Newspaper of the Year

FINANCIAL TIMES

FRIDAY 6 APRIL 2018 | WORLD BUSINESS NEWSPAPER | EUROPE

The FT investigates

Malta, murder, money laundering and murky links between Iran and Venezuela — BIG READ, PAGE 7

Protecting privacy

The flaws in Facebook's business model — REBECCA MACKINNON, PAGE 9

Beijing begins legal battle to spike US guns for trade war

- Global financial markets rebound
- China cites serious WTO 'violation'

SHAWN DONNAN — WASHINGTON

Beijing signalled it was willing to escalate its fight with Donald Trump over his plan for anti-China tariffs by launching a legal challenge against Washington's newly proposed duties against more than 100 Chinese products.

Yesterday's Chinese move to open a World Trade Organization case was made despite efforts by White House officials to ease fears of a looming trade war and is likely to feed doubts over the ability of the world's two largest economies to reach an amicable settlement.

Beijing said the proposed US tariffs, unveiled this week, represented a "serious violation" of global trading rules because they discriminated against Chinese goods and violated the tariff limits Washington was committed to.

Despite renewed tension, global financial markets rallied on hopes the two sides would find a way to resolve their differences. In Europe, Germany's Dax index closed up 2.9 per cent, while London's FTSE 100 rose 2.4 per cent. Japan's Nikkei was up 1.5 per cent.

Wall Street also continued its recovery from Wednesday's early sell-off, rising 0.5 per cent in afternoon trading.

The rally was helped by soothing words from US officials, who insisted there was still time to strike a deal with Beijing. Larry Kudlow, the new White House economic chief, insisted "it's nothing around the corner" since the tariffs were currently only "proposals".

Attempts by Washington to allay market fears were belied by the WTO filing, and those briefed on bilateral negotiations said there could be little grounds for hope. "Clearly the two sides are talking but the discussions do not appear to be meaningful," said one person familiar with the talks.

The Trump administration has been split on how aggressively to embrace protectionist measures, and it appears to be dividing again over how best to deal with China. Some, including Steven Mnuchin, the Treasury secretary have pushed for a negotiated settlement focused on reducing the $375bn US annual trade deficit in goods with China. Other trade hawks are gearing up for a longer fight aimed at the bigger target of Chinese industrial policy.

Hawks in the administration are ascendant and will be joined by other advocates of a hard line on China such as John Bolton, the incoming national security adviser, and Mike Pompeo, Mr Trump's pick for secretary of state.

Mr Trump himself has signalled his desire to take a hard line on China over trade. On Thursday he wrote on Twitter that his plan for new trade penalties against China "Will End [trade] Barriers And Massive I.P. Theft" by China.

Scott Kennedy, of the Center for Strategic and International Studies, said: "The administration itself is undecided what their top priorities are and whether having this play out for a while works for their advantage or whether they want to wrap it up quickly."

Trade war page 2
Philip Stephens & **Liao Min** page 9
Cargill raises the alarm page 11

Deadlock Italy's leaders struggle for breakthrough in coalition talks

Ettore Ferrari/EPA

Silvio Berlusconi, the former prime minister, leaves Rome's Quirinal Palace yesterday after meeting President Sergio Mattarella during talks on forming a government following last month's election in Italy.

No sign of a breakthrough was apparent in the post-election deadlock as Mr Mattarella consulted all parties in an effort to broker a coalition.

Mr Berlusconi's centre-right Forza Italia and the League, its rightwing election partner, emerged from the vote as the largest group, but lacking a majority. The big winner was the anti-establishment Five Star Movement, which became the biggest party and is seeking a coalition with the League or the Democratic party (PD).

But the centre-left PD has ruled out joining a government. That stance was reiterated by Maurizio Martina, acting secretary, after he met the president.

Full story page 3

Briefing

▸ **Currency crisis threatens North Korea**
Biting international pressure has fuelled a swelling trade deficit in the isolated nation, which experts predict could escalate into a "fully fledged" currency crisis as soon as this year.— PAGE 4

▸ **Hungary poll stirs crackdown concerns**
The question surrounding Sunday's general election is not how big Viktor Orban's victory will be but whether an expected third term as PM will widen a crackdown on media and civil society.— PAGE 3

▸ **Former Catalan police chief to face trial**
The former head of the Catalan police is to face trial for sedition and belonging to a criminal organisation over his role in the Spanish region's independence push.— PAGE 3

▸ **Lula prepares for prison after ruling**
Luiz Inácio Lula da Silva, Brazil's former leader, is braced for jail after a supreme court ruling that has thrown the presidential race wide open.

PAGE 3; EDITORIAL COMMENT, PAGE 8

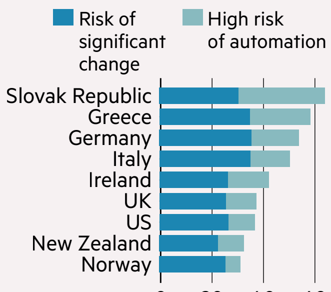
▸ **FCA unveils rules for asset managers**
Asset managers have been warned to act in investors' best interests as the UK financial watchdog announced rules to restore savers' trust in the £8.1tn British fund industry.— PAGE 11

▸ **Maada Bio elected Sierra Leone president**
Julius Maada Bio, a retired brigadier and briefly a leader of a junta during Sierra Leone's civil war, has been elected as the west African country's president after winning a runoff vote.— PAGE 4

▸ **Average gender pay gap revealed in UK**
Three out of four UK companies pay men more than women, with an average pay gap of 9.7 per cent, according to data from businesses ahead of a government deadline.— PAGE 4

Datawatch

Jobs at risk of automation
Per cent



Source: OECD

Almost one in two jobs across 32 countries is likely to be at risk of automation, according to the OECD. Jobs in Anglo-Saxon and Nordic countries are less automatable than those in eastern and southern Europe, it found.

Brexit spurs shipping lines to bypass UK for Irish trade

Report ▸ PAGE 4

Austria	€3.70	Macedonia	Den220
Bahrain	Din1.8	Malta	€3.60
Belgium	€3.70	Morocco	Dh45
Bulgaria	Lev7.50	Netherlands	€3.70
Croatia	Kn29	Norway	NKr35
Cyprus	€3.60	Oman	OR1.60
Czech Rep	Kc105	Pakistan	Rupee320
Denmark	DKr35	Poland	Zl 20
Egypt	E£35	Portugal	€3.60
Finland	€4.50	Qatar	QR15
France	€3.70	Romania	Ron17
Germany	€3.70	Russia	€5.00
Gibraltar	£2.70	Serbia	NewD420
Greece	€3.60	Slovak Rep	€3.60
Hungary	Ft1090	Slovenia	€3.50
India	Rup210	Spain	€3.60
Italy	€3.60	Sweden	SKr39
Latvia	€6.99	Switzerland	SFr6.00
Lebanon	LBP7500	Tunisia	Din7.50
Lithuania	€4.30	Turkey	TL12.50
Luxembourg	€3.70	UAE	Dh17.00

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Dimon fears need for 'drastic action' by Fed to quell overheating economy

ALISTAIR GRAY AND ROBIN WIGGLESWORTH — NEW YORK

Jamie Dimon, head of JPMorgan Chase, has warned that the US economy is at risk of overheating, raising the prospect of the Federal Reserve soon needing to slam on the brakes to prevent wages and prices from rising too quickly.

Mr Dimon wrote in his annual letter to shareholders that while "modest" moves by the world's central banks to end crisis-era stimulus programmes have gone smoothly, policymakers were in uncharted waters and the Fed could be forced to take "drastic action" if inflation increased more quickly.

"Many people underestimate the possibility of higher inflation and wages, which means they might be underestimating the chance that the Federal Reserve may have to raise rates faster than we all think," he wrote. "We have to deal with the possibility that, at one point, the Federal Reserve . . . may have to take more drastic action than they currently anticipate."

The prospect of an overheating economy has spooked the financial markets as recently as February, when stronger-than-expected US wage growth sparked the worst Wall Street sell-off in six years.

Jay Powell, the new Fed chairman, has signalled a willingness to raise rates more quickly than his predecessor, Janet Yellen, but market indicators show investors remain unconcerned.

Prices of Fed funds futures suggest few expect the Fed to raise rates by more than three times this year, as policymakers have indicated. Longer-term measures also indicate that investors expect inflation and bond yields to remain subdued for years to come.

Still, bond markets have suffered a reversal in recent months on concern that US tax cuts and increased government spending might accelerate inflation. A full-blown resurgence could prove painful for financial markets.

In his letter, Mr Dimon said the financial system was more resilient than in the run-up to the last crisis. Banks had "far more" capital to sustain losses, he said, while mortgage underwriting standards were "pristine". But he pointed to new sources of potential instability, including the rise of passively managed index funds and "dramatically smaller" market making by primary dealers.

He was wary of the Fed's unwinding of its quantitative easing stimulus programme. "QE has never been done on this scale. We cannot possibly know all of the effects of its reversal."

World Markets

STOCK MARKETS

	Apr 5	prev	%chg
S&P 500	2671.75	2644.69	1.02
Nasdaq Composite	7106.55	7042.11	0.92
Dow Jones Ind	24603.58	24264.30	1.40
FTSEurofirst 300	1475.03	1439.34	2.48
Euro Stoxx 50	3433.30	3340.35	2.78
FTSE 100	7199.50	7034.01	2.35
FTSE All-Share	3961.28	3876.63	2.18
CAC 40	5276.67	5141.79	2.62
Xetra Dax	12305.19	11957.90	2.90
Nikkei	21645.42	21319.55	1.53
Hang Seng	29518.69	30180.10	-2.19
MSCI World $	2061.31	2048.80	0.61
MSCI EM $	1155.64	1170.15	-1.24
MSCI ACWI $	503.82	501.89	0.38

CURRENCIES

	Apr 5	prev		Apr 5	prev
$ per €	1.223	1.230	€ per $	0.818	0.813
$ per £	1.400	1.409	£ per $	0.715	0.710
£ per €	0.874	0.873	€ per £	1.145	1.145
¥ per $	107.460	106.540	¥ per €	131.408	131.034
¥ per £	150.401	150.056	£ index	80.082	79.872
€ index	95.809	95.682	$ index	96.815	96.861
SFr per €	1.178	1.180	SFr per £	1.348	1.351

COMMODITIES

	Apr 5	prev	%chg
Oil WTI $	63.58	63.37	0.33
Oil Brent $	68.32	68.02	0.44
Gold $	1337.30	1333.45	0.29

INTEREST RATES

	price	yield	chg
US Gov 10 yr	95.41	2.78	0.01
UK Gov 10 yr	98.62	1.37	0.01
Ger Gov 10 yr	100.58	0.50	0.00
Jpn Gov 10 yr	100.86	0.03	0.01
US Gov 30 yr	94.52	3.02	0.01
Ger Gov 2 yr	102.01	-0.61	-0.01

	price	prev	chg
Fed Funds Eff	1.68	1.67	0.01
US 3m Bills	1.71	1.75	-0.04
Euro Libor 3m	-0.36	-0.36	0.00
UK 3m	0.74	0.72	0.02

Prices are latest for edition | Data provided by Morningstar

A Nikkei Company

On the brink

China struggles to identify US dealmakers

Trade tensions are complicated by rise of Washington's hawks

BY TOM MITCHELL — BEIJING
SHAWN DONNAN — WASHINGTON

With the world's two largest economies on the brink of a $100bn trade war, the Chinese government is struggling to identify reliable interlocutors in Washington.

Beijing has entrusted vice-premier Liu He, President Xi Jinping's leading economic adviser and point person for Sino-US relations, with negotiating a settlement that will allow China and the US to back down from imposing punitive tariffs on bilateral trade flows worth about $100bn.

He will be supported by Wang Qishan, the feared former head of Mr Xi's anti-corruption campaign and troubleshooter who was appointed vice-president last month. But Mr Xi's most trusted lieutenants have two important questions: who is Mr Trump's Liu He, and is Washington really willing to talk?

According to Chinese and US officials, Mr Liu last year identified Gary Cohn, the former Goldman Sachs executive and Mr Trump's first national economic adviser, and Wilbur Ross, the commerce secretary, as conduits to the White House.

But Mr Ross lost influence within the Trump administration last summer after he negotiated a list of concessions from China that was rejected by his boss. Beijing has been further confounded by the recent departure of Mr Cohn and the rising power of "China hawks" such as Robert Lighthizer, the US trade representative, John Bolton, the incoming national security adviser, and Peter Navarro, a trade adviser.

In recent weeks, Mr Liu has been communicating with Steven Mnuchin, the US Treasury secretary, in an effort to avoid an all-out trade war. But while Mr Mnuchin remains influential and is widely regarded by Chinese officials as a moderate "internationalist", he has much less influence over day-to-day trade issues than Mr Lighthizer.

> 'Lighthizer is the person driving the bus on these tariffs and he's not really talking to anyone in China'

"Lighthizer is the person driving the bus on these tariffs and he's not really talking to anyone in China," said one person briefed on the discussions.

Mr Lighthizer has long pushed for a more muscular and unilateral approach to China. The World Trade Organization and global trade rules are ill-equipped to referee its rise, he argues. He and other China hawks have argued for months against talks with Beijing.

Mr Navarro, a former academic behind the 2013 book and film *Death by China*, sees a fight as inevitable and contends that the real goal should be the repatriation of US companies' supply chains too dependent on China for parts.

Mr Xi's "Made in China 2025" initiative to lead the world in industries such as artificial intelligence and robotics is an existential threat to the US economy, Trump administration officials argue. "We're trying to win the battle over the emerging industries of the future," Mr Navarro said on Wednesday. "If they seize that high ground technologically by stealing from us, we will not have a future as a country in terms of our economy and our national security."

The Trump administration argues its latest tariffs are aimed at stopping Beijing's practice of forcing the transfer of technology to joint venture partners as a condition of doing business in China. Chinese officials, who on Wednesday outlined a retaliatory list targeting more than 100 US exports deny such policies violate global trade rules.

"The [Trump] administration is heavily influenced by ideologues [who] can't fathom how a system that is not free market-based like the US could possibly survive and deliver for its people," said Tim Clissold, a China investor. "The only possible explanation [for them] is theft."

Additional reporting by Lucy Hornby

Philip Stephens page 9

Industrial confidence

Japan makes restrained response to Trump steel tariffs

ROBIN HARDING — TOKYO

Tokyo has opted for a low-key response to Donald Trump's tariffs on steel because Japanese mills believe US rivals cannot make the high-grade metals they export.

The lack of retaliatory threats from Japan, despite anger and frustration at the US president's decision to target a close ally, reflects confidence that many of the country's steel exports can win product-by-product exemptions from the tariffs.

Japan's calculated response highlights its determination to keep good relations with Mr Trump and the difficulty of using tariffs as a tool to force trade concessions when so many US industries rely on imports.

"The US steel industry is quite technologically backwards," said one official at a large Japanese steelmaker, who argued it would take years for US manufacturers to win customer certification for the speciality steels used in oil and cars.

Mr Trump last month ordered punitive tariffs of 25 per cent on steel and 10 per cent on aluminium, claiming that imports were a threat to US national security. He later announced temporary exemptions for Canada, Mexico, Australia, Argentina, Brazil, South Korea and the EU — but not Japan.

That threatens roughly $2bn in Japanese exports from companies such as Nippon Steel & Sumitomo Metal, JFE Holdings and Kobe Steel.

According to industry officials, out of 2m tonnes of Japanese steel exported to the US, about 190,000 tonnes are high-grade piping used deep underground in oil wells. Another 320,000 tonnes are speciality steels for the automotive industry and 170,000 tonnes are hard-wearing railway track.

Much is supplied under long-term contracts with customers such as leading oil companies or Japanese carmakers with US plants. The applications are often critical to safety or performance.

Mr Trump's tariffs include a process for users to request an exemption if they cannot buy the steel they need within the US. Japanese producers believe they will be able to win such exemptions for at least some of their exports.

"Many of the products we export from Japan either cannot be made in the US or not in sufficient amounts, so we will be explaining that and seeking individual exemptions," said Kosei Shindo, chairman of the Japan Iron and Steel Federation, at a recent press conference.

Japan's trade ministry is seeking a broader tariff exemption but refuses to link the issue with US demands for bilateral trade talks. Shinzo Abe, Japan's prime minister who struck up a warm relationship with Mr Trump, is likely to raise the steel tariffs with the US president when the pair meet this month.

"Japan's exports have not harmed, and will not harm, the US security base in any sense," said a senior official at the ministry of economy, trade and industry. He also said there was little potential for Chinese steel, Mr Trump's main target, to reach the US via Japan.

Last year, almost 80 per cent of Japan's 38m tonnes in steel exports went to Asia, dwarfing the US market.

US business. Uncertainty

Companies on edge over threat to supply chains

Many components and pieces of equipment have been listed for possible punitive levies

ED CROOKS — NEW YORK

The Trump administration says the ultimate goal of its threatened tariffs on imports from China is to bring back manufacturing jobs in the US. Jason Andringa, who runs a manufacturer of agricultural and construction equipment in Iowa, says they could have exactly the opposite effect.

His business demonstrates how complex international supply chains mean that new tariffs can have damaging unintended consequences.

Vermeer, where Mr Andringa is chief executive, imports cabs assembled in its plant in Tianjin, China, that it uses for its drilling vehicle made in Iowa. Using the lower-cost imported cabs helps Vermeer stay competitive against German and Chinese rivals, in the US market and around the world.

But the components were on the commerce department's list of imports from China threatened with a new 25 per cent tariff. If the administration follows through on that threat, Vermeer's competitive position will be eroded.

"We have 600 jobs at our Iowa factory as a result of being able to import products, and we have American production sold into global markets," Mr Andringa said.

"If the US goes ahead with a unilateral tariff, it is going to create global opportunities for companies in other countries to go after."

Vermeer had been planning to launch a new product line, using another Chinese component, to offer customers a lower-priced alternative. "A 25 per cent tariff makes that strategy obsolete," Mr Andringa said.

The threatened new tariffs come on top of the problems already caused by the jump in the price of steel, prompted by an earlier round of tariffs imposed last month. Platts benchmark US-made hot rolled steel coil has risen by 34 per cent since the start of the year.

Although Vermeer can pass some of that increase on to its customers in higher prices, it will have to absorb some of it in lower profits.

Field work: some Vermeer equipment is made in China and sent to Iowa
Mindy Fawver/Alamy

The list of 1,333 categories of Chinese products facing possible tariffs excluded many of the largest US imports, including phones, clothes and shoes, to minimise the direct impact on consumers. The result has been that many components and pieces of equipment used by businesses have been threatened instead.

"The administration thinks you can force everyone to bring supply chains back home to America," said Rufus Yerxa, president of the National Foreign Trade Council, a group that argues for open markets.

"But in a world of very globally integrated markets and supply chains, tariff policies are going to have a negative impact on jobs."

In the long term, he added, any country could repatriate its supply chain if it wanted, but that would mean having much higher costs and giving up the benefits of trade.

The pressures on US manufacturers caused by the proposed tariffs are compounded by the threatened retaliation by China against US exports, including soyabeans and aircraft.

Customers facing potential blows to their sales in China would be less willing to invest in new machinery, said Dennis Slater of the Association of Equipment Manufacturers.

"A farmer in Iowa who plants soyabeans and doesn't know if there will be tariffs in China is not going to be quick to invest in equipment," he said.

> 'Tariff policies are going to have a negative impact on jobs'

"Even if it is just a tactic for talks, the dampening effect is real . . . People in the US who might want to buy products are really facing uncertainty now."

Manufacturers did not want to be seen as opponents of President Donald Trump, Mr Slater said. The economic policies of his first year, in deregulation and corporate tax cuts, were very welcome. But he wanted the administration to listen to manufacturers.

"We're saying, 'Please understand the significance of its impact on our industry'," Mr Slater said. "If you really want to hurt manufacturing, start a trade war."

Cargill alarm page 11
Markets page 19

Exporters

German carmakers fear cost of collateral damage

GUY CHAZAN AND PATRICK MCGEE
BERLIN

German companies fear they could suffer considerable collateral damage from President Donald Trump's import tariffs because machines and cars made by their subsidiaries in China and exported to the US could end up being hit just as hard as all-Chinese products.

Ulrich Ackermann, head of the foreign trade department of the VDMA, the German Machinery Association, said he had received anxious calls all week from companies worried about the possible impact of the tariffs.

"Companies who manufacture in China and deliver to the US are obviously concerned," he said. "They want to know what will happen to their business if these tariffs come into force. The chances are that they will indeed be affected."

As an export-driven economy heavily reliant on open borders and free trade, Germany has watched the conflict between Washington and Beijing with alarm. The fear is that the tariffs threatened by the US and China, if imposed, will have a massively disruptive effect on the complex web of global value chains, harming other nations not directly involved in the trade war.

"The German model depends on trade being as free as possible," said Dennis Snower, head of the Kiel Institute for the World Economy. "If you hurt trade flows, then Germany will be hurt."

China this week threatened to impose tariffs on $50bn of US imports, including soyabeans, aircraft and cars. That came after the US said it would impose additional tariffs on a list of 1,330 Chinese goods, in a move it said was in retaliation for decades of state-backed intellectual property theft.

BMW exports thousands of cars a year from the US to China

But German companies fear they will get dragged into any conflict between the two economic superpowers. One vulnerable sector is cars, a pillar of the German economy. BMW and Mercedes parent Daimler would be highly exposed to any Chinese import tariff on US cars because they are the largest vehicle exporters from the US by value and China is their number one market.

The two carmakers export about 115,000 vehicles to China from the US each year, while Fiat Chrysler, Ford and General Motors export fewer than 30,000 vehicles together, according to Evercore ISI, a research company. Arndt Ellinghorst, an Evercore analyst, said German carmakers would take a $1.7bn hit from the Chinese tariff, compared with $737m for their US rivals.

Not all German companies with subsidiaries in China would be affected by Mr Trump's tariffs. Trumpf, a maker of high-tech machine tools, said more than 90 per cent of the machines it produced in China went to the Chinese market. Most of the rest were destined for other Asian countries. Kuka, the industrial robot maker, said all of the machines it made in China went to the Asian market.

But others inevitably would be affected, said Martin Wansleben, managing director of the German Chamber of Commerce and Industry. "Germany is highly integrated into the world economy and we are extremely dependent on international value chains," he said.

He said an additional concern for German companies was that Chinese demand for German-made parts, machines and other equipment could fall if Chinese companies were no longer allowed to export to the US market.

They were also worried that the tariffs being threatened by China and the US could lead to big diversions in trade flows. "If the American market closes to Chinese suppliers, they will try to sell more into other markets," said Mr Wansleben. "There's a German saying: when two people quarrel, the third rejoices," he said. "But that does not apply in this instance. Here it's when two people quarrel, the third also cries."

Car sector leadership page 13

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Brazil election thrown open as court rules Lula to face prison

Analysts say his removal could take the heat out of the October contest

JOE LEAHY AND ANDRES SCHIPANI
SÃO BERNARDO DO CAMPO

Former Brazilian leader Luiz Inácio Lula da Silva was braced for prison after a landmark supreme court ruling that heightens political uncertainty in Latin American's largest country and throws open the field for elections due later this year.

The country's supreme court had in the early hours of yesterday morning decided by a narrow majority of six judges to five to reject a request from the firebrand leftwinger to remain free while he appeals against a lengthy corruption sentence.

Mr Lula da Silva has been leading the polls for elections set for October that were already expected to be the most unpredictable in recent times. Any intention the charismatic figure who has towered over Brazilian politics for years had to make a comeback would now appear to be over. "This marks the end of Lula as a viable candidate for the presidency," said Paulo Sotero, director of the Brazil Institute at the Woodrow Wilson International Center for Scholars in Washington.

The impending jailing of Mr Lula da Silva is yet another dramatic twist in the career of a politician who rose from the shop floor to gain international fame as Brazil's first working-class president.

His fate has split Brazilians, with wealthier conservative voters generally welcoming the decision, while it has devastated many poorer Brazilians, who regarded him as a hero who transformed one of the world's most unequal countries.

Following the court decision, officials and supporters from Mr Lula da Silva's Workers' Party (PT) maintained an all-night vigil with the former president at a metalworkers' union building in São Bernardo do Campo, an industrial city outside São Paulo.

"What has happened is a process of political persecution," said Luiz Carlos da Silva, better known as Professor Luizinho and a PT founder. "They know he didn't do anything, there is no proof."

With their best campaigner likely to be behind bars as early as next week, the PT and Brazil's other leftwing groups now face a stark choice — ditch Mr Lula da Silva and find a new candidate, or stick with him and risk bombing out in the elections.

Ricardo Sennes, at consultancy Prospectiva, said the left could still garner up to 20 per cent of votes with a new candidate, such as Patrus Ananias, a former minister under the government of Mr Lula da Silva's handpicked successor, Dilma Rousseff.

Even before the supreme court ruling, Mr Lula da Silva was expected to have a slim chance of regaining the presidency.

All-night vigil: supporters hold posters of former president Lula da Silva at metalworkers' union offices
Patricia Monteiro/Bloomberg

Under Brazilian law, a person who has a criminal conviction upheld on appeal cannot stand for public office.

Mr Lula da Silva had planned to continue campaigning ahead of a decision by the country's electoral tribunal in August that will determine the official candidates for elections. Polls taken before yesterday's supreme court decision put Mr Lula da Silva's support at 36 per cent, double that of nearest contender, the far-right politician Jair Bolsonaro. Incumbent Michel Temer had said he would not stand for re-election, but now says he might.

During his eight years in power ending in 2010, Mr Lula da Silva's successive governments were credited with raising millions from poverty. But the economy slipped into recession under Ms Rousseff, who was impeached in 2016 for budgetary violations.

However, Mr Lula da Silva became a target of Brazil's sweeping Lava Jato, or Car Wash, corruption investigation and was sentenced to more than 12 years jail for accepting favours from construction companies.

Analysts said the removal of Mr Lula da Silva from the race could take some of the heat out of the contest.

> 'This marks the end of Lula as a viable candidate for the presidency'

Yesterday's ruling opens up the race to other candidates such as black former supreme court judge, Joaquim Barbosa, who is known for being tough on corruption. "He has a profile that can be very competitive in an environment of deep voter mistrust with the political establishment," wrote Eurasia Group in a note.

Other contestants include São Paulo governor Geraldo Alckmin, a veteran of the centre-right Brazilian Social Democracy party, although his rejection rate is expected to be high because of perceptions of him as an establishment candidate.

However, any attempt to dump Mr Lula da Silva from the PT's ticket is likely to be met with resistance by die-hard supporters.

"Lula is our candidate," said Professor Luizinho in the reception of the metalworkers' union building, littered with beer bottles from disappointed supporters who had been watching the case on a large-screen television. "There is no plan B, C, D or E," he said.

Editorial Comment page 8
Pulp deal page 15

Spain

Catalonia's former police chief awaits sedition trial

MICHAEL STOTHARD — MADRID

The former head of Catalonia's police force is to face trial for sedition over his alleged role in the region's push to win independence from Spain last year, joining a list of former politicians who face similar charges.

The country's High Court in Madrid yesterday said that Josep Lluís Trapero had been part of a "complex and heterogeneous organisation" that alongside regional government ministers had wanted to "bring about Catalonia's secession" from Spain.

The charge is the latest handed down by the Spanish courts in recent weeks against former Catalan officials, turning up the legal pressure on the region's beleaguered pro-independence movement.

Mr Trapero is an important figure in Catalonia and a household name. He was seen as a hero by many for his handling of the terrorist attack in Barcelona last summer that left 14 people dead.

But just weeks after the Barcelona attack, the officer found himself in a difficult situation as Catalan politicians prepared for, and staged, an illegal referendum on regional independence, which they then used as the basis for a declaration of independence from Spain.

While the 17,000-strong Catalan police force enjoyed a measure of autonomy as part of Spain's constitutional arrangements with its regions, Mr Trapero had a legal duty to carry out the orders of the Spanish courts and try to stop the referendum from taking place on October 1. But he was under local pressure to support the independence movement.

He ended up trying to steer a delicate middle course: neither actively supporting the independence movement nor pushing too hard to try to stop the process.

However, Carmen Lamela, a Spanish High Court judge, said yesterday that inaction had been tantamount to collusion with separatist politicians, who are facing charges ranging from embezzlement to rebellion.

The allegations against Mr Trapero are primarily connected with events surrounding the staging of the independence referendum. The judge said Catalan police had been ordered to close down polling booths but took little action. This meant that the referendum largely went ahead.

The charges also relate to a protest in September, when the Catalan police seemingly did nothing to intervene when a crowd kept members of the Spanish civil guard trapped inside a government office for hours. Several civil guard cars were destroyed.

The judge yesterday said that the Catalan police had used the excuse of acting with "proportionality" to cover "inaction".

Mr Trapero quit the Catalan force — known as the Mossos d'Esquadra — shortly after the referendum following the Spanish government's imposition of direct rule on the region in response to the Catalan declaration of independence.

Two other members of the regional

Josep Lluís Trapero: was under local pressure to support independence

police and an official with the regional interior department were also charged yesterday.

Separately, former Catalan leader Carles Puigdemont was granted bail by a German court after having been arrested in the country last month. The court rejected the arguments of German prosecutors that Mr Puigdemont should be extradited on charges of rebellion, saying this was inadmissible. But the court said extradition to Spain was still possible for charges of misuse of public funds.

Mr Puigdemont was held in Germany on a European arrest warrant as he returned from Denmark to Belgium, where he has been living since fleeing there following the referendum.

