Multi Asset Balanced Fund W-ACC-GBP	£ 0.94	-	0.01	1.57
American Fund W-ACC-GBP	£ 54.86	-	0.66	-
Cash Fund W-ACC-GBP	£ 1.04	-	0.00	-
Sustainable Emerg Mkts Equity Fund A-ACC Shares	£ 1.52	-	0.01	4.74
Sustainable Global Equity Fund W-ACC-GBP	£ 33.12	-	0.31	0.42
Global High Yield Fund W-ACC-GBP	£ 13.83	-	0.06	5.18
Japan Fund W-ACC-GBP	£ 5.82	-	0.02	-
Japan Smaller Companies Fund W-ACC-GBP	£ 3.55	-	0.01	0.65
Select 50 Balanced Fund PI-ACC-GBP	£ 1.15	-	0.00	-
Special Situations Fund W-ACC-GBP	£ 43.34	-	0.08	3.26
Short Dated Corporate Bond Fund W-ACC-GBP	£ 10.68	-	0.03	3.76
Sustainable Water & Waste W-ACC-GBP	£ 1.14	-	0.01	0.54
Sustainable Water & Waste W-INC-GBP	£ 1.12	-	0.00	0.54
UK Select Fund W-ACC-GBP	£ 3.73	-	0.02	2.48
Global Enhanced Income W-ACC-GBP	£ 2.35	-	0.00	4.36
Index UK Gilt Fund P-ACC-GBP	£ 0.74	-	0.01	2.02
Sustainable Multi Asset Conservative Fund W-ACC-GBP	£ 0.90	-	0.00	1.68
Sustainable Multi Asset Growth Fund W-ACC-GBP	£ 0.96	-	0.01	1.43

Findlay Park Funds Plc (IRL)
30 Herbert Street, Dublin 2, Ireland Tel: 020 7968 4900
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
American EUR Unhedged Class	€ 152.93	-	0.39	-
American Fund USD Class	$ 167.83	-	0.68	-
American Fund GBP Hedged	£ 82.02	-	0.33	0.00
American Fund GBP Unhedged	£ 133.01	-	0.53	-

Foord Asset Management
Website: www.foord.com - Email: info@foord.com

Fund	Bid	Offer	D+/-	Yield
FCA Recognised - Luxembourg UCITS				
Foord International Fund | R	$ 50.76	-	-0.36	0.00
Foord Global Equity Fund (Lux) | R	$ 16.62	-	-0.18	0.00
Regulated				
Foord Global Equity Fund (Sing) | B	$ 19.84	-	0.03	0.00
Foord International Trust (Gsy)	$ 49.48	-	-0.27	0.00

GAM
funds@gam.com, www.funds.gam.com
Regulated

Fund	Bid	Offer	D+/-	Yield
LAPIS GBL TOP 50 DIV.YLD-Na-D	£ 121.38	-	-0.61	2.67
LAPIS GBL F OWD 50 DIV.YLD-Na-D	£ 105.61	-	-0.76	1.03

Guinness Global Investors

Fund	Bid	Offer	D+/-	Yield
Guinness Global Equity Income Y GBP Dist	£ 18.90	-	-0.04	2.18
Guinness Global Innovators Y GBP Acc	£ 26.54	-	0.17	0.00
Guinness Sustainable Global Equity Y GBP Acc	£ 10.89	-	0.04	-

HPB Assurance Ltd
Anglo Intl House, Bank Hill, Douglas, Isle of Man, IM1 4LN 01638 563490
International Insurances

Fund	Bid	Offer	D+/-	Yield
Holiday Property Bond Ser 1	£ 0.48	-	0.00	0.00
Holiday Property Bond Ser 2	£ 0.63	-	0.00	0.00

Janus Henderson Investors (UK)
PO Box 9023, Chelmsford, CM99 2WB Enquiries: 0800 832 832
www.janushenderson.com
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Janus Henderson Instl UK Index Opportunities A Acc	£ 1.17	-	0.01	2.87

M & G Securities (1200)F (UK)
PO Box 9038, Chelmsford, CM99 2XF
www.mandg.co.uk/charities Enq./Dealing: 0800 917 4472
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
M&G Charibond Charities Fixed Interest Fund (Charibond) Inc	£ 1.08	-	0.00	2.43
M&G Charibond Charities Fixed Interest Fund (Charibond) Acc	£ 39.33	-	0.12	1.97
M&G Charity Multi Asset Fund Inc	£ 0.89	-	0.00	3.87
M&G Charity Multi Asset Fund Acc	£ 108.22	-	0.08	3.54

MMIP Investment Management Limited (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Multi-Manager Investment Programmes PCC Limited				
UK Equity Fd Cl A Series 01	£ 3252.50	3286.20	-134.57	0.00
Diversified Absolute Rtn Fd USD Cl AF2	$ 1688.02	-	45.93	-
Diversified Absolute Return Stlg Cell AF2	£ 1580.96	-	25.26	-
Global Equity Fund A Lead Series	£ 1771.60	1775.91	-34.10	-

Marwyn Asset Management Limited (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
Marwyn Value Investors	£ 329.72	-	-6.14	0.00

Milltrust International Managed Investments ICAV (IRL)
mimi@milltrust.com, +44(0)20 8123 8316 www.milltrust.com
Regulated

Fund	Bid	Offer	D+/-	Yield
British Innovation Fund	£ 121.92	-	2.89	0.00
MAI - Buy & Lease (Australia)	A$ 103.45	-	0.50	0.00
MAI - Buy & Lease (New Zealand)	NZ$ 91.20	-	-6.06	0.00
Milltrust Global Emerging Markets Fund - Class A	$ 95.03	-	-0.06	0.00

Milltrust International Managed Investments SPC
em@milltrust.com, +44(0)20 8123 8316, www.milltrust.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Milltrust Alaska Brazil Fund SP A	$ 85.97	-	1.83	0.00
Milltrust Laurium Africa Fund SP A	$ 97.08	-	-1.26	0.00
Milltrust Marcellus India Fund SP	$ 125.01	-	0.76	0.00
Milltrust Singular ASEAN Fund SP Founders	$ 131.82	-	0.25	0.00
Milltrust SPARX Korea Equity Fund SP A	$ 109.90	-	0.30	0.00
Milltrust Xingtai China Fund SP A	$ 98.25	-	-0.42	0.00
The Climate Impact Asia Fund SP A	$ 79.75	-	-0.39	0.00
The Climate Impact Asia Fund (Class B)	$ 78.95	-	-0.38	0.00

Mirabaud Asset Management (LUX)
www.mirabaud.com, marketing@mirabaud-am.com
Please find more details on our website: www.mirabaud-am.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Mir. - Glb Strat. Bd I USD	$ 116.57	-	0.29	0.00
Mir. - DiscEur D Cap GBP	£ 167.18	-	-2.07	0.00
Mir. - UKEq HA Cap I GBP	£ 137.02	-	-0.69	0.00

Oasis Crescent Global Investment Funds (UK) ICVC (UK)
Regulated

Fund	Bid	Offer	D+/-	Yield
Oasis Crescent Global Equity Fund USD A (Dist)	$ 34.58	-	0.00	0.50
Oasis Crescent Global Income Fund USD A (Dist)	$ 10.08	-	0.02	3.07
Oasis Crescent Global Low Equity Fund USD D (Dist)	$ 12.20	-	0.02	1.01
Oasis Crescent Global Medium Equity Fund USD A (Dist)	$ 13.61	-	0.01	0.32
Oasis Crescent Global Property Equity Fund USD A (Dist)	$ 7.82	-	0.03	1.51
Oasis Crescent Global Short Term Income Fund USD A (Dist)	$ 0.93	-	0.00	2.17
Oasis Crescent Variable Fund GBP A (Dist)	£ 9.74	-	0.00	0.37

Omnia Fund Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Estimated NAV	$ 941.41	-	0.53	0.00

Orbis Investments (U.K.) Limited (GBR)
28 Dorset Square, London, NW1 6QG
www.orbis.com 0800 358 2030
Regulated

Fund	Bid	Offer	D+/-	Yield
Orbis OEIC Global Cautious Standard	£ 12.04	-	0.02	0.00
Orbis OEIC Global Balanced Standard	£ 19.71	-	0.03	-
Orbis OEIC Global Equity Standard	£ 21.84	-	-0.03	2.55
Orbis OEIC UK Equity Standard	£ 12.35	-	-0.07	2.94

Platinum Capital Management Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Platinum All Star Fund - A	$ 146.17	-	-	-
Platinum Global Growth UCITS Fund	$ 8.12	-	0.00	0.00
Platinum Essential Resources UCITS Fund SICAV USD Class E	$ 9.86	-	0.01	0.00
Platinum Global Dividend UCITS Fund	$ 46.53	-	-0.02	0.00

Polar Capital Funds Plc (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Automation & Artificial Intelligence CL I USD Acc	$ 15.83	15.83	0.10	0.00
Asian Starts I USD Acc $	$ 13.83	-	-0.02	-
Biotechnology I USD	$ 40.49	40.49	0.03	0.00
China Stars I USD Acc $	$ 10.77	10.77	-0.03	-
Emerging Market Stars I USD Acc	$ 11.11	-	-0.01	0.00
European Ex UK Inc EUR Acc	€ 15.40	15.40	-0.09	0.00
Financial Opps I USD	$ 13.92	-	0.02	2.12
Global Convertible I USD	$ 13.61	13.61	0.00	0.00
Global Insurance I GBP	£ 10.10	-	-0.03	0.00
Global Technology I USD	$ 70.17	-	0.93	0.00
Healthcare Blue Chip Fund I USD Acc	$ 19.29	19.29	0.09	0.00
Healthcare Dis I Acc USD $	$ 13.16	-	-0.02	0.00
Healthcare Opps I USD	$ 69.03	-	-0.73	0.00
Income Opportunities B2 I GBP Acc	£ 2.95	2.95	-0.01	0.00
Japan Value I JPY	¥ 159.05	159.05	0.40	-
North American I USD	$ 32.99	32.99	0.12	-
Smart Energy I USD Acc $	$ 9.25	9.25	0.06	0.00
Smart Mobility I USD Acc $	$ 8.84	8.84	0.06	0.00
UK Val Opp I GBP Acc	£ 12.62	12.62	0.02	0.00

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Monument Growth 10/05/2023	£ 549.33	554.56	-10.12	0.00

Prusik Investment Management LLP (IRL)
Enquiries - 0207 493 1331
Regulated

Fund	Bid	Offer	D+/-	Yield
Prusik Asian Equity Income B Dist	$ 183.43	-	-0.33	4.83
Prusik Asia Emerging Opportunities Fund A Acc	$ 181.43	-	-0.29	0.00
Prusik Asia Fund U Dist.	£ 203.13	-	0.45	-
Prusik Asia Sustainable Growth Fund A Acc	$ 88.51	-	-0.02	0.00

Purisima Investment Fds (CI) Ltd (JER)
Regulated

Fund	Bid	Offer	D+/-	Yield
PCG B ✠	298.93	-	-1.44	0.00
PCG C ✠	290.56	-	-1.40	0.00

Ram Active Investments SA
www.ram-ai.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
RAM Systematic Emerg Markets Eq	$ 221.05	221.05	-1.42	-
RAM Systematic European Eq	€ 540.33	540.33	-3.82	-
RAM Systematic Funds Global Sustainable Income Eq	$ 150.31	150.31	-0.09	0.00
RAM Systematic Long/Short European Eq	€ 147.85	147.85	0.49	-
RAM Systematic US Sustainable Eq	$ 334.24	334.24	-0.35	-
RAM Tactical Global Bond Total Return	€ 140.73	140.73	0.24	-
RAM Tactical II Asia Bond Total Return	$ 146.94	146.94	-0.09	-

Ruffer LLP (1000)F (UK)
65 Gresham Street, London, EC2V 7NQ
Order Desk and Enquiries: 0345 601 9610
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Authorised Corporate Director - Link Fund Solutions				
LF Ruffer Diversified Rtrn C Acc	102.85	-	0.10	1.84
LF Ruffer Diversified Rtrn C Inc	100.98	-	0.10	1.85
LF Ruffer European C Acc	791.80	-	-3.43	0.79
LF Ruffer European C Inc	142.04	-	-0.61	-
LF Ruffer Equity & General C Acc	575.68	-	-2.04	0.76
LF Ruffer Equity & General C Inc	520.09	-	-1.84	0.76
LF Ruffer Gold C Acc	274.35	-	4.32	0.00
LF Ruffer Gold C Inc	166.05	-	2.61	0.00
LF Ruffer Japanese C Inc	164.39	-	-1.18	-
LF Ruffer Japanese C Acc	354.15	-	-2.54	0.24
LF Ruffer Total Return C Acc	555.10	-	-1.91	2.87
LF Ruffer Total Return C Inc	341.66	-	-1.18	2.93

Rubrics Global UCITS Funds Plc (IRL)
www.rubricsam.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Rubrics Emerging Markets Fixed Income UCITS Fund	$ 140.36	-	0.46	0.00
Rubrics Global Credit UCITS Fund	$ 16.96	-	0.03	0.00
Rubrics Global Fixed Income UCITS Fund	$ 173.28	-	0.53	0.00

Slater Investments Ltd (UK)
www.slaterinvestments.com; Tel: 0207 220 9460
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Slater Growth A Acc	627.38	627.38	-3.77	0.00
Slater Income A Inc	138.66	138.66	-0.21	5.22
Slater Recovery A Acc	325.58	325.58	-1.02	0.00
Slater Artorius	280.52	280.52	-1.82	0.54

STONEHAGE FLEMING
GLOBAL BEST IDEAS EQUITY FUND

Stonehage Fleming Investment Management Ltd (IRL)
www.stonehagefleming.com/gbi
enquiries@stonehagefleming.com
Regulated

Fund	Bid	Offer	D+/-	Yield
SF Global Best Ideas Eq B USD ACC	$ 243.63	-	1.45	0.00
SF Global Best Ideas Eq D GBP INC	£ 292.95	-	1.71	0.00

Superfund Asset Management GmbH
www.superfund.com, +43 (1) 247 00
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Superfund Green Gold	$ 1026.86	-	1.27	0.00
Superfund Green Silver	$ 919.02	-	-7.03	0.00
Regulated				
Superfund Green US$	$ 726.49	-	-0.56	0.00

Toscafund Asset Management LLP (UK)
www.toscafund.com
Authorised Funds

Fund	Bid	Offer	D+/-	Yield
Aptus Global Financials B Acc	£ 5.04	-	-0.04	3.35
Aptus Global Financials B Inc	£ 3.22	-	-0.02	3.45

Toscafund Asset Management LLP
www.toscafund.com

Fund	Bid	Offer	D+/-	Yield
Tosca A USD	$ 436.24	-	-35.71	0.00
Tosca Mid Cap GBP	£ 150.51	-	-17.62	0.00
Tosca Opportunity B USD	$ 252.81	-	-15.03	0.00
Pegasus Fund Ltd A-1 GBP	£ 35.81	-	-0.10	0.00

Troy Asset Mgt (1200) (UK)
65 Gresham Street, London, EC2V 7NQ
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Fund	Bid	Offer	D+/-	Yield
Authorised Corporate Director - Link Fund Solutions				
Trojan Investment Funds				
Trojan Ethical O Acc	128.00	-	0.25	0.07
Trojan Ethical Global Inc O Acc	102.49	-	0.25	2.56
Trojan Ethical Global Inc O Inc	98.56	-	0.25	2.59
Trojan Ethical O Inc	127.64	-	0.25	0.08

Zadig Gestion (Memnon Fund) (LUX)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Memnon European Fund - Class U2 GBP	£ 266.50	-	-3.87	0.00

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Bracing view of a life-long friendship

This week's film releases reviewed by Nicolas Rapold and Leslie Felperin

The Eight Mountains
Felix van Groeningen & Charlotte Vandermeersch
★★★★☆

Dead Shot
Charles & Thomas Guard
★★★☆☆

Plan 75
Chie Hayakawa
★★★★☆

Still: A Michael J Fox Movie
Davis Guggenheim
★★★☆☆

Top: Luca Marinelli, left, and Alessandro Borghi grow from boys to men in 'The Eight Mountains'. Above: Aml Ameen in 'Dead Shot'
Alberto Novelli; Mark Mainz

The Eight Mountains is the story of two life-long friends that becomes a story about living itself. It's also a movie that seems to grow before your eyes, leaping across continents as years go by, all the while slowly accruing power. By the end it has scaled a peak, offering a bracing perspective on life experience.

The Belgian directors, Felix van Groeningen and Charlotte Vandermeersch, begin their film with two boys and the simplicity and wisdom of a children's book. Pietro spends his summers with his parents in the Italian Alps, leaving behind the daily routine in Turin. Bruno meanwhile appears to be the last child in an old mountain village with a double-digit population. It seems fated that the shy city boy will meet his bolder country counterpart.

Their world is our world, judiciously narrated a little by a reflective voiceover from Pietro's perspective. The mountain meadows are a place of infinite possibility and play, though not all fun, since Bruno is already pitching in with his family's farm chores. Soon enough the film is skipping forward to show the pair's diverging paths as teenagers, after Pietro has a falling-out with his father. When the two friends reconnect as adults, they renew bonds by rebuilding a cabin by hand.

Throughout, Pietro and Bruno offer up mirrors to each other of contrasting ways of life. Pietro travels the world, journeying all the way to Nepal and writing a novel. He is played with watchful good humour by Luca Marinelli, best known from another time-spanning tale, *Martin Eden*. Bruno (Alessandro Borghi) settles into the groove of raising cows and selling cheese, feeling the tug of ancestral obligation despite tensions with his own father, an itinerant worker.

At its best, *The Eight Mountains* delivers on the promise of movies as psychological time machines. At one point, it's Pietro who seems lost, searching for direction while Bruno starts a family with Lara, a friend who visits with Pietro. Later, it's Bruno you start to wonder about, as his single-minded focus on farming begins to look like self-imposed exile. "It seems long," he says once, a crushing local expression for feeling down.

In that sense, the mountains become a place of both the sublime and the mundane, and the film's cinematographer, Ruben Impens, is constantly finding new perspectives on the kind of striking alpine beauty that on screen can easily become perversely commonplace. (A couple of hiking scenes stand out with the revelatory weightless cruise of ace Steadicam work.) The filmmakers are equally good at the closeness — whether warm or stifling — of domestic spaces, often in low lighting.

It was only on my second viewing of *The Eight Mountains*, which premiered in Cannes last year and won the Jury Prize, that an early shot yielded its full power: two trees growing close together, one slightly askew up top. It's the sort of landscape shot that's easily overlooked as picturesque scene-setting. But it sums up the eloquence of a film that's wise and patient enough to show us the twists and turns of paths without constantly telling us where to go. **NR**
In UK cinemas now

It's possible to view the 1970s-set thriller **Dead Shot** as a ferocious demonstration of the cycles of bloody retribution during the Troubles in Northern Ireland. But with its efficiently stylish filmmaking and brutal takedowns, Charles and Thomas Guard's film is also simply a gripping clockwork mechanism of vengeance-is-mine storytelling (complete with era-appropriate dress and shimmering synthesiser score).

You can spot danger coming from miles away in the haunting opening, which tracks a car's headlights snaking across a pitch-black landscape. Colin Morgan plays scruffy IRA paramilitary O'Hara, who comes out of hiding to escort his pregnant wife to the hospital. When hapless-looking SAS soldier Tempest (Aml Ameen) shoots her down in error, O'Hara devotes himself to revenge by any means necessary.

In the nasty double binds of the story, co-written with Belfast-born novelist Ronan Bennett, O'Hara must carry out fresh missions in London for the IRA in exchange for information on the whereabouts of Tempest, who in turn has been recruited into an off-the-books anti-IRA unit. Their mutual hunt is like two lit fuses racing to one bomb; a bloodbath is guaranteed, no matter who finds whom first. Their handlers are vicious, whether the schoolteacher (Tom Vaughan-Lawlor), who secretly directs O'Hara, or the more unctuous officer (Mark Strong) who sends Tempest out to do his bidding.

The merciless nature of the conflict gives every encounter a sharper edge, from an explosive shootout in an apartment building, to a chaotic bombing of Paddington Station. The take-no-prisoners approach of both sides can push typical showdowns into more unpredictable territory, though the Guard brothers have obviously also taken ample notes from classic action tacticians such as Kathryn Bigelow or Michael Mann. (*Get Carter* too gets an homage.)

The depictions of the bombing and the compartmentalised cells have a specificity that feels drawn from nonfiction accounts, even if they sometimes diverge from historical fact. Added moral weight comes courtesy of the women who witness the jockeying males: O'Hara's IRA go-between (Felicity Jones), whose righteousness harbours a flipside scepticism; and Tempest's old flame, Ruth (Sophia Brown), a canny shopkeeper he loves but still takes advantage of.

All of which might raise the question of whether *Dead Shot* could be considered a kind of "Trouble-sploitation" cinema, leveraging street warfare and terror for action gambits and suspense. But the story's uncompromising ending cuts deep, leaving one off-balance — pulp with a sting in the tail. **NR**
On Sky Cinema in the UK now

The low-tech sci-fi film **Plan 75** posits a near future where, after a spate of hate crimes against the elderly, Japan offers its citizens a drastic way to deal with its rapidly ageing population. The plan of the title is a bureaucratic support system for people aged 75 and over who volunteer to be euthanised painlessly. In return, the state gives them ¥100,000 (roughly $740) to spend as they wish — be that on a luxurious last meal or, for the more practically minded, on funeral arrangements. Some may choose to be cremated and interred with friends or family, partly because it's cheaper and partly because some believe it will be "less lonely".

It's a concept not unlike the one seen in cheesy 1973 future-shock classic *Soylent Green*, but without Charlton Heston shouting hysterically about what happens to all the dead bodies. Indeed, this is a quiet, respectful study of what a programme like this could mean for a range of different people, from lonely, forcibly retired, prospective user Michi (veteran actor Chieko Baisho giving a heartbreaker of a performance) to the bureaucrats who handle admissions and client services such as Hiromu (Hayato Isomura) and Yôko (Yumi Kawai).

The smooth pragmatism of *Plan 75* suddenly seems less easy to shill when, in Hiromu's case, his own aged uncle walks into his centre one day. Yôko, meanwhile, grows close to Michi while listening to her life story via phone calls, part of the therapeutic pre-death process that the plan includes. Finally, there is Maria (Stefanie Arianne), a Filipina immigrant who works behind the scenes sorting through the possessions left behind and trying to raise money for her sick child back home.

Writer-director Chie Hayakawa's multi-stranded drama started out as one segment in an anthology film, *Ten Years Japan*, which imagined what the country might look like a decade into the future. It's not hard to see why she wanted to develop the material further given that the basic conceit is so fertile, and perhaps more plausible than most sci-fi imaginings. Her direction is stately and considered, allowing space to savour little details along the way such as how Michi holds her hand up to the light, or how Maria sings in church. Composer Rémi Boubal's string-led score offers a soothing balm without ever becoming saccharine, helping the film to achieve a kind of hushed transcendence. **LF**
In UK cinemas now

Much like its subject, the documentary portrait **Still: A Michael J Fox Movie** is hard not to like. Made with pep and vim, it flows with fluid ease through the life story of the actor. Wherever possible, footage culled from his relatively short but highly successful career is matched with a voiceover spoken by the man himself. Indeed, we see shots of him recording an audiobook version of his autobiography in that distinctive raspy tone fans of the *Back to the Future* movies will know well.

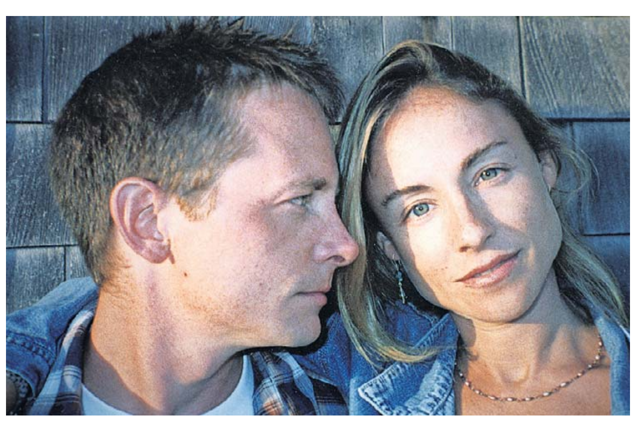
But in order to tell Fox's story, the film engages in some cinematic sleight of hand. To illustrate his early years as a scarily confident and charismatic teenager from Edmonton, Canada trying to make it in Hollywood, what is actually shown is him playing characters in TV shows such as the sitcom *Family Ties*, which launched him in the early 1980s. Sometimes there are shots of the real Fox flubbing lines or being interviewed, at other times a young actor plays the young actor.

> 'The Eight Mountains' seems to grow before your eyes, leaping across continents as years go by, slowly accruing power

At 61, Fox still looks incredibly young for his age, but his appearance has been altered by the involuntary tremors and loss of motor control caused by Parkinson's disease. Diagnosed at the height of the fame in 1991, he kept it private until 1998. These days, just walking down the street is a challenge. At one point, the real Fox shows up for an interview with a massive bruise on his head, the result of a collision with some furniture the day before. Trouper that he is, he brushes it off and carries on with the conversation.

Director Davis Guggenheim is keen to show Fox as man without self-pity, who has been to hell but made it back thanks to the love of his family (especially his wife of 35 years Tracy Pollan) and turned his misfortune into charity work for others affected by Parkinson's. Guggenheim is best known for making promo films to be shown at conventions for the likes of Joe Biden and Barack Obama, and this sometimes feels like another tranche of slickly packaged hagiography. Fox seems every bit a guy we'd all like if we met him, but it seems like hagiography all the same. **LF**
In cinemas and on Apple TV Plus now

Left: Chieko Baisho in the low-key sci-fi film 'Plan 75'. Below: 'Still: A Michael J Fox Movie' tells the story of the life of the actor, pictured here as a young man with his wife Tracy Pollan



FT BIG READ. TECHNOLOGY

The Scholz government is spending billions on subsidies to expand Germany's semiconductor industry amid alarm over the fragility of supply chains. But some fear it will end up wasting taxpayers' money.

By Guy Chazan

Berlin goes all in on chips

It was a moment of triumph for Jochen Hanebeck, the boss of German chipmaker Infineon, as he broke ground on the company's new €5bn semiconductor plant in the east German city of Dresden this month. And there was one man, he said, who had made it all happen.

Addressing his guest of honour, Chancellor Olaf Scholz, he thanked him for providing "substantial budgetary resources" to support the German chip industry. "At a time when our country is facing so many great challenges, that's quite a feat," he added.

Over the past couple of years, Germany has attracted massive investments in its chip sector. Intel, Wolfspeed and Infineon are all building big new factories. The largest chipmaker of all, TSMC of Taiwan, reportedly might follow suit.

But the new fabrication plants, or fabs, are coming at an eye-watering cost. Scholz's government is throwing billions of euros in subsidies at the tech companies to lure them to Germany — €1bn in the case of Infineon's new plant.

"That's €1mn in state grants for every new job created, just to improve our security of supply by a little bit," Clemens Fuest, head of the Ifo, a leading economic research institute, told ARD TV. "Even if it all works, we'll still be importing 80 per cent [of our chips] by 2030."

The sudden passion for subsidies comes at a time of growing alarm in Europe over the fragility of its supply chains and its huge dependence on Taiwan and South Korea for a resource that Scholz in Dresden described as the "oil of the 21st century".

The end-of-days scenario stalking the corridors of government in Berlin and Brussels: China invades Taiwan, source of more than 90 per cent of the world's most advanced chips, and the supply of semiconductors dries up, bringing factories the world over to a standstill.

"We saw last year what a mess we'd got into with our energy dependence on Russia, how fatal that was," says Michael Kellner, state secretary at the German economy ministry. "The lesson from that is, in terms of our chip production, we in Europe have to have greater autonomy."

The EU's response has been to loosen state-aid rules and mobilise billions of euros in grants for tech companies. Officials argue they have no choice: the US is enticing chip manufacturers and clean energy companies with a vast array of financial incentives, and if Europe fails to act it risks losing the race for the technology of the future.

"In the competitive situation we're in globally with fabs, everybody dopes," says chip industry expert Jan-Peter Kleinhans of Stiftung Neue Verantwortung, a think-tank. "And whether you like it or not, if you don't dope, you cannot compete."

But the level of state support is beginning to reach levels that even advocates of more chip investment find excessive. Intel, for example, was due to receive €6.8bn in government support for its new fab in the east German city of Magdeburg. Yet it is now demanding around €10bn. Critics are questioning why it should get so much state aid, especially when there's so little domestic demand for the cutting-edge chips it plans to produce in Germany.

Intel's fresh demands for cash have unleashed a heated debate among economists about whether it's the best use of taxpayers' money.

"This may lead to a significant misallocation of resources," says Reint Gropp, head of the Leibniz Institute for Economic Research, Halle (IWH). "It would probably be more efficient to just buy cheap subsidised chips from the US."

Where the US leads

The decision to open the subsidy floodgates in Europe was a direct response to the new, activist industrial policy being pursued by the US. At issue are the Biden administration's Chips and Science Act, a $280bn package that includes $52bn in funding to boost US semiconductor manufacturing, and the Inflation Reduction Act, which provides $369bn of subsidies and tax credits for clean energy technologies.

The legislation put the EU in a quandary: should it match it with financial support of its own, in the midst of a cost of living crisis that was putting huge strain on Europe's citizens and member states' public finances? Or should it ignore them and run the risk of its companies defecting to the US?

The EU chose the first route. It has enacted its own Chips Act, which aims to mobilise €43bn in public and private investments for the bloc's chip industry, and in so doing double its share of the global semiconductor market from less than 10 per cent today to 20 per cent by 2030.

One of the EU's main motivations was the traumatic memory of the havoc wreaked by the Covid-19 pandemic. Lockdowns and trade chaos disrupted global chip supply, causing production shutdowns across the auto industry.

> 'In the competitive situation we're in globally with fabs, everybody dopes . . . If you don't dope, you cannot compete'

"We lost 1 to 1.5 per cent of our GDP in 2021 because of a lack of semiconductors — or about 40bn," says a senior German official.

But the spectre of conflict over Taiwan is much more alarming. Speaking at the Infineon groundbreaking ceremony, Ursula von der Leyen, European Commission president, noted that any disruption to trade caused by tensions over Taiwan "could do immediate and serious harm to Europe's strong industrial base and our internal market". The response, she said, must be to "put our chip production on a broader footing and expand our own capacities".

If the only way to achieve that is to offer billions of euros in financial support to tech groups, then so be it, officials say. "I'm no great fan of subsidies," says Kellner. "It would be great to be able to abolish them all. But that's just impossible. And we have to live in the real world."

Critics of the EU's drive for greater self-sufficiency claim it is misguided: it misses the point that materials for chip production are just as critical as the chips themselves — and the market for them is often just as concentrated.

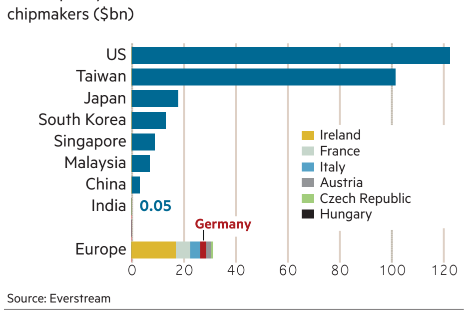
Kleinhans says one reason — of several — for the semiconductor crisis in the pandemic was a shortage of ajinomoto-build-up-film substrate, an insulating material which is used in high-performance processors and is made by just a handful of manufacturers.

Chip fabs also depend heavily on imported chemicals, he says: "To produce a modern semiconductor you need about 80 per cent of the periodic table in terms of elements." So even if all the fabs that have been announced for Europe are actually built, "we will continue to depend on chemicals from foreign countries — there's just no way around that".

Some economists have, for that reason, argued that Germany should consider alternatives to showering money on tech companies — such as trying harder to improve the business environment and making it more conducive to innovation.

Europe, and Germany in particular, is dwarfed by US and Taiwanese chip investment

New capacity investment, 2021-2025, of non-Chinese-owned chipmakers ($bn)



Source: Everstream

It is also far from clear that Germany and the EU can win the subsidy race. Data compiled by Everstream, a supply chain data company, show there were investments totalling $122bn in new chipmaking capacity in the US between 2021-25, compared with just $31.5bn in the EU. "Worldwide subsidies for chip production total more than $700bn," says Gropp. "So with its €43bn the EU's not really making much of a dent."

Meanwhile, despite the EU's move to open its purse-strings, it is still proving painfully slow to approve applications for financial support. US chipmaker Wolfspeed and ZF, a German automotive supplier, announced in February they were teaming up to build a chip plant in the west German state of Saarland. They are still waiting for a decision from Brussels to approve the subsidy they requested, as is Infineon.

Value for money?

However vehement the critics, business groups in Germany have generally given a warm welcome to the new state aid regime announced by the EU, and credit it with an upsurge in chip investment.

Indeed, Germany has over the past couple of years attracted some of the world's largest semiconductor companies to its shores. Intel's €17bn fab in the eastern city of Magdeburg will be its biggest in Europe. Wolfspeed and ZF's planned €2.5bn plant will produce silicon carbide chips, used in electric vehicles, solar cells and industrial hydraulic systems. And then there's Infineon's "smart power fab" in Dresden which will make power semiconductors and analogue mixed signal components, used in power supply systems and data centres.

All of them will receive big subsidies, and Intel the biggest. But, faced with higher costs, it now wants more. One driver is the company's worsened financial outlook. Chief executive Pat Gelsinger cut Intel's dividend to shareholders by nearly two-thirds in February. Late last year it announced it would seek cost savings of $10bn by 2025.

Some German officials have expressed sympathy with the company's demands, chief among them Sven Schulze, economy minister of the state of Saxony-Anhalt, of which Magdeburg is the capital.

"The world has changed — energy and construction costs have gone up and Germany's competitive position globally has worsened," he says. "It's no use to anyone if manufacturing is so expensive here that [Intel's] products are no longer competitive on international markets."

But others are less amenable. "We will not let ourselves be blackmailed," finance minister Christian Lindner told the German business daily Handelsblatt in February. "A US company that made $8bn net profit [last year] is not a natural recipient of taxpayers' money."

He also wondered aloud whether the chips that Intel will produce in Magdeburg "are really needed by German industry" or will simply be sold into the global market.

Lindner's point has been taken up by others, too. Germany has strong demand for "power semiconductors", tailor-made chips for industrial applications and the automotive sector, which will be the mainstay of Infineon's new fab in Dresden. But Intel's Magdeburg plant will make "leading-edge" chips, which are needed for things like AI.

Similar arguments over where to focus the fire hose of government investment in semiconductors are playing out in other parts of the world. Silicon Valley companies such as Apple and Nvidia are overwhelmingly reliant on TSMC's unparalleled capabilities in producing the cutting-edge chips that power iPhones or OpenAI's breakthrough ChatGPT chatbot. Any interruption to the Taiwanese manufacturer's output would quickly throttle the availability of many of the world's most popular tech products, used by millions of consumers every day.