Catalonia has been without a government since Madrid ordered new elections to be held in December. Voters once again returned a regional parliament with a majority of pro-independence MPs but the parties have been unable to agree on a leader who is free of legal threat.

New elections could be needed if no government can be formed by May.

Political deadlock

Italian parties fail to agree on blueprint to form government

HANNAH ROBERTS — ROME

A first round of formal consultations to form a new government in Italy has ended without breaking the country's month-long political deadlock after inconclusive elections.

President Sergio Mattarella yesterday received delegations from all the main parties in a bid to forge a new executive. But neither of the two party leaders who emerged in the strongest position from the March 4 poll — Luigi Di Maio, of the Five Star Movement, or Matteo Salvini of the League — were able to show the president that they had the support needed for a working majority.

Following the consultations, the leaders of Five Star and the League have agreed to meet for formal negotiations.

Mr Mattarella said in a statement: "No single party or coalition has the necessary votes to form or support a government. Next week there will be new consultations to verify whether there is the possibility of finding an agreement between different political forces."

Markets have so far reacted with calm to the political stand-off in the third-largest country in the eurozone but investors could eventually be troubled by a prolonged period without a government.

Five Star took 32 per cent of the vote in the election and is the largest single party in parliament but is unable to form a government without wider support. The rightwing League took the most votes in the centre-right coalition, outstripping Silvio Berlusconi's Forza Italia, but their combined 37 per cent of the votes is again insufficient for a parliamentary majority.

Any coalition-building has been made more complex by the public determination of the centre-left Democratic party — which led the outgoing government — to remain in opposition and rebuild following a heavy defeat.

Emerging from his meeting with Mr Mattarella, Mr Salvini acknowledged that co-operation with Five Star would be needed to form an effective government.

"We will do everything to form a government, starting obviously from the centre-right coalition, which won the elections," he said. "Looking at the numbers . . . if we want to form a government that lasts it has to involve Five Star. You do not need a scientist to see that any other solutions are temporary."

Mr Di Maio has proposed a government with a short and pre-agreed programme, which he said he would discuss next week with the Democratic party and the League. "After the first negotiations we will understand which is the force most similar to us and work with them," Mr Di Maio said.

Giovanni Orsina, professor of Italian politics at Luiss University in Rome, said: "The difficulty is that in this election there are two winners and neither of them has a political interest in being the junior partner in a coalition."

> 'After the first negotiations we will understand which is the force most similar to us and work with them'

A sticking point has been Five Star's insistence that it will not work with Mr Berlusconi, a long-time adversary whom it sees as emblematic of corruption in the political class. But Mr Di Maio said yesterday that he would work with all parties.

The secretary of the Democratic party, Maurizio Martina, also suggested that Five Star could in fact strike an alliance with elements in Mr Berlusconi's Forza Italia.

Mr Di Maio is likely to face dissent from the left wing of his party if he goes against his word and makes a deal with Forza Italia. Some MPs expressed concern at a public meeting on Tuesday that he would work with Mr Berlusconi.

Veiled threats

Orban opponents fear retribution after Hungarian election

NEIL BUCKLEY — BUDAPEST

For opposition parties, media and civil society in Hungary, the question surrounding Sunday's general election is not just how big Viktor Orban's victory will be but whether his expected third consecutive term as premier will expose them to a bigger crackdown.

Recent veiled threats, media leaks and proposed legislation have fuelled concerns among critics that victory could embolden Mr Orban's Fidesz government to take a more hardline stance in its confrontation with the EU over democracy and rule of law.

The nationalist-populist government has for more than a year waged a campaign against George Soros, accusing the Hungarian-born liberal financier and philanthropist of using non-governmental organisations he supports in a "Soros plan" to flood Hungary with Muslim migrants. Anti-Soros and anti-migrant themes have dominated Fidesz's election rhetoric.

In February the government stepped up pressure, introducing three so-called Stop Soros bills aimed at restricting non-profit groups supporting migrants, which critics say could weaken civil society more broadly.

NGOs fear a recent series of apparently incriminating Soros leaks in pro-government media, which they say used doctored recordings obtained covertly, could be used to strengthen the case to pass the bills soon after the ballot.

Days before the recordings emerged, Mr Orban warned in a speech that "after the election we will, of course, seek amends — moral, political and legal amends" from opponents. The word officially translated as "amends", *elégtétel*, usually means "retribution" or "recompense". That caused consternation not just among non-profit groups but opposition parties and media. "We saw it as a threat, and so did our owner," said Peter Tarr, deputy chief executive of Hir TV, an opposition channel.

Gabor Gyulai of the Hungarian Helsinki Committee, a human rights group, called the prime minister's words a "statement that you would definitely not hear in any developed democracy".

The Stop Soros package would require civil society groups working on migration to apply for a licence from the interior ministry — with no legal appeal if refused — and pay a prohibitive 25 per cent tax on any foreign funding.

The bills follow a law passed last year, now being reviewed by the European Court of Justice, requiring NGOs to label themselves as "foreign funded" if they receive more than HUF7.2m ($28,000) of annual foreign financing.

"Many NGOs that have nothing to do with migration have understood the [new package] is a threat to them as well," said Mr Gyulai. The laws could be applied to groups with even oblique links to migrant issues, he said, and could open the way to other measures.

Daniel Makonnen, a spokesman for Mr Soros's Open Society Foundations in Hungary, said the package "represents a real threat to our existence and the existence of civil society" in the country.

The OSF and some of those to which it makes grants, as well as Migration Aid, funded from other sources, say they have been victims of "dirty tricks" and fake news. Senior employees or former employees of the groups were invited to meetings between December and February by individuals posing as business-people who appear to have used fake identities, with their company websites later deleted.

Magyar Idok, a staunchly pro-Fidesz daily, published several stories last month sourced to an "undercover investigative reporter", using what the groups say were manipulated quotes or recordings from the meetings. In one, a former employee of Soros Fund Management was quoted as saying the financier had "spent billions" and had 2,000 people working for him in Hungary. The OSF said the ex-employee was referring to its global workforce — just over 1,700.

Magyar Idok declined to respond to FT questions on the recordings. But Fidesz and other pro-government media leapt on the stories. Mr Orban said in a TV interview that Mr Soros employed 2,000 "mercenaries" in Hungary. Zoltan Kovacs, the government spokesman, called in a blog for the 2,000 to be named.

The bogus figure has become a leitmotif of government discourse, Mr Makonnen said. "I was horrified to see how far the government is ready to go to try to undermine our work and discredit human rights organisations," he said. The information attacks, he added, made civil society groups fear that Mr Orban's "revenge" warning was no empty threat.

Asked about the prime minister's words, Mr Kovacs said: "We mean what we mean. If there are undue charges, lies [being said about] you, they cannot go without consequence. This is especially true with the appearance of non-political actors in the field of politics," he added, explaining the latter statement as a reference to NGOs.

Opposition parties, too, have taken the prime minister's words as a threat. Bernadett Szel, leader of the opposition LMP, noted her party and Jobbik, a far-right group that is number two to Fidesz in the polls, had both faced arbitrary fines levied by supposedly independent institutions during the election campaign. "I'm afraid, if [Mr Orban] stays in power then he's going to go on in this way," she added.

Viktor Orban: 'We will, of course, seek amends, moral, political and legal amends'
Attila Kisbenedek STF/AFP/Getty Images

Markets gateway

Brexit spurs EU shipping groups to bypass Britain

Direct Irish services to continental Europe rise amid fears over UK checks

ARTHUR BEESLEY — DUBLIN

Shipping companies are ramping up direct freight services between Ireland and continental Europe as the country's hauliers make plans to bypass British ports after Brexit.

Although Irish hauliers have long used Britain as a gateway to other EU markets, the UK's impending departure from the EU has prompted concern about long tailbacks and cumbersome customs checks when passing through UK ports.

The preparations come despite UK government promises of frictionless trade after Brexit and a planned transition that will mean the UK observing EU rules until 2020.

CLdN, a Luxembourg-based shipping company, has introduced two "mega-vessels" on new direct freight routes linking Dublin with the Belgian port of Zeebrugge and the Dutch port of Rotterdam.

"In anticipation of Brexit, the shipping community was looking for alternative solutions whereby they were seeking a good balance between costs, frequency and lead-time," the company told the Financial Times.

Brittany Ferries will start a new service between Cork on Ireland's southern coast and the Spanish port of Santander this month.

Meanwhile, Irish Continental Group will boost freight capacity nearly 10-fold between Dublin and the French port of Cherbourg this summer when a new ferry comes into service.

Weekly freight capacity on the route would increase to 1,155 trucks from 120, although some of that would be reserved for tourist vehicles in the holiday season, the company said.

Direct routes to continental Europe have the potential to displace some of the busy freight traffic between Ireland and the UK, although Ireland's heavy reliance on trade with Britain means links between the two will continue to be a mainstay. Irish Continental plans a big increase in capacity on its Dublin-Holyhead service from 2020.

A survey last year found that 57 per cent of Irish exporters could supply EU countries by shipping directly to continental ports, if transit time through the UK increased or costs rose.

Verona Murphy, president of the Irish Road Haulage Association, said businesses feared long delays at UK ports if Theresa May, UK prime minister, proceeded with plans to leave the EU's customs union and internal market.

> 'We've got three expected checks . . . From our perspective it just couldn't be worse'

"We've got three expected checks: customs, the department of agriculture and then immigration. It's going to be huge. From our perspective it just couldn't be worse," she said.

Transit times on direct routes were longer but would offer more certainty over trucking schedules in the event of new checks at UK ports, she said. "You know what time you get on [the direct ferry] and you know what time you get off, and you haven't left the eurozone, so you get a green light at customs."

The daily capacity for trucks on routes between Dublin and the Welsh port of Holyhead is about 1,000 each way, according to the Irish Exporters Association.

Routes linking Rosslare on Ireland's south-eastern coast with the Welsh ports of Fishguard and Pembroke together have a daily capacity of 250 each way. Much of this traffic travels on to continental Europe. Data show that two-thirds of leading Irish exporters shipping to the continent do so via Britain, taking advantage of short-sea crossings, extensive UK motorways and ports and the Channel tunnel.

Citing research by the state-owned port of Cork, Brittany Ferries said it was confident of the demand for its Santander service.

"It was always our intention to look at a direct route from Ireland to Spain but certainly Brexit has hastened the decision," the company said.

"We have had a great deal of interest from hauliers. However, as they normally follow a late booking pattern, it remains to be seen how that will translate into business."

Trade deficit. Exchange rate puzzle

Sanctions-hit N Korea faces crisis over hard currency

Balance of payments crunch looms as Pyongyang uses foreign reserves to pay China

BRYAN HARRIS — SEOUL

As Kim Jong Un gears up for a historic summit with US president Donald Trump, the North Korean leader's primary objective is growing clearer: sanctions relief.

Biting international pressure has fuelled a swelling trade deficit in the isolated nation, which experts predict could escalate into a "fully fledged" currency crisis as soon as this year.

If sanctions continue unabated, the Kim regime could quickly run out of hard currency as the nation's foreign reserves are used to finance the deficit with China, its principal trading partner, economic experts and officials said.

The "indicators suggest sanctions are strong enough to create a currency crisis . . . at the end of 2018 or the beginning of 2019", said Choi Jang-ho, a fellow at the Korea Institute for International Economic Policy. "I expect to see both industry and the wider economy shrinking by then."

The developments will boost the White House, which has spearheaded a "maximum pressure" campaign to coerce Mr Kim's regime into abandoning its nuclear weapons programmes.

After a year of threats and recriminations, Mr Trump and Mr Kim last month agreed to a summit, although neither an agenda nor a venue has been decided.

Economic developments in North Korea are notoriously hard to track due to the dearth of official data and the opaque web of decentralised policymakers. But data from China, which accounts for about 90 per cent of North Korea's trade, combined with exchange rate information from inside the isolated nation suggest Pyongyang could soon face a balance of payments crisis and potentially a run on its currency.

The concerns are rooted in North Korea's \$1.7bn trade deficit in goods with China in 2017. The figure, more than twice its usual level, is unlikely to be mitigated by non-goods income, such as remittances, given that "new sanctions target [North Korea's] overseas workers", said William Brown, a professor of Asian economies at Georgetown University and a former US intelligence officer.

Black market activities, such as drug trafficking and cryptocurrency theft, have long aided the regime's finances, often to the tune of tens or hundreds of millions of dollars.

But with scant external investment or loans on offer, North Korea is believed to be financing its deficit using its foreign currency reserves, which are estimated to be between \$3bn and \$13bn.

A man passes a factory in Chongjin, North Korea. National imports and exports have fallen
Ed Jones/AFP/Getty

"The chances are they are burning their reserves," said Go Myong-hyun, a research fellow at the Asan Institute for Policy Studies in Seoul. "The sanctions have only been in place for more than a quarter, so it is too soon to see the impact now . . . I expect a fully fledged crisis later this year."

In February, the head of South Korea's parliamentary intelligence committee estimated that North Korea had about \$3bn in cash reserves, which he predicted would run out in less than a year given a \$250m monthly outflow suggested by Chinese trade data.

"The volume of exports and imports have significantly fallen both in January and February this year, which could signal an economic downturn, shrinking industry and the depletion of foreign reserves," Mr Choi said.

If Pyongyang is unable to make its payments, imports are likely to dry up, triggering goods shortages, inflation and job losses at the country's marketplaces.

> 'Chances are they are burning their reserves. I expect a fully fledged crisis later this year'

Sanctions begin to bite
US\$m

Source: Korea International Trade Association

Such developments would be a blow to North Korea's Swiss-educated leader, who has overseen a period of quiet economic reform, leading to an uptick in wages and the overall standard of living.

Unlike his father Kim Jong Il, Mr Kim has tacitly acknowledged the role of private enterprise and markets, known as *jangmadang*, which have proliferated across the nation of 25m people.

The events demonstrate how China is flexing its economic muscle to influence its recalcitrant ally. Beijing virtually halted exports of petroleum products, coal and other important materials to Pyongyang in the first months of this year. Machinery exports, which include mobile phones and other everyday goods, fell to almost zero.

But the deteriorating outlook has left experts puzzling over the widely used informal exchange rate between the dollar and the North Korean won — a rate that has remained stable at around 1:8,000 during Mr Kim's reign. The official rate of about Won100 to the dollar, barely used inside the nation, is applied mostly to foreigners in the country.

"Most remarkable is its greater stability in the past six months even as the country's observed trade deficit has grown spectacularly, presumably creating an outflow, and thus a shortage, of foreign exchange," said Prof Brown.

Prof Brown said Pyongyang "may be intervening to keep the won fixed" to ensure stability. With North Korea moving firmly away from a rations-based to a money-based system, he warned that government credibility was more important than ever.

"A significant price movement in favour of the dollar could lead to panic selling of the won, hyperinflation and turmoil for the growing class of money lenders. It makes for social instability."

Other experts believe such a scenario is unlikely given the "dollarisation" of the North Korean economy in recent years, making the need to exchange currency less pressing. According to surveys of North Korean defectors in Seoul, dollars are used for most large business transactions, while local currency is kept for day-to-day purchases.

"Most savings are held in foreign currencies instead of won," said Kim Byung-yeon, an expert on the North Korean economy at Seoul National University. He said the economic situation was further complicated by the lack of an overriding central decision making body. The system is kept "stable by decentralised co-ordination by institutions that all have currency reserves".

"There is no central body," Prof Kim said. "If something goes wrong, it can go wrong rapidly."

Additional reporting by Kang Buseong

Labour market

UK businesses report average gender pay gap of nearly 10%

BILLY EHRENBERG-SHANNON AND ALEKSANDRA WISNIEWSKA — LONDON

Three out of four UK companies pay men more than women, with an average pay gap of 9.7 per cent, according to data supplied by businesses ahead of a government deadline.

Under rules introduced last year, UK employers with 250 or more workers are required to report the difference between what they pay men and women. By midnight on Wednesday, 10,016 employers had submitted data, exceeding the government estimate of about 9,000 employers.

A total of 1,652 public sector employers — 60 per cent more than expected — had submitted details of their gender pay, while in the private sector, 7,808 employers submitted their figures. Some 556 employers did not specify an industrial classification and could not be labelled as either public or private sector. Based on the data, the average median pay gap in the private sector is 8.1 per cent.

The average median pay gap in the public sector is 14 per cent.

The data were the most comprehensive collected in any country.

The data revealed that the sectors with the worst gender pay gaps were construction, where male staff earn 24.8 per cent more on average than female employees; financial and insurance services, which pays men 22.2 per cent more on average than women; and education, where the gap is 19.9 per cent.

> The average median pay gap in the private sector is 8.1% and in the public sector is 14%

No sector pays women more than men, on average, but industries with the smallest gaps include accommodation and food services, where female employees earn only 1 per cent less, on average, than their male counterparts, and health and social care, where women earned 1.6 per cent less on average.

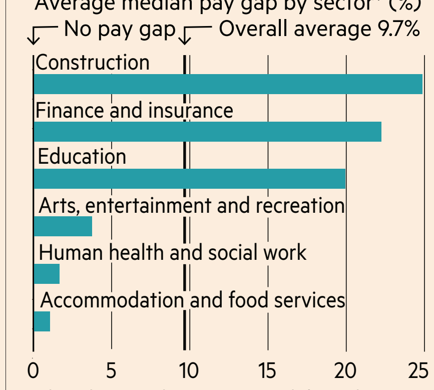
There also have been anomalies in the data. Fifty employers have reported pay gaps of zero measured by both the mean and the median, which is statistically implausible.

Six have reported pay gaps that imply the average male or female salary is less than zero, which is impossible.

More than 220 companies have also changed their original submissions.

It is also unclear whether the Government Equalities Office, which is responsible for the reporting portal, as well as the Equality and Human Rights Commission have the tools they need to find companies that fail to report the information.

No sector pays women more, on average, than men
Average median pay gap by sector* (%)



*Selected sectors shown. Sectors with fewer than 25 companies reporting are excluded
Source: Gov.uk

Peaceful election

Opposition leader sworn in as Sierra Leone president after run-off

MURRAY WITHERS AND DAVID PILLING
LONDON

Julius Maada Bio, an opposition leader who was briefly a leader of a junta during Sierra Leone's civil war, has been sworn in as the west African country's president after winning a run-off vote.

The retired brigadier takes over from Ernest Bai Koroma, who was in power from 2007 and obliged to step down after serving his constitutionally mandated two terms.

Mr Maada Bio's victory comes shortly after a peaceful election in neighbouring Liberia, where two-term leader Ellen Johnson-Sirleaf stood down in January to make way for former footballer George Weah.

The two elections in what, during the 1990s, was a troubled region consolidate a pattern of regular transfers of power through the ballot box in west Africa, now arguably the most democratic part of the continent.

Opposition candidates defeated the incumbents in presidential elections in Nigeria and Ghana in 2015 and 2016 respectively.

Last year, after 23 years ruling Gambia, Yahya Jammeh was forced by the threat of regional military action to cede power to Adama Barrow, a political neophyte who had surprisingly defeated him in an electoral contest.

In Sierra Leone, after a tense few days where counting was briefly halted and internet connections cut, Mr Maada Bio was sworn in late on Wednesday shortly after results were released showing that he had won 51.8 per cent of the vote.

Foreign minister Samura Kamara, the candidate of the incumbent All People's Congress (APC), said he would challenge the result over what he said were "electoral irregularities".

> 'That more than 80% of voters took to the polls is an indication of confidence in the electoral process'

Electoral turnout was marginally down for the March 31 run-off compared with the first round, but was still reported as 81 per cent.

The run-off itself was delayed after a member of the APC filed an injunction related to alleged ballot tampering.

"The fact that more than 80 per cent of eligible voters took to the polls in the run-off is a strong indication of the confidence that Sierra Leoneans had in the electoral process," said Tom Vens, EU ambassador to Sierra Leone.

The elections were mostly peaceful, he added. The EU was one of several international election observers.

With the majority of parliamentary seats in APC hands — as opposed to that of the new president's Sierra Leone People's party — the election result raises hopes for improved accountability, analysts said.

"This is a significant result and a few months ago, an unexpected one," said Alex Vines, head of the Africa programme at the UK's Chatham House think-tank, who added that Mr Kamara had been expected to score a narrow victory.

He said the presidential-parliamentary split would test Mr Maada Bio's resolve to participate in constructive and collective politics.

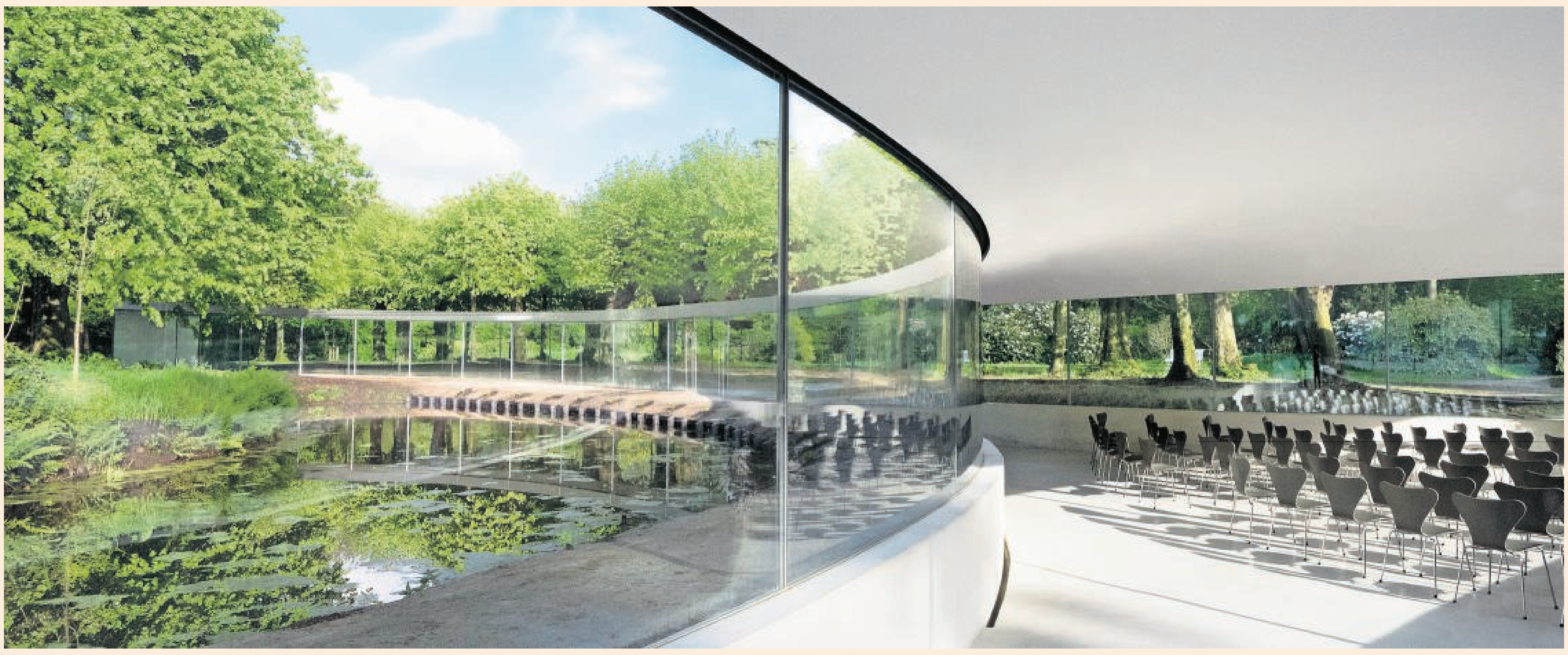
A pressing task for the new president will be to spread growth more evenly and boost revenue from the mining of diamonds, iron, rutile and other resources. Some estimates put youth unemployment at 70 per cent.

Corruption is a problem, with disputes still lingering over lost funds allocated for the Ebola crisis in 2015. The previous government was also criticised over its response to mudslides that killed hundreds of people in Freetown, the capital, in August.


TIME, A HERMÈS OBJECT.
HERMÈS
PARIS
Publicis EtNous
HERMÈS
PARIS
Carré H
Time, square like a Hermès scarf.

The unfeasible lightness of building

An exhibition in Paris of work by architect Junya Ishigami reveals his gift for earthy yet weightless structures. Edwin Heathcote meets him



Does architecture need to be freed? And, if it does, freed from what? I was a little sceptical of the title of the new show at Paris's Fondation Cartier, *Freeing Architecture: Junya Ishigami*, and of the young and impossibly cool Japanese architect who is its subject. But the scepticism fell away as he led me through the works in a torrent of vague, almost childlike descriptions.

Dressed in what looked like a vintage 1970s leather jacket — slightly scuffed, too small and with a big, rounded collar — skinny black trousers and Cuban heels, Ishigami is himself an almost ethereal presence, moving weightlessly between exhibits like a marionette. Those qualities are apparent in most of his work too, which seems unfeasibly light; how exactly it stays up isn't always obvious.

This is the first monographic exhibition on an architect staged by the Fondation Cartier in its 24-year history and it seems remarkable that such a prestigious show should be devoted to an architect who appears to have built so little. Ishigami, who is 43 (which is, in architectural terms, late infancy), previously worked at SANAA with Kazuyo Sejima and is a little younger than Japan's other young star, Sou Fujimoto. Both SANAA and Fujimoto appear almost obsessed with lightness, with the creation of a ghostly architecture that denies building's most obvious characteristic, weight, and its greatest opponent, gravity.

Being known mostly for his few exhibition commissions (including the gorgeous greenery of the Japanese Pavilion at the Venice Biennale in 2008), Ishigami seems to have avoided a serious encounter with gravity so far. In this show he begins to reveal how he will cope. His approach is to conceive of his architecture not exactly as landscape but as something about landscape. Every one of the projects displayed here deals in some way with the particular conditions of the ground and the ideas (often extremely simple) are extruded directly from the site.

Lecture hall at the visitor centre, Vijversburg, Netherlands. Below: Ishigami's 'House With Plants' in Tokyo

There is, for instance, a visitor centre in a forest (Vijversburg in the Netherlands) in which, rather than chopping down trees, he threaded the building along existing woodland paths, extruding glass tentacles between the trees. There is a chapel in China which sits in a steep-sided ravine and extends its sheer verticality in a tall tower. There is a low-roofed house for his mother which disappears into the ground and a one-kilometre-long building (also in China) which is just a single roof, more like a walkway so long and slender that it begins to appear a part of the landscape.

If these buildings sit lightly on the land, there are others which instead carve out the earth to create a far weightier atmosphere, an appreciation of the character of the subterranean. The most striking of these are the proposals for a dwelling and restaurant in Yamaguchi, Japan. Holes are dug and filled with concrete. The surrounding earth is then excavated, leaving negative forms that function as columns — a counterintuitive, upside-down architecture. The earth is bonded to the concrete and the result should be a kind of grotto. It is a weird solution but also slightly brilliant, an architecture of sensation and association, of feeling the earth. "If we eat in an old building," Ishigami tells me, "it has a good atmosphere which we don't get if we're in a new office building. I didn't want to create space as an ornament or to make something that looked like an amusement park."

> 'I want architecture to be an extension of the existing nature,' says Ishigami

Similarly, for the Polytechnic Museum in Moscow (a huge 19th-century building housing the city's science museum), rather than create an extension as most architects would, Ishigami looked underground. "The building was in very good condition," he tells me, "but the foundations were . . . er . . . turned to dust." Crumbling? I suggest. "Yes, yes, so we used that condition, we had to rebuild underground anyway and we carved out a bowl around the building." The extension, then, is a new basement, depicted here as a forest of concrete columns of different sizes and shapes through which exhibitions can be threaded.

There are even odder buildings here. Describing an attenuated roof set in a landscape of pebbles, Ishigami tells me: "This is a very beautiful landscape [Dali in Yunnan province, China] but change is very rapid and it won't be there for long so the idea is to preserve the landscape inside." This is a plan for a series of five huge holiday homes, all on one level and all under one single flat roof pierced with round skylights like a slice of Swiss cheese. The boulders that litter the landscape are preserved inside, holding up the roof so there is no need for extra columns. The topography becomes the structure and is enveloped inside.

The exhibition is dominated by a meandering model of an arch proposed for Sydney, a kind of warped version of the St Louis landmark. "I wanted it to be like a line drawn in the air," Ishigami explains, "so it looks different from every angle and someone used to approaching from one street has a completely different picture of it from someone coming from another place."

There is also model of a kindergarten with shapes derived from cartoonish animals, and a tank of water with a billowing concrete canopy that seems to float on its surface. This is an offshore pavilion near Copenhagen that is accessible only by boat. It looks like a concrete cloud.

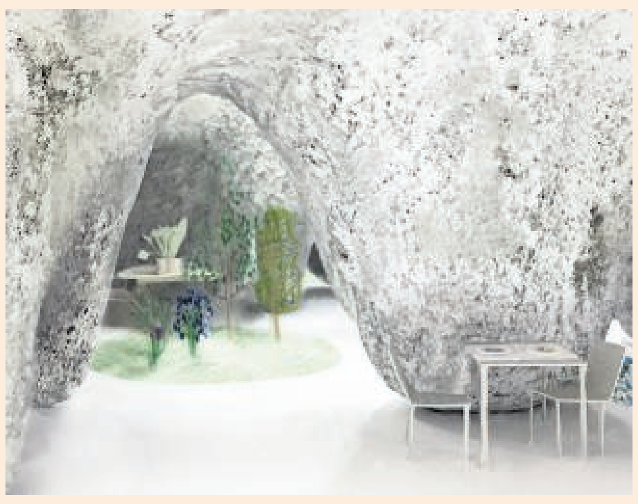
My favourite is what looks like a village tightly packed with little houses but which, it transpires, is a residential home for elderly Alzheimer's patients in Tohoku, Japan. The architect scoured the country looking for homes that were being demolished and brought parts of them to the site to create a collection of rooms which each have a distinct lived-in character, their scale and materials breeding a sense of familiarity that is intended to comfort residents.