Above: Infineon employees stand in a clean room at the company's plant in Dresden. Below: Saxony premier Michael Kretschmer, Ursula von der Leyen, Infineon CEO Jochen Hanebeck, Olaf Scholz and Dresden mayor Dirk Hilbert at the group's groundbreaking ceremony this month

Jens Schlueter/AFP/Getty Images

But outside an elite handful of American Big Tech firms, a far larger number of companies depend on older chips to produce cars and household appliances — at a time when Chinese semiconductor companies, under pressure from US sanctions, are ramping up their investment in these more "mature" chips.

Kleinhans, of the SNV think-tank, says demand for semiconductors in Germany is strongest in the automotive industry, industrial automation and in the manufacturing of medical devices.

"None of them need cutting-edge chips in large quantities," he says.

Others agree that Germany and the EU, with its Chips Act, are making a mistake by placing such a big bet on cutting-edge chips. The approach "threatens to ignore the actual needs of Europe's key industries", says ZVEI, a trade body that represents Germany's electronic and digital sectors.

Officials dismiss that argument. "In terms of digitisation . . . Germany is really failing to keep up with other developed economies," says Kellner from the economy ministry. "And if we just stick with the old technologies, we'll fall even further behind. And that's not the logical path."

€5bn
Cost of the new Infineon Smart Power Fab in Dresden

€17bn
Cost of building Intel's new fab in Magdeburg, where it hopes to build cutting-edge chips

€2.5bn
Projected cost of plans by Wolfspeed and ZF to build a plant in Saarland producing silicon carbide chips

Intel has also dismissed the claim that there is no domestic market for the chips it will produce in Magdeburg. "There's lots of applications for leading-edge technology in cars — autonomous driving, recognising obstacles, the entertainment system, for example," says the company's Europe spokesman Markus Weingartner.

That view is shared by experts. "Intel Magdeburg is a strategic investment and a bet on the future," says Lukas Klingholz of the digital association Bitkom. "We don't know exactly how demand for leading-edge chips will develop in Europe, but it's definitely going to grow overall over the next few years. And so far, Europe has no capacity and knowhow to produce them."

Scholz's government appears open to increasing the amount of state aid to Intel — but only if the company raises the volume of investment earmarked for Magdeburg. Officials say Intel is open to that; the company declined to comment.

"There are good reasons for Intel to increase the level of investment, and for that reason there are also good reasons to look again at how much support Germany and the EU will provide," says one official.

Meanwhile, the government has also sought to provide comfort to Intel on the question of energy costs, which have ballooned in Germany since Russia's invasion of Ukraine. This month, Kellner's ministry put forward plans to subsidise the cost of electricity for energy-intensive industries, proposing that prices be capped until 2030 at €0.06 per kilowatt hour — about half their current level. The estimated cost to the public purse will be €25bn-€30bn.

"The point of this is to create an attractive business environment for energy-intensive companies — including those that produce semiconductors and batteries," says Kellner.

The proposed reform shows how determined Scholz and his government are to make sure that Germany becomes a major player in the chip industry.

At Infineon's groundbreaking in Dresden, Scholz said chips were pivotal to Germany's plans to derive 80 per cent of its electricity from renewable sources by 2030 and go carbon neutral by 2045.

All the things needed for that — wind turbines, solar panels, heat pumps and electric vehicles — had one thing in common: chips. "We need semiconductors," he said. "Lots and lots of semiconductors . . . And that's why we have to strategically expand our own capacities [to produce them] in Europe."

Additional reporting by Tim Bradshaw

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

Lurking dangers of a Trump return

Sexual abuse verdict may not stall the former leader's momentum

What can halt the Donald Trump juggernaut? Not even, it seems, being found liable by a civil court jury for the sexual abuse of a female journalist in the 1990s. This week's $5mn damages award to E Jean Carroll for battery and defamation — though Trump was cleared of a separate claim of rape — was, as Carroll noted, a victory "not just for me but for every women who has suffered because she was not believed". It was a demonstration, too, that the US legal system is capable of holding Trump to account. Sadly, it seems to be the only part of America's political and institutional set-up that can do so.

The difficulty for the "mainstream" media in acting as a check on the former president was highlighted by his pugnacious town hall appearance on CNN a day after the verdict. Not only did Trump continue his verbal attack on his accuser. He fired off a volley of falsehoods — that the 2020 election was stolen, that he had quickly tried to avert the January 6 assault on the US Capitol — which came so thick and fast that a presenter conceded the channel "didn't have time to fact-check every lie he told". The audience of Republicans and Republican-leaning independent voters in New Hampshire responded mostly with laughter and applause.

Many senior Republicans and presidential hopefuls continue to be lamentably unable or unwilling, meanwhile, to hold Trump to account, in a sign of his grip on the party. Most shied away from criticising him after the Carroll verdict. And the case seems likely to do little to shift opinion among his supporters — even after his indictment for business fraud, and the conclusions of the congressional January 6 committee that he was part of a plot to overturn a US election. The Trump base increasingly inhabits an alternative reality from the rest of America, prepared to overlook his most egregious faults.

It is by no means assured that this will be enough to put Trump back in the White House next year. Women voters may be further repelled by the Carroll case and his stance on abortion (Trump called the Supreme Court's overturning of Roe vs Wade "a great victory"). Some moderate Republicans and influential donors who are privately wringing their hands may yet decide to drop him — especially if he faces further indictments over his role in the Capitol riot or his alleged attempt to induce Georgia state officials to "find" missing votes.

For now, however, the impression after the Republicans' poor showing in last November's midterms that Trump was a waning force seems premature. A recent poll give him a six-point lead in a potential rematch against President Joe Biden — who a majority of Americans would prefer not to run again and who faces an unfavourable economic wind.

> The world needs to prepare for at least the possibility of a second term for a President Trump — one who is vengeful and vituperative, and has a better grasp of how to achieve what he wants

Trump's renewed ascendancy has important implications. One is his ability to lob grenades into the US political process, such as urging Republican lawmakers this week to let the US default on its debts unless Democrats concede to "massive" spending cuts. The other is that the world needs to prepare for at least the possibility of a second term for a President Trump — one who is vengeful and vituperative, and has a better grasp of how to achieve what he wants.

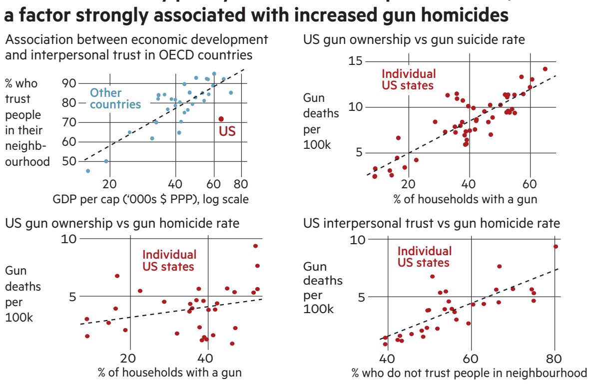
US allies in Europe and across the world should take note — notably the Nato alliance, and the UK and Australia, which have thrown in their lot with Washington in the Aukus pact. After Trump's refusal to say whether he wanted Ukraine to win in its war against Russian aggression, Kyiv will also feel even more pressure to make decisive gains in its counter-offensive. All those who support the US-led international order will continue to hope for the best in 2024. But it is only prudent that they prepare, at the same time, for the worst.

Opinion Data Points

Collapsing trust is driving US gun violence

John Burn-Murdoch

The US scores very poorly for levels of interpersonal trust, a factor strongly associated with increased gun homicides



Source: FT analysis of World Values Survey, IMF, Rand Corporation and IHME Global Burden of Disease

Last Saturday a far-right extremist opened fire with an AR-15-style rifle on passers-by at a shopping mall in Allen, Texas. He killed eight, including two children, and wounded a further seven. This was the ninth "active shooter" mass killing of 2023 so far in the US, according to the definition used by the FBI.

Stories like this have understandably come to dominate the conversation about gun violence in America, but it's worth taking a step back to consider all facets of the crisis.

Active shooter incidents were responsible for 103 US firearm deaths in 2021. This is a sickeningly high number, but it looks tiny when you consider the total number of US gun deaths in the same year was 48,830. An astonishing 44 per cent of Americans say they know someone who has been shot, and one in four says someone has used a gun to threaten or intimidate them or their family.

Similarly, while the damage that can be done with a semi-automatic weapon is truly diabolical, rifles account for only 5 per cent of US firearm homicides (a figure that has not changed in two decades). Meanwhile, the portion attributable to handguns has been climbing steadily: it now stands at 91 per cent of all murders in which the type of gun was known.

The threat of a heavily armed extremist descending on a school or nightclub is terrifying, but the scale of "non-mass" shootings in the US is arguably more shocking. Indeed, while US gun ownership is far higher than any other developed country, it's on handgun violence in particular that America really stands out.

Canada and Finland, the second and third most armed societies in the developed world, have about three times fewer firearms per head than the US overall, but 10 times fewer handguns. The distinction is key, since most gun deaths are suicides by handgun, and most murders are spontaneous rather than planned.

It also reflects very different gun cultures. In Finland and Canada — like most developed countries — gun ownership has traditionally centred on hunting, whereas 76 per cent of US handgun owners say their weapon is for personal protection.

Much of this US exceptionalism doubtless stems from the right to bear arms being enshrined in the country's constitution, but there is another factor at play here: trust.

There is a strong positive relationship between a nation's gross domestic product per head and levels of interpersonal trust, but levels of trust in the US have been eroding for decades and the share of Americans who say they do not trust other people in their neighbourhood is now roughly double what you would expect based on US socio-economic development.

This should be cause for concern in and of itself, but especially so because trust plays a significant role in helping to drive gun violence.

Few appreciate that at country and state level, the statistical relationship between gun availability and gun deaths is driven almost entirely by suicides. The more people who have access to guns, the more who use them to take their own lives. And since the vast majority of all gun deaths are suicides, this dynamic dominates the overall guns-deaths link.

Look only at gun homicides instead, and the link with the number of guns is much weaker, whether the unit of analysis is different countries or US states. But add in interpersonal trust as well as gun ownership, and the relationship returns. In other words, it's the interplay between guns and fear that sends homicide rates climbing.

This toxic combination of handguns and hostility is all too clear in the spate of recent US shootings involving young people shot while playing hide and seek, pulling into the wrong driveway and going to retrieve a basketball from a neighbour's yard.

The vast majority of Americans who die by firearm don't make national and global headlines. They're not killed by extremists with semi-automatics and slogans, but by suicides that most likely wouldn't have happened without a gun to hand, arguments that escalated, intimate partner violence and by people who have come to see their neighbours as a threat.

The debate around US gun violence is dominated by mass shootings, but this is a crisis that runs much deeper. Fixing it will require slow and difficult cultural shifts as well restrictions on gun ownership much broader than anyone is currently proposing.

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Letters

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Change at the top understates how FTSE remains the same

Lex's list and commentary on the top 10 equities by market capitalisation in 1953 and 2023 ("UK equities: an enduring dynasty", Lex, May 8) actually understates the extent to which little has changed with this peer group in the past 70 years, and why this is so.

Undoubtedly, many factors come into play over this time period. But the corporate moves of recent vintage by these companies have been an important reason why many have held on to their UK top 10 positions.

Take the 1953 list. Shell bought Enterprise Oil in 2002, and BG Group in 2016. The high street department store FW Woolworth folded in 1997, but the spun-out B&Q remains a key part of Kingfisher. Imperial Tobacco was acquired by Hanson Trust in 1986 and the tobacco side was demerged in 1996, continuing as Imperial Brands.

Part of ICI lives on, being the UK pharmaceutical firm Zeneca which was demerged from ICI in 1993 with Astra (Swedish) Zeneca coming together in 1999. BP, the former Anglo-Iranian Oil Company, absorbed Burmah in 2000.

Distillers Company was bought by Guinness in 1986 which ultimately became Diageo with the merger with Grand Metropolitan in 1997. Royal Insurance merged with Sun Alliance in 1996.

Turning to the 2023 list, HSBC bought the Midland Bank in 1992.

British American Tobacco (BAT) continues to double down on global tobacco, having once flirted with UK financial services.

Glaxo first bought Wellcome in 1995 and then SmithKline Beecham in 2000, becoming GSK. Glencore acquired Xstrata in 2013.

Given how enduring the list is, my money is on the future William V finding the attrition rate among the UK top 10 still remaining low by the time he succeeds his father Charles III.

Nicholas Malins-Smith
Cambridge, UK

Default will happen, only if Biden and Yellen let it

The article "Debt ceiling diehard vows to call Democrats' bluff" (Report, May 8) is a welcome change from all the noise surrounding the debt limit standoff. Republican congressman Bob Good has correctly laid out the facts — default will only occur if President Joe Biden and Janet Yellen, his Treasury secretary, allow it to happen.

The Treasury has plenty of revenue coming in to service the principal and interest on the Treasury bonds outstanding. If discretionary payments are delayed or not made at all, so be it. It is high time we had real fiscal reform after the outrageous spending that Washington has engaged in over many administrations, liberal and conservative.

Every year the Treasury releases its fiscal report in mid-February. This year, the writing on the wall couldn't be clearer. It said projections indicated that the ratio of debt to gross domestic product for the US government was set to rise over the 75-year projection period and beyond if current policy were kept in place. "The projections in this Financial Report show that current policy is not sustainable," it said.

I agree with Yellen's conclusion to her own department's report. It is not sustainable, and we must sit down and discuss what changes need to be made to reduce spending going forward. Under no circumstances are the Republicans in the House of Representatives or the Senate to pass any legislation that raises the debt ceiling a single penny. I applaud congressman Good for standing up to the fiscal madness taking place in Washington.

Matt Jandreau
Washington, DC, US

Making sense of migrant statistics needs context

Gideon Rachman ("Europe and the US fear a new refugee crisis", Opinion, May 9) says that the number of boat migrants crossing the English Channel is "tiny by US standards . . . but they still make headlines".

Yes, 45,000 undocumented migrants crossed the Channel last year by comparison with 2.76mn who crossed the Mexican border into the US. But Rachman does not point out that the US land area is 40 times that of the UK, and the density of population of the UK is nearly eight times that of the US at 281 people per square kilometre for the UK against 36 for the US.

Is it so surprising that the UK's boat migrants make headlines when the undocumented crossings of the Mexican border could lose Biden the next election according to White House advisers? Could we please have context from your columnists to make their figures meaningful.

Mark Hofman
Charlbury, Oxfordshire, UK

Turkey's parallel elections may benefit Erdoğan

It is important not to forget the parliamentary election that accompanies Turkey's presidential contest on Sunday (FT View, May 9).

Unlike the French system where the parliament is elected after the presidency is determined, the simultaneous nature of Sunday's elections mean that a confused picture is likely to emerge which works to President Recep Tayyip Erdoğan's benefit. Should the opposition fail to secure a majority in the parliamentary election — as is forecast — there is a significant likelihood voters may switch to Erdoğan in a second round to prevent governmental paralysis. Consequently, if the opposition is to succeed, it needs to at the first attempt.

While Turkey's opposition remains united, Erdoğan enjoys a significant advantage irrespective of the freedom and fairness of the contest.

Milo Brett
London N15, UK

May 9 is a day off, but only for EU apparatchiks

In "Parade speech: Putin claims west wants to destroy Russia" (Report, May 10), Ursula von der Leyen says it was "very fitting" to celebrate Europe Day in Kyiv "particularly since Ukraine had changed its holiday to celebrate Europe Day on May 9, in line with other EU countries". Just to be clear, Europe Day is not a holiday in any EU country. It is a day off work for officials of the EU institutions who refer to it quaintly as "Saint Schuman [Day]".

The date marks the anniversary of the historic "Schuman Declaration" (May 9, 1950), when Robert Schuman, French foreign minister and co-founder of the European project, presented his plan to put French and West German production of coal and steel under a single authority.

Helen Campbell
Former European Commission Official
Brussels, Belgium

One part of Credit Suisse story is too simplistic

I congratulate you on your detailed coverage of the Credit Suisse crisis and its forced acquisition by UBS ("Risky AT1 debt rebounds after wipeout from Credit Suisse", Report, April 6).

However, I find your recurrent interpretation of the use of coco bonds to be too simplistic. It is not simply about a linear hierarchy of financial products between holders of plain vanilla stocks and bonds. After reading the prospectus for the issuance of these cocos, it becomes apparent that their buyers have sold numerous options, in the sense of derivative products.

In return, the buyers received a significant premium, by way of a high coupon income. The reasons that may be invoked for the exercise of these options — one of which is the total amortisation of the value of the security — are clearly defined in the prospectus.

Although investors may understandably feel frustrated, their contractual obligations cannot be released, especially if investing is their profession. It is important to avoid the world of investment becoming a population of perceived privileged "children", constantly protected by the authorities, and financial media alike, from any adverse effects of market events.

Jean-Pierre Iacopetta
Zug, Switzerland

Let's hear it for solitude

Andrew Edgecliffe-Johnson reviews the conditions many report regarding loneliness and isolation ("Bosses search for opportunity in the loneliness epidemic", The Top Line, FT Weekend, May 6).

We might consider the situation one of opportunity in creativity and positive change, if we note how innovations have followed major epidemics in the past. For example, Isaac Newton's discovery of calculus, and his remarkable work on optics, as well as much of his *Mathematical Principles of Natural Philosophy* were produced during the time the universities were closed due to the plague and he had fled to the country, into isolation.

We also know that major changes in social organisation, economics, knowledge and philosophy took place after the Black Death in Europe that began in 1346, leading to the Renaissance.

It is obvious there are adjustments, but solitude is not always a bad thing, and certainly not a pathological condition. Ester Buchholz, the American psychologist, documented the value of solitude in her book *The Call of Solitude*.