Finally there is a model of Ishigami's (completed) workshops for the Kanagawa Institute of Technology, an exquisite-looking forest of slender columns around which students congregate to make their own space. It will be counterpointed by an entirely column-free space in which the roof simply drapes across the room, drooping under its own weight like a sheet hung between two walls. The model here is a compelling piece of work that genuinely expresses something about gravity and the tolerance of materials.

Although this exhibition promises much, there is no way to tell whether the promise can be fulfilled. Ishigami's statements are vague, perhaps because of his slightly faltering English, perhaps deliberately. When I ask him for more detail, he points me towards the Japanese garden and the idea of *shakkei*, which he translates as "borrowing scenery"; it is the practice of including the surrounding landscape in a garden's design. "I want architecture to be an extension of the existing nature," he says.

But the question remains, freeing architecture from what? Ishigami does, I think, suggest an answer in this fascinating exhibition. Freeing it from its history and the burden of its expectations, its weight in every sense. Freeing it, in effect, from itself.

To June 10, fondationcartier.com



Rendering of Ishigami's proposal for a dwelling and restaurant in Yamaguchi, Japan

Silky, gleaming sound of youth

OPERA

The Marriage of Figaro
Coliseum, London
★★★☆☆

Richard Fairman

In providing opportunities to young singers, English National Opera is on a noble mission. Given the risks involved, it is unsurprising that the results this year have been up and down — mixed in *A Midsummer Night's Dream*, near disastrous in *La traviata*, but a gratifying success here in Mozart.

Fiona Shaw's production of *The Marriage of Figaro*, first seen in 2011, is not an odds-on winner. The ugly, unit set is too bland and the stage revolve is irritating, though the idea of showing the servants at work around the house is neat enough.

The production has little to say about the opera's big issues of social upheaval and sexual exploitation, and busies itself instead with countless tiny ideas, none of them good. Do we have to put up with the buzzing mosquito before the opera starts? Or the blind Basilio? Or Barbarina being sick at the side of the stage?

Against the odds, the new cast, most of them taking on their roles for the first time, transcend their surroundings. Who would have guessed this was Lucy Crowe's first try at the Countess? She sounds radiant, despite a cloudy start in her opening aria (as happens with so many singers of the role) and projects strongly in this big theatre. Silkily lambent of sound, tingling with inner intensity, she has every side of the role covered.

In the Almavivas' dysfunctional household, the women wield the sharp rapiers, the men the blunt swords. Ashley Riches cuts an imposing figure as the Count, authoritative and lascivious, as if trying out a dry run for Don Giovanni, but fated to be ensnared by the women's wiles. His singing is outstanding in the recitatives, rather reined in elsewhere. Rhian Lois makes a resourceful Susanna, though not always pure of voice, and Thomas Oliemans brings a quality baritone, but not much personality, to Figaro. Another newcomer, Katie Coventry, is a happy-go-lucky, gleaming young Cherubino.

Experience tells in the three character roles, sung by Janis Kelly, Keel Watson and Colin Judson. Music director Martyn Brabbins conducts plausible, big-house Mozart, though from time to time he falls behind the singers. This is a night when the young are out in front.

eno.org

Radiant: Lucy Crowe in 'The Marriage of Figaro'
Alastair Muir

The arrest of Ali Sadr in the US for sanctions-busting exposed the often murky economic links between Iran and Venezuela. It has also raised difficult questions for Malta, where he set up a private bank.

By Cynthia O'Murchu

A double life?

Protesters in Valletta on March 21 hold up posters of former Pilatus chairman Ali Sadr and call for the resignation of Malta's police commissioner after news of Mr Sadr's arrest in the US

Darrin Zammit Lupi/Reuters

The day after a car bomb claimed the life of Maltese investigative reporter Daphne Caruana Galizia, in October last year, one of the 47 libel suits against her was quietly dropped at a county court in the US.

Maltese private bank Pilatus Bank and its owner, Iran-born Seyed Ali Sadr Hasheminejad, known as Ali Sadr, had filed proceedings against Caruana Galizia earlier last year. The suit came after a series of stories published on her website that claimed Pilatus had laundered funds from allegedly corrupt schemes on behalf of offshore companies and individuals, including Keith Schembri, chief of staff to the Maltese prime minister, Joseph Muscat.

Based in part on the release of files in the Panama Papers, the stories culminated in the claim that Michelle Muscat, the prime minister's wife, had received $1m from the daughter of President Ilham Aliyev of Azerbaijan, with the money moving through a Panamanian shell company in transactions facilitated by Pilatus.

Mr Muscat was quick to react, calling the accusations "the greatest lie in Malta's political history". Pilatus also responded emphatically. "Pilatus Bank was not set up to criminally launder money . . . Pilatus Bank has not committed any criminal acts. Mr Sadr has not committed any criminal acts", the now withdrawn lawsuit filed in May last year says.

The story did not end there. In March, Mr Sadr was arrested in the US and charged on six counts of evading Washington's sanctions against Iran. Prosecutors claim he organised a scheme, lasting from 2006 to 2014, to illicitly funnel more than $115m from a Venezuelan housing project to Iranian-controlled companies via western banks.

Pilatus Bank owner Ali Sadr is facing six counts of evading US sanctions against Iran

Prosecutors allege Mr Sadr used "deceptive means" to hide the role of Iranian parties in the US dollar payments. They say that with the help of seven co-conspirators Mr Sadr set up Swiss, Turkish and offshore entities and arranged for funds to be transferred through Swiss and US banks. Mr Sadr had also used a St Kitts and Nevis passport and an address in Dubai, which prosecutors say were intended to mask his Iranian connections.

Following his arrest, Mr Sadr was removed from his role at Pilatus and his voting rights were suspended. The Maltese Financial Services Authority hired an experienced former US regulator to take control of the bank's assets and stopped all transactions, including withdrawals or deposits. Protesters placed a washing machine and pegged fake euro notes on a washing line outside the bank's headquarters.

Mr Sadr last week pleaded not guilty and was denied bail. "Mr Sadr intends to vigorously defend himself and looks forward to doing so in court," Baruch Weiss, his lawyer in the sanctions matter, told the Financial Times.

Oversight concerns

Mr Sadr's indictment casts rare light on alleged schemes that have been created by Iranian entities to evade sanctions. It follows the conviction in January of a Turkish banker in a US sanctions case involving fraudulent billion-dollar gold-for-food transactions.

But it also raises uncomfortable questions for Europe. Amid a procession of scandals that have involved banks in Latvia and Cyprus, the arrest of Mr Sadr is the latest in a series of cases in which the ability of European regulators, law enforcement agencies and financial institutions to police money laundering has been called into doubt.

Pilatus is not mentioned in the indictment, which was unsealed on March 20, and there is no allegation that the bank was involved in the illicit scheme that led to his arrest. But the indictment revealed that during the time Mr Sadr began the process of applying for and obtaining Pilatus's banking licence, he was still involved in the alleged sanctions evasion scheme and was already under investigation by US authorities.

The FT has discovered that in addition to Mr Sadr, another non-executive director of Pilatus Bank, Mustafa Cetinel, was also investigated in the same probe, though he has not been charged.

In recent months, EU lawmakers, prompted by damning intelligence reports from Malta's anti-money laundering agency, which were leaked to the media, have repeatedly called for an inquiry into Pilatus Bank. The reports found "major" shortcomings in the bank's anti-money laundering processes and one, from 2016, referred to intelligence that Mr Sadr was being investigated in a foreign jurisdiction for money laundering.

> Ali Sadr's indictment casts rare light on the elaborate schemes that have been created by Iranian entities to evade sanctions

> The Maltese Financial Services Authority has faced heavy criticism that it rubber-stamped Pilatus's licensing application

Some of the MEPs have echoed questions raised by Caruana Galizia: how could a then 32-year-old with no public record in banking manage to set up a private Malta bank geared to wealthy individuals and politically connected clients? The bank holds more than €300m in assets, according to its latest annual report.

And how was that bank able to open a branch office in London at a time when its owner and chairman and a least one other board member were being investigated by US authorities for their alleged involvement in evading US sanctions and money laundering?

For Maltese MEP David Casa, who has campaigned for Pilatus to be investigated, the problem goes beyond Mr Sadr's alleged subterfuge. It exposes, he says, the inherent weakness of the EU's "passporting" system, which allows financial companies and banks licensed in one country to transfer their permissions to operate in another EU country.

"The proper functioning of the passporting system is necessarily dependent on the robustness of the procedures carried out by the regulatory authority of the member state in which the entity is licensed," Mr Casa wrote in a letter to the UK's Prudential Regulation Authority last month, claiming that regulatory oversight had been compromised in the case of Pilatus.

Danièle Nouy, chair of the European Central Bank supervisory board, told an EU parliamentary committee last month that it was "very embarrassing to depend on the US to do the job". The ECB does not have a mandate to supervise financial institutions and banks on their compliance with anti-money laundering laws because that role is carried out by local regulators.

Meanwhile, the European Banking Authority is undertaking a preliminary inquiry into the Maltese regulator and the country's anti-money laundering unit. This followed a letter from 22 MEPs to the EBA's chairman that blamed "regulatory capture" for "the apparent impunity" with which Pilatus allegedly continued to operate.

Pressure on Tehran

US prosecutors have for years been investigating allegedly illicit flows from Venezuela to Iran — part of a broader push by Washington, especially before the 2015 nuclear deal with Tehran, to put pressure on the Iranian economy.

The economic ties between Venezuela and Iran flourished after the election of Mahmoud Ahmedinejad in 2005, as the new president bonded with then Venezuelan leader Hugo Chávez in mutual antipathy towards the US. Tehran's search for new economic partners gained added urgency after the imposition in 2010 of US banking sanctions that crippled its ability to do business within the global financial system.

According to the US indictment, the company at the centre of the plan to evade sanctions was Iranian International Housing Corporation, a construction firm incorporated in Tehran by the Sadr family's main holding company, Stratus Group. In 2007, IIHC entered into a $476m contract with a subsidiary of state-owned Venezuelan oil company PDVSA to build thousands of housing units in the Latin American country.

In order to obscure the involvement of Iranian companies in the deal, prosecutors allege, Mr Sadr set up a network of front companies and bank accounts. He was able to do this in part because he took advantage of a passport-for-investment scheme from St Kitts and Nevis — a popular scheme among wealthy Iranians who want visa-free travel in much of the world. In 2014 the US Treasury issued a notice warning that "illicit actors" were using the St Kitts citizenship-by-investment scheme to mask their identity and evade sanctions.

Mr Sadr was one of the founders of a company in Switzerland called Clarity Trade & Finance and another in Turkey called Stratus International Contracting. The indictment says that between 2011 and 2013, he organised 15 separate payments to IIHC worth $115m that went through these two companies. Most of the funds were eventually transferred to a British Virgin Islands entity incorporated by Mr Sadr and others.

Documents and emails from the companies indicate the efforts to get around sanctions, US prosecutors say. In a letter dated July 22 2011, seen by the FT and referred to in the indictment, an IIHC director asked for payments to be made through a bank account at Zurich-based Hyposwiss Private Bank Ltd held in the name of Clarity Trade & Finance. JPMorgan's New York branch is listed as the intermediary bank. The letter was addressed to Dulcosa, the PDVSA subsidiary that oversaw the government-financed housing project. The funds should go to Clarity Trade & Finance, the director wrote, "in view of the current difficulties for transfer and movement of funds".

A banker familiar with the transactions who dealt with Mr Sadr told the FT the bank's impression was that the business was conducted between a Turkish company and Venezuela. He said there was no indication that the end beneficiary was an Iranian company. "All the contracts were done by lawyers, properly done, and all the shareholders were outside of Iran," he said.

Like others in the legal and banking sector who worked with Mr Sadr, he dismissed the sanctions evasion allegations as "politically motivated".

Mr Sadr's father, Mohammed Seyed Hasheminejad, who is an unnamed co-conspirator in the indictment, told the FT that Stratus Group was only a minor shareholder in IIHC. "IIHC has transferred no single penny to Iran and hence has not violated any US sanctions," he said, denying that the Turkish company was set up to circumvent sanctions.

> Daphne Caruana Galizia, below, published a leaked report by Malta's anti-money laundering agency on Pilatus Bank

The contract in Venezuela was to build Ciudad Fabricio Ojeda, a vast housing project in Zulia state. About a third of these apartments remain unfinished, some languishing without basic facilities and vandalised with graffiti, according to a 2017 report by Venezuela's lobbying group Transparencia.

Mr Sadr's father — who is a former chairman of EN Bank, Iran's first private bank — said 4,000 of the 7,000 housing units had been delivered. "The Venezuelan government has not had money to pay us back," he said.

Though the indictment does not name him, the FT has established that another of the suspected co-conspirators is Mr Cetinel, a non-executive director of Pilatus Bank.

According to Turkish public records, Mr Cetinel held a 4 per cent stake in Stratus International Contracting, the company established by Mr Sadr to which the allegedly illicit payments were made. One of Mr Cetinel's social media profiles shows him in December 2013 attending the opening ceremony of the Ciudad Ojeda housing project.

Prosecutors allege that Mr Cetinel recommended a name change for IIHC to one that would remove the reference to Iran. Alternative names suggested included "International Iron Housing Company". Mr Cetinel did not respond to a request for comment.

Investigative journalist Daphne Caruana Galizia, who was murdered in Malta last year

Political connections

According to the US indictment, it seems as though Mr Sadr was living a double life. At the same time as allegedly orchestrating the financial links between Iran and Venezuela, he also set about establishing a bank in Malta.

Mr Sadr began applying for a banking licence in the summer of 2012. KPMG assisted and advised Mr Sadr in compiling the application and liaising with the Maltese regulator, according to a letter that Pilatus chief executive Hamidreza Ghanbari sent in January to MEPs. Mr Sadr's "source of wealth and source of funds were vetted acutely as part of the MFSA due diligence process", he wrote.

KPMG declined to comment, citing client confidentiality. Pilatus Bank did not respond to multiple requests for comment. JPMorgan declined to comment, as did St Galler Kantonalbank, which owned Hyposwiss Private Bank Ltd at the time of the transactions.

Little is known about the operations or finances of the companies Mr Sadr owned. Public records indicate that Clarity Trade & Finance, which claimed to be trading in agricultural commodities, made a profit of €1.2m in 2012, while Stratus International Contracting made nearly €16m in profit.

Mr Sadr was also a director of Pilatus Capital, a company originally incorporated in the UK as Sirius Trade and Finance by Mehdi Shams, a former employee of the Iranian shipping line Irisl. Mr Shams was sentenced to death two years ago in Iran for embezzlement.

In early 2017 Pilatus established offices in London's Mayfair, which Mr Sadr and Mr Ghanbari visited regularly. The UK's Financial Conduct Authority confirmed that Pilatus Bank had passported its licence but said the bank had not yet opened for business in the UK, meaning it could not carry out regulated activities such as opening accounts.

The Maltese Financial Services Authority has faced heavy criticism in recent months that it rubber-stamped Pilatus's licensing application, an accusation that has been rejected by the MFSA as well as Pilatus Bank. The MFSA said it had been closely reviewing and monitoring the bank in line with its supervisory responsibilities and continued to co-ordinate closely with international regulators and law enforcement.

The Maltese authorities have not been helped by information about Mr Sadr's political connections. Last month, Maltese media reported that Mr Muscat and his chief of staff attended Mr Sadr's wedding in 2015.

After receiving the preliminary report into the bank's processes by Malta's anti-money laundering agency, which Caruana Galizia published on her website, Pilatus engaged the bank's auditor, KPMG, and a local law firm to conduct a review of the bank's clients and procedures. That review gave Pilatus a clean bill of health.

The agency subsequently decided its concerns no longer existed. But after the renewed scrutiny of Pilatus that has followed the US indictment of Mr Sadr, the Maltese authorities are now being forced to explain why they did not ask more questions about the bank.

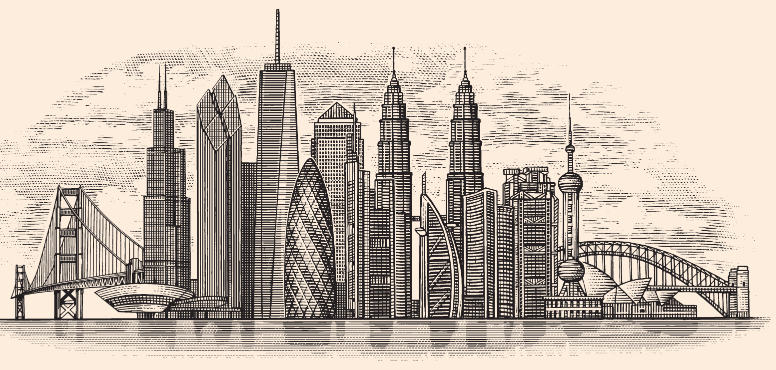
Additional reporting by Najmeh Bozorgmehr in Tehran

Speed read

Maltese connection Daphne Caruana Galizia published a series of stories about Pilatus Bank on her website

Bloc power The ability of EU regulators and law enforcement agencies to police money laundering is under scrutiny

Pass the test The EU passporting system relies heavily on the robustness of the home state regulator



FINANCIAL TIMES
'Without fear and without favour'
FRIDAY 6 APRIL 2018

Lula's prosecution shows nobody is above the law

Brazil's anti-corruption purge should be celebrated, not decried

Luiz Inácio Lula da Silva lifted millions of people out of poverty during his two terms as president of Brazil. The workers' hero also presided over the most corrupt government in the country's history — and that is according to one of his own ministers. On Wednesday night, Mr Lula da Silva faced his comeuppance when the Supreme Court rejected his appeal to avoid jail over a corruption conviction.

The controversial ruling, which could see Mr Lula da Silva behind bars in days, marks the sad and ignominious fall of a remarkable politician. But it also shows nobody is above the law — a positive, even revolutionary, development in a country racked by extreme legalism but also great illegality.

First, the ruling throws wide-open Brazil's already highly-charged presidential election. Mr Lula da Silva, who had been aiming for re-election in October, has been leading polls. Yet that does not mean that Jair Bolsonaro, currently second in the polls, is now a shoo-in. An extreme rightwinger, Mr Bolsonaro is a frightening prospect: he makes US president Donald Trump's views seem mild. But the end of Mr Lula da Silva's candidacy also nixes his appeal as the "anti-Lula". Indeed, this lopping-off of such two extreme candidates will give more chance for centrist contenders to emerge from the field. One such is Joaquim Barbosa, the well-regarded former head of the Supreme Court.

Second, supporters of Mr Lula da Silva have decried the judicial ruling as proof of a rightwing witch hunt against his Workers Party, the left in general, or indeed anyone who takes Brazil's pressing social concerns to heart. But that is far from so.

Brazilian judges and prosecutors have been impartial in their pursuit of justice, and have acted across the political spectrum. Rightwing politicians such as the former house speaker Eduardo Cunha are in jail on corruption charges. Sérgio Cabral, the former governor of Rio de Janeiro, has been sentenced to 14 years in jail. President Michel Temer is also under investigation. Nor is Mr Lula da Silva quite the saint he is often made out to be.

The former union leader gave voice to the poor. During his presidencies, from 2003 to 2011, the proportion of Brazilians living in poverty also halved. These are remarkable achievements. Yet they are no more remarkable than what happened in centrist Peru, Chile — or indeed many other South American countries that also enjoyed the munificence of the commodity price boom. Mr Lula da Silva's presidency may have been more charismatic than theirs, but its results were little different. The aftermath — Brazil's worst-ever recession — was certainly worse.

The last point is perhaps the most important. During the past four years, Brazil's justice system has pursued and prosecuted perpetrators of two of the world's largest-ever corruption schemes: at Petrobras, the state-controlled oil company, and at Odebrecht, the construction company that was handmaid to much of Mr Lula da Silva's "rainbow" foreign policy. The roll-call of presidents, senior politicians and business leaders from across the region who have since been held to account is impressive. Pedro Pablo Kuczynski, who resigned as Peru's president last month, is only the latest.

Perhaps no other country in the emerging world has gone so far in rooting out the scourge of corruption, and all via the rule of law. Just as the prosecution of Chilean dictator Augusto Pinochet marked a turning point for human rights lawyers, so too might this Latin American anti-corruption purge. Brazil's judges and prosecutors deserve all the credit.

London's violent crime wave can be beaten back

New York and Glasgow provide useful lessons for the UK capital

On Wednesday evening an 18-year-old boy was stabbed to death in the London borough of Hackney. Separately, two miles away, a 53-old man died following a fight at a betting shop. This brought the number of murders in London this year to more than 50. There have been five alone this week — a resurgence that had UK newspapers drawing unflattering comparisons with the homicide rate in New York.

It is true that in both February and March London's Metropolitan Police was dealing with more killings than the New York Police Department. In reality, that may have been a temporary anomaly. New York's per capita murder rate was significantly higher throughout 2017 when the homicide rate per 100,000 inhabitants was 3.4 compared to 1.2 in London.

Moreover, if the gap between the two cities is narrowing, it is not so much because of the increase in violence in the UK capital. It is more the result of New York's extraordinary success in beating back violent crime over the past three decades.

Londoners had also grown accustomed to falling levels of crime. So the recent increase is understandably causing public anxiety. Last year, almost all of the police forces in England and Wales registered a rise in knife crime, with the biggest increase in the capital.

At least part of the answer can be found on the other side of the Atlantic. In the 20 years to 2009, the number of murders, robberies and burglaries in New York was down 80 per cent, twice the US national average, and lower than it had been in 1961. Experts are still studying the mix of policies that led to these declines. But there is little doubt that more effective and aggressive policing was a major contributor. This initially involved both putting more policemen on the streets (7,000 were added in the 1990s) and using sophisticated crime mapping to target hotspots.

Other aspects of New York's success were counter-intuitive. Unlike the rest of America, the city did not lock away ever greater numbers of offenders. On the contrary. By 2009, according to one academic study, there were 29 per cent fewer prison inmates than 20 years before, while nationally the figure was up 65 per cent. Nor curiously did New York's success in beating crime coincide with comparable successes in beating drug abuse.

On average, police force budgets in England and Wales have been cut by 20 per cent since 2010, or £600m in the case of the Metropolitan Police. Many of the social and youth services essential to help prevent young people falling into a life of crime have also been slashed. Reducing these services may not have an immediate impact. Over time it clearly does, and with tragic effect.

New York's experience shows that tougher and more targeted policing is necessary to rid the streets of crime. In London that should not mean a return to the kind of stop and search tactics that alienated ethnic minority communities in the 1970s and was ultimately counter-productive. But more intelligence-led frisking is called for.

Glasgow provides lessons closer to home. Once dubbed the murder capital of Europe, homicides in the Scottish city are down 60 per cent over the past decade. There the authorities have treated knife violence as a public health and education issue, as well as a criminal one.

London may still be a comparatively safe city. But the authorities need to act fast to protect that reputation and prevent more lives from being wasted. The successes of other cities in reducing crime provide valuable lessons.

Letters

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How GKN lost a long-term holder's confidence

Sir, I read Michael Skapinker's article "Customers should have come first in the GKN battle" (April 5) with interest, although I do not agree with it in its entirety. I am a private investor with a smallish portfolio. I have held GKN shares for many years. My original holding was purchased more than 20 years ago.

When Melrose's original bid was announced, I instructed my broker to do nothing as I have considerable confidence that GKN's technology in electric motors for cars was world class. (As an aside, I drive an electric car.) When GKN decided to sell its driveline business to a US company, I instructed my broker to accept the Melrose offer as the only way in which this technology would remain in the UK for the foreseeable future, which I considered important. Had the GKN management shown that it wanted to retain the businesses under its present control, I would have supported it.

Mr Skapinker complains about short-term speculators, but these people/companies will have bought their holdings from long-term holders who had lost confidence in the GKN management. Is he really saying that when a bid occurs long-term holders should not be allowed to sell their holdings?

Anthony Behrens
London SW8, UK

If only the French or Dutch had stopped to plant a flag

Sir, John Barstow (Letters, April 4) thinks it a pity that the US did not inherit the British Crown Dominion system. Well, unfortunately here in Australia we did. The Westminster system is the most combative, do-nothing, undemocratic system of government ever foisted on an unsuspecting population. A system that disenfranchises half the population for the length of every electoral cycle and allows every incoming flip-flop government to spend the whole term undoing its adversaries' legislation.

As for the British legal system, call it a system but don't call it prompt and don't call it justice, except for the very rich and corporations. If only the French or Dutch had been better at planting flags when they passed Australia some 100-plus years before Captain Cook.

Geoffrey Warrener
Brisbane, QLD, Australia

Ample opportunity for an about-turn on Brexit

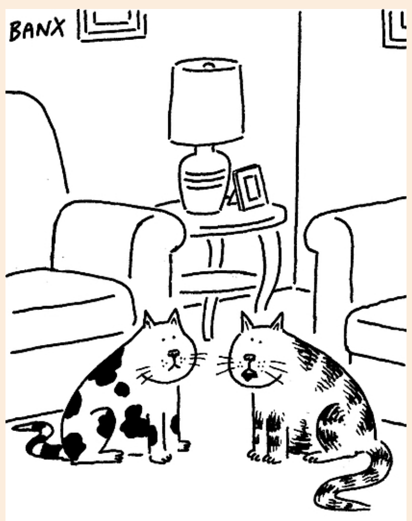
Sir, Wolfgang Münchau, in "The opportunity to revoke Brexit has closed" (April 2), advances four reasons for why he believes so: a withdrawal treaty is now "very likely"; the UK's Labour party does not support a second referendum; the UK economy has failed to collapse; and the rest of the EU has more important problems to deal with, hence is now reconciled to Brexit being a reality. All four reasons are mere nonsense.

A withdrawal treaty has not been agreed. Despite the sacking of Owen Smith for demanding a second referendum, the Labour party's stance on the issue will not be categorical until the last minute when the outcome of the Brexit negotiations comes to parliament for approval; it will not risk its chances of becoming the governing party now by saying otherwise. Aside from the Treasury and the Bank of England, no professional academic economist has stated that the dire predictions for the UK economy will materialise before Brexit became a reality. And there is no evidence whatsoever that the rest of the EU has given up on the UK remaining in the club.

Of course, Mr Münchau could have added that all recent polls have shown no change in the ratio of those wanting to leave and to remain, But that would be equally nonsensical because people will not change their perception until they find out what the negotiated deal looks like. They did not all vote Leave for one and the same reason.

Whatever the outcome of the negotiations, we can predict with absolute certainty that it will be much worse than EU membership. Indeed, it is then that the Labour party would reveal its true colours; it cannot risk doing so now because it cannot afford to offend some of its vehement supporters. And the Conservative party would not opt for a general election in 2019 since it would most certainly lose, hence it would prefer a second referendum.

Dr Ali M El-Agraa
London W5, UK
Emeritus Professor of International Economic Integration, Fukuoka University, Japan



'I worry how much of my data has been breached on Facebook'

MP's 'no hard border' argument is not helpful

Sir, Gregory Campbell (Letters, April 3) says there won't be a hard border between the two Irelands, mainly because it would be impossible to secure it. At this stage can we not expect a leading member of the main party in Northern Ireland who campaigned for Brexit to have made some headway on a solution?

Restating the main reasons people fear a hard border as the arguments as to why it won't happen doesn't feel like a lot of progress. Blaming his negotiating partners is unlikely to help.

Paul O'Hara
Belfast, N Ireland

Frequency has been part of airlines' strategy

Sir, John Gapper ("The best flight is straight and does not stop", March 29) fails to understand the major feature of airline competitive strategies in the decades since deregulation (domestically) and liberalisation (internationally) began. This has been to offer ever-increasing levels of frequency. Airlines have focused on building up their hubs by adding frequencies in markets already served and adding new cities to a hub's schedule. (At the industry level, it includes additional airlines entering city-pair markets.) It is this focus on increasing frequency that has, to date, put downward pressure on average aircraft size per departure, particularly in intercontinental markets, and has marginalised the A380 and 747-800 aircraft programmes.

Improvements in technology, largely engine power and efficiency, have certainly expanded the geographic reach of airline hubs to increasingly more distant cities. However, note that the introduction of service between Perth and London, which Mr Gapper highlights as demonstrating the prevalence of point-to-point service, ends at Heathrow, hub of Qantas's alliance partner. In spite of Boeing's longstanding marketing campaign around passenger preference for point-to-point service, one of the "points" is almost invariably a hub.

John B Griffiths
Seattle, WA, US

Sir Martin must know it is time to step down

Sir, Further to Andrew Hill's Instant Insight "WPP's Martin Sorrell is no longer in control of his story" (FT.com, April 4): regardless of the validity of the allegations made, which I note and accept are wholly denied by Sir Martin, it would seem that WPP has fallen victim to the fate of many large, multi-faceted corporations, in that it has become excessively large and that its culture displays a degree of arrogance.

Sir Martin has been chief executive of WPP for more than 30 years. As an experienced senior executive he will be aware that it is possible to serve with great distinction but also to serve for too long. The time has come for him to step down and allow younger people the opportunity to restructure and revivify the company.