Niccolo Caldararo
Department of Anthropology, San Francisco State University,
San Francisco, CA, US

Graduates should be delivered 'industry-ready'

There's no doubt that lockdowns have affected the confidence of some young people going into work ("Graduates hit by lockdown fail to cope with teamwork, say Deloitte and PwC", Report, May 2) but it isn't just employers who should be teaching soft skills. I believe it is a university's responsibility to deliver graduates ready for industry and that these skills should be an essential part of the value provided by a degree.

Higher education, and the community of a university, is the perfect training ground for collaboration and confidence building. Yet there is an attitude at some institutions that young people will just assimilate these qualities through some form of osmosis.

At Ravensbourne University London we work with industry to provide work-based learning opportunities in every year of a student's studies.

The result is an 87 per cent employment rate for our graduates within six months in the highly competitive creative sector.

Andy Rees
Dean, Ravensbourne University London
London SE10, UK

There are alternatives to ripping up the ocean floor

With reference to your deep-sea mining article (Report, April 26), the heavy reliance on metals such as cobalt, nickel and manganese which are used in today's 30-year-old lithium-ion battery technology is a testimony to a failure of imagination by all those involved in pushing this technology.

The remedy to supply chain "constipation" is new battery chemistries, based on earth-abundant elements that can be regionally sourced without savaging the environment. As for copper, demand can be assuaged by strategic placement of storage to do away with the need for massive upgrades in electric grid infrastructure.

There are tractable alternatives to ripping up the ocean floor.

Donald R Sadoway
John F Elliott Professor of Materials Chemistry Emeritus
Massachusetts Institute of Technology
Cambridge, MA, US

Even American teeth make Britons insecure!

Jemima Kelly's "US mockery of Britain masks a deeper insecurity" (Opinion, May 11) is right in its analysis, but I always thought that frequent British mockery of the US also masks a deep insecurity. I was particularly amused when a good English friend talked about Americans with their "ridiculous white straight teeth".

Jem Eskenazi
London N3, UK

Opinion

Europe needs more factories and fewer dependencies

Emmanuel Macron

In a few days, more than 200 international chief executives will arrive in Versailles to take part in an event entitled "Choose France". Many of them will unveil investments in strategic areas. Since the first of these events in 2018, thousands of jobs and hundreds of factories have been set up, with more than 200 new plants established in France in the past two years alone.

We are committed to building back French industry and fostering our economic power. This will allow us to strengthen our public services and invest in our future. We are acting with unwavering determination at the national level, with the result that in 2022, according to a survey by EY, we were the most attractive country in Europe for foreign investment for a fourth year running.

However, this battle for re-industrialisation must obviously be fought on a European scale, as well.

Since becoming president of France in 2017, I have consistently argued for the idea of European sovereignty. At first this was seen as wishful thinking, and at times perceived as too French. However, during the past few years the EU has had to face two pivotal crises. And, because of the Covid-19 pandemic and the war Russia decided to inflict on Ukraine, we have acknowledged our strategic dependencies and decided to act to reduce them.

We Europeans reached this defining consensus at a summit in March 2022, also at Versailles. We agreed on the importance of remaining in control of our own destiny and we paved the way for a more sovereign Europe, with tangible decisions taken on defence, energy and economic security.

We are no longer naive. Without compromising our openness, we are acting to protect our interests, our independence and our values, and to assert our European economic and social model.

What we need now is a comprehensive framework to implement this European consensus on sovereignty. I propose a doctrine based on five pillars.

The first pillar is the most obvious: a commitment to competitiveness, greater integration and the deepening of the EU single market, which is the first condition for creating European champions in the areas of clean tech and artificial intelligence.

> We have to take back control of our supply chains, energy and innovation

By contrast, industrial policy, the second pillar, has long been taboo. But in the past few months we have revamped this old concept and turned it into a powerful lever to meet the challenges of the ecological and digital transitions, as well as to match the ambition of our partners and rivals.

The European Chips Act will boost research and development and the production of European semiconductors. The Net Zero Industry Act will simplify existing rules and drive more investment and skills to green and clean technology.

In March, the European Commission announced amendments to state aid rules in order to better support Europe's strategic industries. This has been accompanied by decisive progress on the reform of the electricity market.

The third pillar is the protection of vital European interests and strategic assets. The EU has, for the first time, created a tool to block foreign acquisitions of strategic European companies. And we have to be bold when it comes to the question of technological decoupling and the strengthening of export controls.

Next is reciprocity, the fourth pillar. It means that our trade agenda should be both ambitious and consistent with our broader political objectives. It must therefore be sustainable, fair and balanced, and pursue clear European strategic interests.

The final pillar in the framework is multilateral solidarity. Sovereignty does not mean self-reliance and the EU can thrive only in the context of global development. I have invited the countries of the global south to come to Paris in June to lay the groundwork for a new international financial framework.

We have to implement this doctrine without delay. We have to take back control of our supply chains, energy and innovation. We need more factories and fewer dependencies. "Made in Europe" should be our motto. We have no choice, as sovereignty is intertwined with the strength of our democracies.

For decades, the backbone of Europe's economy was a middle class with well-paid industrial jobs confident that the next generation would be more prosperous than the last. In Versailles next week, and in the coming months, we Europeans can prove that our continent, the cradle of the Industrial Revolution, can once again be the home of flourishing industry and shared progress.

The writer is president of France

Deflating credit bubble could hurt insurers

FINANCE

Gillian Tett

Efi Chalikopoulou

Another week, another wave of worry about American regional banks. Thankfully, the level of panic has dropped somewhat since the Federal Deposit Insurance Corporation appears to be backstopping the system — by precedent, if not by law. But the problem now is one of attrition: weakling banks are losing deposits, watching funding costs rise while their loans to commercial real estate and risky companies turn sour.

That means more consolidation looms. And while that is welcome in the longer term (since it is crazy that America has 4,000 plus banks), this could create bumps in the short run.

However, as investors — and American politicians — uneasily watch those banks, there is another sector that also deserves our attention: life insurance.

In recent months, insurance has largely stayed out of the headlines. No wonder: these companies tend to be boring because they are supposed to hold long-term assets and liabilities. Logic suggests that they should win in a world of rising interest rates because they have large portfolios of long-term bonds that they do not usually need to mark to market, meaning they can reap income gains from rising rates without posting losses.

However, their balance sheets are becoming a little less predictable right now. And while this is no reason for investors to panic, it highlights a bigger problem: a decade of extremely low rates has created distortions across the financial world and it could take a long time for these to unwind. That attrition problem goes far beyond the banks.

The issue at stake is captured in some charts buried in the Federal Reserve's recently released financial stability report. These show that insurance groups held about $2.25tn of assets deemed to be risky and/or illiquid, including commercial real estate or corporate loans, at the end of 2021 (apparently the latest available data). In gross terms, that is almost double the level they held in 2008, and represents about a third of their assets.

This level of exposure is not unprecedented. Although the proportion of risky assets rose in recent years as life insurance companies frantically hunted for yields in what was then a low-rate world, it was at similar levels just before the 2008 financial crisis.

But what is notable is that there has also been a rising reliance on what the Fed notes as "non-traditional liabilities — including funding-agreement-backed securities, Federal Home Loan Bank advances, and cash received through repos and securities lending transactions". And those deals often "offer some investors the opportunity to withdraw funds on short notice."

It is unclear how big this mismatch is, since there are large data gaps — as the IMF noted in its own recent report. For example, "exposures to illiquid private credit exposures such as collateralised loan obligations can disguise the embedded leverage in these structured products". In plain English, this means insurance companies could be far more sensitive to credit losses than thought.

But the key point, the Fed notes, is that "over the past decade, the liquidity of life insurers' assets steadily declined, and the liquidity of their liabilities slowly increased". This could potentially make it more difficult for life insurers to meet any sudden rise in claims - or indeed withdrawals.

Maybe this does not matter. Insurance contracts are, after all, far stickier than bank deposits. And when the sector last suffered a shock, at the onset of the pandemic in 2020, it avoided a crunch by successfully (and quietly) orchestrating "a whopping $63.5bn" increase in cash, as separate Fed research shows.

> A decade of extremely low rates has created distortions across the financial world

Fed analysts admit it is unclear exactly how this cash surge occurred, since "statutory filings are silent" about the details. But income from derivatives deals played a role, while the main source appears to have been loans from the Federal Home Loan Bank system.

That is interesting, since it underscores another crucial issue that is often overlooked: it is the mighty, quasi-state entity that is the FHLB which is propping up many parts of US finance today rather than the regional banks. Or to cite the Fed again: "Life insurers are growing more dependent on FHLB funding." So much for American free-market capitalism.

Such reliance also raises questions about the future, particularly if funding sources do flee, or risky and illiquid assets become impaired, or both. The latter seems highly likely, given that higher rates are already hurting commercial real estate and risky corporate loans.

Once again, I am not suggesting this is a reason for panic; this is a slow-moving saga. While a recent report from Barings shows that "a record 26 per cent of life insurers were in a negative interest rate management position" at the end of 2022 (in other words, they had paper losses on bonds), these do not need to be realised unless the companies go bust.

But if nothing else, regulators need better data and tight asset-liability matching standards. And while the US National Association of Insurance Commissioners is apparently trying to implement this — for example by curbing insurers' holdings of CLOs — it will take time.

Hence why "today's environment makes liquidity management so critical," as Barings notes, particularly since "rising rates can be a factor contributing to insurer insolvency." In other words, it is not just the US regional banks that risk becoming victims of today's deflating credit bubble.

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The likely winners of the generative AI gold rush

TECHNOLOGY

John Thornhill

The latest Californian gold rush is about a mad scramble over generative AI. The big US tech companies, such as Google, Microsoft, Meta and Palantir, as well as a swarm of venture capital firms, are manically digging for new seams of digital treasure. But the big, and as yet unanswerable, questions are: who's going to end up spitting dust and who will bag the most gold?

The obvious guess is that the big companies that are developing these text, image, video and audio generation models will dominate the field. As Lina Khan, the chair of the Federal Trade Commission, has written, a handful of powerful businesses appear to control all the necessary raw materials: vast stores of data, computing power and cloud services. To which, she might have added: they also have many of the world's leading AI researchers and mountains of cash.

"The expanding adoption of AI risks further locking in the market dominance of large incumbent technology firms," Khan recently wrote in The New York Times. Such a worldview provides more traction to her trustbusting drive.

But that is not how the world looks to those inside some big tech companies, judging by a leaked memo from one Google executive entitled We Have No Moat. The executive noted this April that Google and OpenAI, heavily backed by Microsoft, may have developed the most capable, closed generative AI models, such as Bard and GPT-4. But they were already in danger of being outrun by more agile competitors that were building smaller, cheaper and more customisable open-source AI models and luring away some of Google's best researchers. "The uncomfortable truth is, we aren't positioned to win this arms race and neither is OpenAI," the executive wrote. "Who would pay for a Google product with usage restrictions if there is a free, high quality alternative without them?"

This week, Google tried to up its game by announcing it would embed generative AI in a broadening range of services, playing catch-up with Microsoft. But, according to the Google memo, the main beneficiary of the trend towards open-source models might be Meta, which has also been pivoting towards AI. Having launched its own open-source LLaMA model in February, Meta is now aiming to build the platform on which others can play. Just as Google constructed a new app ecosystem around its open-source Android mobile phone software, so Meta could emerge as the platform on which innovation happens. "The one clear winner in all of this is Meta," the Google executive wrote.

> Investors are betting that start-ups can move faster, dominate market niches and ignore safety controls

Meanwhile, VC investors are betting that a fresh wave of generative AI start-ups, including Anthropic, Cohere, Stability AI, Inflection and AI21 Labs, can also successfully pan for gold. Their logic is that at least some of these start-ups can move faster than the bigger companies, dominate select market niches and largely ignore costly safety controls (something which should alarm the regulators).

The future will belong to smaller, specialist generative AI models that are cheaper to train, faster to run and serve a specific use case, says Yoav Shoham, co-founder of the Israeli start-up AI21 Labs. "The moat is not technology. It is the relationship with the consumer," Shoham tells me. "I think it will be a 'few-takes-the-most' market, not a 'winner-takes-all' market." Scores of other start-ups, which only provide a generic service and have no traction with customers, will fail.

Established incumbent companies in most industries that can feed their own proprietary data into generative AI models and fine tune the outputs are also likely to thrive. The challenge for them is to re-engineer their organisational structures to exploit the new technology. The other certain winners will be the "picks and shovels" companies that provide the tools for this technological transformation. The big cloud computing companies, AWS, Google and Microsoft, will profit from the models' voracious demand for computing power. But Nvidia, the dominant designer of graphics processing units that power most AI models, also stands out. "We are at the iPhone moment for AI," says Jensen Huang, Nvidia's chief executive.

Such is the speed at which the sector is evolving, however, that today's best guesses may turn into tomorrow's shredded betting slips. The history of other general purpose technologies, such as electricity, motor cars and the internet, suggests that generative AI will create new markets and business models that no one can imagine today. It may well be that a company yet to be founded mines the most gold.

The writer is founder of Sifted, an FT-backed site about European start-ups

US fiscal alarm bells drown out a deeper problem

ECONOMICS

Chris Giles

No country should run fiscal affairs as high drama. Greece in 2015 and the UK last year offer cautionary tales of what goes wrong when politics and the public finances collide. Yet the US does not feel it needs to learn lessons from other countries. It is, instead, heading for its own political clash over its $31.4tn debt ceiling, perhaps as early as next month. Everyone is being asked to pick their heroes and villains in the coming fight and the stakes are high.

But for those of a more technocratic bent, who can put to one side the coming debt ceiling politics, the underlying health of the US public finances are just as alarming.

The US federal budget is haemorrhaging money. The non-partisan Congressional Budget Office calculates that in the first seven months of the 2023 fiscal year, underlying government revenues are down 10 per cent with spending up 12 per cent. This leaves the federal budget deficit more than three times larger than in the same months of the 2022 fiscal year.

Weak receipts reflected lower realised capital gains than the CBO expected in late 2022, the transformation of the Federal Reserve's quantitative easing programme from a cash cow to a significant burden and the possibility that the underlying recovery was not quite as healthy as initial statistics showed. Expenditure has risen sharply in almost all large federal budget areas.

> Democrats have given up on prudence and instead promote huge, and often uncapped, spending

If the patterns of the first seven months continue, it will extend an unfortunate trend in US budgeting. Not only does the CBO expect the deficit to grow in the years ahead, it also tends to overestimate the original health of the public finances.

Any search for relief from less-volatile longer-term US fiscal numbers will also fail. The CBO's latest forecasts show the level of federal debt held by the public as a share of national income to be 98 per cent in 2023, just 7.6 per cent below its wartime peak in 1946 and on track to exceed it in 2028. For comparison, UK public debt, also at a multi-decade high relative to gross domestic product, is still less than half the level it was at the end of the second world war.

The rapid rise in US public debt reflects the terrible state of US politics. Republicans only discover fiscal prudence when they are in opposition before cutting taxes when holding office. Knowing this, the Democrats have given up on fiscal prudence and instead promote huge, and often uncapped, spending programmes such as the Inflation Reduction Act.

The result is that the US is eroding its position in every long-term international comparison on public finance strength. To make a comparison with eurozone countries that required support in the 2010s, Portugal, Ireland and Spain already have lower gross debt levels than the US, IMF forecasts show US debt set to exceed that in Italy by 2028 and Greece by the end of the decade.

In a world of low interest rates, countries can live happily with slightly higher debt levels and do not have to pay off their borrowing. Olivier Blanchard's work at the IMF and Peterson Institute taught us this. But comfortably higher debt does not mean borrowing almost without limit. Blanchard himself worries "the debt trajectory in the US is not sustainable on current policy".

Polarised politics might ensure the US cannot pay all of its bills in the weeks ahead. This repetitive theatrical performance is starting to consume financial markets. But it is likely to be resolved after some potentially hairy moments.

The real tragedy of US public finances is their chronic weaknesses. This will not cause a sudden crisis and shows no sign of resolution. Ultimately, it is much more damaging. They will get worse as the US population ages, undermine the dollar as the world's reserve currency and weaken America's ability to project economic power on a global scale.

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US earnings: mystery shoppers

In the west, theories about Chinese consumers are as elaborate, numerous and frequently wrong as those concerning the exact political intentions of Xi Jinping.

US companies expected Chinese shoppers to celebrate the end of lockdowns last year with a return to free-handed spending. Stocks with links to China rallied as investors piled in on the reopening trade.

First-quarter results from many blue-chip US companies show bulls were overly optimistic. A China discount is still in order when it comes to investing in US companies heavily exposed to the world's second-biggest consumer market.

Cosmetics group Estée Lauder, coffee giant Starbucks and chipmaker Qualcomm have all cautioned that a slower than expected economic recovery in China will weigh on sales. The stocks, which had priced in a China rebound, have either given up their gains for the year or are close to doing so.

Luxury goods companies are a notable exception. Tapestry, owner of the Coach and Kate Spade brands, reported a quarterly 20 per cent jump in China sales yesterday. But results were flattered by easier comparatives. The company, which generated about 15 per cent of its sales from China last year, suffered a mid-teens percentage decline in sales in the prior year period.

Rich Chinese consumers will go on buying pricey handbags, no matter what. Investors in more prosaic stocks should temper expectations.

Estée Lauder is a case in point. Shares in the cosmetics group trade at around 60 times forward earnings. That is a recovery play, but the recovery depends partly on a solid performance in China, which generates a third of sales. Qualcomm generates two-thirds of its sales from China. It trades on nearly 13 times forward earnings, above its one-year average.

The economy is growing modestly by Chinese standards. This is reflected in the performance of the domestic stock market. The MSCI China index and the CSI 300 index have lagged behind the S&P 500's 8 per cent gain this year.

After dropping 15 per cent in 2022, the MSCI World China Exposure index, which tracks 50 foreign businesses with high Chinese revenues, has gained 4 per cent this year. The best theory about Chinese consumers is that, like Xi, they will continue to defy any positive western expectations.

Google: search party

For Google, artificial intelligence represents threat and opportunity. Microsoft's integration of AI into its Bing search engine posed the first real challenge to Google search's dominance in years. But Google's own investments should protect its market share.

The success of its rival appears to have electrified Google. At a showcase event on Wednesday it announced a significant upgrade to its core online search business, with conversational answers provided by AI tools.

This is not a full overhaul. Links will still be shown. It will start as an invite-only experiment. The event did not elicit gasps of astonishment from the audience. As market leader, Google has more to lose if it rushes out poor-performing features.

But steady development will serve the company well as lawmakers grow nervous about AI risks. Google's plan to watermark AI-generated content means it is carving out a clever role as industry monitor.

Bing will not unseat Google search. As of March, Bing had 100mn daily active users. Google has more than a billion. It has a 94 per cent share of the US mobile search engine market, according to web traffic site StatCounter. That looks secure unless Bing can unseat it as the default on Apple or Samsung devices, which is unlikely.

Adding more AI-integrated services means rising costs. Google's parent company Alphabet expects capex to exceed last year's $31.5bn total. But Alphabet's advertising business is huge. It can afford to outspend Microsoft. R&D spend was 60 per cent higher than Microsoft's last year. Yet at 14 per cent of revenues it was not much higher than Microsoft's 12 per cent.

There are not yet projections as to how exactly AI services will increase revenues. Will advertisers pay more to appear beside generative AI replies? Maintaining margins requires cost cuts elsewhere. More details on how exactly AI will improve advertising and cloud revenues would be welcome.

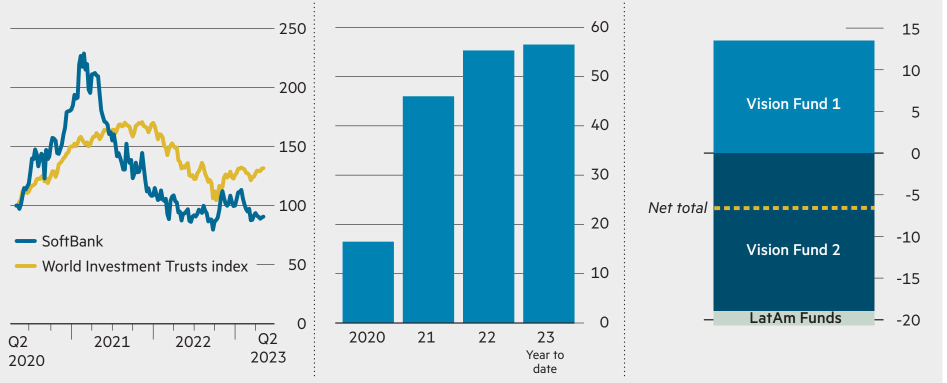
SoftBank: a $39bn flaw show

Higher interest rates have hit Japanese technology investor SoftBank hard and have also sent its share price considerably lower. The pace of asset sales slowed last year and steep losses in the group's Vision Fund 2 have dragged the performance down.

SoftBank is underperforming — Total returns (rebased in $ terms)

Proceeds from asset sales — Cumulative ($bn)

Investment gains and losses — Cumulative ($bn)



Sources: Refinitiv; company

Once hyped for their vast scale, SoftBank's tech investment funds are now notable for their huge losses. These stood at ¥5.3tn ($39bn) for last year, setting a record of precisely the wrong kind for Masayoshi Son, founder of the Japanese tech investment group.

The value destruction stands as a monument to a year in which rising interest rates pulled the rug on tech stocks. SoftBank is the sector's best-known bull. Its own shares have halved from their 2021 peak.

The company revealed a final loss of ¥970bn ($7.2bn) in consolidated results for the year to March. The size of the loss is surprising, given a $29bn selldown of Alibaba shares. It is the group's second year in the red.

SoftBank and its tagalong Vision Fund unit cannot be faulted for their optimism. They still have high hopes for stakes in companies such as Arm and TikTok parent ByteDance.

ByteDance was valued at $75bn in 2018 when SoftBank participated in a funding round. The valuation peaked at $220bn, promising a windfall for Son and his shareholders.

That seems less likely now. The US market is crucial to ByteDance. TikTok has more than 150mn active monthly US users. Its popularity has sparked concerns that user data could be shared with the Chinese government.

TikTok denies this. But the possibility of a full US ban cannot be ruled out. A string of US lawmakers back this.

ByteDance still has Douyin, the Chinese equivalent of TikTok. But this lacks the global reach, and ad revenue potential, of TikTok.

As for UK-based chip designer Arm, SoftBank reportedly hoped for a valuation of $60bn from a New York listing. Valued at an industry multiple, a worth of about $34bn is more likely. Chinese artificial intelligence investments may not bring SoftBank much relief, given political difficulties in exporting their technology.

After huge losses on investments, SoftBank shares trade at a jaw-dropping 46 per cent discount to net asset value. As a judgment on Son's risk management skills, that looks about right.

Airtel Africa: long call

Oil prices matter to Airtel Africa. That may sound odd for a mobile telecoms company. But Airtel Africa depends on oil-rich Nigeria for about 40 per cent of revenues and ebitda.

The FTSE 100-listed company revealed a bigger than expected foreign exchange hit yesterday. Shares dropped accordingly. Traders fear the falling oil price will hurt the Nigerian economy further. Even so, a lot of bad news looks priced in.

The price of benchmark Brent oil has dropped 29 per cent over the past year. That puts pressure on Nigerian export revenues as inflation is climbing at more than 20 per cent annually.

The naira has devalued by roughly half that. Understandably, the market expects more to come.

Airtel Africa's foreign exchange losses last year amounted to $178mn, almost half of which came from Nigeria. The company conservatively includes these losses in its "adjusted" net income, meaning reported earnings missed quarterly expectations.

The stock price fell 8 per cent, putting it on a very cheap enterprise valuation of just 3 times next year's ebitda. That belies a brightening outlook. For one thing, the dollar's powerful rally against major currencies has long since ended. Many expect the US Federal Reserve to pause its interest rate increases.

Moreover, Airtel Africa's underlying business has done well. Its mobile money operation in Africa continues to grow at nearly 30 per cent year on year, in constant currency terms. The unit generates more than 13 per cent of group revenues, up from below 12 per cent a year before, and ebitda margins stand at nearly 50 per cent. Falling oil prices should cut the cost of running generators to power cell towers on Nigerian diesel, says New Street.

Airtel Africa therefore offers cheap exposure to Nigeria and east Africa, a region where mobile phone services are in big demand. The impact of deeper devaluation of the naira is already compensated by the low share price.

Man Group: no longer a rum business

Continuity is a big deal in the UK. Monarchy aside, Britain boasts a hedge fund business with a 240-year history. Robyn Grew is the latest boss to take charge at Man Group, once a rum supplier to the British Navy.

Grew is Man's president. She will replace Luke Ellis as chief executive when he retires in September.

He has steadied the ship since he took the helm in 2016. He has also pushed heavily into AI-driven investment techniques.

Grew is therefore taking over at a critical moment. A couple of years ago, techniques such as natural language processing were an esoteric way for hedge funds to seek a competitive edge. Now that Silicon Valley giants are investing billions in AI, they are becoming more widely available.

Grew needs to ensure that Man, best known for its momentum-driven AHL strategies, stays relevant.

Under Ellis's tenure, assets under management have grown from $81bn to about $145bn. He has cemented Man's business model as a manager that serves institutional investors. That means lower margins. But these clients are less fickle than hedge funds' traditional wealthy retail clients.

Man acquired rival GLG for $1.6bn in 2010. The deal aimed to diversify profits by adding discretionary hedge fund strategies. The integration was rocky. A $1bn writedown ensued.

Man's valuation has been hampered by heavy reliance on performance fees. These have averaged 20 per cent of revenues over 10 years, estimates Citi. But the variation can be wide, which helps explain Man's cheaper valuation compared with some UK fund managers. It trades at nearly 11 times forward earnings versus 17.8 times for Abrdn and 14 times for Schroders.

In theory, its focused offer should make it more valuable than struggling generalist Abrdn. Grew needs to project that to shareholders — and ensure that the democratisation of AI and other big data techniques do not turn Man into a generalist too.

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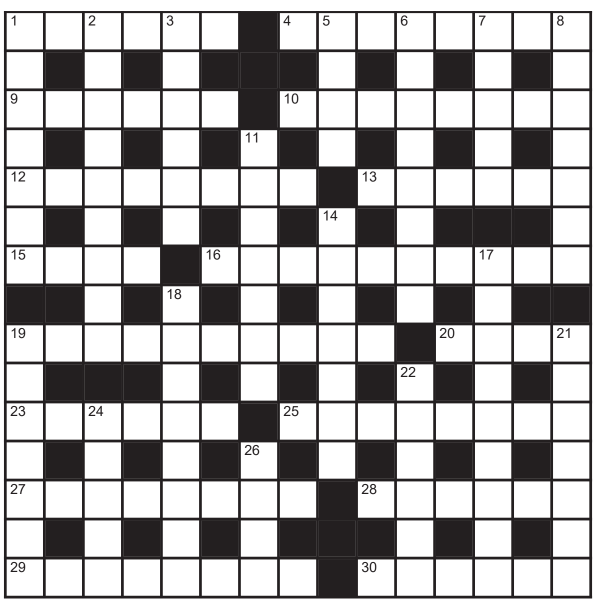
CROSSWORD

No 17,413 Set by SLEUTH



ACROSS

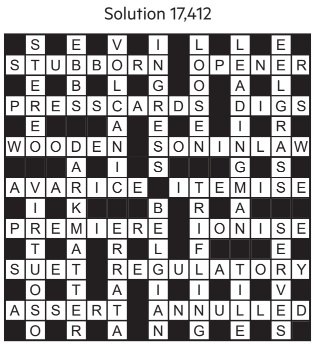
1 First of fixtures, very small with no top and awkward to use (6)
4 This boy is excited to receive book, one for a pastime? (8)
9 Standard pair of bridge players with Leo? (6)
10 Pigment exposed to view in French school (not English) (8)
12 Instalments to cover? (8)
13 Check a rental property, Alpine residence (6)
15 Withdraw money for power drill, say (4)
16 Artist in best role for representing characteristic of some heirlooms? (10)
19 In short, skilful scholar eclipsing a Conservative of a scurrilous nature (10)
20 Very impatient Chicago gangster? Not entirely (4)
23 Special society in time given backing? It's in short supply (6)
25 Support exercise mistakenly slated (8)
27 A line, sadly paltry, describing several parliamentary groups? (3-5)
28 Put aside Victorian novel introducing romance, nothing less (6)
29 Member of parliament with an orangey look? (5,3)
30 Humble writer captivated by academic figure (6)

DOWN

1 Pale pants found in appropriate place that's shabby (7)
2 Quickly scribbled and hastily left? (6,3)
3 Record man serving by a gallery in the open (6)
5 Element of apoplexy noticed after turning over precious stone (4)
6 Sibling and children with Yorkshire banker in pamphlet (8)
7 Perfect introduction for a trade negotiator? (5)
8 Start of this struggle to get rid of Western framework (7)
11 Release time in Washington DC among many at work (7)
14 One looking hard to seal the end of Conservatism? (7)
17 Secure order in part of hospital? It's not worth considering (9)
18 Diplomatic representative negligent having ignored queen on a railway (8)
19 Aloof and surprisingly staid group of conservationists (7)
21 Bitterness over one at sea in old vessel (7)
22 Greek character entertained by support for geeky type (6)
24 Grant left amid a difficult period? (5)
26 Lodge in Cornish town overlooking person's home (4)

JOTTER PAD

Solution 17,412



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Watches & Jewellery

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Teenage idols join the push into children's watches
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Salvaged tech materials find their way into fashion
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Daytonas and beyond
Marquee motor events provide fast track to clients
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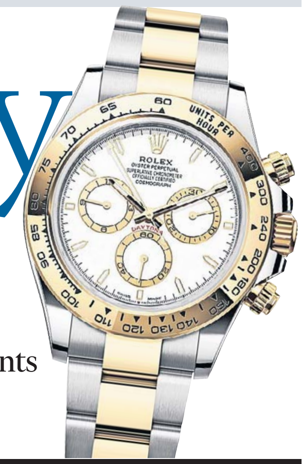


Friday May 12 2023

www.ft.com/watches-jewellery

Dial shifts on what defines a woman's watch

Traditional gender labels increasingly no longer apply. By *Brynn Wallner*

Ukrainian high jumper and Richard Mille partner Yuliya Levchenko
Oguz Yeter/Anadolu Agency via Getty Images

The Swiss watch industry has tended to take a narrow view of what women want in a luxury timepiece. Traditionally, it has produced dainty, jewellery-focused pieces and quartz-powered imitations of men's timepieces, while its advertising has been targeted at men buying watches as gifts for women.

Now, though, the self-purchasing female consumer segment is growing. According to Deloitte's 2022 Swiss Watch Industry Study, 83 per cent of the women surveyed bought a watch for their own use, compared with 82 per cent of men.

Ginny Wright, chief executive of Audemars Piguet Americas, says the proportion of women self-purchasing its watches rose from 16 per cent in 2021 to 23 per cent in 2022, and is projected to reach 30 per cent by 2025, with the company targeting 40 per cent by 2030. She puts this shift down to a female-focused strategy in marketing and products. "We have to talk to women differently because women select and purchase watches differently than men," she says. "It's not a one-size-fits-all approach."

A recent study suggests that, in terms of total value, women's watch purchasing has already overtaken men's. In a report published in May 2021, Allied Market Research found that sales of watches priced above $1,200 to women were worth $23.7bn in 2019, or 54.4 per cent of the wider market. It estimated that this figure would climb to $26.7bn by 2027.

So what is a woman's watch in 2023?

> 'Women are much more sensitive to creativity in watch design'

To even define a piece by gender has become somewhat taboo, with certain groups championing the trend towards unisex labelling, where no one, regardless of gender identity, can be told what they "should" wear. Women have long worn men's watches, and the reverse is now also true, with celebrities such as rappers Tyler and Bad Bunny opting for vintage pieces originally made for women. In 2021, Richemont-owned Watchfinder became the first UK-based pre-owned watch seller to remove gender labels from its website.

"We are sometimes scared to label watches by gender," says Edouard Meylan, chief executive of independent watchmaker H Moser & Cie, citing the risk of a backlash against brands that market themselves specifically to men or women.

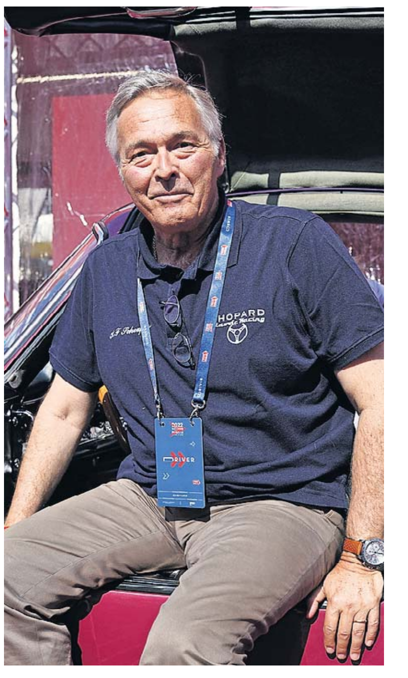
But he is also hesitant to label all watches "unisex" — preferring, instead, to have the designs speak for themselves. "We need diversity, we need exploration, we need creativity," he argues. "We shouldn't be driven by too much uniformity."

According to research by consultants Deloitte, 44 per cent of female consumers surveyed preferred "female" watches for their design, but a quarter (26 per cent) favoured unisex options. "Watch brands have started to offer more options for women," says Karine Szegedi, a luxury goods expert at Deloitte Switzerland. "They realised if

Continued on page 2

Sponsorship Races and concours shows have long been a way for watch brands to connect with wealthy, mechanically minded fans. By *Simon de Burton*

Marquee motor events provide fast track to buyers



It has become a truism that automobiles and watches go together like a horse and carriage. Brands can make the most of the relationship by partnering with vehicle manufacturers, sponsoring race teams and drivers, or simply by incorporating a few motoring tropes into a design and calling it a "car watch".

But one of the most enduring and successful methods of capitalising on the links between the two fields is to sponsor motoring events, with spring being the time when the "season" gets into full swing.

This month alone, watch brands will be flying their corporate colours at events ranging from the Concorso d'Eleganza Villa d'Este (A Lange & Söhne) to the Monaco Grand Prix (Tag Heuer) and the all-electric Extreme E Hydro X Prix in Scotland (Zenith).

The Concorso d'Eleganza, which takes place beside Lake Como on May 19-21, marks German brand A Lange & Söhne's 11th year as a partner of the historic event which, since it was first held in 1929, has been regarded as one of the most genteel and sophisticated on the motoring calendar.

That it attracts some of the world's most valuable motors and their well-heeled owners is not lost on Lange's classic car-loving chief executive Wilhelm Schmid, who brokered the partnership with the Concorso shortly after taking up his role in 2011.

The son of a garage proprietor and the former head of sales and marketing for BMW South Africa, Schmid counts among his stable of classic cars a 1954 Frazer Nash, two AC Aces, a Porsche 356 and a 911S, and an MGB roadster that he has owned for more than 40 years.

Lange creates a unique watch each year for presentation to the owner of the car judged "best in show" at the Concorso. Last year, it also made a one-off chronograph dedicated to the annual Concours of Elegance, which takes place at Hampton Court Palace, south-west London.