Keeley-Jasmine Cavendish
London SE21, UK

Danger of imposing group identities on individuals

Sir, While I agree with Gideon Rachman that the identity politics of the far-right is a dangerous conduit for racism and xenophobia (April 3), he is wrong to disregard the concept altogether. Identity politics doesn't amount to "imposing" group identities on unwitting individuals, but rather recognising their existence in order to better formulate public policy, such as in closing the gender pay gap or ensuring that the criminal justice system isn't biased against blacks, for example.

Jake Mulcahy
Dublin, Ireland

Point of IMO's sulphur cap is human health

Sir, I must take issue with Rick Joswick and Chris Midgley ("Impact of IMO mandate will cost the global economy $1tn", Letters, April 3), and come to the defence of the International Maritime Organisation's sulphur regulation.

Maersk, which runs the world's biggest container shipping line, estimates that the 2020 requirements could add an annual total cost for the container shipping industry in the order of $5bn to $30bn. Even including other shipping segments, and choosing an arbitrary five-year timeline, I fail to see how a round $1tn number can be arrived at. Whatever the extra spending on cleaner fuel from 2020, just calling it a "cost" to the economy is oddly one-sided. Gross domestic product rises only happen through people buying more stuff, or spending more on the same amount of stuff (for example as it becomes higher quality). Messrs Joswick and Midgley could just as accurately call it a $1tn boost to the economy, a windfall for the most advanced refiners, and producers of higher quality crude oil around the world, including many developing countries.

But more fundamentally they fail to mention the entire point of the IMO's 2020 sulphur cap regulation — human health. According to the most recent research published in Nature, shipping's dirty cheap fuel causes around 400,000 premature deaths a year via heart and lung conditions, and gives 14m children a year asthma. Given the extraordinary efficiencies of scale in modern shipping, freight accounts for only a few pence or cents in the consumer cost of an iPhone.

Would you pay a few cents more for your iPhone so that a child living on a coastline next to a major shipping lane doesn't get sick? I certainly would. The IMO has made the right and proper decision in starting to clean up shipping.

Ned Molloy
Shipping Consultant,
London N15, UK

Major scientific publishers still in control 20 years on

Sir, Further to your report "Springer Nature explores Frankfurt listing" (April 4) and the sustainability of the scientific journal publishing business model: back in the late 1990s I worked for ICL, the UK IT company (now Fujitsu), and was involved with a project looking at the likely disruptive effect of the internet on various areas of business. One was scientific publishing and I held meetings (at their request) with senior staff at Springer, Elsevier, Academic Press, Wiley, Blackwells and several others who were all expressing fear at the sustainability of the extremely profitable scientific journals business, especially as a number of academics were setting up sharing services to bypass them. It's interesting that here we are, 20 years later, and the major publishers are still in control.

Perhaps there are lessons to be learnt here about how slow the actual take-up of technology really is, after all we still have the likes of estate agents, shops, cinemas and so on and probably will have for a long time to come, despite predictions by the IT industry of their imminent demise.

Dr Dennis Jones
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Corbyn and the true socialist anti-slavery Exodus story

Notebook
by Robert Shrimsley

Jeremy Corbyn is battling criticism that through inaction or indifference he has allowed an anti-Semitic culture to bloom among his supporters on the leftwing of his Labour party. As the row grew, the UK opposition leader attended a Passover dinner organised by Jewish supporters on the party's far-left. Passover tells the story of how Moses confronted Pharaoh and led the Jewish slaves out of Egypt. Here, perhaps, is the Corbynite version.

And so it came to pass that Moses went to Pharaoh in Egypt and said: "My people are slaves; they are held in bondage and forced to labour in terrible conditions." And he said to Pharaoh: "Let my people go."

And Pharaoh said: "How dare you accuse me of slavery. This is a vile smear. I have been an anti-slaver all my life. I would not tolerate slavery in my country." And Moses said: "Well, what about those slaves over there?" And Pharaoh replied: "Well OK, there may be pockets of slavery but the idea that Egypt has a systemic problem with it is frankly offensive."

So Moses pointed to Pharaoh's palace, which was built by slaves, and to his barge, which was rowed by slaves, and to the pyramids, whose construction definitely had a slavish dimension. So Pharaoh's office issued a statement making clear that he had never actually seen any of these slaves, but if he had he would certainly have challenged it because "he has been an anti-slaver all this life". They added Pharaoh thought the slave masters were really comrades from Oarsmen for Palestine. Pharaoh added: "I regret not looking more closely at their terms and conditions."

But his friends and supporters in Phomentum urged him to harden his heart, saying he was a saintly man who was fighting for the oppressed and that Moses' claims were patently a "smear" against someone who had been an anti-slaver all his life. And they said that allegations of slavery were being "weaponised" by Pharaoh's enemies to undermine his leadership. And they warned that Moses was backed by "powerful forces" like the Rothschilds and George Soros.

They told Pharaoh that Moses was a well-known Blairite Tory Jew. And they urged him to crack down on any of his own followers who thought Moses had a point. They said it was an attempt to silence Pharaoh for trying to stop the Jews from leaving to form their own homeland in Israel, where they would become instruments of the racist Zionist American capitalist imperialist conspiracy.

Then the capitalist Zionist Moses, along with Tory allies in the so-called mainstream Jewish groups, staged a mighty protest just before supper against continued slavery in Egypt.

So Pharaoh's supporters organised a counter demonstration by a group called Jews for Slavery, which Pharaoh said represented a legitimate strand of opinion within the Jewish community. Jews for Slavery insisted there was no slavery in Egypt because the slaves were happy to work for a Pharaoh who was a man of peace who worked for the oppressed masses and had been an anti-slaver all his life.

But Pharaoh also saw that Moses' demonstration was a bit awkward at this point in the political cycle, what with local elections in a few weeks, so he issued a proclamation vowing to fight slavery. And Pharaoh added that perhaps he had underestimated the level of slavery in Egypt because leftwing slavery was more complex than rightwing slavery.

Yet even now Pharaoh's followers urged him to stay strong against Tory and Blairite slaves who had never supported him, adding: "What about Assyrian slavery? Why don't you mention that in your tablets?"

So Moses, who was no man of peace, threatened Pharaoh with 10 plagues, including rebel backbench MPs, hostile media coverage and eradication of his Facebook pages.

And Pharaoh dwelt long on the issue and finally said: "You are right. We must do better. I will be the most militant opponent of slavery." And he went to dinner with some good comradely slaves who shared his life-long commitment to anti-slavery. All agreed that Moses did not really speak for the workers and was not representative of the wider slave community, many of whom retained great confidence in Pharaoh's wider internationalist socialist agenda.

And Pharaoh brought them horseradish from his own allotment and all agreed that it was good.

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Comment

America should know that China believes in fairness as well

OPINION
Liao Min

"The dollar is our currency, but it's your problem." These words were uttered by then US Treasury secretary John Connally during a G10 meeting in 1971, shortly after the Nixon administration ended the dollar's convertibility into gold. Slightly adapted, they apply perfectly to the current global trade system: "Our deficit, your problem."

After duties on Chinese steel and aluminium exports, this week the US announced plans to impose a 25 per cent tariff on 1,333 products manufactured in China, ranging from industrial robots to locomotives. Yet in theory, China and the US should produce a more balanced trade and investment result than seems to be the case, given their highly complementary economic structures.

Moreover, as a joint evaluation by the US and China commerce departments showed, the trade deficit between America and China, which the US put at $35.5bn in January, has been overestimated by at least 20 per cent.

According to a report published in January by the US Congressional Research Service, there is some good news behind that headline figure (however it is calculated). First, American exports to China grew by 511 per cent between 2001 and 2016, the fastest growth rate among the US's top 10 export markets. Second, in 2015 the US ran a $33.3bn services trade surplus with China, the largest among its partners. And third, China's total trade surplus has fallen to less than 2 per cent of gross domestic product. Yet despite these developments, the US continues to complain about China.

Most economists believe that it is the low savings rate that is the major factor behind the trade deficit in the US. Many of my American friends agree. But where they disagree is on China's unfair trade practices. At the top of a lengthy list of complaints are the following: subsidies to state-owned enterprises; high tariffs on imports; no reciprocal market openness; and even the theft of US intellectual property.

Admittedly, China needs to go further with market-oriented reforms and improvements to the rule of law. Recent efforts undertaken by Beijing to strengthen leadership, consolidate government and upgrade law-based governance are intended to lay a more solid and accountable foundation for further reform and liberalisation. This year marks the 40th anniversary of the beginning of the opening-up of the Chinese economy by Deng Xiaoping. China will continue in this direction, not reverse course.

> Admittedly, Beijing needs to go further with market reforms and improvements to the rule of law

China is a developing country, and as such its average import tariff is still higher than that of the major developed economies. But the level of tariffs is continuing to decline, although more slowly for some products than expected.

Are subsidies to SOEs a major contributor to China's growing exports? In 2017, SOEs accounted for 10 per cent of Chinese exports. There is no correlation between SOE subsidy and export growth. On the contrary, that figure reflects China's success in reforming and opening up its economy. Subsidies do go to SOEs in some industries compensating for those laid off, but generally they do not succeed, leading to unintended consequences of over-capacity and over-indebtedness. The Chinese government is addressing these issues and making progress by promoting supply-side restructuring and reform.

On IP, in 2016, nine out of 10 respondents to the American Chamber of Commerce in China's business climate survey said that IP enforcement had improved over the previous five years. Even though there are cases of IP infringement, these violate official policy. The establishment of a new government agency will improve enforcement.

Balancing trade is not that difficult, if trade is based on comparative advantage. The US enjoys a significant advantage in high-tech products. If American companies could freely sell their high-tech goods to China, the US would not have run a substantial deficit in this area in 2016.

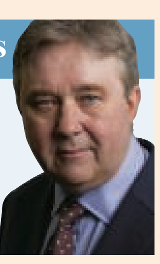
Such a deficit is puzzling. China lags far behind the US in high tech, while the trade goes in exactly the wrong direction. This means that many competitive US companies are unable to cash in on China's mushrooming high-tech market. Here, market forces should be allowed to play their role.

While it is tempting for the US to say to China, "our deficit, your problem", it would not be sensible for it to do so. A more rational option would be to participate in global competition based on its own comparative advantage. At the same time, and even more importantly, the US and China must work together to advance the agenda of global structural economic reform.

The writer is an academic member of the China Finance 40 Forum

How we traded a big idea for a bad one

GLOBAL POLITICS
Philip Stephens



Sad to say, Donald Trump cannot be blamed for everything. Watching the US president lavish praise on autocrats, throw up trade barriers and disdain global rules and institutions, it seems a fair conclusion that he wants to upturn the liberal international order. Much of this work, though, had been done before he reached the White House. Mr Trump is as much emblem as cause of the descent into disorder.

The west misread the collapse of Soviet communism. It was not, after all, the end of history. Happy assumptions about the permanent hegemony of laissez-faire capitalism and the historical inevitability of liberal democracy were rooted in a hubris that invited nemesis. For all that, the end of the cold war did produce a big idea. Now, as we are daily reminded by Mr Trump's Twitter feed, it is being swapped for a very bad idea.

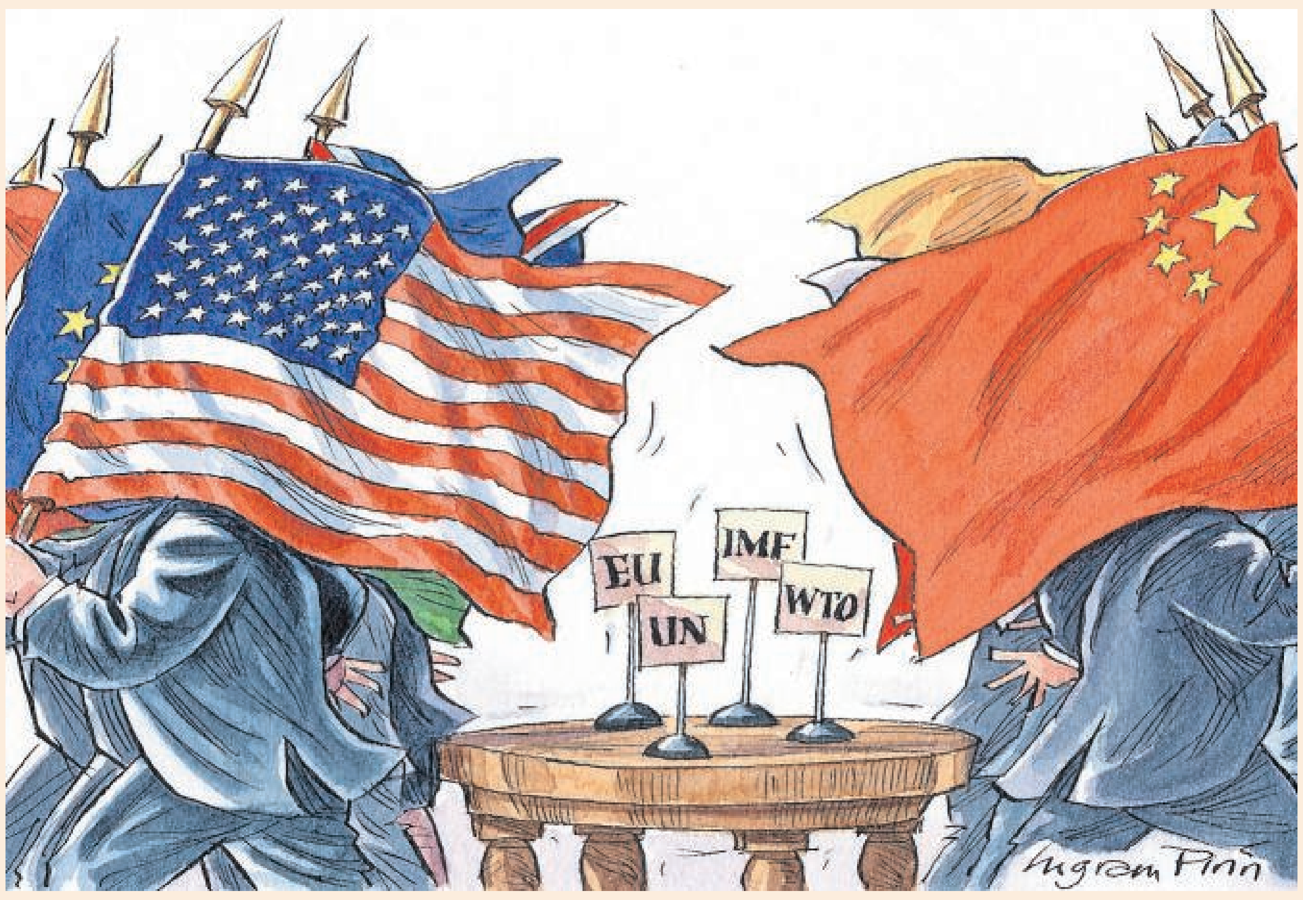
Communism's demise promised, in a favourite phrase of my Chinese friends, a world of win, win. The revolutionary thought was that the selfish interests of rich and rising states could be accommodated if everyone played by the rules. The deep interdependence woven by globalisation would square the circle between competing national interests and multilateral obligations.

In Europe, where borders had long been blurred by the EU, the idea gave impetus to further integration. Europeans embraced what the British diplomat Robert Cooper called a "postmodern" view of state relations. Elsewhere, national sovereignty was more highly prized, but the new order seemed enough to prevent a return to Hobbesian conflict among the great powers.

The rules and institutions were necessarily imperfect, not least because they had been written largely by the rich nations. There was too much triumphalism in the west and insufficient recognition of the redistribution of global power to the south and east. The goal, though, was a good one: China, India, Brazil et al would rise in a fashion that did not collide with established powers. Robert Zoellick, then a senior official at the US state department, coined the phrase "responsible stakeholders" to describe their role in the existing order.

The fashion now is to dismiss such assumptions as naive. China may have been the biggest winner from the west's design — its entry to the World Trade Organization was the seismic geopolitical event of the early 21st century — but Beijing was never going to accept a second-fiddle place in a US-led system.

Xi Jinping, now installed as emperor-president for life, is held up as proof. Mr Xi judges the time has come for China to expunge two centuries of humiliation. The aim of the Belt and Road Initiative is to shift the centre of global gravity to Eurasia. The Middle Kingdom can then take its rightful place centre stage.



What is less clear is what Mr Zoellick and others could have sensibly proposed as an alternative to positive engagement. Should the west have sought to halt China's rise — declared it an enemy and locked it out of the WTO and other global institutions? Would such containment have extended to a naval blockade of the South China Sea? These are not approaches likely to have safeguarded the international peace.

In the event, the US has turned out to be a bigger enemy than Beijing of its own grand design. Washington has seemed more determined to throw away the big idea faster than Beijing has been to challenge it. Wars of choice in Afghanistan and Iraq sapped America's moral authority. The attempt to impose democracy at the point of a cruise missile undercut faith in political pluralism. The 2008 financial crash put paid to the consensus that liberal, open markets were a certain route to prosperity.

> China was the winner from the west's design, but it was never going to play second fiddle to the US

Mr Trump is picking up where others left off. If the west was careless in the defence of the rules-based system, the present occupant of the White House flatly repudiates it. Mr Trump lives in a world of winners and losers. He blames the postwar structures built by America and its allies for western weakness. He is allergic to multilateralism. "I do bilateral," he said the other day. Everything in Trumpworld is zero sum.

So the only surprise about his decision to slap higher tariffs on imports of steel, aluminium and a range of other goods is that anyone should have been surprised. Mr Trump has few deep-rooted beliefs, but economic nationalism has always been at the centre of his worldview. He blames weak leadership in Washington for allowing others to challenge US pre-eminence. Protectionism is his only remedy. When Mr Trump rails about unfair trade as often as not he is making a general point rather than aiming specifically at, say, China, Canada, or Mexico. His target is the system.

The problem is not simply that trade wars are a very bad idea. History tells protectionism is virulently contagious. Europe has its own populists. These mount-the-barricades nationalists hail from both extreme right and extreme left. Their demands for trade barriers could soon enough secure them a larger following. The snag with zero-sum games is that win or lose can quite quickly turn into lose, lose.

A dwindling band of optimists among my American friends tell me that Mr Trump is as bad as it gets — whoever comes next will rebalance US policy. Maybe. But Mr Trump is setting a direction that other nations feel compelled to follow. Beijing now belongs to nationalists. Europe has its own nativists. There will not be any winners. Before long all those cynics may realise that Mr Zoellick was right after all.

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The case for an alternative pensions model

ECONOMICS
Martin Wolf

British academics are revolting over a planned shift in their pension scheme from a traditional defined benefits structure to the increasingly common defined contributions alternative. This is significant for more than the affected academics. With typically British lack of forethought, provision of pensions has moved from one indefensible extreme to its equally indefensible opposite over a generation: from loading risks on employers to piling them on individual employees. Are there superior alternatives? In a word, yes.

The Universities Superannuation Scheme is the biggest pension scheme in the UK, with £60bn of assets and as many as 350 employers. This collective approach among universities is far better than the separate schemes run by individual companies, which were riddled with conflicts of interest. Even honest sponsors were often incapable of managing the risks they were encouraged to run. Yet, after a recent valuation, the USS concluded that it had a deficit of £7.5bn. Moreover, it believes that if the scheme is to sustain the current level of benefits, the combined contributions of employers and employees must rise from 26 to 37 per cent of pay. The employers want to replace the scheme with one based on defined contributions.

Behind this is the view that prospective real returns have fallen sharply across all assets. Indeed, returns on the safest assets — long-term index-linked gilts — are negative, in real terms. The costs of being reasonably certain of delivering on the old promises into the future do indeed look prohibitive. So something has to change. But what?

Nick Barr and Mike Otsuka of the London School of Economics have discussed the alternatives insightfully. The central question, they note, when considering promises that extend so far into the future is where the risk lies if, as is inevitable, things do not go to plan. The two traditional options — defined benefit and defined contribution — are what economists call "corner solutions". In principle, they load all the risk on one side — the employer or the individual employee. Such solutions are inferior to an explicit combination of the two.

What should have been done long ago was to introduce to the scheme explicit rules on how the burden would be shared among retirees, contributors and sponsors, in the event that returns look likely to be inadequate. Such risk management could be organised on the lines of a scheme now in operation in the Canadian province of New Brunswick.

> A risk-sharing structure should include employers, along with current employees and pensioners

This has three elements: a division between base and ancillary benefits; robust stress tests; and, crucially, a pre-specified set of rules governing actions in the event of any projected shortfall. In essence, this fully internalises uncertainty within the scheme's operation.

This is what ought to have been done within historic pension schemes. Indeed, the law should have encouraged this pre-specified flexibility, instead of imposing such rigid obligations on employers that the latter have almost universally abandoned their pension promises. (The exception is the government, which has the power to tax the population at its disposal). Alas, that train now seems to have left the station.

This raises the question of how to make risk-sharing in defined contribution schemes less unsatisfactory. The big defects of these schemes is that individuals bear all the risk and often heavy costs. Collective provision of individual plans via schemes run by employers (such as the USS) or by the government will greatly lower the costs. But if individual beneficiaries bear investment risk, they will be advised to shift into bonds as they approach retirement. That will lower likely returns. It is possible to go further, by creating a collective defined benefit plan. Returns would then be shared among all members of the scheme, in a pre-specified way: when returns are good, pensions might be raised and contributions lowered and vice versa when returns are poor.

The important point is that such smoothing would automatically share the risks among a very large group of people and, crucially, also across generations. This structure would also protect people from having to make investment decisions that, in reality, most of them are unable to make in a sensible way. In principle, such risk-sharing should also include employers, along with current employees and pensioners.

I now think the best structure of all would be a national collective defined contribution scheme. But the USS is surely big enough to do such a collective scheme on its own. If the defined benefit promise is to be abandoned, then this is surely the best way to go. Lurching from one corner solution to its opposite, quite simply, is not.

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Facebook has been too casual about data for too long

OPINION
Rebecca MacKinnon

High-tech romance hit a snag on Wednesday when some users of the Tinder dating app were briefly shut out because login credentials tied to Facebook accounts would not work. Bizarrely the malfunction was good for the social media site: it won public relations points by showing it is serious about doing the right thing and tightening its policies to restrict third party access to user data.

Facebook's show of resolve came on the same day that the company announced the latest discovery to emerge from its investigation into the Cambridge Analytica data disaster: that the personal information of 87m users could have been accessed by third parties without their permission.

A key lesson from this episode is that transparency with the public about all policies affecting users' rights to privacy and expression is essential. Also vital is comprehensive risk assessment that covers all the ways that a company's business operations may potentially harm users. Such risk assessment should include hard questions about whether the company's business model enables and enhances respect for users' rights.

Although Mark Zuckerberg, Facebook's chairman and chief executive, has said he takes full responsibility for the company's failure to prevent abuse, he is yet to address the lack of respect for users' privacy and expression rights inherent in Facebook's business model. Despite changes to its privacy policies, Facebook fundamentally has not changed. It still depends on collecting and sharing as much personal information as regulators and public opinion will tolerate. It still needs to do everything possible to encourage engagement with content in a manner that will benefit advertisers. And its extractive and exploitative relationship to its users is the same.

> There are questions about whether the company's business model enhances respect for users' rights

Facebook's proposed revisions to its privacy policies and terms of service for the first time since 2015 include improved disclosure about how data are used across its services and how users can control the retention and deletion of information. While the company has simplified and clarified its explanation about what is shared with advertisers and how, the practices described have not changed much. Options for users to delete some types of information are provided, but people are not given more control over what information is collected about them in the first place.

Ranking Digital Rights, a non-profit research project that I run, analyses and compares the commitments and disclosed policies of 22 of the world's most powerful internet, mobile and telecommunications companies. Facebook gets credit for undertaking human rights risk assessments related to government censorship and surveillance demands, and demonstrating transparency about how it handles those demands. But we believe that Facebook is a good example of how policies that fail to give users meaningful control over their data, along with poor disclosure about policies affecting their rights, are a sign of serious underlying risks to users that must not be ignored.

Since 2015 our analysis has consistently found that Facebook has disclosed fewer details about how it handles users' information than most of its peers. In fact, Facebook has given users fewer options to control what is collected about them, and how it is used, than any other company evaluated in our corporate accountability index — including two Chinese and two Russian companies.

Facebook's relatively poor performance in that regard has long been a source of anxiety about the company's attitude towards its users — an attitude that its investors and board have chosen not merely to ignore, but to reward handsomely. The consequences of doing so have been disastrous for users, the public, shareholders and the company itself.

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Ahold Delhaize: on the defensive

Politicians are prone to obsessing about their "legacy". Company bosses should not. Ample remuneration is their reward for a job well done, not the right to preserve a company in aspic.

Yesterday, Belgian-Dutch food retailer Ahold Delhaize said that chief executive Dick Boer would retire in July. Mats Jansson, who chairs the supervisory board, will quit after the group's annual meeting next week. Both will be replaced by their deputies.

Mr Boer's departure had been speculated upon for months. He was instrumental in broking the merger of Delhaize with Ahold, which seems to be bedding down nicely. His work is done. Expect little change under his successor, Frans Muller.

The changes on the supervisory board are more notable. A 66-year-old Swede is being replaced by a 74-year-old Dutchman. Two Belgian directors are leaving, citing other commitments. This may be significant, given that the supervisory board faces opposition from shareholders over the renewal of an option agreement with the Stichting Continuïteit Ahold Delhaize. This grants the company power to issue new preferred stock to the stichting, diluting the voting power of ordinary shareholders in the event of a bid.

The issue is to be discussed at the annual meeting — the documentation says no conclusion on renewal has been reached — but so far the company has resisted calls for a vote. Two Ahold investors, activist CIAM and shareholder rights group VEB, have publicly opposed the renewal of the option agreement without a shareholder vote, either at the annual meeting or later in the year.

Stichtings are contentious. The existence of one at Akzo Nobel emboldened the chemicals group's board to rebuff the advances of US rival PPG, to the chagrin of many investors. They are also arguably unnecessary in the Netherlands, which has vibrant shareholder democracy and extensive public interest tests for takeovers.

Unilever, the consumer-products group, plans to wind up its own stichting when it moves its corporate domicile to Rotterdam, preferring a one-share one-vote structure. A company such as Ahold, which is bigger in terms of market value than either Tesco or Carrefour and operates in a consolidating sector, should not need to hide behind poison pills. If it wishes to do so, it should at least give its owners a chance to vote on them.

Sophos: battle ready

Fighting off bugs makes people feel worse, then better. The shares of Sophos, the anti-virus company, are also prone to such fluctuations. The share price fell by a fifth in February, only to rise by a similar percentage yesterday. The volatility is a sign of the hopes and fears around an emerging star of the European tech sector.

The February jitters were sparked by a slowdown in billings in its third quarter, while the latest boost followed news that full-year billings were up by more than a fifth. Those sort of growth figures explain why the company attracts fans. The cyber security market is growing fast and Sophos is outpacing it. It is a cloud specialist providing protection against multiplying threats, from ransomware to hacking. Three-quarters of sales are to existing customers, providing plenty of opportunities for cross-selling.

Sophos has set ambitious targets: it wants billings (a leading indicator of sales) to rise to $1bn by March 2020, from $771m now. With the share price down more than a quarter from a late-January high, its enterprise value is four times forward sales. On that metric, the shares are cheaper than US rivals Fortinet at 4.6 times or Palo Alto Networks at 6.7.

But revenue is vanity, profits are sanity — and Sophos is not tipped to make an operating profit until next year at the earliest. Its preferred metric is "cash ebitda", which measures billings adjusted for factors ranging from depreciation to share option charges. It focuses on billings, not sales, because it cannot fully recognise revenues at the start of a contract. The room for subjectivity in the use of such an unconventional measure understandably makes some nervous.

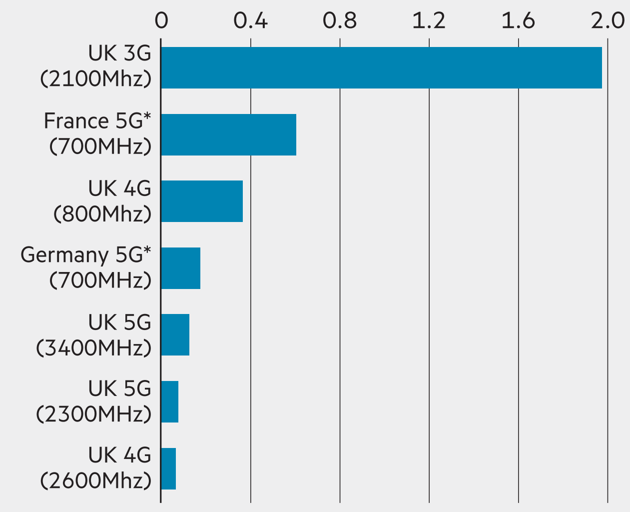
Concerns can be over-stated. Cash is reality, and Sophos collects cash upfront on its multiyear contracts.

Free cash flow is expected to exceed $220m by 2020. But the company needs to show that it can deliver profits too. Only then will its health be assured.

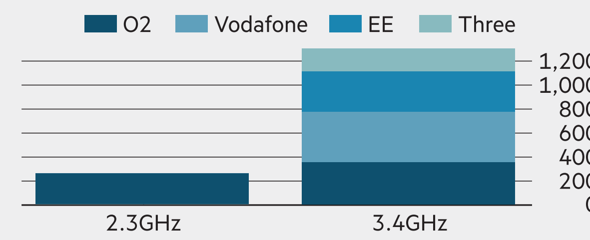
5G spectrum auction: olé

The UK's first 5G mobile spectrum auction looks a reasonable success. It raised more than expected without forcing operators to overspend. On a per megahertz per capita basis, this week's cost for the two 5G bands sold was lower than the previous 4G and 3G UK auctions. O2 did well to boost its mobile capacity.