But, instead of being awarded to the winner, the watch was sold by auction house Phillips, raising more than €1mn for the Prince's Trust charity. "That was a one-off, donated as part of a 'give back' strategy," says Schmid. "Our usual action at Hampton Court is to sponsor the '30Under30' category of cars under 30 years of age owned by people under 30 years of age — it's a way of keeping classics relevant to younger people when they are not seen on the roads so often."

Above: Concours of Elegance at Hampton Court; Karl-Friedrich Scheufele at the Mille Miglia
Below from left: A Lange Söhne 1815 Chronograph Concorso; Chopard Mille Miglia chronograph; Rolex Daytona in platinum
Pierre Marco Tacca/Getty Images

Schmid says he chose to associate Lange with concours events both because of the unifying thread between cars and watches and because he believes such shows help the brand reach the type of people who can afford to spend from £22,500 up to six figures on a watch.

"It is far easier for someone who already loves mechanical objects to appreciate what we do than, say, for someone who is purely a collector of conventional art," he reasons, adding that the brand will this year add September's Audrain Concours in Newport, Rhode Island, to its list of sponsorships.

It is a similar, if longer-running, story with Chopard, which will mark its 36th consecutive year as the sponsor and official timekeeper of Italy's Mille Miglia rally (June 13-17).

The modern Mille Miglia was established in 1977 to celebrate the original 1,000-mile contest between Brescia and Rome that was held 24 times between 1927 and 1957 before being banned as a true road race after a series of fatalities. Now run as a regular rally, for which only cars of a type that competed in the original event are eligible, entry to the Mille Miglia starts at €15,250 and rises to €73,200. In all cases, the fee includes a unique Chopard Mille Miglia watch engraved with the relevant crew's entry number. For fans of the event who do not compete, Chopard designs a new, limited edition Mille Miglia watch each year for general sale.

The partnership was instigated by Chopard co-president and classic car aficionado Karl-Friedrich Scheufele, who has competed in the rally every year since 1989.

The longest of all associations between a watch brand and a motoring event, however, is that between Rolex and the 24 Hours of Daytona race — officially called the Rolex 24 at Daytona since Rolex became the title sponsor in 1992. The link actually dates back to 1962, when Rolex became the official timekeeper of Florida's Daytona International Speedway.

After introducing the Cosmograph chronograph in 1963, Rolex marked its affiliation with the track by adding the Daytona nameplate in 1965 to create what many regard as the most collectable of all watches, special examples of which are awarded to the winner of the 24-hour race.

Rolex has also sponsored several other blue-chip motorsport events — the jewel in the crown being the Formula One world championship since 2013, after taking over from Hublot.

It is also behind the Monterey Historic Automobile Races, the Historic Sportscar Racing series, and the Pebble Beach Concours d'Elegance and Tour d'Elegance in the US. In Europe, it supports the UK's Goodwood Revival festival and the Le Mans 24 Hours in France, which celebrates its centenary this year. That occasion will be marked both at the main race on June 10-11 and the Le Mans Classic, a biennial festival happening this year between June 29 and July 2.

The Classic, in which historic cars compete in a series of shorter endurance races, was inaugurated by French motorsport impresario Patrick Peter in 2002 and has been partnered by high-tech watch brand Richard Mille from the start.

"In 2001, Patrick asked Richard to introduce him to a few watch companies that might be interested in backing a new event he was planning, Le Mans Classic," explains Tim Malachard, marketing director at Richard Mille.

"Our company was only months old at the time and had made just a tiny number of watches, but Richard said, 'What about my brand? Why don't you have that as the official timing partner and main sponsor?' [Le Mans Classic] and the Richard Mille brand have steadily developed and grown in parallel. There has never been one without the other."

Dial shifts on what defines woman's watch

Continued from page 1

they're not talking to that segment, they're missing out on the market opportunity." In response, 49 per cent of Swiss watch executives told Deloitte that they planned to address this dilemma by expanding their range of design offerings for women.

This was certainly reflected at the Watches and Wonders fair in Geneva this March. Cartier, Richemont's powerhouse brand renowned for its female audience and androgynous appeal, presented several novelties, such as the mini-sized Baignoire quartz watch on a bangle *(bottom right)*. At the same time, other watchmakers opted to expand their range of automatic movements to include them in smaller case sizes. Grand Seiko, for example, debuted a trio of female-focused, 27.8mm automatic watches *(far right)*.

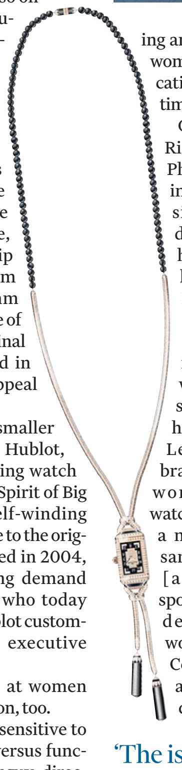
"Our focus is not solely on the production of new case sizes, but also on the development and manufacturing of dials and movements that complement both our men's and women's offerings," says Brice Le Troadec, president of Grand Seiko America.

A general move towards smaller case sizes can also be attributed to the vintage trend. Tudor, for example, has scaled down its flagship watch, taking a cue from archival models. Its 37mm Black Bay 54 mirrors the size of the Rolex sister brand's original dive watch, which debuted in 1954, and is predicted to appeal across genders.

For many consumers, a smaller watch has practical appeal. Hublot, usually known for its hulking watch sizes, has released a 32mm Spirit of Big Bang timepiece with a self-winding movement — paying homage to the original 44mm Big Bang released in 2004, while also "accommodating demand from the female clientele who today make up 28 per cent of [Hublot customers]", according to chief executive Ricardo Guadalupe.

Creating watches aimed at women often leads to more innovation, too.

"Women are much more sensitive to creativity in watch design versus functionality," says Sandrine Donguy, director of product marketing and innovation at Vacheron Constantin. Last year, the brand released its Traditionnelle perpetual calendar ultra-thin watch, recognising an increasing desire by women for grand complications and mechanical timepieces.



Other names, such as Richard Mille and Patek Philippe, have taken this into account. In the past six months, both have debuted timepieces with high-end movements labelled as for women. Richard Mille's RM 07-04, created in fashion-forward colours in collaboration with sportswomen such as Ukrainian high jumper Yuliya Levchenko, is the brand's first edition of women's sports watches. "We wanted a model with the same aspirations [as the men's sports watches] but designed for a woman's wrist," says Cécile Guenat, Richard Mille's creative and development director.

'The issue isn't all in the nomenclature, the issue lies in the way women are spoken to as consumers'

"The idea was not to simply copy and paste, but to go further."

Traditional women's watches are also being revitalised. Secret watches — timepieces "secretly" embedded in jewellery — are one trend. Jewellery-rooted brands such as Piaget and Van Cleef & Arpels have unveiled gem-set watch necklaces, while Jaeger-LeCoultre has released its Reverso Secret Necklace *(bottom left)*, equipped with a manually wound movement.

The secondary market, meanwhile, is growing twice as fast as the primary market and is projected by Deloitte to be worth more than half the primary market by 2030.

Female consumers are helping feed this growth. For example, women who shop for pre-owned luxury goods at fashion consignment retailers, such as US-based The RealReal, can find high-end watches alongside the Hermès bags and vintage Gucci loafers. Women now account for 66 per cent of The RealReal's watch business.

Sotheby's has similarly seen an uptick in women participating in its watch sales, due in part to its online-only auctions featuring more women's watches and marketing efforts to position Rolex Daytonas in the same space as Birkin bags, for example.

The auction house reports the number of bids on watches placed by women in 2022 was 46 per cent up on five years ago, with the number of female bidders increasing by more than 75 per cent.

Female voices in the watch industry are growing louder, as well — via social media and specialist and mainstream outlets. "The call to label everything as unisex is actually a veil for a much larger problem at hand," says Malaika Crawford, style editor at online watch magazine and retailer Hodinkee. "The issue isn't all in the nomenclature, the issue lies in the way women are spoken to as consumers. It's not that we don't want to be spoken to as 'women', it's that we don't want to be lumped together as a single type of woman." One size does indeed not fit all.

Stealing a march on criminals

Luxury goods giant Richemont has launched a "neutral, digital platform" to help the watch and jewellery industry combat crime in the sector. Open to all luxury brands, the Enquirus.com database enables the secure uploading and sharing of information to help identify lost and stolen items. Designed with law enforcement agencies, watch and jewellery manufacturers, insurance companies, and pre-owned dealers, the free-to-access site aims to become the world's largest source of its type.

Bremont bound

British watchmaker Bremont has announced the appointment of Italian industry veteran Davide Cerrato as its chief executive. Turin-born Cerrato, 52, has worked in the watch business for 23 years, starting as a designer with Panerai before moving in 2005 to Tudor, where he created the best-selling Black Bay model. He became managing director of Montblanc's watch division a decade later, before leaving to revive the failed HYT brand as its chief executive.

Express edition

German brand Montblanc has created a series of pens with caps containing miniature Minerva timepieces. The limited edition watch pens *(right)*, inspired by the Orient Express train and novelists who have featured it in their books (notably Ian Fleming, Agatha Christie and Graham Greene), are available in four versions: two one-offs; one edition of five; and one of 10 examples. Each precious metal pen is decorated with a different design based on the train's interiors, and is created using enamel, engraving and gem-setting.

Platinum unicorn

Auction house Monaco Legend last month sold a unique Rolex Yacht-Master that belonged to the late Patrick Heiniger, the firm's former president, for €2.3mn (including fees). The watch, the only one of its kind to feature a case, bezel and bracelet made from platinum, was created at Heiniger's behest in 1992 to mark the production of the 10-millionth Rolex chronometer movement. Heiniger left the company in 2008 and died in 2013 at the age of 62. The Yacht-Master had remained in the possession of his family until the auction.

Peak performer

Certina has launched a chronograph that pays tribute to its DS-2 Chronolympic model, which enjoyed some fame in 1970 for being on the wrist of Japanese mountaineer Yūichirō Miura when he became the first person to ski on Mount Everest. His near vertical, 4,200-foot descent at speeds approaching 100mph inspired the Oscar-winning 1975 documentary *The Man Who Skied Down Everest*. The new DS-2 costs £1,885.

Late fake show

More than 3,000 people are believed to have attended an after-hours event in March organised at London's Science Museum by the Worshipful Company of Clockmakers. One of the most popular attractions was a seminar staged by Birmingham auction house Fellows on fake watches. "One of our TikTok videos about spotting fake Rolex watches has had more than 1.1mn views," says Fellows' Alexandra Whittaker. "There is a real appetite for education — people really want to learn how to spot a fake."

French rewind

France Ebauches, once one of Europe's largest mechanical watch movement manufacturers, is returning to making complete mechanisms after an absence of more than 30 years. It achieved peak annual production of 14mn quartz movements in 1990 before going bust four years later. Owned by Festina since 2017, FE, based in Franche-Comté in eastern France, currently makes parts for the Spanish conglomerate's multiple dial names but will now start creating two types of mechanical calibre comprising "70 per cent French value" and with "resolutely French finishes".

Dragon's dials

Swiss horological design house Kross Studio has created five unique watch sets inspired by cult HBO television series *Game of Thrones*. The sets — comprising a one-off tourbillon wrist watch *(below)* and a handcrafted "functional dragon egg" in which to store it — are each dedicated to a single dragon from the series. The dial of each watch is made from Damascus steel sourced from the foundry used by HBO to forge the swords of "Valyrian" steel seen in the series. Each set costs a princely SFr108,000 ($121,000).

Riding high

Watch brand Tudor has signed a three-year contract to be the official timing partner of cycling festival Ford RideLondon. The partnership goes into action around the weekend of May 27-28 with the Classique (a three-day women's UCI World Tour race), the Essex 100, 60 and 30-mile challenge rides, and FreeCycle. Tudor is also official timekeeper of the Giro d'Italia race and last year, with former world time trial champion Fabian Cancellara, it launched the Tudor Cycling Team.

Japanese debut

Watches by Japanese dial names Orient and Orient Star have become available in the UK for the first time since the brands were founded in Tokyo more than 70 years ago. Watches from Orient, which has been wholly owned since 2009 by electronics company Epson, start at around £290 for the classic Bambino automatic, with the higher-end Orient Star skeleton pieces selling for over £2,500.

Museum pieces

Vacheron Constantin is furthering its partnership with Paris's Louvre by offering buyers the chance to create one-off watches, featuring dials enamelled with reproductions of the museum's artworks. The move follows the success of a 2020 initiative, "Bid for the Louvre", in which a similar opportunity was auctioned for €250,000, with the successful bidder having a copy of a drawing by Peter Paul Rubens applied to the dial of a watch from Vacheron's Les Cabinotiers collection.

Simon de Burton

The gem-setter trusted by the big watch brands

Profile Pierre Salanitro is launching his own luxury goods marque, writes *Nicholas Foulkes*

A few days before the horological world descended on Geneva for the annual Watches and Wonders fair last March, the city's Bailly Gallery was hosting an evening party. But this was no ordinary vernissage — it was a gathering of some of the most influential figures in the watch industry.

A relaxed-looking Thierry Stern, president of Patek Philippe, was accompanied by several of his top managers, including Laurent Bernasconi, Jérôme Pernici, and Patrick Cremers. FP Journe founder François-Paul Journe and auction supremo Aurel Bacs were photographed with Tiffany & Co watch boss Nicolas Beau.

Then, there were guests from afar, such as retailers Michael Tay of The Hour Glass in Singapore and Ahmed Seddiqi of Dubai and Nasser Al Majed of Qatar, along with leading distributors and other retailers in some of the fastest-growing markets for watches.

They had gathered to celebrate the launch of a new luxury goods marque, S by Salanitro, which was presenting its first *objets de luxe*, alongside works by Pablo Picasso and Pierre Soulages. There was a sculpture in gold and precious stones inspired by a Mesoamerican mask from 1,500 years ago; a "vanitas" mirror decorated with a huge skull made from 1,277 precious and semi-precious stones; and a backgammon board set with black diamonds and blue sapphires. Their creator, Pierre Salanitro, an engaging 57-year-old Genevan of Italian descent, describes them as "objects to make you dream".

Salanitro, owner of the brand, was the reason for the high-level horological executives in attendance. His name had meant little outside the world of watch industry suppliers until last September, when Patek Philippe announced that it was investing in the business.

Left: Pierre Salanitro at Salanitro's workshop in Geneva
Above: the brand's diamond and sapphire backgammon set
Below: an S by Salanitro sculpture inspired by a Mesoamerican mask

But, within the industry, Salanitro is recognised as one of the leading gem-setters there is. He employs 230 people, has invested SFr50mn-SFr60mn ($56mn-$67mn) over the past 30 years, and puts the value of his company at between SFr70mn and SFr100mn.

Stern is full of praise for Salanitro's creativity. "When we talk together, we talk about creation. For example, he said we should do diamonds on dome clocks. And he's right — it's beautiful," Stern says. "He also has great ideas for designing watches and has the same aesthetic as I have in terms of watches. That means that, when he creates a diamond watch, it has to be 'aggressive' for men and not just bling bling."

He adds with a chuckle: "The only thing with him is that he can go off like a firework. He is a very creative guy and sometimes you have to bring him down to earth."

It is to harness that excess creativity that S by Salanitro was launched. "I have so many ideas in my head, and I have wanted to do this for many years," Salanitro says. He insists that this new venture is neither a hobby nor an indulgence, but a business fulfilling a need, albeit a rarefied one at the top of the market: the backgammon set, for example, starts at SFr70,000-SFr80,000 ($78,000-$89,000.)

"I was convinced that there was demand when I went to Bangkok to have a meeting with a client," Salanitro says. "They wanted unique things and were prepared to pay anything to have something different." Commissions that have come in following the launch appear to have added further validation.

Salanitro began his working life at Swiss Bank Corporation, which became part of UBS, but it was only when he visited the gem-setting atelier belonging to the father of a friend that the former investment banker experienced a *coup de foudre*.

"I like making things with my hands and seeing the results, especially when you are working with noble materials," he says. He asked for a job and, for a few punishing months, worked at the jeweller's bench for three hours in the morning before going into the bank — then returning for a further three hours of stone-setting at the end of the day.

His friend's father took him on in 1987 when demand for gem-set pieces fell, but Salanitro found himself out of work. Undaunted, he set up a workshop at home and carried out repairs for local jewellers. His break into the watch industry came, when he did some work for Piaget.

"When I started working for Rolex and Patek Philippe, doors opened to me," says Salanitro. "Because their quality standards are so high, everyone trusts you."

He opened his first workshops, taking on 12 employees, in the Acacias district of Geneva, near Rolex's headquarters. "The big brands wanted to deal with one partner and not with many different suppliers. As a result, some of the smaller businesses were using subcontractors," he explains.

Salanitro saw an opportunity to establish a one-stop-shop, offering prototyping, case fabrication, bracelet-making and polishing services with a single standard of quality, under one roof. He began acquiring smaller workshops.

"I first purchased Serti Concept, because the proprietor wanted to retire — that cost about SFr900,000 ($1mn) — then a small polishing business called Polifer, which had seven people, for about SFr300,000 (£334,000)," he recalls.

Salanitro's biggest investment was in Sertis Créations, which employed 50 staff. "They were my main competition, but they got into trouble," he says. "It was an investment of SFr6mn ($67mn), but it also brought me two clients with whom I was not yet working."

In addition to Richemont, Rolex, Patek Philippe and Audemars Piguet, Salanitro also works for LVMH. "I have a great working relationship with Alexandre, Frédéric and Jean Arnault," he says, referring to the sons of LVMH chief executive Bernard Arnault who are, respectively, executive vice-president at Tiffany & Co, Tag Heuer chief executive, and head of Louis Vuitton's watch marketing and product development.

"And I have the highest respect for Stéphane Bianchi [head of LVMH's watch and jewellery division], who is a true gentleman," Salanitro continues.

As for Patek's investment in the Salanitro brand, "Pierre is still in charge", says Stern. "I didn't buy the whole company; I just bought a certain percentage. We don't say how much and it's not really that huge, but it's enough to guarantee me the capacity. The jewellery side of Patek Philippe is increasing, not only for ladies but also for men."

But, for Stern, the deal was about more than securing capacity for gem-setting. "It was a little bit like my grandfather in the old days: we just shook hands, and we knew it was done," he says. "But it's not only about business, it was also about friendship. We met just after we had left school."

Stern, who is four years younger than Salanitro, adds: "He grew up in his business. I grew up with Patek. We trust each other. I would say we have the same philosophy, and the same friends."

Watches & Jewellery

Design-driven circular economy gathers pace

Start-ups

Recycled materials are inspiring innovative jewellers. By *Milena Lazazzera*

'Even if there is a desire to "give back" to society, it is the emotional component that drives purchases'

At first glance, the long, opulent necklace in white gold with a large, irregularly shaped pendant could be a relic of ancient Egypt or Mesopotamia straight from an archaeological dig. On closer inspection, though, the patterned green stone is not malachite inscribed in an arcane language but a piece of electronic circuit board recycled by London-based Oushaba — a new brand that taps into the trend of creating jewellery from discarded materials.

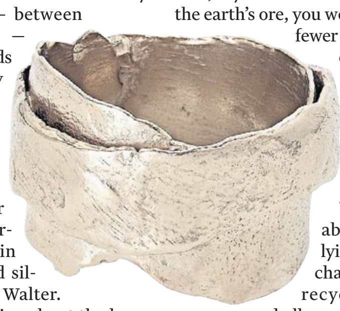
Gillian Carr, who co-founded Oushaba and formerly worked for auction house Christie's, says the idea was born during the Covid lockdown. "Our electronic devices were our only bridge to the external world," she says. "They felt like an extension of our bodies, and I could not come to terms with the fact that a phone so close to our skin ends up in a landfill within 18 months."

So, together with two other business partners who prefer to remain anonymous, Carr liaised with a jewellery workshop in Sicily to source discarded phones from a local repair shop and design jewellery around them. "It is the piece of recycled electronics that inspires the jewel; we design around it," she explains.

Carr, who is in her early thirties, is from a generation raised in full knowledge of the pressing environmental challenges. As a result, she is sensitive to incorporating structural changes to her business to minimise its impact on natural resources.

Clockwise from above: Oushaba founder Gillian Carr; Lylie founder Eliza Walter; So-Le gold-plated brass earrings; Lylie's silver men's ring; Oushaba's Constellation necklace

And a 2021 report by McKinsey predicts that, by 2025, sustainability criteria such as these will influence 20-30 per cent of fine jewellery purchases. In another study, McKinsey highlights how 43 per cent of the Gen Z cohort of luxury consumers born — between 1997 and 2012 — already prefer brands with sustainability credentials.



"Aged 16, I was taken on a school trip to a local foundry where it was explained that our mobile phones' circuit boards contain gold, platinum and silver," recalls Eliza Walter. "This got me thinking about the huge potential of e-mining." Seven years later, in 2017, she launched Lylie, a brand that uses gold recovered from electronics and dental fillings to create delicate jewellery designs set with lab-grown diamonds or antique recycled natural stones.

At first, the origin of the gold raised a few eyebrows among her clients, says Walter. But, she adds: "It doesn't take long to win them over when we tell them that, if you were to mine one tonne of the earth's ore, you would get a yield of fewer than 30 grammes of gold, while if you were to mine one tonne of electronic waste, you would get 300g."

Yet, despite the abundance of gold lying in landfill, purchasing exclusively recycled metal is a challenge, as refineries usually mix gold from different sources.

Sarah Müllertz, Copenhagen-based founder of sustainable jewellery brand Kinraden, says that accessing recycled metal had been the bottleneck in scaling her business, until she established a partnership with a specialist foundry.

Müllertz also sources her signature Mpingo blackwood, which she polishes and cuts to maximum brilliance like a diamond, from a WWF-protected forest in Tanzania. "Initially, there were doubts over the concept of a wooden 'diamond'," says Müllertz.

Establishing long-term partnerships is also the route chosen by the UK's Royal Mint which, for its jewellery line 886, sources gold from e-waste foundry Excir and silver extracted from old X-ray film through Betts Metals, a precious metal company. Betts also deals in gold and has created the Single Mine Origin kitemark to address the traceability of the metal.

Meanwhile, Sole Ferragamo, a member of the Ferragamo luxury house, challenges received notions of preciousness by creating jewels for her So-Le Studio brand in which leather — traditionally used in jewellery as a support — takes centre stage, and the use of metals is kept to a minimum.

"When I first discovered the existence of so much abandoned leather destined to be destroyed, the desire to make something out of it came naturally to me," says Ferragamo. She purchases unused leather — known in the trade as "slow-moving stock" — and leather remnants directly from fashion houses, suppliers or tanneries. She then treats it with gold foil and aluminium powder, among other materials, to give the leather the rigid appearance of metal in sculptural and voluminous creations, which are feather-light and soft.

For the brass that features in her Trucioli collection, Ferragamo uses leftovers from lathe machining of the metal.

"I go and hand pick them personally in the factories — choosing the ones that inspire me the most," she says.

So-Le Studio pieces, stocked in selected retailers worldwide and her newly opened boutique in Milan, have attracted a broad base of clients looking primarily for originality rather than an environmentally friendly accessory.

"In consumers there is always a gap between the declared intentions and behaviour. Even if there is a desire to 'give back' to society, it is the emotional component that drives purchases," says Elisabetta Pollastri, co-founder of Paris-based trend-forecasting company The Spotter Lab.

Ferragamo agrees. "They see in my pieces something else — kind of transcending boundaries," she says. Of course, aesthetics come first, but sustainability is a welcome plus.

Interview François-Paul Journe talks to *Ming Liu* about his antiquarian-inspired brand and its passionate young following

How to win over the watch purists

The resonance regulator (left) inspired François-Paul Journe's (above) Chronomètre à Résonance watch (bottom left)
Alex Stephen Teuscher

Step into the salon and manufacture of FP Journe, in a 19th-century building where Geneva's old town meets the modern city, and it is immediately clear how far the watchmaker stands apart from its independent peers.

Founded in 1999, the brand hails from the same era-defining decade as today's other indie watchmaking stars, such as Richard Mille, Urwerk, De Bethune and MB&F — brands that are synonymous with disruptive horological concepts and futuristic, avant-garde design.

But, rather than propel you into the future, FP Journe is more likely to thrust you centuries into the past. Visitors to the three-storey manufacture are met by a 168-year-old astronomical clock by the French maker CL Detouche and the complete library of the distinguished horological expert and historian Jean-Claude Sabrier, all overlooked by elaborate ceiling frescoes that reproduce the first sky charts of 16th-century astronomer Petrus Apianus, who mapped time via the stars.

FP Journe watches do the same: its award-winning complications notably revolutionise antiquarian watchmaking concepts, with most set in signature, classic round cases with traditional styling — think blue steel hands and guilloche accents. Dials come etched with FP Journe's Latin tagline, "*Invenit et Fecit*" (Invented and Made).

"I don't do this on purpose," says founder François-Paul Journe, 66, who first cut his teeth in 1977 at his uncle's antique watch restoration workshop in Paris. By age 21, the Marseille-born Journe had started his first tourbillon pocket watch. "I was born in a museum, immersed in the history of watchmaking. I'm just presenting my vision without being conscious about it. It's not a strategy," he says.

Journe rarely gives interviews and has a reputation for being elusive and intimidating. Celebrated as an inventor, he once said that "watchmaking, even the one I make, is a fossil science, because we no longer need it". In his salon, he sits besides a 1.7m-tall resonance regulator from the 1780s by Antide Janvier.

Journe is the only person in the manufacture allowed to handle the piece, which partly inspired his popular Chronomètre à Résonance watch — the name taken from a natural physical phenomenon, first discovered in 1665, where two pendulums placed together will naturally synchronise. Journe recreated the concept in a wristwatch — the first to do so.

"We're playing with completely useless concepts from the 18th and 19th centuries, but which make people dream," he says. Journe admits that art will always trump the commercial. "If we are talking about watchmaking art, we are the first; but if we talk about turnover, we are the last," he says, with a smile.

However, while rooted in antiquarian horology, FP Journe is increasingly catching the eye of young collectors, aged 25 to 30. Its first London boutique opens next month, in Mayfair, hot on the heels of a new flagship that opened in New York last month, in SoHo.

And, today, Christie's Geneva is hosting a FP Journe live sale — the first ever dedicated to a single independent watchmaker. With just 39 lots, the auction is expected to achieve SFr7.8mn-SFr13.9mn ($8.8mn-$15.6mn) — a conservative estimate if past auction results are any indication.

In November 2021, Phillips auctioned several ultra-rare FP Journe watches, including a 1999 Tourbillon Souverain and 2000 Chronomètre à Résonance, both which were among Journe's first ever models, limited to just 20 pieces each and sold under a subscription model when the brand was first starting out. They fetched SFr3.5mn and SFr3.9mn, respectively. An original Tourbillon retailed in 1999 for SFr27,500.

Limited series are part of FP Journe's offering, and there are long waiting lists for all models. The brand only makes around 1,000 mechanical watches a year. Other independent watchmakers, such as Patek Philippe and Richard Mille, produce 70,000 and 5,300 respectively. All the watches are assembled by 25 watchmakers and seven artisans who finish every component — one part can take between five and 45 minutes to mirror-polish, depending on the model.

Remi Guillemin, head of watches for Christie's Europe, says FP Journe "redefines what rarity is", noting that, where big brands will make 100 limited pieces of a model, FP Journe may make only 10. "It's very different from watch manufacturers where the same watch comes out for 10 years, with four different dial colours," he notes.

'I was born in a museum, immersed in the history of watchmaking. I'm just presenting my vision without being conscious about it'

In an age of slick marketing campaigns and commercial agendas, Journe's genuine and singular commitment to his craft resonates with collectors, especially the watch purists who have been crucial to the brand's continued independence.

"Journe was fortunate to have had this extremely loyal, diehard base of watch nerds," says Michael Tay, group managing director of Asia-Pacific-based retailer The Hour Glass. "The nerds were the ones that had believed in him from the beginning and understood what he was trying to accomplish."

And the brand loyalty runs deep. The Journe Society is a members-only group of FP Journe enthusiasts that grew from an informal band of passionate collectors in New York in 2016. Today, there are about 100 members worldwide and it is a close-knit community that enjoys travelling and socialising together, bonding over their love of FP Journe watches.

"Most of our members joined before the recent luxury watch craze, attracted to the brand's traditions, design and technology, rather than flashy marketing or celebrity endorsements," says Journe Society president Brad Schwartz.

Although the society is independent of the brand, Journe is appreciative of its support. Several years ago, he created a special edition watch for the society, with each piece engraved with a member's name on the case back.

Being close to his clients, Journe is aware of how limited production is driving not only speculation for his watches, but also frustration. For the sake of quality, production will not be increased, he insists, though he hopes to streamline distribution by reducing independent retailers and focusing on boutiques, such as New York and London.

The latter venue will echo the identity of the New York flagship, which notably features a library, bar, kitchen, wine cellar and lounges — with all furniture chosen by Journe — and is designed as a space where collectors can convene. "The main idea is to propose entertainment, since we're not able to provide clients with enough watches for the demand," he says.

"His watches have an incredible aesthetic sensibility that allows you to fall madly in love with their aesthetics and conception," says Tay.

"It's going to take a couple of generations more before we see somebody quite like Journe."

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Deconstructed Watch

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CARTIER
AUTOMATIC

Watches & Jewellery

Sophia Vari Experimentation with unusual woods and resin gave the late Greek artist's jewellery an added boldness, writes *Kate Youde*

'Second skin' wearable sculptures woo collectors

Above: Sophia Vari in her studio in Pietrasanta in Tuscany. Below, from left: Amaranth wood necklace; rings in resin and gold; ebony and gold necklace - Pascal J Le Segretain/Sygma via Getty Images

Sculptor Sophia Vari wanted to "dare more" for a new exhibition of her jewels opening in London next month. The Elisabetta Cipriani Gallery will include 13 new pieces that the artist created specially for the solo selling show — before her death last week at the age of 82 — among 40 wearable sculptures spanning the last two decades of Vari's career. Called "All Mediums are Noble", the exhibition runs from June 7 to July 7.

Five of the new pieces are crafted from amaranth, a hardwood found in rainforests in Central and South America that turns purple when cut, while a further five are made from synthetic white resin. Vari, known for her experimentation with different materials, had not used either medium before in her jewellery.

Last month, in an interview about the show, Vari told the FT that her approach to jewellery evolved over the years. "I found new possibilities to express myself even better and louder each time," she said. "You always have to go further, but always with the same principles: give priority to composition, harmony and beauty. I like to beautify the woman."

Born near Athens in 1940, Vari is best known for her sculptures, which are exhibited in museums and the public realm. Twelve of her monumental works are on public display in Park Avenue, New York, until the end of October.

She started designing jewellery 35 years ago when she realised that the small Plasticine models she made for her sculptures to pass the time when travelling — what she described as "a kind of 3D sketch" — could become a piece of jewellery, too. She continued to use Plasticine as her working tool. "My priority is a search for the composition of volumes, which can become a jewel or a sculpture, even monumental," she said.

Paul Redmayne, senior vice-president for luxury sales at Sotheby's, says Vari achieved a "distinctive" aesthetic in her jewellery that appeals to contemporary art collectors. The auction house offered five of her pieces in its "Art as Jewelry as Art" sale last October. A pair of Médée gold, ebony and emerald roots clip earrings (c 2000) — the third piece in an edition of six — sold for $18,900.

Redmayne says that, while contemporary jewellery can sometimes seem "quite disjointed", he finds Vari's "conversation pieces", with their many lines and curves, to be "very fluid and peaceful". "[With] some of the pieces, there's a lot going on, but it still all works together and the overall effect is one of calmness," he explains. "It's very bold, but it remains calm at the same time, which is quite a difficult feat to achieve: to be bold without being overpowering."

Cipriani, founder of her eponymous gallery, which specialises in wearable art by painters and sculptors, says Vari's jewels fit the body "like a second skin". She started representing the sculptor in September and showed her jewellery for the first time at the annual PAD London art and design fair in October, where she identified an "obsession" for Vari's jewels. "All the women who came to my booth were attracted by Sophia Vari pieces and they didn't even know who the artist was," she says.

> '[With] some of the pieces there's a lot going on, but it still all works together and the overall effect is one of calmness'

Cipriani sold eight Vari pieces at PAD, and says sales continue to be "super strong". The appeal is international and buyers are "women with personality", she says.

Typically, Vari produced jewellery in limited editions of eight, or six plus two artist proofs, along with some unique pieces. The exhibition features a new one-off ebony and gold necklace. Other new pieces include four rings and a pair of earrings in resin, a material it occurred to Vari to use when she was being shown resin prototypes one day, according to Cipriani. Vari liked its "transparent, marble-like quality" and that it is lighter — which enabled her to increase the size of pieces, says Cipriani, adding: "You don't really feel [the ring] on the hand — it is incredible."

These resin pieces are paired with 18-carat yellow gold, as are two rings, a pair of earrings, a necklace and a bracelet made from certified amaranth from French Guiana. Cipriani says the use of this wood, also known as purpleheart, makes the composition "more dramatic, as the curves appear more sensuous and defined".

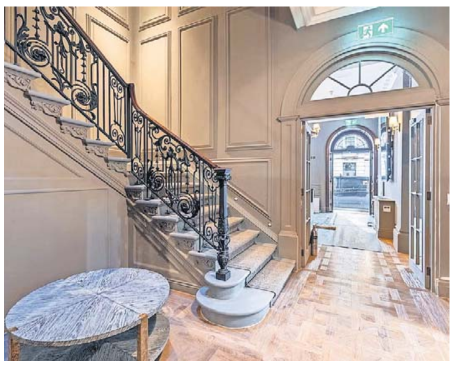
Prices for pieces in the exhibition, which also includes works crafted from marble, silver, Pau Amarelo wood, and rock crystal, range from £5,000 to £30,000. Vari designed her jewellery by hand before having it handcrafted by jewellers in Paris, Belgium and Italy, according to their skill sets. Pieces could take between two and six months to make.

Vari brought an "extraordinary uniqueness to her work", says Cipriani. "Her passing is a great loss to the art world . . . Her legacy will continue to inspire and push the limits of creativity and imagination."

Diamond disrupters challenge Mayfair's luxury traditions

Retail Discreet new showrooms are luring young value-focused clients. By *Elisa Anniss*

From Tiffany to Graff, legacy diamond marques have long been drawn to London's Mayfair district. Lately, though, disrupters have been arriving with non-traditional strategies that include discreet, appointment-only showrooms and made-to-order jewellery. Some strip out costs while attempting to offer value for money. Others focus on their sustainability credentials.



Vrai has established a foothold with its Grosvenor Street pop-up

The US-based lab-grown diamond company Diamond Foundry sells its diamonds directly to consumers via its Vrai brand, which opened an inconspicuous upstairs showroom in Mayfair last September. The plan is for this pop-up to remain here until a permanent space is found. In addition, the brand is available online from department store Selfridges, and its flagship London store will start selling it by early next year.

Vrai president Mona Akhavi says that, for many clients, the jeweller's sustainability credentials are compelling. "We are the largest vertically integrated producer [in terms of carats] in the US and the first to be certified carbon-neutral, using only renewable energy for production," she says.