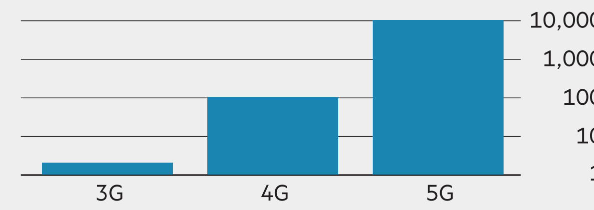
Spectrum auction costs
Per MHz per capita (£)



UK 5G auction results March 2018
£m



Download rates compared
Mbit/s, log scale



FT graphic Sources: Macquarie; Ofcom; European Commission * Conversion at historic rates

To achieve the promise of the internet of things, where automobiles theoretically could speak to refrigerators, a faster mobile communications technology will be needed — 5G.

Data transfer will come lightning fast, and with less interruption. Understandably all UK operators will want to offer 5G, but more so Telefónica's O2, which previously had the least amount of spectrum capacity. Yesterday, the results of the first auction of 5G bands were announced. Quick as a flash, O2 has managed to play catch-up. That is even better news for Telefónica.

This was a curious auction result in that almost every mobile operator came away with a fair slice of the pie, without spending a fortune. Even the government will be pleased. The total amount raised for Her Majesty's Treasury, £1.35bn, for both the 2.3 and 3.4 gigahertz bands, topped analyst estimates by more than a third. Plus, regulator Ofcom got what it wanted, all four operators participating and winning some 5G capacity. This is not the end of the auctioning, however. Other important frequency bands — such as 3.6GHz and 700MHz — are yet to come. The lower of the two travels further and will provide the better coverage outside the big conurbations.

BT Group's EE mobile spectrum was capped by Ofcom, given it already has the largest amount of 4G capacity. O2 could then afford to grab all of the 2.3GHz spectrum on offer. It should be able to use this added capacity soon for its 4G customers. The rest will roll out with 5G over the next couple of years. Its spectrum is now similar to that of Vodafone. More importantly, the added spectrum will boost chances of a mooted O2 listing in London, raising cash for Telefónica to reduce its €49.5bn of net debt.

If O2 has done well, two potential interlopers, including the SoftBank-backed entity Airspan, did not. They won nothing. Then again, London-listed Inmarsat controls some latent higher-frequency spectrum. If it gets any cheaper, it could offer an alternative for SoftBank or others, notes RBC. For now, O2 can claim a victory, which is even better news for Telefónica shareholders.

Carlyle/Accolade: vintage growth

Australian vintners have joined dairy farmers from New Zealand in the battle for the wallets of China's middle class. This is part of a much broader shift in Chinese consumption patterns that sober investors should take seriously.

Yesterday, private equity group Carlyle bought Australian winemaker Accolade for A$1bn ($770m). The seller was Champ, an Australian private equity group.

Private capital long ago woke up to the attractions of the wine business: the Ontario Teachers' Pension Plan bought a Canadian winemaker in 2016, while both KKR and TPG tried to buy Sydney-listed Treasury Wine Estates in 2014. Rather like the end product, scarcity value makes for high prices. Shares in Treasury and Chile's Viña Concha y Toro trade at forward earnings multiples of 20 or more.

But a much bigger story is how structural changes in the Chinese economy affect its trading partners, especially smaller ones. Increased demand for milk powder from New Zealand is thought to have been a factor behind the rapid strengthening of the New Zealand dollar against its Australian counterpart five years ago. New Zealand is now the source of almost all China's whole-milk powder.

Wine-drinking patterns are also changing. Expensive Bordeaux and Burgundy from the best French châteaux may be the favourite tipple of China's elite, but imports from France grew "only" 56 per cent in the five years to 2016, according to statistics compiled by the Canadian government. Wine imports from Australia grew 63 per cent in 2017, and China accounted for almost all the increase in Australian wine exports. Wines costing more than A$200 per litre gained two-thirds.

This private deal demonstrates the confidence that Carlyle has in China's consumption growth story. Lower-tier cities are a particular focus of President Xi Jinping's reform programme.

Equity investors should look to tourism and affordable luxury for ways to get exposure to this trend.

Rank: bingo wings clipped

Bingo raves, hipster bingo, rebel bingo, drag bingo. Youthful pleasure seekers have found no end of ways to co-opt an old British pastime. But even the attentions of the à la mode are not powerful enough to halt the decline of bingo hall owner Rank Group.

A profit warning yesterday morning led to a 16 per cent share price drop that has sent Rank's market value to a three-year low. It is, in bingo lingo, in a bit of a two-and-eight.

In fact, the downgrades were not catastrophic. Full-year operating profit is expected to land between £76m and £78m — 7 per cent below the market's expectations and last year's figure. But the margin will probably remain at or close to double figures and Rank has net cash. The company's consistently rising dividend is not in danger.

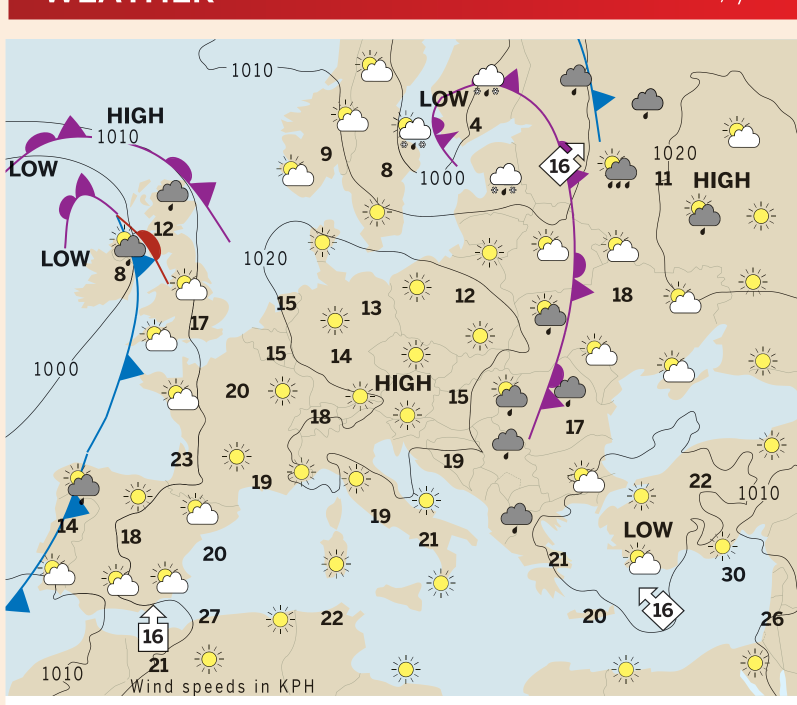
The trouble is that it offers proof of structural problems. Same-hall revenues are falling — off 2 per cent at Mecca and 9 per cent at Grosvenor Casinos in the third quarter of its financial year. The malaise affecting Britain's high streets has hit leisure groups, too. The number of UK commercial bingo clubs is about a quarter of what it was in the 1990s.

Rank boss Henry Birch is also putting down his bingo card and moving to online retailer Shop Direct. His attempts to pep up the group by increasing online gaming and scale were bold. Only one has worked. Digital revenue is up 17 per cent, although it is less than a fifth of group sales. But the 2016 joint bid (with 888) to buy larger rival William Hill failed. Perhaps it was for the best. There were few overlaps and the enlarged group would have been anchored to a vast number of slowing, landlocked venues.

Rank finds itself in need of a new caller just at the moment that it needs new ideas. The share price fall makes bidding for something else difficult, while tie-ups elsewhere have left no obvious buyer for Rank. Regardless of its new-found fashionability, the company should keep prioritising virtual bingo halls over the real thing.

Lex on the web
For notes on today's breaking stories go to **www.ft.com/lex**

WEATHER

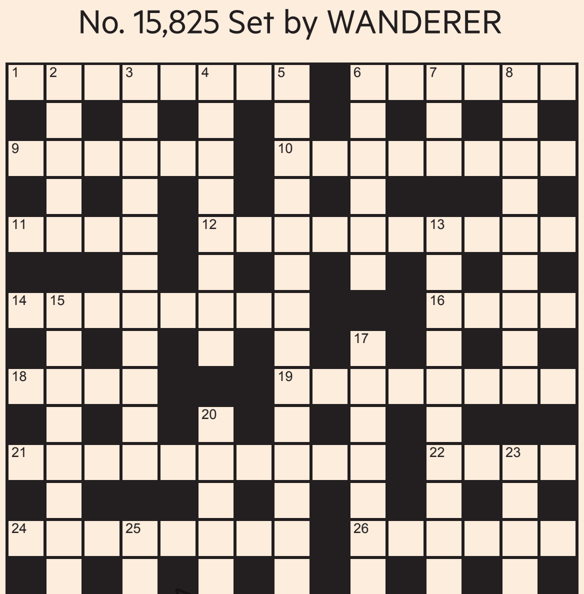


Forecasts by MeteoGroup
Warm front Cold front Occluded front Wind speed in KPH

Today's temperatures Maximum for day °C

City			City		
Amsterdam	Sun	15	Malta	Sun	21
Ankara	Sun	22	Manila	Sun	33
Athens	Shower	21	Miami	Fair	27
Bahrain	Fair	29	Milan	Sun	21
Barcelona	Sun	17	Montreal	Snow	5
Beijing	Fair	9	Moscow	Drizzle	12
Belfast	Shower	10	Mumbai	Sun	33
Belgrade	Rain	15	Munich	Sun	13
Berlin	Sun	13	Naples	Sun	21
Brussels	Sun	16	New York	Sleet	13
Budapest	Fair	16	Nice	Sun	16
Cairo	Sun	29	Nicosia	Sun	30
Cardiff	Fair	13	Oslo	Sun	9
Chicago	Cloudy	3	Paris	Sun	20
Cologne	Sun	15	Prague	Sun	11
Copenhagen	Sun	9	Reykjavik	Sun	4
Delhi	Fair	37	Riga	Hail	7
Doha	Sun	30	Rio	Fair	29
Dubai	Sun	34	Rome	Sun	20
Dublin	Rain	11	San Francisco	Rain	17
Edinburgh	Rain	12	Singapore	Fair	32
Frankfurt	Sun	17	Stockholm	Sleet	7
Geneva	Sun	17	Strasbourg	Sun	20
Hamburg	Sun	12	Sydney	Fair	26
Helsinki	Sleet	4	Tokyo	Fair	23
Hong Kong	Cloudy	24	Toronto	Snow	4
Istanbul	Sun	19	Vancouver	Drizzle	14
Lisbon	Rain	14	Vienna	Sun	13
London	Sun	17	Warsaw	Sun	12
Los Angeles	Sun	20	Washington	Cloudy	19
Luxembourg	Sun	15	Zagreb	Sun	17
Madrid	Shower	18	Zurich	Sun	18

CROSSWORD
No. 15,825 Set by WANDERER

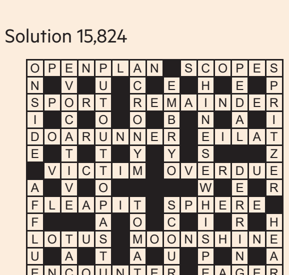


JOTTER PAD

ACROSS
1 Faithful supporter of Henry, Louis XIII's forgotten father? (8)
6 Flipping gangster, holding a daughter's whatsit (6)
9 Sycophants originally seen in Arab republic (3-3)
10 Lack of talent, after alto leaves High Society (8)
11 Watercourse lady kept uncovered (4)
12 Possibly who's providing venue for agricultural displays? (10)
14 Prince is enthralled by marines' extreme strictness (8)
16 Religiously revere female organ (4)
18 Killer of golden calf? Not half (4)
19 Musical returns, with company incorporating a time for musical instruction (8)
21 Make sweeping statement after seeing real change (10)
22 Exhibit Hockneys at National Gallery initially (4)
24 Just an adult that's on board between 1 and 4 (8)
26 Mark is busier at work (6)
27 Bug caught, then let loose (6)
28 Leather does, perhaps, relatively speaking (8)

DOWN
2 Poem for one residing in city (5)
3 Honour first bit of court order before raising capital in China (11)
4 Solitary confinement starts after day on wine (8)
5 Like an officer initially stationed in Runcorn (3-12)
6 Removes mistakes from eg Dub's playing (6)
7 Bird is headless chicken? (3)
8 Page number desperate chap located in a speed competition (9)
13 Relaxing time for skaters? 9 to 5, traditionally (6,5)
15 New realities for an old Hebrew (9)
17 Can be broken? Blame tea breaks (8)
20 Cluster of flowers, with one caught in lead of red setter (6)
23 Second generation immigrant in Washington is eighteen (5)
25 Try going topless? It's happening! (3)

Solution 15,824



Companies & Markets

FINANCIAL TIMES

Taking the wheel Carmakers search for the next generation of leaders — PAGE 13

Non-profit Investors still willing to back high-growth money losers — RICHARD WATERS, PAGE 12

Cargill raises alarm over tariff war

Commodities trader posts dip in earnings ● Monsanto raises yearly income by 6.6%

EMIKO TERAZONO — LONDON
PETER WELLS — NEW YORK

Cargill, the world's largest commodity supplier, has sounded the alarm over a potential US trade war with China, just as it reported a pick-up in commodity markets.

"We're deeply concerned about the trade tensions and are urging both countries to get to the negotiating table," Cargill said, amid fears that Beijing's proposed 25 per cent tariffs would hit US agricultural businesses. "There are no winners in a trade dispute."

Along with US farmers, international trading houses that buy crops and sell them on to China are expected to be affected by Beijing's tariffs. The US exports almost $20bn of agricultural goods a year to China.

Cargill's comments were made as the family-owned group announced its third-quarter earnings yesterday, noting that markets had started to show some signs of life. US farmers and the agribusinesses have withstood several years of low crop prices thanks to beneficial weather and plentiful harvests.

"After five years of very large crops, the build-up in global stocks has quieted markets, but volatility picked up late in the period, allowing for better trading opportunities," said the commodities group, which moves tens of millions of tonnes of crops and agricultural products around the world.

Cargill nevertheless reported a 24 per cent fall in third-quarter earnings after it was hit by a charge of $161m related to the recent change in US tax laws. Net earnings for the three months to February 28 totalled $495m, compared with $650m in the same period last year.

The impact of ballooning grain inventories and low crop prices meanwhile affected Monsanto, the agrochemicals group whose $66bn takeover by German chemicals company Bayer is in the process of clearing regulatory hurdles.

The company struggled to deliver much top-line growth, reporting a $181m drop in corn seed sales, which account for 54 per cent of total group revenue. Nevertheless, it reported a 6.6 per cent year-on-year rise in net income to $1.46bn.

> 'We're deeply concerned. There are no winners in a trade dispute'
> Cargill

Monsanto said that it "continues to be confident in the companies' collective ability to secure the required approvals within the second calendar quarter of 2018 and in the time contemplated by the agreement".

Late last month, the European Commission approved Bayer's proposed acquisition after it promised to divest substantial parts of its business in order to alleviate competition concerns.

Credit concern Corporate debt as percentage of GDP soars

One lesson from the financial crisis was that the credit market matters more than others — and several of its measures are now flashing amber.

The Markit CDX index — an indicator of what investors pay to insure against a default in the US investment grade market — is back at levels seen a year ago.

US high yield, the market's speculative area, has also had a bigger breakdown. The iShares iBoxx HYG, a popular exchange traded fund that tracks high yield, has on a closing basis fallen towards levels not seen since November 2016.

One sliver of comfort is that both measures are currently well adrift of the extremes of early 2016 which, until this year, was the last time we saw a big correction in the equity market.

But over the longer term, credit looks ripe for further weakness, given the record amount of debt that companies have sold and the steady deterioration in quality. The triple-B segment now accounts for nearly half of the investment grade market, while leverage has increased and covenant quality declined.

"Corporate debt as a percentage of gross domestic product is sitting at a record high," said Scott Minerd, chief investment officer at Guggenheim Partners.

"By the time we get to the end of 2019, when the overnight rate is between 3.25 to 3.5 per cent, corporate America will be in worse shape than it is today. It will be in worse shape than it was last year. It will be in worse shape than in 2007."

michael.mackenzie@ft.com

Credit market alarm - CDX IG up ...
Markit CDX Investment Grade index

... and the HYG ETF down - but both measures are well short of 2016 extremes
iShares iBoxx $ High Yield Corporate Bond ETF (HYG)

Measures cost of insuring against default in US investment-grade market
Source: Thomson Reuters

Smart Money

Robin Wigglesworth

The remarkable rise of short-term US borrowing costs has been largely shrugged off as a technical glitch caused by the repatriation of corporate cash piles and a splurge of bill issuance by the US Treasury. Yet the dislocation is producing winners and losers.

The three-month Libor rate, at which banks borrow from one another, has almost doubled this year to 2.31 per cent. While this is at least partly caused by the Federal Reserve's interest rate increases, the gap between Libor and the "overnight indexed swap" rate, a gauge of the future level of Fed funds rates, has more than doubled this year to 59 basis points, the highest since the financial crisis.

The Libor-OIS spread has typically been a good signal of banking sector stress, and has naturally raised eyebrows on Wall Street. But analysts say it is primarily caused by US companies moving some of their overseas cash piles back home after the Trump administration's tax reform and a big increase in Treasury bill sales to finance the deficit.

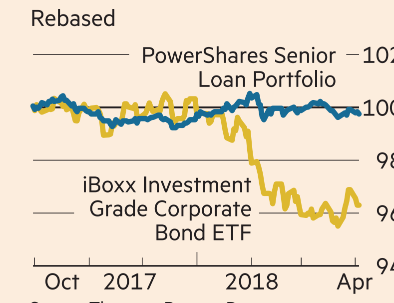
In other words, the supply of short-term funding has dipped just as demand has increased, pushing Libor higher. This should be a transitory technical driver. Indeed, the rise in the Libor-OIS spread has moderated over the past week. Nonetheless, while the Libor-OIS spread might normalise as markets digest recent developments, the rise in short-term borrowing costs will be a headwind to some investors, and a tailwind for others.

One obvious winner is the loan market. Amundi Pioneer points out that bank loans have returned 1.1 per cent this year, compared with high-grade corporate bonds and Treasuries losing 2.6 per cent and 3.5 per cent respectively. The flipside is that some borrowers will be hurt.

Most big companies tend to rely overwhelmingly on fixed-rate bonds, but 50 non-financial S&P 500 companies where floating rate debt accounts for more than 5 per cent of their borrowing have underperformed the stock market by 320 basis points this year, according to Goldman Sachs.

If Libor's rise reverses, then these stocks could represent an attractive buying opportunity. Yet given the advanced stage of the credit cycle, it still makes sense to eschew companies with weaker balance sheets that are exposed to rising borrowing costs.

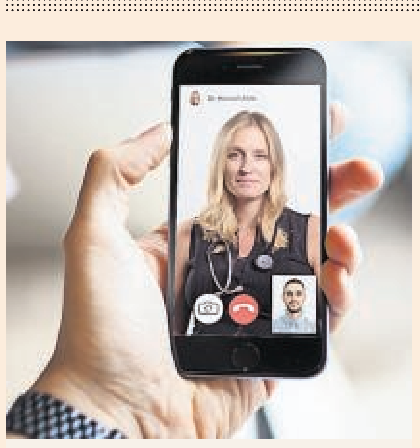
Bank loans benefit from rising rates while corporate bonds swoon
Rebased



Source: Thomson Reuters Datastream

The loan market is an obvious winner from the remarkable rise of short-term US borrowing costs

robin.wigglesworth@ft.com



Digital health start-up strikes deal with Tencent

Babylon, a UK start-up that uses algorithms to assess illness, has struck a deal with China's Tencent to offer its technology on the WeChat social platform. Using AI in healthcare offers big possibilities but raises questions over safety, privacy and accountability.

Full story ▶ PAGE 12

UK watchdog revamps rules in drive to restore savers' trust in asset managers

ATTRACTA MOONEY, OWEN WALKER AND JENNIFER THOMPSON — LONDON

Asset managers have been warned to act in investors' best interests as the UK financial watchdog announced stringent rules to stamp out bad behaviour and restore savers' trust in the £8.1tn British fund industry.

The Financial Conduct Authority told asset managers that they would have to improve governance on fund boards, as well as move investors into the cheaper versions of funds, as it unveiled its first set of remedies aimed at improving practices in the industry.

It also proposed introducing new rules on performance fees and overhauling how asset managers disclose fund objectives, as it tries to tackle a practice known as closet tracking, where a fund closely follows its benchmark despite charging high fees for active management.

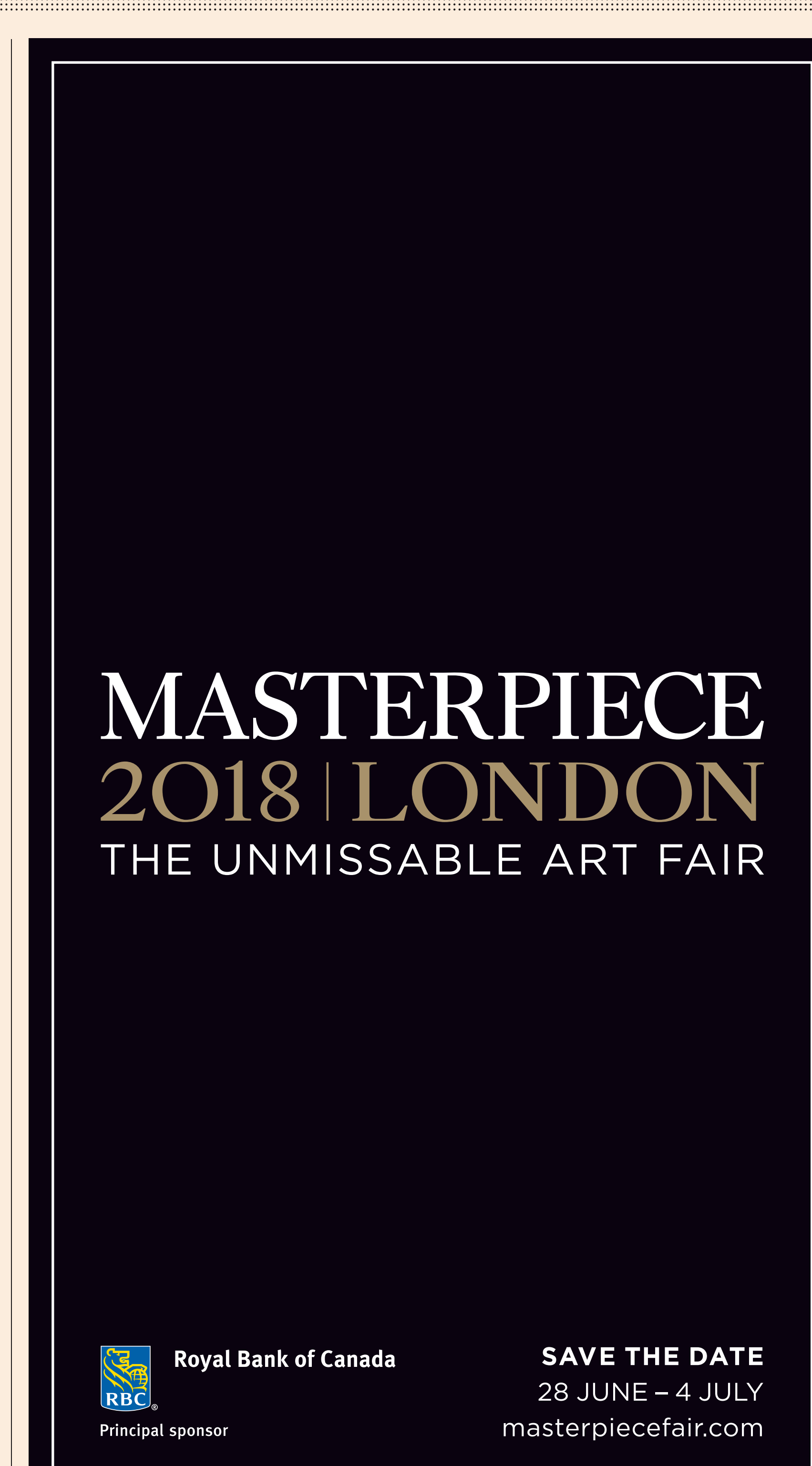
The rules are the culmination of a two-and-a-half-year investigation into the investment industry, which oversees the savings of three-quarters of the UK population. The FCA published its far-reaching report on the sector last year and has been consulting on various measures since.

Christopher Woolard, executive director of strategy and competition at the FCA, said the investment choices open to people "can have a profound impact on their financial health".

Under the new rules, the FCA said, it would require executives at asset managers to assess the value of the company's funds, take responsibility for recruiting independent directors and act in the best interests of investors. This would fall under the new accountability rules for all financial services companies, known as the senior managers and certification regime, under which fund companies will come next year.

Another practice known as box profits, by which fund managers make money out of keeping the difference between the bid and offer spread on their funds, will be banned in most cases.

Asset managers will also be forced to switch investors to the cheaper versions of their funds.



Companies / Sectors / People

Technology

Twitter touts progress on terror content

More than 1.2m accounts suspended for 'violations' since August 2015

RICHARD WATERS — SAN FRANCISCO

Twitter yesterday claimed to have made "significant" headway in ridding its network of terrorist propaganda, following mounting pressure on social networks this year to take stronger action against dangerous or abusive material.

However, the San Francisco-based company is still identifying about 1,500 accounts a day being used to promote terrorism, highlighting how deeply ingrained the problem has become. And, like other online services, it does not provide an estimate of how many rogue accounts still go undetected.

Social networks have come under fierce political criticism, particularly in Europe, over their failure to stamp out terrorist propaganda. Speaking at Davos in January, UK prime minister Theresa May warned tech groups this year that "nobody wants to be known as the terrorists' platform or the first choice for paedophiles".

In a sign of how pervasive terrorist propaganda has become on its network, Twitter yesterday said it had suspended more than 1.2m accounts since August 2015 for "violations related to the promotion of terrorism". But it claimed it had made progress in its efforts to shift terror promotion off its service, with the number of accounts suspended in the second half of 2017 falling to 274,460. That marked a decline of 8.4 per cent from the first half of the year and was the second straight period in which suspensions had fallen, it said.

The figures were disclosed in Twitter's latest semi-annual transparency report, detailing the number of requests it receives from governments and law enforcement agencies to remove material.

The company claimed it was continuing to see "the positive, significant impact of years of hard work making our site an undesirable place for those seeking to promote terrorism".

Much of the headway has come from developing software to identify suspect accounts. "Internal, proprietary tools" were used to identify 93 per cent of the accounts, and about three-quarters of those were suspended before they sent any tweets, the company said.

> The group's transparency report details the number of requests from states and law enforcement agencies to remove material

As Twitter's automated tools have played a bigger role, government action has played a less significant role in combating the propaganda. The number of government requests to shut down accounts fell by 50 per cent from the previous six months and now account for only 0.2 per cent of suspensions, the company said.

Twitter and others have reacted in the face of a backlash to abuses of their networks.

In one of the starkest signs of the swing in political mood, the US Congress has passed a bill to penalise online platforms if they knowingly allow communications related to sex trafficking.

Healthcare. Social media

Tencent gives medical app a shot in the arm

Tencent, owner of WeChat, has struck a deal to give its 1bn users access to the Babylon medical app — Richard A. Brooks/AFP

NHS tie-up
Private sector chief's second stint

Ali Parsa is no stranger to using the private sector to rethink the delivery of healthcare — and the controversies that often come with such efforts.

Ten years before the 53-year-old former Goldman Sachs banker launched Babylon in 2014, he set up Circle, a private healthcare company that he led as chief executive until 2012.

The Aim-listed group became the country's first private company to manage a National Health Service hospital, taking over the running of Hinchingbrooke Hospital in Cambridgeshire after it fell into deep financial difficulties.

Circle argued at the time that it could provide better, cheaper care by improving efficiency, as well as giving doctors and nurses more control over decision-making.

But the company was forced to pull out of its management contract three years ago, amid mounting losses and heavy criticism of its performance.

At the time, the news was received as a sign the NHS was not ready for private sector involvement.

With Babylon, analysts said Mr Parsa's success would depend on convincing the government and regulators that the app — and its use of data — is safe. Matteo Natalucci, an independent analyst, said "Babylon are the experts in this". But he added: "In the NHS and any government project, partnership is key."

Babylon, a British start-up behind AI symptom-checker, gains access to Chinese market

ALIYA RAM — LONDON

Babylon, the British digital health start-up that uses artificially intelligent algorithms to assess illness, has struck a deal with Chinese internet giant Tencent to offer its technology on the group's hugely popular WeChat social messaging platform.

The deal will give WeChat's almost 1bn users the ability to message medical symptoms to Babylon's app, which will send back healthcare advice, and propel the company into China's huge medical market.

It is the second international deal signed by Babylon in the past two months, following a similar arrangement it signed with Saudi Arabia's ministry of health last month.

Tencent and Babylon did not disclose the financial terms of the licensing agreement or who will control the user data. But the deal is a boon for the UK company as it pushes to expand its reach internationally, especially as it has faced challenges in its home market.

"We are incredibly focused, now that we have now built the technology, on taking that technology global," said Ali Parsa, Babylon's chief executive, who founded the London-based company five years ago.

Babylon has more than 1.4m users to whom it offers paid-for video consultations with human doctors in addition to a free automated symptom-checker. Almost half its users are based in the UK, with the remainder spread across Rwanda and Ireland.

Mr Parsa has sought partnerships with big tech companies and public health services such as the UK's NHS, which is increasingly willing to experiment with new technologies to ease the burden on doctors, cope with public spending cuts and an ageing population.

Babylon's deals — which include an agreement with Bupa, the private healthcare provider, and the NHS's non-emergency helpline 111, to help provide triage services for non-critical health problems — have been relatively small.

The company agreed a second trial with the NHS in November to allow about 1m Londoners to switch from their local surgeries to use the app as a first point of contact.

But the scheme has remained in trial mode amid a backlash from UK doctors, who say Babylon is "cherry-picking" the easiest patients, and say the app could be unsafe or increase pressure on the public health system.

Babylon chief Ali Parsa: sought links with big tech groups and health services

Daniel Ray, director of data for NHS Digital, the body in charge of healthcare data in the UK, told the Financial Times that using AI in healthcare offered huge possibilities but also raised questions about safety, data privacy and accountability. "There is the potential for a big opportunity for artificial intelligence in the NHS but there are a number of things we need to do to make sure we get it right through regulation," he said.

The NHS has launched a working group to discuss regulation for AI after a number of other technological breakthroughs including by Google's DeepMind, which has developed an algorithm for analysing medical images.

Demis Hassabis and Mustafa Suleyman, founders of DeepMind, are investors and advisers in Babylon.

Doctors have also raised questions about the efficacy of Babylon's diagnostic tools, pointing to biases in AI algorithms that learn from historic data sets to predict future patterns.

Babylon says it is registered as a so-called "class 1 medical device manufacturer" under rules set by the UK's Medicines and Healthcare products regulatory authority. But Margaret McCartney, a GP and healthcare writer, said existing standards were ill-equipped to analyse artificial intelligence.

"I am concerned that they have not commissioned adequate safety testing," she said. "Class 1 [status] is what you give to spectacles . . . I suspect there isn't a sufficient regulatory framework in place to look at this sort of thing."

The challenges with the NHS could be one reason why Babylon is looking for opportunities abroad. Sam Smith, a campaign co-ordinator at medConfidential, an organisation that lobbies for patient confidentiality, said the company was likely to meet lower resistance in countries with less-developed health services and regulations.

"This sort of thing makes sense on communications platforms particularly," said Mr Smith. "If your doctor is also on WeChat then you're never deleting your WeChat account."

Tencent has invested in We Doctor, a Chinese online healthcare provider, but said Babylon was a "leader in this technology".

"Tencent is committed to improve our users' lives through the means of digitalisation and technology," said Meng Zhang, general manager of Tencent Medical.

INSIDE BUSINESS

TECHNOLOGY

Richard Waters

Spotify and Tesla show growth is still winning over profit

The last time the stock market showed this much enthusiasm for a handful of tech companies addicted to profitless growth, it was the height of the dotcom boom.

In the first quarter of this year, chronic money-loser Netflix contributed 7.5 per cent to the overall upside in the S&P 500 index all by itself. That was exceeded only by Amazon, which was long a byword for expansion without earnings: the company underwrote 18.8 per cent of the broader market's gains.

The parallels run only so far. The valuation underpinnings of the tech sector overall are far stronger than they were at the end of the 1990s, thanks to the emergence of a handful of hugely profitable giants.

But after the shockwaves that have passed through the stock market since the middle of March, it is as well to listen for the echoes from the late 1990s. Some tech stocks have taken a serious dent. Are the days of tying valuations to the promise of unspecified future profits over?

Not if this week's Wall Street debut of Spotify is anything to go by. The music-streaming service faces a tough road to profitability. It is heavily dependent on buying content from three music labels, which have little incentive to let it take a bigger slice of their pie. But despite seeing its losses more than double to €1.2bn last year, it has been rewarded with a stock market value of more than $25bn.

> Despite seeing its losses more than double to €1.2bn, Spotify is valued at more than $25bn

At least Spotify did not come to Wall Street in desperate need of cash, instead arriving through the back door of a direct listing that did not involve selling any shares. That makes it look downright conservative compared with the prominent standard-bearers for profitless growth during the latest tech-led bull market: Netflix and Tesla.

The online video streaming company has been haemorrhaging cash, to the tune of $4.6bn over the past three years, using debt to fill the hole. Electric-car company Tesla, for its part, has bled $7bn over the same period, selling $7.2bn worth of stock, convertibles and straight debt to make up for the shortfall.

With market uncertainty rising, any company that has built its financial strategy on an expectation of constantly tapping investors for more cash is bound to look less secure.

No surprise, then, that Tesla has been trying to get Wall Street to shift its gaze away from its present struggles and on to the sunny uplands it sees ahead in the second half of the year. According to the company, that will be when it achieves high production volumes, good gross margins and strong positive cash flow. It calls this a "long-sought ideal combination". Nirvana cannot be far behind.

Businesses like this are inherently vulnerable when markets turn. The margin for error is small and any weakness in execution can lead quickly to a loss of confidence — a condition Tesla is coming to understand.

> Tesla is worth just 10 per cent less than the far bigger – and profitable – GM

But even after the massive volatility that has returned to tech stocks, it looks far too early to call an end to the run. Despite slumping 20 per cent in little more than a month, Tesla is still worth just 10 per cent less than the far bigger — and solidly profitable — General Motors.

When the dotcom boom turned to bust, Amazon faced the same bankruptcy speculation that swirls round the electric-car maker now. Nearly two decades on, it still has little regard for bottom-line earnings. Its ecommerce and logistics businesses barely break even in a good year (though cloud computing now provides at least a modicum of profits).

If the market was going to have second thoughts about Amazon's profit-lite strategy, now would be the time. In the face of a direct attack from President Donald Trump, political risk has risen sharply — producing just the kind of uncertainty markets hate. The remarkable thing about Amazon's shares, however, is how well they have held up.

True, they have fallen slightly more than other so-called Faang stocks, such as Google and Apple, which have much stronger profit underpinnings. But they moved in virtual lock-step with Netflix and Tesla in the days when the tirade from the White House was at its fiercest (at least, until good news about Tesla's first-quarter production sent the electric-car maker's shares up 14 per cent in the space of two days).

It may well turn out that the stock market has reached a turning point. But for now it is still too early to count out the tech world's high-growth money-losers.

richard.waters@ft.com

Telecoms

State lender to enter Telecom Italia battle with stake purchase

NIC FILDES — LONDON

The Italian government is set to buy up to 5 per cent of Telecom Italia, as the battle for control of the former state-owned company intensifies.

The board of Cassa Depositi e Prestiti, the Italian state lender, met last night to approve a plan to build a significant stake in the company, according to a CDP spokesman.

Shares closed up more than 5 per cent at 80 cents, following reports that CDP was on the verge of building a stake.

The move is designed to protect the state's interests in a strategic asset ahead of an extraordinary meeting on May 4 that will pit existing shareholders Vivendi and Elliott Management against each other in a battle for control of the Telecom Italia board.

Vivendi has a 24 per cent stake in Telecom Italia but controls the board. Its position has come under threat after Elliott built a stake of almost 6 per cent in the company and challenged the French media group on corporate governance points. Vivendi has hit back, saying it is a long-term investor and that shareholders should back its growth plan over the "sausage factory" approach of the US hedge fund.

The extraordinary meeting has been convened to allow shareholders to vote for a new board that will favour Vivendi and its management or a set of Italian industry veterans proposed by Elliott.

The move by CDP to buy shares will effectively give the Italian state leverage in deciding the future direction of Telecom Italia. That has alarmed Vivendi, according to a person with direct knowledge of the situation, after Claudio Costamagna, chairman of CDP, said last week that he had met Elliott.

Amos Genish, who was appointed as chief executive of Telecom Italia last year, has worked to ease tension with the Italian government over Vivendi's influence. Key to that has been a plan to spin-off the company's network into an independent company, which could pave the way for a merger with rival Open Fibre or an initial public offering.

CDP is a large shareholder in Open Fibre so would have stakes in Italy's two largest broadband infrastructure providers after investing in Telecom Italia.

Shareholders in the telecoms group have until Monday to put forward their candidates for the new board, which will be voted on at the May meeting.

Mr Genish said this week that Arnaud de Puyfontaine, chief executive of Vivendi who has been executive chairman of Telecom Italia since last year, would only be nominated on a non-executive basis next week.

Only the very brightest of sparks need apply

Car industry hunts for leaders of the future to succeed the likes of Marchionne and Ghosn in an era of intense change

PETER CAMPBELL
MOTOR INDUSTRY CORRESPONDENT

The question of who should be in the driving seat of several of the largest carmakers is coming to a head.

Motor manufacturing faces an era of intense change, with the need to embrace fresh business models and invest in new technology while keeping the old engine running.

"We are facing a generational change," Ralf Landmann, a headhunter at Spencer Stuart, said.

New leaders will have to steer cumbersome businesses through a ferociously competitive and deeply cyclical industry, as well as bridging the culture chasm between engineers and increasing numbers of technologists in the ranks.

Fiat Chrysler, the Renault-Nissan-Mitsubishi Alliance, Mercedes-Benz owner Daimler, Volvo Cars, Jaguar Land Rover and Toyota are all due to, or likely to, need to consider succession in the next few years.

The first of these is Fiat Chrysler, which will name a successor to long-time chief Sergio Marchionne this year.

The challenge for the group is exacerbated by the rock star status of Mr Marchionne, whose tenure and impact means he has become the virtual embodiment of the company.

The Renault-Nissan-Mitsubishi Alliance faces a similar conundrum when it comes to a successor to Carlos Ghosn.

Mr Ghosn, who has cartoon strips named after him in Japan, has stepped back from the role as chief executive of Nissan but remains boss of Renault, chairman of all three carmakers, as well as chief executive and chairman of the alliance, which is increasingly trying to act as a single business. This year he was re-appointed Renault chief.

Both Mr Marchionne and Mr Ghosn are known for a nomadic lifestyle that sees them often sleeping only on private jets or in chauffeur-driven cars as they oversee empires built in part by them over decades.

"Their management style has had such an impact on the organisation for the past 10 years," one recruiter who has worked with both men said.

Yet while Fiat Chrysler has indicated that Mr Marchionne's successor will be internal, there is a growing body of thought that the next generation of executives will come from outside the sector.

"It's entirely possible that the next great automotive leader will be someone no one in the industry has heard of," said Chris Donkin, head of the industrial and tech practice at executive search company Inzito.

"It is becoming increasingly clear that the approach that has generally served the industry reasonably well over the last 100 years, which is to appoint as CEO either the most technically gifted engineer or the most commercially adept finance guy, is not going to be enough."

Some of the most successful names in the business have come from outside the often-insular automotive world, from Ford's former chief executive Alan Mulally, a Boeing alumni, to Fiat's Mr Marchionne, who started his career as a chartered accountant and tax specialist for Deloitte & Touche in Canada.

Early in his tenure, Mr Marchionne said that the greatest asset he brought to the role was knowing nothing about the industry.

Last year Ford became the first carmaker to appoint a leader from outside the industry with the specific aim of steering it through transition, naming former Steelcase boss Jim Hackett chief executive.

"I was looking for somebody that could do two very different things simultaneously," said Bill Ford, chairman of the family-backed group, referring to the job of running a company while building a new business in it.

"Each one is hard enough in itself. To do them at the same time — that requires special leadership."

The move has polarised the sector, with some executives praising the choice as visionary, others privately mocking it.

There is the question of gender. General Motors' Mary Barra is the only female chief at a big carmaker.

A problem recruiters also might face is nationality constraints. Despite being among the most globalised industries, the sector remains nationalistic when it comes to appointing leaders.

The three German carmakers are led by Germans, and Fiat by an Italian. Volvo Cars and truckmaker Volvo Group are led by Swedes. Honda, Toyota and Nissan have Japanese chief. Ford and General Motors are both under US management.

When Renault came to choose a chief operating officer, who would run the business in all but name and is seen as the most likely potential chief executive successor to Mr Ghosn, it selected Frenchman Thierry Bolloré, partly at the behest of Paris.

This fits oddly with the rigours of running a business with operations in most countries, where leaders face the task of enthusing employees from the youngest coder in its Californian operation to its oldest German engineer.

That required "cultural dexterity", Mr Donkin said.

Yet for the culturally adept Mr Ghosn, leadership remains about results.

"At the end of the day, what makes leadership is the performance," he said at Renault's results, while defending his reappointment.

Fiat Chrysler, once debt-riddled and now overtaking Ford in profitability, knows this.

But personality remained a driver, said one person who has worked with Mr Marchionne.

"Even if superman arrived at Fiat Chrysler's headquarters, he would have difficulty stepping into those footsteps."

Generational change: employees work on the assembly line at the Renault-Nissan plant in Melloussa, outside Tangier — Fadel Senna/AFP/Getty

Action team
Diversity, knowledge and skills

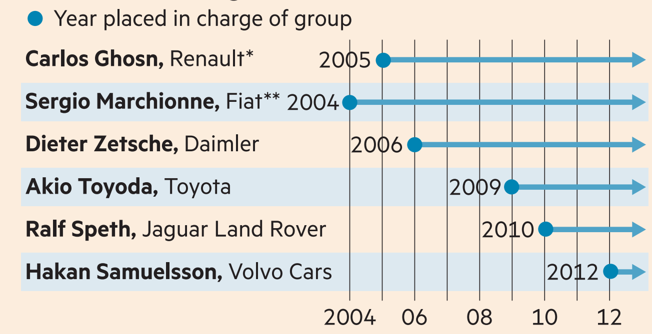
As racing drivers rely on their teammates in the pit lane, so the next generation of car bosses will lean increasingly on the executives around them — especially if they come from outside the industry.

When Ford appointed outsider Jim Hackett to the top job last summer, it shuffled executives to create a top team to lead the business.

Former Europe boss Jim Farley and former Americas president Joe Hinrichs were put in de facto joint control of Ford's daily operations, while handing the government relations brief to chairman Bill Ford.

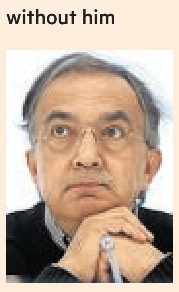
"The CEO of the future doesn't need to be the smartest guy in the room, or the brightest engineer of his generation any more," said Chris Donkin, head of the industrial and technology practice at executive search firm Inzito. "He or she needs to work with a leadership team that is as diverse as possible and have the skills to draw upon that knowledge and combine it to come up with a solution."

Tenure of leading car executives

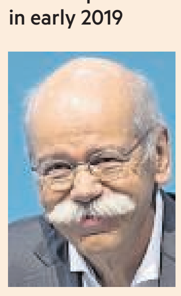


*Later to become the boss of Renault-Nissan-Mitsubishi Alliance; **Marchionne became head of Chrysler in 2009 and Fiat-Chrysler in 2014 Source: Companies

Since Carlos Ghosn's retention as Renault chief the alliance, which includes Nissan and Mitsubishi, has been working to create a set-up that can thrive without him



Fiat Chrysler has indicated that it will name an internal candidate as successor to Sergio Marchionne later this year, ahead of his departure in early 2019



Under German rules Daimler chief Dieter Zetsche has to retire next year, leaving the carmaker facing serious questions over who will succeed him

Toyota president Akio Toyoda, 61, great-grandson of the group's founder, will be able to sidestep a Japanese rule that senior executives must step down at 65

German-born JLR chief Ralf Speth's contract is due to come to an end in 2020. The most likely internal successor would be the chief strategy officer Hanno Kirner

Another former Ford division that has thrived under new ownership, Volvo's turnround has been driven by Hakan Samuelsson. The Swede's contract runs until 2020

Automobiles

Peugeot owner to launch electric vehicle unit

DAVID KEOHANE — PARIS

Peugeot owner PSA is creating a business unit dedicated to electric vehicles as it gears up to offer all of its models with an electric option by 2025.

The new division, which will start work in 2019, "will be responsible for defining and deploying the group's electric vehicle strategy and rolling out the related products and services", the French car company said in a statement.

The move by PSA is its latest effort to catch up with other big car manufacturers that are racing to electrify their fleets amid stringent emissions regulations in Europe, China and other markets.

"PSA up to now has not been known for delivering electric vehicles," said Hans-Peter Wodniok, an automotive analyst at AlphaValue. "I would say that PSA and Fiat are probably the laggards in the industry."

While some competitors such as Renault and Volkswagen already have electric cars on the market and have laid out plans to electrify their ranges, Peugeot's first fully battery-driven car is not due for release until late 2019.

Carlos Tavares, PSA chief executive, has previously criticised government interventions to force electric cars on to the road. "If you have ministers in Europe who say they will forbid the use of internal combustion engines, then I have to comply and we will have to transform, re-engineer and retrain," he said at last year's Frankfurt motor show.

"But if electrification is not profitable in future, we all have a problem."

In January Mr Tavares said that the company would offer all of its models with an electric option by 2025 and that 80 per cent of its cars would by 2030 have so-called level two automation — technology that steers and brakes in certain limited conditions, such as on motorways.

"By 2025, PSA . . . will offer 40 electrified vehicles," Mr Tavares said as he outlined his plans to return to the US market, from which it withdrew in 1991.

PSA, which acquired the Opel and Vauxhall brands from General Motors last year and also owns Citroën, said the new business unit would be headed by Alexandre Guignard.

Contracts & Tenders

GOVERNMENT OF MAHARASHTRA
OFFICE OF THE EXECUTIVE ENGINEER

महाराष्ट्र शासन

PUBLIC WORKS DIVISION NO. 1, GADCHIROLI.

NOTICE FOR HYBRID ANNUITY MODE [HAM] (ONLINE) TENDER
E-TENDER NOTICE NO. 26 FOR 2017-18 (THIRD TIME)
NOTICE INVITING BID

Email: gadchiroli1.ee@mahapwd.com **Phone No:** 07132-233415.

Subject: Hybrid Annuity Mode, Package No. NAG-136, NAG-137 and NAG-138 :-
Upgradation of Roads Under Public Works Circle, Gadchiroli.

1. The Government of Maharashtra had entrusted to the Authority the development, maintenance and management of State highways and Major District Roads of State of Maharashtra. The Authority had resolved to augment the existing roads in the State of Maharashtra by improvement thereof (The "Project") on "Hybrid Annuity" basis and has decided to carry out the bidding process for selection of (a private entity) as the Bidder to whom the Project may be awarded.

Brief particulars of the Project are as follows

Sr. No.	Package No.	Name of State Highway / Major District Road	Length (in Km.)	Estimated Project cost (Rs. in Crores)
1	NAG - 136	Improvement of State Border- Amgaon- Deori- Chichgad- Korchi- Purada- Malewada- Yerkad- Godalwahi- Kasansur- Ettapalli- Allapalli Road SH-363 Section from Purada KM 93/800 to Godalwahi Km 143/800 Total Length 50.00 KM, Dist. Gadchiroli in the State of Maharashtra under Hybrid Annuity.	50.00	126.56
2	NAG - 137	Improvement of State Border- Amgaon- Deori- Chichgad- Korchi- Purada- Malewada- Yerkad- Godalwahi- Kasansur- Ettapalli- Allapalli Road SH-363 Section from Chokewada to Harewada KM 190/360 to KM 202/150 & Ettapalli Tola to Allapalli from KM 212/100 to 252/250 Total Length 51.940 KM, Dist. Gadchiroli in the State of Maharashtra under Hybrid Annuity.	51.940	158.30
3	NAG - 138	Improvement of Bramhapuri Armori Wairagad Rangi Dhanora Road SH-368 from KM 16/00 to 61/00, Dist. Gadchiroli in the State of Maharashtra under Hybrid Annuity.	46.00	71.40

2. All information of e-tendering is available on the following websites / Notice Board
   I. http://www.mahapwd.com (informatory notice)
   II. http://mahatenders.gov.in
3. The complete bid documents can be viewed / downloaded from e-procurement portal from **04/04/2018 to 21/04/2018 (up to 17.45 Hrs. IST).** Bid must be submitted online only.
4. The e-procurement portal is given below- http://mahatenders.gov.in
5. **e-Tender Schedule is as given below:**

Sr. No.	Event Description	Date
1.	Invitation of RFP (NIT) (Download period of online tender).	04/04/2018 at 10.00 Hrs. to 21/04/2018 at 17.45 Hrs.
2.	Last date for receiving queries for Pre-Bid.	11/04/2018 up to 11:00 Hrs.
3.	Pre - Bid meeting.	11/04/2018 at 12:00 Hrs In the Office of the Chief Engineer, P. W. Region Nagpur.
4.	Authority response to queries for Pre-Bid Meeting.	18/04/2018.
5.	Bid Due Date (Technical & Financial Bid last date & time).	23/04/2018 till 23:00 Hrs.
6.	Last date & time of online super hash generation & Bid Lock.	24/04/2018 at 10:00 Hrs. to 24/04/2018 at 23:45 Hrs.
7.	Control Transfer of Bid.	25/04/2018 at 10:00 Hrs. to 27/04/2018 at 23:50 Hrs.
8.	Physical submission of Bid Security / POA etc. (as per clause 2.11.2 of RFP).	At any of the following places within 72 Hrs. after Bid Lock at office of the 1. Chief Engineer, P. W. Region, Bungalow No. 39/1, Opp. Ladies Club, Civil Lines, Nagpur. 2. Superintending Engineer, Public Works Circle, Gadchiroli. 3. Executive Engineer, Public Works Division No.1, Gadchiroli.
9.	Opening of Technical Bids.	On Dt. 02/05/2018 at 11:30 Hrs. in the office of the Superintending Engineer, Public Works Circle, Gadchiroli (Maharashtra).
10.	Declaration of Eligible / Qualified Bidders.	02/05/2018.
11.	Opening of Financial Bids.	05/05/2018 from 11:30 Hrs.

6. Note:-

a) Bid submitted through any other mode shall not be entertained. However, Bid Security, proof of online payment of cost of bid document, Power of Attorney and joint bidding agreement etc. as specified in Clause 2.11.2 of the RFP shall be submitted physically by the Bidder on or before **28/04/2018 (at 17:45 pm. IST).** Please note that the Public Works Department reserves the right to accept or reject all or any of the Bids without assigning any reason whatsoever.

b) Other terms and conditions are detailed in online e-tender form. Right to reject any or all online bid of work, without assigning any reasons thereof, is reserved with Department.

Sd/-
Executive Engineer
Public Works Division No.1,
GADCHIROLI

DGIPR/2018/2019/24.

Trading Directory

Financials

Danske board member quits in scandal probe

Resignation comes as watchdogs investigate alleged money-laundering

RICHARD MILNE
NORDIC CORRESPONDENT

The growing money-laundering scandal at Danske Bank has claimed its first management scalp, with the resignation of the head of its business and international units.

Danske, Denmark's biggest lender, is being investigated by Estonian and Danish regulators over potential money-laundering in the Baltic country.

Lars Morch, the member of Danske's management board responsible for business banking as well as Estonia, resigned yesterday, although he will remain on the bank's payroll until October 2019.

> 'The bank should have undertaken more thorough investigations at an earlier point'

"Although the ongoing investigations into the issues related to the Estonian non-resident portfolio have not been completed, it is now clear that the bank should have undertaken more thorough investigations at an earlier point," said Ole Andersen, Danske's chairman.

Danske has faced allegations from the Danish newspaper Berlingske that lax controls in its Estonian operations from about 2007 until 2015 led to money-laundering from countries such as Azerbaijan, Moldova and Russia.

Senior executives have come under pressure about what they knew and when, as well as why they did not act sooner to address the problems.

Mr Andersen admitted yesterday that if Danske had investigated earlier it "would have led us to understand the full extent of the issues sooner and prompted swifter actions. We have discussed this situation with Lars Morch over the past few weeks".

Danske has hired a law firm to conduct its own investigation, due out later this year. Berlingske reported in February that a whistleblower told senior management in 2013 of allegations that a relative of Vladimir Putin, the Russian president, and Russia's intelligence services were behind money-laundering in the Estonian branch.

The investigation could raise questions for Thomas Borgen, who has been Danske's chief executive since 2013 and was in charge of international banking for four years before that. Danske said Mr Borgen would temporarily take over Mr Morch's responsibilities.

The investigation of Danske is only the latest in a series of money-laundering problems to hit Nordic and Baltic banks in recent years. In 2015, Nordea, the region's largest lender, and Handelsbanken were fined by Swedish regulators for lax controls.

ABLV, Latvia's third-largest bank, is in the process of liquidating itself after being accused by the US of "institutionalised money-laundering" while the European Central Bank last month pulled the plug on Versobank, a small Estonian lender.

Danske was fined DKr12.5m ($2m) in December by Danish authorities for violating anti-money-laundering rules unrelated to the specific allegations in Estonia. Mr Borgen has called the lack of controls in Estonia "deeply regrettable and completely unacceptable".

Shares in Danske are down about 10 per cent since the fresh investigation by Estonian regulators was confirmed at the end of February.

"Given the seriousness of the case, the board should have reacted faster and initiated an investigation earlier," a representative of Denmark's largest pension fund ATP said at Danske's annual meeting last month.

Food & beverage

The US private equity group's $772m agreement to acquire Accolade Wines comes amid a boom in Australia's wine industry — Philip Quirk/Alamy

Carlyle picks rich fruit with Accolade Wines deal

JAMIE SMYTH — SYDNEY

Carlyle, the US private equity group, is paying A$1bn to buy Accolade Wines, the largest producer of Australian wines including Hardys — the biggest-selling brand in the UK.

The US$772m deal, which was announced yesterday, comes amid a boom in Australia's wine industry, which reported record exports of A$2.56bn in 2017. Surging exports to China, which grew 63 per cent to A$848m last year, are attracting private equity interest in a sector that suffered a sales decline in the years immediately following the 2008 financial crisis.

"This is a company with great brands and strong market positions, with multiple growth opportunities, particularly in Asian markets," Carlyle said in a statement.

Carlyle is buying Accolade from Champ Private Equity, an Australian group which owns 80 per cent of the company, and Constellation Brands, which owns the remaining 20 per cent. Champ formed Accolade in 2011 following its purchase of the group's Australia and European divisions from Constellation Brands.

Carlyle's purchase is the private equity group's second Australian acquisition in a year. In June, it teamed up with Pacific Equity Partners, an Australian buyout group, to acquire iNova Pharmaceuticals from Valeant Pharmaceuticals in a deal worth US$930m.

John Haddock, Champ chief executive, said the company had rejuvenated core brands such as Hardys during its seven-year ownership of Accolade by investing in marketing, product development and vineyard infrastructure.

He said Accolade would generate around A$900m in sales and A$100m in earnings this year.

"Our sales in China grew about 80 per cent last year, although off a small base. There is a big opportunity for the new owners in that market," said Mr Haddock.

Figures published by Wine Australia, a government marketing agency, show China is the largest export market for Australian wine, ahead of the US and the UK. Australian wine exports increased 15 per cent in 2017 over the previous year.

> 'Sales in China grew about 80 per cent last year. There is a big opportunity for the new owners in that market'

"We have seen a significant increase in the participation by private equity investors in the Australian food and beverage industry over the past two years," said David Baveystock, director of Comet Line Consulting, an advisory group.

He added: "The private equity investors believe the underlying growth prospects of the food and beverage industry are strong, including the opportunity to export product into overseas markets including Asia."

Mr Baveystock said Australian wine, meat, seafood and pet food were all attractive targets for investors, as the brands could sell well in Asia.

Treasury Wine Estate, another big Australian wine producer, successfully rebuffed private equity bidders KKR, Rhone Capital and TPG in 2014-15

See Lex

Basic resources. M&A

Pulp deal puts Brazil back on bankers' radar

Resurgence is expected to continue despite uncertainty over presidential election

JOE LEAHY — SÃO PAULO

At a ceremony last month to announce the Brazilian mega-takeover by Suzano Papel e Celulose of Fibria Celulose to create the biggest producer of market pulp, the raw material for paper, executives reached for superlatives.

"This will be the biggest Brazilian company in agribusiness," said Walter Schalka, chief executive of Suzano — an achievement in a country that is a world leader in agricultural goods ranging from sugar to coffee beans.

But the $14.5bn deal between the two Brazilian companies was significant for another reason — it put Latin America's largest economy firmly back on the radar of the global international mergers and acquisitions market.

The deal was the biggest takeover of a Brazilian target company in Brazil's history, excluding a 2010 government deal with state-owned oil producer Petrobras, according to data company Dealogic. It was one of the top 10 deals globally by size in the first quarter of this year and it comes as other Brazilian companies are launching eye-catching deals. PagSeguro Digital, a Brazilian payments company, staged the second-biggest initial public offering in the world during the quarter, with a $2.6bn listing in New York.

Bankers argue the transactions represent a resurgence of the Brazilian market that is likely to continue in spite of heightened uncertainty in 2018, as the country faces its most unpredictable presidential elections in decades. Driving the interest is the nation's economic recovery, with gross domestic product expected to grow nearly 3 per cent this year, up from 1 per cent in 2017, on the back of record-low interest rates.

"This year could be as good as or even better than 2017," said Roderick Sinclair Greenlees, global head of investment banking at Itaú BBA, Brazil's largest private sector bank. Itaú advised Suzano and was ranked second by deal value in the first quarter M&A league tables for Brazil, according to Dealogic.

Bankers argue the deal also represents one of the first large Brazilian transactions that was not related to the negative consequences of the country's recession or crippling corruption scandals that have swept the country.

In 2017, for instance, companies such as JBS, the world's largest meatpacker, were driven by their involvement in Brazil's biggest political bribery investigation, known as *Lava Jato* (car wash), to deleverage by offloading assets.

While this trend is expected to continue — Petrobras, which was also at the centre of Lava Jato, is looking to sell a pipeline arm known as TAG, reportedly for about $8bn — other mega-deals on the horizon are more strategic in nature.