Vrai's diamonds are created in a zero-emission foundry in the Pacific northwest using 100 per cent hydropower from the Columbia river. The company is also opening a foundry in Spain, which is why, Akhavi says, the first permanent European store is slated to open in Madrid this month.

In the UK, 60 per cent of Vrai's sales are wedding-related. Consumers pick their own diamond, customising and personalising the piece. It is then made in the US and delivered five to seven working days later. Much of the business is conducted via virtual appointments and the company operates on a mostly made-to-order basis.

Baunat's London space is similar. Two streets away from Vrai, it has no external signage to suggest that the Antwerp-based brand's lofty office-cum-showroom is here. But, then, attracting passers-by is not the intention.

Classic tennis bracelets and diamond solitaires, created in its Antwerp atelier by in-house goldsmiths and diamond setters, are Baunat's stock-in-trade. Engagement rings account for 75 per cent of its business, which has led to a largely millennial clientele.

The diamond jewellery disrupter and digital-native brand specialises in the high-quality design, manufacturing, marketing, and retailing of jewellery that revolves around 100 per cent natural, untreated, conflict-free diamonds.

Each diamond over 0.30 carats is accompanied by a diamond-grading certificate from the Gemological Institute of America, or Antwerp-based Diamond High Council HRD, or the International Gemological Institute. Its ethical standards are certified by the Responsible Jewellery Council.

Baunat was founded by Steven Boelens and Stefaan Mouradian, two diamond industry veterans who were intent on bypassing layers of the supply chain in order to undercut conventional luxury diamond retailers in price. "These clients are not prepared to overpay for inefficiencies or intangible elements, which are not reflected in the finished product they buy," says Boelens, who is also Baunat's executive director.

> 'Clients are not prepared to overpay for inefficiencies which are not reflected in the finished product'

Clients are taken through a process online whereby they can choose every element, including shank design, carat weight and stone shape, from the company's core collection. Baunat's working capital is not tied up in stock. Instead, only once the piece has been paid for is the diamond purchased and the finished creation dispatched from Baunat's Antwerp atelier, in a process that ordinarily takes between 10 and 14 days.

When clients are shown gem sizes and cuts, cubic zirconia is used instead of diamonds. It is the same at all of Baunat's 12 showrooms, from Geneva to Shanghai or the two scheduled to open this year in Luxembourg and Madrid.

Mayfair was also the launch pad for Hong Kong-based jeweller Boochier. Since exhibiting at the PAD design fair in October, it has secured a retailer at nearby Dover Street Market, selling pieces that combine pavé diamonds with 18-carat gold coated with coloured enamel. There is a choice of 10 colours, from pastel pink to orange or yellow.

Boochier founder Melinda Zeman says 99 per cent of customers are women buying stackable items for themselves, such as the $10,300 Fruit Hoops bangle. It comes from the Ties collection, so named because of a recognisable signature that resembles a loose knot. Though it was designed to convey the vibrancy and culture of Zeman's mixed Ghanaian and Chinese heritage, she concludes that it is a motif that "celebrates the different ties that help to form identity".

Sometimes, though, disrupters can come unstuck by being too ambitious. Vashi, a diamond brand founded by Vashi Dominguez in London in 2017, was known for the immersive retail theatre surrounding its in-store jewellery production, involving 3D printing, casting, setting, polishing and engraving.

The craftspeople working at benches and in the windows of its Covent Garden flagship store certainly burnished its bespoke appearance. But a planned expansion to Old Bond Street was never to happen: the company ceased trading on April 4, when Teneo Financial Advisory was appointed as joint liquidator of Diamond Manufacturers, Vashi's holding company.

Ruby record breaker on the block

Sotheby's is offering for sale the largest and most valuable ruby ever to appear at auction. The 55.22-carat Estrela de Fura *(right)*, which was unearthed in Mozambique and is expected to fetch in excess of $30mn, will go under the hammer in the Magnificent Jewels sale in New York on June 8. This sale also features the Eternal Pink, the most vivid pink diamond to come to market. Estimated at more than $35mn, this 10.57-carat cushion cut internally flawless fancy vivid purplish-pink diamond carries the highest price per carat estimate placed on any diamond or gemstone.

Bohème rhapsody

Boucheron is launching a new colour range for its Serpent Bohème jewellery collection in its boutiques later this month. The French house is reworking existing designs in the collection, first unveiled in 1968, for two rings, one pendant, a single earring, one bracelet and a watch in pink quartz, pink gold and diamonds. This combination will be the sixth colour/stone variation on offer in the collection, joining diamonds, Aquaprase, rhodolite, mother-of-pearl and malachite. Pieces feature Serpent Bohème's teardrop motif.

Cannes cachet

Chopard's latest annual Red Carpet collection features 76 high jewellery pieces, so numbered because the 76th edition of the Cannes Film Festival is being held in the south of France between May 16 and 27. Caroline Scheufele, the Swiss house's co-president and artistic director, has drawn inspiration from her travels for one-of-a-kind designs including a yellow gold ring with an oval-cut *(above right)*, vivid yellow Sri Lankan sapphire of 127.70 carats. This central stone is supported by antique-style sculptures of men carved in gold and draped in brilliant-cut diamonds.

Manhattan debut

Boghossian is taking part in Tefaf New York for the first time, after participating for two consecutive years at the art fair in Maastricht. The brand's high jewellery offering at the US event, which opens today, includes a ring with an 11.87-carat Colombian no oil emerald. The stone was discovered at the same time as those that formed the emerald and diamond double rivière necklace that sold for $7mn at auction in 2020. The 18-carat white and yellow gold ring also features two taper-shaped diamonds, as well as pavé diamonds on the band.

JAR jam

The largest collection of JAR jewels to come to auction is being offered by Christie's in Geneva on May 17. A private collector accumulated the 25 creations over the past 15 years after encountering the work of jeweller Joel Arthur Rosenthal at the exhibition entitled "The Jewels of JAR, Paris", at Somerset House in London in 2002-03.

Meanwhile, Christie's is holding the second of two live sales today in Geneva of jewels from the largest and most valuable private jewellery collection to come to auction. The 700-plus piece collection of the late philanthropist Heidi Horten has a presale estimate of more than $150mn.

Smart Move

A new collection from Messika revisits the French jeweller's Move motif of sliding diamonds. Move Link's seven pieces, launching next month, will be available in pink, yellow or white gold and will feature at least one link set with a white diamond. Hoop earrings in three sizes feature consecutive links set with diamonds throughout, while drop earrings feature one link set with a diamond, as does the range's one ring design. A bracelet consists of three diamond-set central links, and a necklace seven.

Nature studies

The work of the French jeweller René Lalique is among the designs featuring in a new exhibition at L'École, School of Jewelry Arts in Paris. The exhibition, "A New Art. Metamorphoses of Jewelry, 1880-1914", will display almost 100 pieces from museum, heritage and private collections that demonstrate the experimentation and engagement with nature happening in jewellery at the turn of the century in France. Themes explored in the show, which runs between June 2 and September 30 (closed August 5-21), include symbolism, botany and ornamental nature.

Vegas unveilings

Suzanne Kalan is launching two collections at the Couture Show in Las Vegas on June 1-4. For the colourful La Fantasia line, the Los Angeles-based designer drew on the playful spirit of childhood to create cloudlike shapes in 18-carat gold that are embellished with gems including princess-cut diamonds and sapphires. And for her Block-Chain collection, inspired by the shape of a baguette diamond, handmade gold chains and bracelets are set with stones.

At the same event, Fernando Jorge will unveil his yellow gold and diamond High Fluid Doubled earrings, the latest addition to Fluid, his first collection originally released in 2012.

Ringing the changes

Three new one-off unisex rings by Hirsh London will be the inspiration for three new collections from the British jeweller. A bangle, earrings and a pendant are being developed for release on the back of the design of the new 18-carat yellow gold Facets ring, which is set with six rare natural colour diamonds in different cuts. The platinum and 18-carat rose gold Genesis ring showcases a 11.40 carat boulder opal. And the geometric Carnaby design uses the same precious metals to complement two shield-cut diamonds.

It must be rain

Boodles is celebrating its 225th year, and its third consecutive partnership with British garden designer Tom Hoblyn on a garden at London's Chelsea Flower Show, with the release of a new jewellery suite. This extension of the brand's Raindance collection explores two design ideas: looking upwards at rainfall, and a raindrop making contact with water. Two pendant designs, two pairs of earrings, a ring and a bracelet feature round brilliant-cut diamonds mounted in 18-carat yellow gold, with small pink diamonds mounted in 18-carat pink gold providing accents of colour. The RHS Chelsea Flower Show is on May 23-27.

Kate Youde

No more cartoons and bubble-gum colours

Children's watches Frustration at toylike offerings is spawning designs with added educational value, writes *Milena Lazazzera*

Despite ageing populations and lower birth rates in the developed world, demand for educationally focused watches for the youngest generation is growing — and both luxury brands and new start-ups are tapping into it.

Parents have long been spoilt for choice in how to spoil their offspring — from Baby Dior to tiny Adidas sneakers, Sophie Bille Brahe's jewellery line for children and Cartier's panther-shaped piggy banks. Spending on children's apparel is predicted to exceed $250bn in 2023 and some luxury retailers reporting double-digit growth in the category. But, when it comes to watches for Generation Alpha (children born since 2010), some buyers have felt the options are limited.

"My wife and I were frustrated at the 'over-kiddified' offer — bubble-gum colours, disposable nature, cartoon symbols everywhere and no actual focus on time," says Neil Ferrier, founder of US industrial design company Discommon. So, in 2019, together with Oliver Fowles and James Walker, Ferrier started Blok, a watch brand for children.

The inaugural Blok 33 collection, launched last year, comprises six models with a 33-millimetre dial surmounted by a scratch-resistant sapphire crystal and a $179 price tag. The straps, made of recycled textile with a leather liner on the skin side, have an adjustable Velcro closure. And, unlike the more playful colours found elsewhere, the brand uses hues that mimic grown-up models, such as a soft cerulean or saturated blue.

"We wanted to build a watch that big brothers and sisters could hand down to their siblings, that could take a real beating," says Walker.

Blok's point of difference is in the subtle but substantial design features that help children visualise time. "We are very proud of our reimagining of the rotating bezel, breaking the hour into four blocks of time (5, 10, 15 and 30 minutes), which help kids easily set a visual timer," says Ferrier. "We applied a similar principle to the dial, moving the hour numbers into their own 'block', clearly showing the whole 12 hours, for example, rather than simply a '12' marker point."

The need for watches that help children read time is often stressed by teachers, who suggest parents buy easily readable wristwatches and simple analogue clocks to have around the house. In addition, analogue timepieces, teachers argue, can help children improve their maths skills.

New York-based Parchie was launched last year by Cara Barrett, who previously worked in Sotheby's watch department and at watch platform Hodinkee.

Named after Barrett's imaginary childhood friend, the children's watch brand was born out of this educational need.

Parchie watches have 32mm aluminium cases and come in pop-bright colours.

"The design is based on vintage dive watches, with a twist," says Barrett. "I took classic elements from watches that I love and made them more colourful and playful. Parchie brings a level of design and colour in the sub-$100 watch category [Parchie watches start at $65] that did not exist before."

Both Blok and Parchie are mainly direct-to-consumer brands that target parents predominantly via social media. And the market opportunity in children's watches is material, reckons Oliver Müller, founder of Swiss luxury watch industry consultancy LuxeConsult.

However, in the case of Parchie, he questions whether it can deliver greater educational value than Swatch-owned Flik Flak — the market leader in children's watches.

Elizabeth Siegmann, head of Flik Flak International, says that "Teaching kids all over the world to tell the time on an analogue watch has always been, and remains, the brand's mission." All Flik Flak watches come with a free "tell the time" kit and app.

They have another competitive advantage: in contrast to the direct-to-consumer start-ups, Flik Flak is able to feature its products inside Swatch stores and offer personalisation services.

But the growth potential of children's watches goes beyond educational needs. The latest global luxury report by consultants Bain & Company predicts that Gen Alpha will be buying luxury products by the time they turn 15. Müller sees today's children understanding the value of a brand at an even younger age.

Clockwise from above: Parchie Hero Time; Flik Flak Magical Dream; Bulgari Bulgari x Lisa limited edition; Blok 33

This notion is not lost on heritage luxury houses. "Our youngest customers are under 20 years old and, yes, some buyers are actually parents who want to make a gift for their children," says Antoine Pin, managing director of Bulgari's watch division.

Earlier this year, Bulgari released its limited-edition Bulgari Bulgari x Lisa watch, designed in collaboration with Lalisa Manobal, the singer Lisa in K-pop band Blackpink, which has a global teenage fan base.

Made of steel with a colour-changing 23mm dial featuring a gold bezel and diamond indices, the £5,450 watch is intended to appeal to a broad audience — "mostly women of a large age bracket, from 15 to 45 years old", says Pin. Hopefully, the kids won't mind sharing their watches.

$1mn Roger Smith piece a 'cornerstone' for UK watchmakers

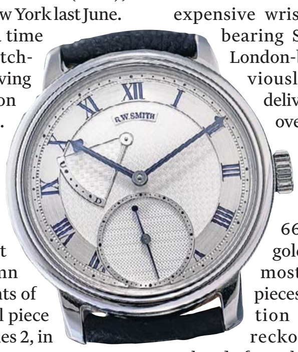
Auction Estimate is a sign of George Daniels' protégé's standing, say experts. By *Kate Youde*

When a 22-year-old Roger Smith showed George Daniels the first pocket watch he had made, the master horologist sent him away to start again. "He said it looked too handmade," says Smith.

Undeterred, he spent the next five and a half years perfecting a second pocket watch, featuring a perpetual calendar and tourbillon with spring-detent escapement, and took it to Daniels in the Isle of Man, a British crown dependency, in 1997. "He was very frosty and complained," says Smith. "I remember him saying, 'Why did you bring that first watch? It was awful' . . . on the way down to the workshop."

Daniels, regarded by many as the 20th century's greatest watchmaker, examined the piece and questioned Smith about how he made its components. "Eventually, he said: 'Congratulations, you're a watchmaker,'" says Smith.

Now, the estimate for this pocket watch when it comes up for sale at Phillips in New York on June 10 is in excess of $1mn — a sum that would set a new auction record for a Roger Smith piece. The current record of $840,700, for a Series 2 open dial wristwatch (2017), was set at Phillips in New York last June.



The sale comes at a time when the British watchmaker's work is achieving eye-catching prices on the secondary market. The online platform, A Collected Man, the only approved retailer for pre-owned Smith watches, is due to announce today that it facilitated the $1.2mn sale between two clients of the only stainless steel piece Smith has made, a Series 2, in January.

Silas Walton, the platform's founder and chief executive, and one of Smith's clients, believes it to be the "most expensive wristwatch ever sold" bearing Smith's name. The London-based business previously sold the watch, delivered in 2007, for just over £250,000 in 2018.

But Smith's Pocket Watch Number Two, which has a 66.5mm-diameter gold case, is "one of the most important timepieces to come up for auction in recent years," reckons Paul Boutros, head of watches for the Americas at Phillips.

"I don't think there's ever been a singular timepiece that has changed the life and career of a watchmaker as this has," he points out.

Above: Roger Smith, right, with George Daniels in 2010
Left: the Series 2 wristwatch
Right: Pocket Watch Number Two

'It's this realisation that you get something very different . . . everything is very individualistic'

Boutros says it is the "cornerstone by which 21st-century English watchmaking is possible today" because, without it, there would have been a "gap" in continuity for high-end, handcrafted British independent timepieces following Daniels' death in 2011.

After approving Pocket Watch Number Two, Daniels enlisted Smith's help in 1998 to finish the Millennium Series of wristwatches he made to celebrate Omega's adoption of his coaxial escapement.

Smith launched his own brand, Roger W Smith, in 2001, carrying on the Daniels method of one person designing and crafting a mechanical watch. Today, with the exception of a few components, Smith and his team in the Isle of Man make everything in-house and produce 18 watches a year. The average price is £330,000.

Smith sold Pocket Watch Number Two to a collector in 2004 to fund his then fledgling business. It is one of only three pocket watches he has made. He disassembled his first to use some of its components in his second. The third was a private commission.

He says the $1mn-plus estimate for his second pocket watch is "very flattering" but that he has always been driven by watchmaking and "never thought about the potential material gains from it". However, he keeps an eye on the secondary market, where he says prices for his pieces "have been going up quite significantly of late". The next test of the market comes on Sunday in Geneva, where Phillips is offering an 18-carat pink gold Series 1 (2021) with pink gold chapter ring, the only Smith piece with this case/dial combination. It carries an estimate of SFr150,000-SFr300,000 ($164,000-$328,000).

Jonathan Darracott, global head of watches at Bonhams, which last December sold a yellow gold Smith Series 2 (2011) for £516,900, more than double the low estimate, says recent keen prices have been led by increasing valuations for Daniels' watches. Phillips sold a Daniels Spring Case Tourbillon for SFr4,083,500 in November, a world auction record for a wristwatch by a British maker.

There is also growing interest in independent watchmakers from collectors. "It's this realisation that you get something very different . . . everything is very individualistic," says Darracott. "It's made with an artisanal rather than a production point of view."

However, while there has been a trend of rising auction prices rises for independent watchmakers generally, he says Smith, Daniels, and Geneva-based FP Journe "are the tempest that's driving the storm".

Smith closed his waiting list in 2021, and those at the bottom of it have a seven-year wait for their watch. He thinks he will scale up annual production to 20-25 pieces in a few years' time but is "not prepared to cut corners". It is the "extraordinary quality" that makes his watches sought after, says Boutros.

Darracott says Smith's achievements are the result of dedication. "He did it because he loved it and that's what comes through in his watches, and his personality as well," he says. "He needs to be applauded and every success that comes to him is well deserved."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