These include talks between Boeing and Brazil's Embraer, the world's third-largest commercial aircraft producer, and the potential sale of Oi, Brazil's largest fixed-line telecom operator.

"There are many potential large deals," said Bruno Amaral, head of M&A at BTG Pactual. The Brazilian investment bank represented a rival bidder, Paper Excellence, in the contest for Fibria. "It's not hard to envisage a hot market till the end of the year," Mr Amaral added.

Bankers say the Fibria deal also shows that bank finance is beginning to flow back into the market. A consortium of international banks — JPMorgan Chase, BNP Paribas, Mizuho Bank and Rabobank — is providing $9.2bn in loans to Suzano for the purchase.

"You cannot be considered an international bank if you are not present in Brazil," said Sandrine Ferdane, chief executive of BNP Paribas in Brazil.

The big question mark on the horizon remains the October presidential election. Two populists, former president Luiz Inácio Lula da Silva from the left and Jair Bolsonaro from the extreme right, are leading preliminary polling.

But there are countless other potential candidates, from a black supreme court judge, Joaquim Barbosa, to the powerful centre-right governor of the state of São Paulo, Geraldo Alckmin. Compounding the uncertainty is that Mr Lula da Silva is facing jail after being convicted of corruption and losing both of his appeals so far.

However, bankers say that whoever wins, Brazil's tight fiscal situation will force the next president to undertake important reforms, such as overhauling the country's expensive pension system.

"There's a very good chance that, if it's a business-friendly candidate in terms of policies and reforms . . . then we're going to combine a cyclical recovery with a structural change," said Mr Amaral of BTG.

In the meantime, M&A would continue as strategic investors moved into the region, although the equity market would be likely to take a break for most of the second half during the election.

"Elections are important for the capital markets and I think we will see those [equity] deals either happen now, in the first half of the year, or at the very end of the year," said Mr Greenlees.

See Editorial Comment

Wood chips are piled high for processing at the Fibria Celulose plant in Aracruz, Espírito Santo, Brazil. The takeover of Fibria by Suzano Papel e Celulose will create the biggest producer of pulp
Rich Press/Bloomberg

Financials

Paris gains on London as FT 1000 hub

IAN SMITH — LONDON

London has maintained its position as the most popular location for Europe's fastest-growing companies but Paris is closing the gap as Brexit approaches.

The FT 1000 list, now in its second year, ranks companies by their revenue growth between 2013 and 2016. London is home to 74 of the businesses that made the list, followed by Paris on 62 and Milan on 25. The gap between the UK and French capitals has fallen from 33 in 2017's list to just 12 this year.

The snapshot of corporate growth comes at a tricky time for London's start-up sector, which is enjoying benign economic conditions but faces uncertainty about the future trading relationship with the EU.

The ranking of 1,000 companies from 31 countries was compiled by Statista, the research company, in partnership with the Financial Times.

Top spot in this year's survey was taken by London-based food delivery company Deliveroo. It takes over from German peer HelloFresh, which topped last year's FT 1000 ranking before going on to an initial public offering in November.

"London's light shines brightly for business," said Eddie Curzon, London director at the CBI employers' group. Nine out of 10 companies say the city is a great place to do business, according to the latest survey from the CBI and real-estate services group CBRE.

Mr Curzon said technology and creative businesses were key to London's future growth but they needed further clarity on the Brexit deal between the UK and its EU partners.

He added that London's "ingrained challenges" of providing adequate housing and infrastructure also needed to be overcome.

"These are two tough nuts to crack, as their combined effect is making it difficult for firms to recruit and retain the talented staff they need." In the fast-growing fintech sector, companies have raised concerns that Brexit is already causing a shortage of software engineers. Financial services and fintech contribute 19 of the London-based companies in this year's ranking.

Kate Bell, head of economic and social policy for the Trades Union Congress, said getting Brexit right was the priority for retaining London's attractiveness to start-ups.

"That means making sure there are no barriers to trade in both manufacturing and services," she added. "We can't have a final deal that makes it harder for London-based tech firms to do business in the EU."

Ms Bell said the deal must also not make it harder for London's tech groups and research centres to recruit workers.

An FT special report on the FT 1000 will be published online worldwide and in print in Europe on April 30.

Travel & leisure

AMC to open first Saudi cinema for 35 years

DON WEINLAND — HONG KONG

Chinese-owned AMC Entertainment will this month open the first commercial cinema on Saudi Arabian soil in 35 years.

The kingdom closed its cinemas in the early 1980s following a revival of hard-line Islamic sentiment, but late last year it announced reform measures pursued by Crown Prince Mohammed bin Salman.

The Ministry of Culture and Information broke the 35-year ban this week, awarding a cinema operating licence to a subsidiary of the Public Investment Fund of Saudi Arabia. AMC, which is owned by Chinese conglomerate Dalian Wanda, has signed an agreement with the fund to open and operate the cinemas, the first of which is expected to open on April 18 in the capital, Riyadh.

A press release from the company showed pictures of a colourful theatre atrium in the King Abdullah financial district, part of a new development zone in Riyadh.

AMC aims to open up to 40 cinemas in 15 cities in the kingdom over the next five years. By 2030, it plans to have between 50 and 100 cinemas in 25 cities.

"The decision is part of Saudi Arabia's social and economic reform programme under Vision 2030, spearheaded by His Royal Highness the Crown Prince Mohammed bin Salman, who is on an official visit to the United States," AMC said on Wednesday.

As part of a charm offensive directed at the US, the prince met people such as the media entrepreneur Michael Bloomberg and Goldman Sachs' chief executive Lloyd Blankfein in New York last week.

Prince Mohammed, 32, has rapidly consolidated power over the past year,

AMC's first cinema is set to open in the Saudi capital Riyadh on April 18

launching a sweeping purge of rival princes and tycoons while also leading a devastating war against Shia rebels in neighbouring Yemen.

However, he has also launched social and economic reforms at home aimed at breaking with some conservative laws while also attempting to wean the kingdom off of its oil-based economy.

He recently lifted a ban on women driving in the country. For the first time in decades, the Saudi government is promoting concerts and cultural events to broaden entertainment options for the Saudi people, two-thirds of whom are under the age of 30.

The government hopes that reopening cinemas will play a part in boosting domestic entertainment spending. It anticipates 300 theatres showing films will open by 2030, contributing $24bn to the economy and creating 30,000 jobs.

AMC was bought by Dalian Wanda for $2.6bn in 2012. The Chinese property and entertainment group, controlled by tycoon Wang Jianlin, went on to buy other big US assets, including Legendary Entertainment for $3.5bn, but has since come under Chinese government pressure to divest many of its assets.

MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

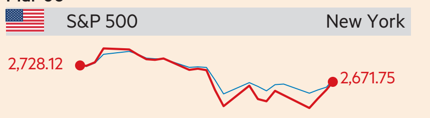
Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
1.02%	0.92%	1.40%	2.35%	2.48%	1.53%	-2.19%	1.00%	-0.569%	-0.639%	0.864%	0.115%	-0.57%	0.29%

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

AMERICAS

Mar 06 - - Index All World

S&P 500 New York

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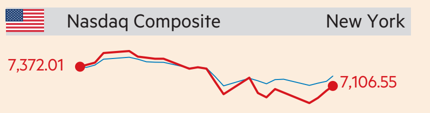
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Day 0.92% Month -2.15% Year 20.39%

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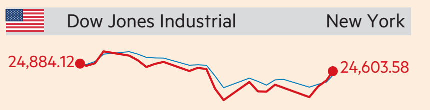
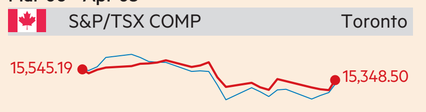
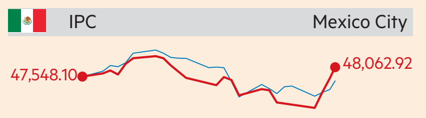
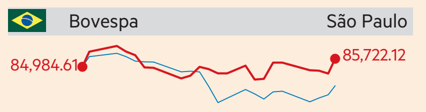

24,884.12 24,603.58
Day 1.40% Month 0.14% Year 18.77%

Mar 06 - Apr 05 Index All World

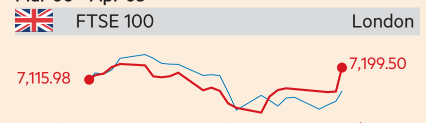
S&P/TSX COMP Toronto

15,545.19 15,348.50
Day 1.21% Month -1.24% Year -1.88%

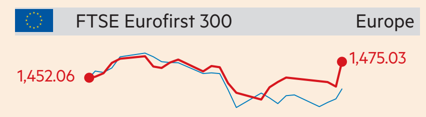
IPC Mexico City

47,548.10 48,062.92
Day 1.28% Month 0.72% Year -2.33%

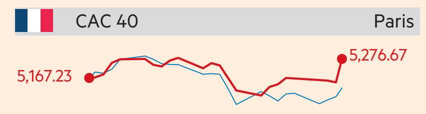
Bovespa São Paulo

84,984.61 85,722.12
Day 1.62% Month -0.35% Year 32.34%

EUROPE

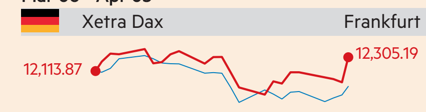
Mar 06 - Apr 05 Index All World

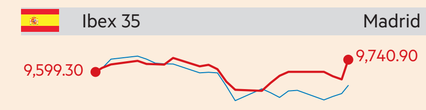
FTSE 100 London

7,115.98 7,199.50
Day 2.35% Month 1.11% Year -1.86%

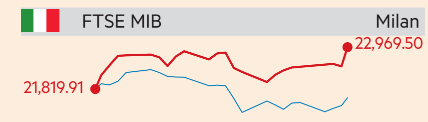
FTSE Eurofirst 300 Europe

1,452.06 1,475.03
Day 2.48% Month 1.58% Year -1.51%

CAC 40 Paris

5,167.23 5,276.67
Day 2.62% Month 2.73% Year 3.44%

Mar 06 - Apr 05 Index All World

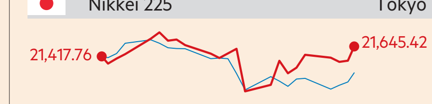
Xetra Dax Frankfurt

12,113.87 12,305.19
Day 2.90% Month 1.72% Year NaN%

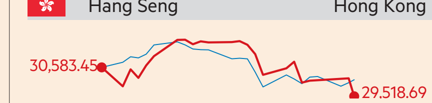
Ibex 35 Madrid

9,599.30 9,740.90
Day 2.39% Month 2.20% Year -5.99%

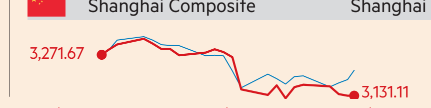
FTSE MIB Milan

21,819.91 22,969.50
Day 2.35% Month 5.27% Year 13.41%

ASIA

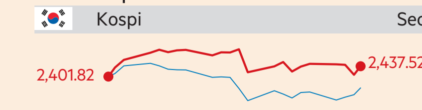
Mar 06 - Apr 05 Index All World

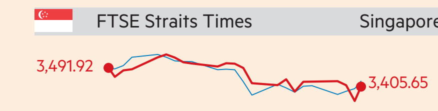
Nikkei 225 Tokyo

21,417.76 21,645.42
Day 1.53% Month 2.19% Year 15.07%

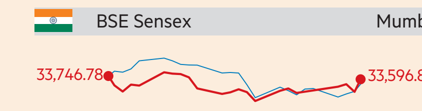
Hang Seng Hong Kong

30,583.45 29,518.69
Day -2.19% Month -3.48% Year 21.67%

Shanghai Composite Shanghai

3,271.67 3,131.11
Day -0.17% Month -3.79% Year -2.84%

Mar 06 - Apr 05 Index All World

Kospi Seoul

2,401.82 2,437.52
Day 1.22% Month 1.47% Year 12.79%

FTSE Straits Times Singapore

3,491.92 3,405.65
Day 1.97% Month -2.11% Year 7.13%

BSE Sensex Mumbai

33,746.78 33,596.80
Day 1.75% Month -1.32% Year 12.33%

Country	Index	Latest	Previous
	S&P/TSX Comp	15348.50	15164.37
	S&P/TSX Div Met & Min	950.54	949.10
Chile	IGPA Gen	28119.71	27759.85
China	FTSE A200	10059.01	10064.06
	FTSE B35	9000.71	8988.96
	Shanghai A	3279.07	3284.63
	Shanghai B	325.36	326.00
	Shanghai Comp	3131.11	3136.43
	Shenzhen A	1915.53	1926.58
	Shenzhen B	1147.58	1145.84
Colombia	COLCAP	1497.59	1492.84
Croatia	CROBEX	1806.05	1804.80
	TecDAX	2512.98	2425.53
	XETRA Dax	12305.19	11957.90
Greece	Athens Gen	801.14	781.14
	FTSE/ASE 20	2079.94	2031.89
Hong Kong	Hang Seng	29518.69	30180.10
	HS China Enterprise	11857.41	12136.67
	HSCC Red Chip	4356.43	4420.17
Hungary	Bux	38065.04	37275.42
India	BSE Sensex	33596.80	33019.07
	Nifty 500	9146.15	8975.60
Indonesia	Jakarta Comp	6183.23	6157.10
Ireland	ISEQ Overall	6673.20	6545.75
Israel	Tel Aviv 125	1298.88	1308.08
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1030.43	1043.48
Lithuania	OMX Vilnius	707.06	703.80
Luxembourg	LuxX	1527.20	1493.86
Malaysia	FTSE Bursa KLCI	1836.13	1815.94
Mexico	IPC	48062.92	47457.46
Morocco	MASI	12895.20	12849.44
Netherlands	AEX	540.49	526.18
	AEX All Share	801.65	781.45
New Zealand	NZX 50	8363.99	8398.08
Nigeria	SE All Share	40855.64	41504.51
Norway	Oslo All Share	922.17	902.94
Pakistan	KSE 100	46560.82	46103.61
Slovakia	SAX	329.68	329.40
Slovenia	SBI TOP	824.00	824.00
South Africa	FTSE/JSE All Share	55761.15	54602.68
	FTSE/JSE Res 20	34566.30	33709.96
	FTSE/JSE Top 40	49097.22	48051.90
South Korea	Kospi	2437.52	2408.06
	Kospi 200	313.04	308.54
Spain	IBEX 35	9740.90	9513.30
Sri Lanka	CSE All Share	6474.70	6444.41
Sweden	OMX Stockholm 30	1521.22	1494.65
	OMX Stockholm AS	555.71	546.21
Switzerland	SMI Index	8742.60	8553.69
USA	DJ Composite	8194.11	8118.49
	DJ Industrial	24603.58	24264.30
	DJ Transport	10431.89	10388.03
	DJ Utilities	690.93	690.65
	Nasdaq 100	6626.03	6560.06
	Nasdaq Cmp	7106.55	7042.11
	NYSE Comp	12600.86	12466.45
	S&P 500	2671.75	2644.69
	Wilshire 5000	27700.04	27420.69
Venezuela	IBC	5406.92	5267.08
Vietnam	VNI	1193.17	1191.54
	FTSE Latibex Top (Eur)	4480.00	4357.50
	FTSE Multinationals ($)	1911.85	1901.87
	FTSE World ($)	594.32	588.33
	FTSEurofirst 100 (Eur)	4191.62	4086.10
	FTSEurofirst 80 (Eur)	4824.35	4700.61
	MSCI ACWI Fr ($)	503.82	501.89
	MSCI All World ($)	2061.31	2048.80
	MSCI Europe (Eur)	1522.11	1527.89
	MSCI Pacific ($)	2791.53	2794.07
	S&P Euro (Eur)	1611.93	1571.89
	S&P Europe 350 (Eur)	1517.76	1481.98
	S&P Global 1200 ($)	2332.26	2304.98
	Stoxx 50 (Eur)	3024.78	2950.10

(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
Amazon.com	45.9	1451.81	41.24
Facebook	33.9	159.53	4.43
Micron Technology	21.2	50.38	-3.01
Apple	21.2	174.16	2.55
Netflix	16.4	297.62	8.68
Nvidia	15.2	225.06	-1.18
Boeing (the)	10.1	336.97	9.53
Microsoft	9.4	92.78	0.45
Alphabet	8.5	1042.36	12.65
Bank Of America	8.2	30.53	0.65

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Marathon Oil	16.93	1.04	6.51
Navient	13.51	0.67	5.22
Range Resources	14.45	0.67	4.86
Mosaic (the)	25.24	1.14	4.73
Albemarle	95.93	4.33	4.73
Downs			
Micron Technology	50.38	-3.01	-5.64
Hormel Foods	34.80	-1.07	-2.98
Regeneron Pharmaceuticals	327.66	-9.69	-2.87
Under Armour	17.45	-0.44	-2.46
Biogen	266.04	-6.36	-2.33

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Shire	275.5	3707.00	107.00
Glencore	238.3	358.75	13.75
Bp	219.9	499.80	18.00
British American Tobacco	210.3	4286.00	73.50
Vodafone	183.3	203.65	6.43
Astrazeneca	177.0	5007.00	140.00
Rio Tinto	146.4	3645.50	107.50
Diageo	142.7	2495.00	65.00
Glaxosmithkline	140.7	1420.00	24.60
Imperial Brands	138.3	2529.50	23.50

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Sophos	480.60	64.60	15.53
Micro Focus Int	1094.00	89.00	8.86
Intermediate Capital	1036.00	60.00	6.15
Ip	120.80	6.80	5.96
Tullow Oil	204.50	11.35	5.88
Downs			
Rank	180.00	-33.50	-15.69
Btg	592.50	-67.50	-10.23
Direct Line Insurance	348.10	-38.50	-9.96
Sanne	666.00	-30.00	-4.31
Sirius Minerals	30.00	-1.14	-3.66

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nestle N	477.2	64.20	1.21
Daimler Ag Na O.n.	463.6	69.61	1.50
Total	430.6	48.56	1.28
Siemens Ag Na	344.6	104.70	3.56
Roche Gs	339.4	185.56	3.57
Eni	324.6	14.86	0.31
Caixabank	319.5	3.93	0.12
Bbva	310.8	6.51	0.16
Allianz Se Na O.n.	308.2	187.40	4.68
Bayer Ag Na O.n.	297.6	94.18	2.77

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Telecom Italia R	0.69	0.04	5.92
Arcelormittal Sa	26.09	1.38	5.58
Raiffeisen Bank Internat. Ag	32.17	1.69	5.54
Telecom Italia	0.80	0.04	5.22
Omv Ag	49.48	2.34	4.96
Downs			
Seadrill	0.17	0.00	-1.76
Carlsberg B A/s	95.20	-1.07	-1.12
Red Ele.	16.47	-0.08	-0.51
Terna	4.74	-0.01	-0.17
Lindt N	59433.32	-84.90	-0.14

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Mitsubishi Ufj Fin,.	543.0	699.70	13.10
Softbank .	479.5	7600.00	-18.00
Fast Retailing Co.,	440.4	46500.00	1300.00
Toyota Motor	390.5	6750.00	11.00
Sumitomo Mitsui Fin,.	337.8	4440.00	83.00
Sony	299.8	5213.00	76.00
Fanuc	240.0	26055.00	345.00
Mizuho Fin,.	237.9	191.20	2.60
Nippon Telegraph And Telephone	237.2	5131.00	92.00
Takeda Pharmaceutical	223.0	5265.00	-20.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Mitsui Fudosan Co.,	2689.50	113.50	4.41
Terumo	5800.00	220.00	3.94
Toto	5920.00	220.00	3.86
Nissan Chemical Industries,	4590.00	170.00	3.85
Nippon Electric Glass Co.,	3105.00	112.00	3.74
Downs			
Sumitomo Metal Mining Co.,	4359.00	-88.00	-1.98
Furukawa Electric Co.,	5200.00	-100.00	-1.89
Chiyoda	963.00	-17.00	-1.73
Tokai Carbon Co.,	1369.00	-23.00	-1.65
Showa Denko K.k.	3835.00	-60.00	-1.54

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Apr 05 price(p)	%Chg week	%Chg ytd
Winners			
Micro Focus Int	1094.00	10.9	-56.0
Smurfit Kappa	3048.00	5.8	23.4
Morrison (wm) Supermarkets	224.80	5.3	2.6
Vodafone	203.65	4.9	-12.9
Royal Dutch Shell	2333.50	4.5	-5.7
Bp	499.80	4.3	-3.4
Imperial Brands	2529.50	4.3	-19.9
Royal Dutch Shell	2373.00	4.2	-5.1
Shire	3707.00	3.8	-4.8
British American Tobacco	4286.00	3.8	-13.2
Evraz	450.40	3.7	27.0
Johnson Matthey	3151.00	3.6	2.7
Losers			
Direct Line Insurance	348.10	-8.7	-6.4
Gkn	424.10	-8.4	33.4
Randgold Resources Ld	5572.00	-5.3	-25.2
Mediclinic Int	572.40	-4.8	-11.8
Paddy Power Betfair	6995.00	-4.2	-21.4
St. James's Place	1059.50	-2.5	-14.3
Pearson	733.00	-2.1	-0.2
Just Eat	685.20	-1.9	-11.8
Old Mutual	235.20	-1.7	2.8
Aviva	487.70	-1.7	-3.0
Tesco	202.90	-1.5	-2.7
Smiths	1493.00	-1.4	1.2

FTSE 250	Apr 05 price(p)	%Chg week	%Chg ytd
Winners			
Stobart Ltd	232.00	5.0	-18.2
Jpmorgan Indian Investment Trust	704.00	4.3	-6.5
Pershing Square Holdings Ltd	905.00	4.7	-11.3
Jpmorgan American Investment Trust	386.00	2.0	-4.0
Edinburgh Investment Trust	654.00	1.9	-6.6
Foreign & Colonial Investment Trust	636.00	1.8	-1.1
Bankers Investment Trust	847.00	1.3	-3.5
Gcp Infrastructure Investments	119.60	1.5	-5.7
Witan Investment Trust	1026.00	1.2	-4.6
Temple Bar Investment Trust	1230.00	1.2	-5.2
Jpmorgan Emerging Markets Investment Trust	861.00	1.1	-2.8
Perpetual ome And Growth Investment Trust	347.50	1.0	-8.8
Losers			
Rank	180.00	-12.8	-27.6
Btg	592.50	-12.4	-21.5
Rhi Magnesita N.v.	4060.00	-7.7	5.7
Melrose Industries	211.80	-8.3	0.3
Sanne	666.00	-5.8	-18.3
Inmarsat	340.40	-6.0	-30.8
Imi	1036.00	-4.1	-21.7
Capita	136.75	-5.1	-66.6
Fisher (james) & Sons	1534.00	-2.4	-0.9
Indivior	394.80	-3.1	-1.9
Vesuvius	566.00	-3.0	-3.0
Ti Fluid Systems	254.00	-3.1	0.6

FTSE SmallCap	Apr 05 price(p)	%Chg week	%Chg ytd
Winners			
Mothercare	19.32	13.0	-70.6
Lsl Property Services	248.00	10.7	-11.4
Avon Rubber	1335.00	5.1	13.1
Helical	340.00	5.3	1.0
Circassia Pharmaceuticals	89.30	4.3	-9.3
Bloomsbury Publishing	184.00	4.2	-1.9
Xp Power	3320.00	4.1	-3.8
Hollywood Bowl	209.00	5.6	0.5
Consort Medical	1170.00	4.5	0.0
Dialight	518.00	3.2	-4.1
Lamprell	75.60	3.6	-2.3
Utilico Emerging Markets Trust	217.50	2.6	-2.9
Losers			
Topps Tiles	70.00	-10.3	-11.8
Tarsus	273.00	-9.0	-15.2
Kainos	340.00	0.0	2.4
Acacia Mining	137.70	-3.6	-32.1
Sirius Real Estate Ld	59.60	-3.2	-9.7
Countrywide	101.20	-4.2	-12.2
Moss Bros	47.00	-3.1	-46.3
Clipper Logistics	358.00	-1.9	-23.0
Premier Foods	37.00	-2.1	-13.1
Treatt	410.00	-2.4	-9.1
Tyman	289.50	-2.9	-
Cambian	178.40	-1.8	-8.2

Industry Sectors	Apr 05 price(p)	%Chg week	%Chg ytd
Winners			
Tobacco	45918.15	8.3	-
Fixed Line Telecommunication	2690.13	5.6	-
Software & Computer Services	1736.62	5.4	-
Mobile Telecommunications	4451.77	4.7	-
Oil & Gas Producers	8553.52	4.2	-5.4
Beverages	20115.56	3.5	-7.5
Food Producers	6925.98	3.4	-
Construction & Materials	6087.39	2.6	-6.9
Household Goods	16757.85	2.5	-
Industrial Metals	4448.37	2.2	15.6
General Industrials	6460.19	2.1	1.4
Pharmaceuticals & Biotech.	12917.46	2.0	0.6
Losers			
Automobiles & Parts	9725.44	-1.2	30.9
Health Care Equip.& Services	7661.86	-1.1	1.0
Industrial Engineering	12130.65	-0.2	-2.9
Life Insurance	8520.38	-0.1	-5.0
Support Services	7346.70	0.0	-8.3
Nonlife Insurance	3123.63	0.1	-3.1
Food & Drug Retailers	3250.39	0.1	-0.3
Travel & Leisure	9515.81	0.3	-6.7
Forestry & Paper	20697.16	0.4	-0.5
Equity Investment Instruments	9242.15	0.4	-4.7
Mining	17341.26	0.5	-7.3
Aerospace & Defense	4945.34	0.6	1.2

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

CURRENCIES

Apr 5	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	20.1830	-0.0335	24.6808	-0.1836	28.2481	-0.2258
Australia	Australian Dollar	1.3012	0.0024	1.5911	-0.0062	1.8211	-0.0081
Bahrain	Bahrainin Dinar	0.3771	-	0.4611	-0.0027	0.5278	-0.0033
Bolivia	Bolivian Boliviano	6.9100	-	8.4499	-0.0487	9.6712	-0.0612
Brazil	Brazilian Real	3.3307	-0.0223	4.0729	-0.0509	4.6616	-0.0609
Canada	Canadian Dollar	1.2793	-0.0029	1.5643	-0.0127	1.7904	-0.0155
Chile	Chilean Peso	603.1950	-1.7550	737.6186	-6.4133	844.2316	-7.8107
China	Chinese Yuan	6.2999	-	7.7038	-0.0444	8.8173	-0.0558
Colombia	Colombian Peso	2786.3650	-3.3900	3407.3141	-23.8238	3899.7971	-29.4359
Costa Rica	Costa Rican Colon	566.0550	0.4000	692.2019	-3.5008	792.2505	-4.4468
Czech Republic	Czech Koruna	20.7299	0.1408	25.3496	0.0269	29.0135	0.0148
Denmark	Danish Krone	6.0901	0.0325	7.4474	-0.0030	8.5238	-0.0081
Egypt	Egyptian Pound	17.6849	0.0253	21.6260	-0.0936	24.7518	-0.1209
Hong Kong	Hong Kong Dollar	7.8492	-0.0001	9.5984	-0.0554	10.9857	-0.0695
Hungary	Hungarian Forint	254.7655	1.5579	311.5407	0.1190	356.5697	-0.0607
India	Indian Rupee	65.0025	-0.1625	79.4885	-0.6584	90.9775	-0.8042
Indonesia	Indonesian Rupiah	13766.5000	0.5000	16834.4217	-96.4799	19267.6000	-121.1503
Israel	Israeli Shekel	3.5300	-0.0098	4.3166	-0.0370	4.9405	-0.0450
Japan	Japanese Yen	107.4600	0.9200	131.4077	0.3735	150.4010	0.3446
..One Month		107.4598	0.9196	131.4078	0.3736	150.4009	0.3445
..Three Month		107.4593	0.9187	131.4078	0.3737	150.4007	0.3440
..One Year		107.4570	0.9141	131.4080	0.3741	150.4009	0.3428
Kenya	Kenyan Shilling	101.0250	0.0750	123.5387	-0.6204	141.3946	-0.7885
Kuwait	Kuwaiti Dinar	0.3001	0.0002	0.3670	-0.0019	0.4200	-0.0024
Malaysia	Malaysian Ringgit	3.8665	-0.0030	4.7282	-0.0310	5.4116	-0.0384
Mexico	Mexican Peson	18.0933	-0.1502	22.1254	-0.3124	25.3233	-0.3718
New Zealand	New Zealand Dollar	1.3755	0.0046	1.6821	-0.0040	1.9252	-0.0057
Nigeria	Nigerian Naira	359.9500	-0.1500	440.1658	-2.7235	503.7859	-3.3972
Norway	Norwegian Krone	7.8402	0.0087	9.5874	-0.0447	10.9731	-0.0572
Pakistan	Pakistani Rupee	115.5250	0.0250	141.2701	-0.7841	161.6888	-0.9873
Peru	Peruvian Nuevo Sol	3.2269	-0.0010	3.9460	-0.0239	4.5163	-0.0299
Philippines	Philippine Peso	52.1250	-0.0055	63.7412	-0.3744	72.9541	-0.4691
Poland	Polish Zloty	3.4337	0.0159	4.1988	-0.0047	4.8057	-0.0080
Romania	Romanian Leu	3.8128	0.0212	4.6625	-0.0008	5.3364	-0.0039
Russia	Russian Ruble	57.6938	0.0793	70.5510	-0.3094	80.7482	-0.3989
Saudi Arabia	Saudi Riyal	3.7503	-0.0001	4.5860	-0.0266	5.2488	-0.0334
Singapore	Singapore Dollar	1.3164	0.0032	1.6098	-0.0053	1.8424	-0.0071
South Africa	South African Rand	11.9819	0.0844	14.6521	0.0193	16.7699	0.0128
South Korea	South Korean Won	1059.7500	-0.0500	1295.9183	-7.5366	1483.2260	-9.4501
Sweden	Swedish Krona	8.4364	0.0293	10.3165	-0.0235	11.8077	-0.0335
Switzerland	Swiss Franc	0.9632	0.0037	1.1778	-0.0023	1.3480	-0.0034
Taiwan	New Taiwan Dollar	29.1465	-	35.6419	-0.2056	40.7934	-0.2580
Thailand	Thai Baht	31.2100	-0.0150	38.1652	-0.2386	43.6815	-0.2974
Tunisia	Tunisian Dinar	2.4080	0.0093	2.9446	-0.0055	3.3702	-0.0082
Turkey	Turkish Lira	4.0443	0.0434	4.9456	0.0249	5.6604	0.0254
United Arab Emirates	UAE Dirham	3.6731	-0.0001	4.4916	-0.0260	5.1408	-0.0326
United Kingdom	Pound Sterling	0.7145	0.0045	0.8737	0.0005	-	-
..One Month		0.7147	0.0045	0.8736	0.0005	-	-
..Three Month		0.7151	0.0045	0.8735	0.0005	-	-
..One Year		0.7168	0.0045	0.8725	0.0005	-	-
United States	United States Dollar	-	-	1.2229	-0.0071	1.3996	-0.0089
..One Month		-	-	1.2226	-0.1856	1.3998	-0.0089
..Three Month		-	-	1.2220	-0.1856	1.4002	-0.0089
..One Year		-	-	1.2191	-0.1856	1.4019	-0.0089
Venezuela	Venezuelan Bolivar Fuerte	49655.0000	355.0000	60720.7494	86.3636	69497.1238	60.5041
Vietnam	Vietnamese Dong	22814.0000	-1.5000	27898.2050	-162.7546	31930.5192	-204.0862
European Union	Euro	0.8178	0.0047	-	-	1.1445	-0.0006
..One Month		0.8175	0.0047	-	-	1.1445	-0.0006
..Three Month		0.8169	0.0047	-	-	1.1443	-0.0006
..One Year		0.8140	0.0047	-	-	1.1433	-0.0006

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 Apr 05	Day's chge%	Euro Index	£ Strlg Apr 04	£ Strlg Apr 03	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7199.50	2.35	6419.38	7034.01	7030.46	7303.20	4.02	1.93	12.86	85.51	6178.70
FTSE 250 (250)	19576.17	1.62	17454.94	19264.22	19398.01	19126.08	2.81	2.42	14.75	112.73	14476.36
FTSE 250 ex Inv Co (198)	21015.24	1.60	18738.08	20684.75	20824.27	20495.25	2.90	1.92	17.94	119.91	15857.68
FTSE 350 (350)	4011.25	2.23	3576.60	3923.87	3926.90	4043.03	3.82	1.99	13.14	43.43	6902.77
FTSE 350 ex Investment Trusts (297)	3975.55	2.24	3544.77	3888.57	3890.59	4010.87	3.87	1.92	13.49	43.67	3525.47
FTSE 350 Higher Yield (108)	3659.48	2.30	3262.95	3577.35	3570.13	3798.95	5.20	1.64	11.72	54.81	6666.50

FT 30 INDEX

	Apr 05	Apr 04	Apr 03	Mar 29	Mar 28	Yr Ago	High	Low
FT 30	3037.90	3038.80	3062.80	3052.70	3027.40	0.00	3377.70	2974.50
FT 30 Div Yield	2.00	2.01	1.99	2.00	2.03	0.00	3.93	2.74
P/E Ratio net	22.34	22.24	22.40	22.36	22.00	0.00	19.44	14.26

FT 30 since compilation: 4198.4 high: 19/07/1999; low49.4 26/06/1940Base Date: 1/7/35

FT 30 hourly changes

8	9	10	11	12	13	14	15	16	High	Low
3038.8	3027.3	3030.3	3031.9	3021.1	3022.2	3027.7	3035.2	3034.2	3040.3	3018.0

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

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Automobiles & Parts	42.17	Real Est Invest & Tr	-4.64	Gas Water & Multi	-8.39
Tech Hardware & Eq	32.35	Financial Services	-4.82	Support Services	-8.50
Industrial Metals &	13.17	Industrials	-4.83	Banks	-9.04
Industrial Transport	3.42	Personal Goods	-4.88	Oil & Gas Producers	-9.15
Chemicals	2.26	Life Insurance	-4.89	Oil & Gas	-9.16
Health Care Eq & Srv	1.40	FTSE SmallCap Index	-5.39	Oil Equipment & Serv	-10.02
Aerospace & Defense	0.73	Real Est Invest & Se	-5.45	Beverages	-10.24

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	880.20	27.20	Lloyds Banking Group PLC	66.18	1.02
Admiral Group PLC	1855	-0.50	London Stock Exchange Group PLC	4152	132.00
Anglo American PLC	1644.8	57.00	Marks And Spencer Group PLC	274.00	7.50
Antofagasta PLC	930.80	29.00	Mediclinic International PLC	572.40	16.40
Ashtead Group PLC	1974.5	63.50	Micro Focus International PLC	1094	89.00
Associated British Foods PLC	2509	14.00	Mondi PLC	1921.5	72.50

FX: EFFECTIVE INDICES

FTSE GLOBAL EQUITY INDEX SERIES

UK STOCK MARKET TRADING DATA

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

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UK COMPANY RESULTS

UK RECENT EQUITY ISSUES

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$)							
ANZ	26.81	0.27	32.95	26.21	9.08	11.94	59728.49
BHPBilltn	28.51	-0.20	32.16	22.06	5.57	24.04	70372.62
CmwBkAu	73.80	1.00	87.74	71.45	8.74	12.63	99816.64
CSL♦	159.22	1.38	167.66	119.01	1.16	34.08	55359.34
NatAusBk	28.87	0.36	34.09	28.01	10.44	12.23	60416.44
Telstra	3.11	-0.02	4.68	3.10	14.99	9.23	28427.24
Wesfarmers	41.75	0.34	45.29	39.52	8.03	29.81	36381.53
Westpc	29.06	0.32	35.30	28.32	9.84	11.90	76029.08
Woolworths♦	26.60	0.07	27.97	24.45	4.75	21.67	26673.6
Belgium (€)							
AnBshInBv	90.20	2.15	110.10	82.03	3.82	26.92	186766.83
KBC Grp	71.22	1.40	78.80	59.33	3.96	10.51	36456.32
Brazil (R$)							
Ambev	24.35	0.16	24.56	17.40	2.30	50.96	114909.76
Bradesco	33.96	-0.74	36.80	22.81	1.78	10.46	31144.13
Cielo	19.96	-0.09	28.25	19.85	3.88	12.86	16281.38
ItauHldFin	45.30	0.39	45.81	30.28	4.43	11.09	44958.31
Petrobras	23.65	0.93	24.34	12.47	-	37.82	52846.78
Vale	43.51	0.96	47.60	25.00	2.66	9.56	36970
Canada (C$)							
BCE♦	55.00	0.16	63.00	53.94	5.51	16.74	38739.89
BkMontrl	96.86	0.91	105.55	88.63	3.82	13.24	48877.4
BkNvaS♦	77.84	0.95	85.50	73.31	4.09	11.19	72897.44
Brookfield	49.74	0.05	57.04	46.71	1.48	81.03	38488.02
CanadPcR♦	225.62	1.42	240.40	189.57	1.02	12.99	25514.4
CanImp	113.04	1.19	124.37	103.84	4.67	10.30	39263
CanNatRs	43.37	1.93	47.00	35.90	2.68	20.23	41554.67
CanNatRy	94.98	0.85	108.64	90.84	1.84	12.42	54962.19
Enbridge	40.19	0.73	57.75	38.02	6.34	23.06	53251.56
GtWesLif	33.43	0.15	37.35	32.27	4.64	14.58	25837.79
ImpOil	35.99	1.28	42.25	33.43	1.85	58.74	23297.44
Manulife	23.84	0.21	27.77	22.61	3.63	23.03	36957.73
Potash♦	25.78	-0.05	26.62	20.68	6.09	45.64	17321.83
RylBkC	98.25	0.66	108.52	90.13	3.72	12.60	110913.4
Suncor En	46.02	1.95	47.69	36.09	2.94	16.26	58959.59
ThmReut	50.88	0.40	62.83	49.26	3.59	19.82	28222
TntoDom	72.25	0.66	76.65	61.50	3.41	12.99	104221.77
TrnCan♦	53.35	1.38	65.18	50.28	4.95	14.72	36947.18
ValeantPh	20.19	0.02	30.56	11.20	-	2.23	5503.56
China (HK$)							
AgricBkCh	4.39	-0.07	5.02	3.40	4.84	6.03	17191.92
Bk China	4.14	-0.12	4.96	3.57	5.07	5.89	44105.73
BkofComm	6.17	-0.11	7.13	5.47	5.52	5.40	27521.43
BOE Tech	1.57	-0.12	1.78	1.22	1.33	15.49	39.80
Ch Coms Cons	8.14	-0.25	11.54	7.70	2.94	5.36	4591.49
Ch Evrbrght	3.79	-0.04	4.76	3.46	3.24	5.12	6121.93
Ch Rail Cons	8.09	-0.13	11.60	7.74	2.46	5.91	2139.98
Ch Rail Gp	5.57	-0.12	7.23	5.25	1.96	6.63	2985.65
ChConstBk	7.81	-0.31	9.39	5.91	4.46	6.48	239215.23
China Vanke	34.60	-0.65	42.85	19.00	2.85	10.85	5796.4
ChinaCitic	5.37	-0.12	6.82	4.69	5.01	5.09	10181.48
ChinaLife	21.25	-0.40	28.20	21.10	1.38	15.16	20145.27
ChinaMBank	31.30	-1.40	39.50	19.66	2.96	8.97	18306.86
ChinaMob	70.45	-2.10	89.60	69.65	4.24	10.37	183775.24
ChinaPcIns	34.15	-0.60	42.40	27.60	2.57	16.80	12074.58
ChMinsheng	7.40	-0.18	9.35	7.16	4.84	4.37	6536.77
ChMrchSecs RMB	17.13	-0.34	22.35	15.57	1.10	21.94	13333.6
Chna Utd Coms RMB	5.58	-0.07	9.29	5.45	-	297.11	17091.78
ChShenEgy	19.04	-0.38	25.75	16.38	3.02	6.70	8243.98
ChShpbldng RMB	5.50	0.10	8.14	4.98	-	115.73	16030.28
ChStConEng RMB	8.51	-0.07	10.96	8.50	2.50	8.78	40161.06
ChUncHK	9.72	-0.23	13.24	9.20	-	58.93	37890.57
CNNC Intl RMB	6.66	0.03	8.11	6.50	1.63	21.86	4471.42
CSR	6.55	-0.05	8.82	6.49	4.02	14.11	3647.52
Daqin RMB	8.08	-0.02	10.48	7.61	3.06	9.18	19067.55
Gree Elec Apl	0.06	0.00	0.20	0.04	-	-1.75	99.00
GuosenSec RMB	10.83	0.02	15.04	9.91	1.84	22.20	7479.09
HaitongSecs	10.28	-0.20	13.58	10.28	2.66	11.07	4465.44
Hngzh HikVDT RMB	41.10	-0.25	44.59	25.25	0.97	43.46	51584.98
Hunng Pwr	5.09	-0.04	6.25	4.55	7.15	23.86	3048.06
IM Baotou Stl RMB	2.18	0.01	3.17	2.03	-	80.01	7626.32
In&CmBkCh	6.58	-0.24	7.64	4.83	4.44	6.64	72759.45
IndstrlBk RMB	16.33	-0.05	19.98	14.99	3.70	5.94	49385.56
Kweichow RMB	694.01	16.10	799.06	380.60	0.98	32.16	138385.37
Midea	1.55	-0.02	1.90	1.50	3.37	13.56	42.46
New Ch Life Ins	36.20	-	57.85	35.30	1.64	16.67	4769.21
PetroChina	5.31	-0.06	6.66	4.72	1.14	35.68	14273.41
PingAnIns	78.95	-1.55	98.85	41.55	1.65	12.61	74909.89
PngAnBnk RMB	10.87	0.31	15.24	8.54	1.46	8.30	29190.63
Pwr Cons Corp RMB	6.52	-0.05	9.00	6.51	1.30	13.94	9935.42
SaicMtr RMB	33.90	0.79	37.66	25.16	4.87	11.45	61900.43
ShenwanHong	0.18	-0.01	0.35	0.17	-	13.83	205.59
ShgPdgBk RMB	11.53	-0.03	14.02	11.16	1.32	6.27	51435.23
Sinopec Corp	7.02	-0.12	7.24	5.40	4.74	12.33	22817.94
Sinopec Oil RMB	2.01	-0.01	4.09	1.99	-	-2.68	3842.21
Denmark (kr)							
DanskeBk	225.70	2.90	259.50	219.80	4.05	10.00	34718.69
MollerMrsk	9418	202.00	14260	9004	1.44	-135.88	15557.85
NovoB	297.20	5.45	354.80	244.20	2.58	19.01	95773.34
Finland (€)							
Nokia	4.47	0.08	5.96	3.81	0.40	-16.93	30796.46
SampoA	44.52	0.27	48.92	43.10	5.21	10.54	30168.8
France (€)							
Airbus Grpe	94.87	2.06	99.97	68.42	1.45	25.24	89857.82
AirLiquide	102.10	3.54	111.60	91.64	2.59	19.25	53500.23
AXA	21.88	0.37	27.69	20.94	5.33	8.90	64900.8
BNP Parib	61.10	1.66	69.17	57.24	4.46	10.18	93371.3
ChristianDior	331.20	5.90	332.00	217.85	0.92	26.29	73107.13
Cred Agr	13.41	0.27	15.68	11.60	4.51	10.86	46654.31
Danone	65.98	1.37	72.13	61.87	2.62	23.28	54115.48
EDF	11.46	-	12.48	7.33	4.88	11.51	41024.81
Engie SA	14.00	0.21	15.16	12.17	7.18	-60.57	41691.93
Esslr Intl	112.20	2.10	122.15	100.60	1.36	30.93	30065.35
Hermes Intl	496.00	5.00	496.00	415.70	0.76	44.79	64031.53
LOreal	190.50	3.75	197.15	170.30	1.76	27.66	130574.84
LVMH	264.50	8.65	264.50	202.85	1.61	25.57	163993.55
Orange	13.98	0.26	15.80	13.32	4.31	139.05	45458.69
PernodRic	139.40	1.70	139.65	110.65	1.47	22.38	45245.27
Renault	98.62	3.19	100.80	73.71	3.21	6.25	35663.44
Safran	87.44	3.84	92.36	70.48	1.75	13.88	47441.1
Sanofi	66.11	1.66	92.97	62.88	4.55	21.74	101380.06
Sant Gbn	43.57	1.13	52.40	41.80	2.94	15.26	29491.62
Schneider	69.82	0.84	76.34	64.88	2.94	19.90	49086.1
SFR Group	34.50	-	34.56	21.87	-	-23.02	17905.81
SocGen	44.63	1.21	52.26	41.89	4.97	13.87	44092.85
Total	48.56	1.28	49.34	42.23	4.91	17.18	156387.73
UnibailR	190.10	3.85	238.15	177.35	5.39	7.66	23215.07
Vinci	80.70	2.38	88.80	71.83	2.72	16.18	58414.32
Vivendi	21.54	0.74	24.87	17.36	1.89	22.32	34195.98
Germany (€)							
Allianz	187.40	4.68	206.85	167.00	4.08	11.31	100888.75
BASF	84.40	2.39	98.80	78.97	3.61	12.57	94795.06
Bayer	94.18	2.77	123.90	88.81	2.91	24.85	95238.14
BMW	88.70	1.29	97.50	77.07	4.01	6.65	65296.63
Continental	222.80	4.10	257.40	186.55	1.94	14.70	54491.95
Daimler	69.61	1.50	76.48	59.01	4.74	6.96	91067.53
Deut Bank	11.66	0.49	17.69	10.82	1.66	-21.65	29469
Deut Tlkm	13.46	0.34	18.15	12.72	4.53	17.90	78342.56
DeutsPost	36.12	1.23	41.36	30.52	2.95	16.54	54271.32
E.ON	9.06	0.05	10.81	7.01	2.35	4.85	24396.85
Fresenius Med	83.22	2.32	93.82	76.42	1.17	19.69	31355.16
Fresenius SE	63.94	2.80	80.07	58.96	0.99	19.36	43377.33
HenkelKgaA	104.10	2.00	114.60	94.75	1.56	17.70	33071.74
Linde	166.05	4.80	199.40	155.50	2.26	21.62	37713.99
MuenchRkv	193.70	4.30	199.00	166.60	4.48	89.75	36720.93
SAP	86.66	2.60	100.70	82.05	1.47	25.46	130187.55
Siemens	104.70	3.56	133.50	99.78	3.49	13.74	108827.77
Volkswgn	166.50	4.40	191.80	128.05	1.22	7.24	60081.75
Hong Kong (HK$)							
AIA	66.60	-1.10	69.85	48.20	1.40	15.99	102451.15
BOC Hold	36.50	-0.70	42.15	30.40	3.35	12.96	49164.8
Ch OSLnd&Inv	27.05	-0.30	32.20	21.50	3.10	6.41	37757.15
ChngKng	64.90	-0.60	75.30	52.60	2.57	8.97	30572.07
Citic Ltd	10.78	-0.30	12.80	10.66	3.34	7.11	39951.99
Citic Secs	18.40	-0.12	22.95	15.46	2.39	15.60	5340.79
CK Hutchison	92.00	-1.00	108.90	92.00	3.18	9.58	45215.35
CNOOC	10.94	-0.20	13.16	8.45	3.48	16.14	62227.84
HangSeng	179.00	-2.00	197.50	153.00	3.74	16.62	43599.06
HK Exc&Clr	249.00	-3.80	306.00	188.50	1.93	39.57	39330.19
MTR	41.85	-0.70	50.00	40.55	2.79	18.02	32033.98
SandsCh	41.90	-0.60	49.35	33.25	4.99	25.83	43110.35
SHK Props	122.80	-0.60	139.60	112.50	3.49	6.28	45322.72
Tencent	397.60	-11.80	476.60	224.20	0.17	49.85	481379.73
India (Rs)							
Bhartiartl	393.90	-1.15	564.80	332.75	0.27	83.33	24223.33
HDFC Bk	1908.9	25.65	2015	1425.05	0.61	29.19	76208.87
Hind Unilevr	1382.2	24.75	1410	898.55	1.34	59.50	46026.11
HsngDevFin	1824.45	21.15	1986.05	1460	1.04	18.32	47037.59
ICICI Bk	278.65	10.00	365.70	241.09	0.88	16.13	27553.71
Infosys	1147.55	23.35	1221.05	860.00	2.51	15.80	38558.22
ITC	259.65	1.05	354.80	250.00	1.87	27.42	48749.57
L&T	1328.8	32.65	1470	1098.57	2.22	24.99	28645.02
OilNatGas	177.45	2.05	212.85	155.20	4.68	9.92	35033.45
RelianceIn	908.20	13.30	990.95	647.55	0.64	14.72	88505.76
SBI NewA	259.30	12.00	351.30	232.35	1.06	-746.12	34433.95
SunPhrmInds	507.55	5.30	699.85	432.70	0.73	55.37	18734.3
Tata Cons	2957.95	47.05	3259.05	2252.8	1.71	21.21	87109.98
Indonesia (Rp)							
Bk Cent Asia	23050	-250.00	24700	16700	0.96	23.23	40868.3
Israel (ILS)							
TevaPha	58.60	-0.58	121.90	38.20	5.33	-0.98	16823.05
Italy (€)							
Enel	5.05	0.09	5.59	4.16	3.59	20.86	62783.42
ENI	14.86	0.31	15.38	12.94	5.43	31.35	66047.83
Generali	15.79	0.13	16.48	13.65	5.09	11.73	30156.71
IntSPaolo	3.00	0.06	3.23	2.39	5.98	7.44	58240.78
Luxottica	51.84	1.10	55.60	45.32	1.78	26.45	30748.24
Unicred	17.34	0.41	18.34	12.79	-	12.12	47225.53
Japan (¥)							
AstellasPh	1620	30.50	1637	1331.5	2.13	18.43	31188.3
Bridgestne	4746	-1.00	5605	4314	3.12	12.82	33633.46
Canon	3891	86.00	4472	3357	3.80	17.69	48294
CntJpRwy	20760	400.00	21520	17525	0.67	10.29	39796.76
Denso	5876	32.00	7218	4551	2.10	14.65	43420.32
EastJpRwy	9985	196.00	11615	9470	1.33	13.30	35834.45
Fanuc	26055	345.00	33450	20805	1.80	29.85	49476.62
FastRetail	46500	1300	51580	30000	0.75	37.34	45900.1
Fuji Hvy Ind	3593	17.00	4297	3400	3.96	12.26	25717.93
Hitachi	766.20	18.20	944.20	566.30	1.80	12.36	34463.03
HondaMtr	3701	39.00	4151	3000	2.59	6.44	62386.9
JapanTob	3020	17.00	4243	2784.5	4.58	13.97	56206.96
KDDI	2768	37.00	3260	2551.5	3.21	12.09	66642.53
Keyence	62500	-20.00	72400	42810	0.10	-	70726.22
MitsbCp	2838	44.00	3318	2208.5	3.37	9.42	41993.66
MitsubEst	1833	40.50	2278.5	1682	1.24	26.24	23725.43
MitsubishiEle	1695.5	20.50	2179	1462	1.86	13.74	33878.46
MitsuiFud	2689.5	113.50	2984	2274.5	1.32	28.12	24813.3
MitUFJFin	699.70	13.10	894.40	642.20	2.56	37.19	90506.7
Mizuho Fin	191.20	2.60	220.70	185.40	3.87	14.78	45175.03
Murata Mfg	14210	55.00	17910	13680	1.67	20.49	29788.82
NipponTT	5131	92.00	5905	4545	2.60	12.00	100098.64
Nissan Mt	1108.5	-0.50	1197	996.20	4.50	5.33	43538.66
Nomura	618.10	9.40	756.50	567.70	3.19	8.70	20957.44
Nppn Stl	2320.5	-20.00	3132	2228	3.19	9.12	20521.32
NTTDCMo	2799.5	15.00	2907.5	2501.5	3.17	14.63	98534.75
Panasonic	1523	-6.50	1800	1207.5	1.62	23.74	34766.44
Seven & I	4624	56.00	4891	4234	1.93	24.18	38143.56
ShnEtsuCh	10840	165.00	13175	9174	1.14	21.89	43588.65
Softbank	7600	-18.00	10550	7494	0.57	5.44	77843.09
Sony	5213	76.00	5738	3402	0.43	-17.18	61433.1
SumitomoF	4440	83.00	5333	3760	3.48	11.43	58441.55
Takeda Ph	5265	-20.00	6693	5029	3.37	22.07	38934.48
TokioMarine	4837	91.00	5517	4192	3.11	17.86	33670.15
Toyota	6750	11.00	7806	5670	3.07	8.53	204962.15
Mexico (Mex$)							
AmerMvl	17.84	0.15	18.44	13.22	1.69	32.71	44269.64
FEMSA UBD	174.50	3.04	189.49	158.17	1.51	13.75	20843.44
WalMrtMex	48.66	1.12	48.89	41.00	1.22	27.42	46960.7
Netherlands (€)							
Altice	6.77	0.22	23.43	6.44	-	-3.42	11572.52
ASML Hld	164.00	7.00	175.25	112.60	0.74	32.88	85712.86
Heineken	89.34	1.68	91.42	79.56	1.51	27.78	62928.09
ING	13.85	0.32	16.69	13.19	4.84	9.67	65814.75
Unilever	46.94	0.77	52.31	42.13	3.02	21.49	98426.57
Norway (Kr)							
DNB	152.85	2.75	164.30	131.90	3.83	12.58	31754.54
Statoil	190.50	5.50	190.75	135.80	3.77	16.77	81122.29
Telenor	181.70	2.95	191.70	131.00	4.41	56.86	34796.94
Qatar (QR)							
QatarNtBk	134.50	0.61	150.50	115.01	2.46	9.43	34122.08
Russia (RUB)							
Gzprm neft	140.12	-0.06	151.65	111.46	6.00	3.59	57495.62
Lukoil	3964.5	25.50	4005	2601	8.31	7.82	58447.54
MmcNrlskNckl	10691	-44.00	11970	7677	6.35	13.27	29323.84
Novatek	770.60	17.50	787.00	590.20	0.95	12.97	40555.12
Rosneft	322.05	2.45	359.30	286.00	1.94	18.54	59159.66
Sberbank	260.37	4.68	285.00	136.20	2.41	7.54	97421.25
Surgutneftegas	28.76	0.25	31.35	24.09	2.18	10.10	17809.05
Saudi Arabia (SR)							
AlRajhiBnk	76.00	0.60	78.20	61.00	4.14	13.51	32929.83
Natnlcombnk	65.10	0.40	65.50	37.00	3.36	13.22	34716.3
SaudiBasic	114.60	-0.20	118.20	94.25	3.66	16.82	91670.22
SaudiTelec	83.40	1.70	85.00	65.10	5.04	17.19	44475.26
Singapore (S$)							
DBS	27.28	0.81	29.71	18.65	2.35	15.84	53131.55
JardnMt US$♦	62.00	-0.11	68.11	59.73	2.52	5.97	45050.58
JardnStr US$♦	38.47	-0.03	46.48	37.50	0.80	5.23	42613.85
OCBC	12.56	0.27	13.61	9.49	2.92	12.65	39934.72
SingTel	3.38	0.05	4.00	3.30	5.28	9.62	41926.91
UOB	26.97	0.69	28.99	21.41	2.65	13.37	34288.66
South Africa (R)							
Firstrand	67.56	1.87	77.25	43.65	3.46	15.65	31629.1
MTN Grp	118.52	3.44	140.00	109.05	5.82	27.34	18638.42
Naspers N	3037.76	80.92	4142.99	2377.26	0.18	30.61	111212.06
South Korea (KRW)							
HyundMobis♦	262500	-2000.00	289500	212000	1.37	15.48	24112.07
KoreaElePwr	34500	-350.00	46500	30600	5.54	7.75	20899.04
SK Hynix	82900	2500	91500	48400	1.24	5.37	56948.71
SmsungEl	2437000	91000	2876000	2004000	1.92	9.67	295237.45
Spain (€)							
BBVA	6.51	0.16	7.93	6.21	4.66	10.94	53081.51
BcoSantdr	5.40	0.19	6.25	5.11	3.92	13.18	106494.42
CaixaBnk	3.93	0.12	4.51	3.68	3.36	13.81	28745.65
Iberdrola	5.98	0.05	7.30	5.71	3.01	12.31	47081.64
Inditex	26.19	0.63	36.90	23.00	1.91	24.14	99815.49
Repsol	14.98	0.34	16.30	13.28	5.52	10.78	28511.84
Telefonica	8.15	0.21	10.57	7.45	4.99	14.33	51752.42
Sweden (SKr)							
AtlasCpcoB	312.30	7.20	339.70	260.40	2.26	21.11	14445.1
Ericsson♦	52.80	1.28	64.95	43.75	2.02	-4.61	19228.77
H & M	125.34	0.74	229.60	117.10	4.50	9.95	21701.15
Investor	371.30	7.60	425.60	348.00	3.19	4.84	20046.5
Nordea Bk	86.42	0.72	115.70	84.22	7.88	10.99	41486.29
SEB	86.90	1.36	109.00	83.86	6.75	10.93	22352.37
SvnskaHn	102.25	0.90	129.70	98.32	5.21	11.70	23136.19
Swedbank	187.25	2.00	226.30	181.55	7.52	10.15	25125.26
Telia Co	39.76	0.70	40.33	35.29	6.78	13.97	20407.17
Volvo	150.10	3.80	171.30	123.40	2.33	13.52	29328.87
Switzerland (SFr)							
ABB♦	21.81	0.75	27.24	20.97	3.49	21.25	49096.52
CredSuisse	15.90	0.43	18.81	12.91	4.34	-37.92	42195.48
Nestle	75.62	1.42	86.40	73.00	3.11	31.88	244345.67
Novartis	78.56	1.80	88.30	72.45	3.46	24.26	213444.78
Richemont	86.30	1.30	92.50	76.95	2.16	24.99	46772.16
Roche	218.55	4.20	273.00	212.45	3.84	21.29	159419.7
Swiss Re	94.00	1.32	98.80	81.65	5.39	11.10	34105.3
Swisscom	473.40	8.60	530.60	431.10	4.75	15.27	25461.29
Syngent	463.00	-6.70	471.20	360.50	-	41.32	42748.26
UBS	16.68	0.49	19.77	15.13	-	60.42	66746.16
Zurich Fin	311.00	1.30	321.80	262.10	3.62	15.68	48869.42
Taiwan (NT$)							
Chunghwa Telecom	112.00	-0.50	113.50	101.50	4.44	22.53	29809.23
Formosa PetChem	116.00	-1.00	127.00	101.00	5.26	13.55	37912.27
HonHaiPrc	87.20	-0.90	122.50	86.10	5.25	10.84	51843.77
MediaTek	328.00	-8.50	350.50	206.00	2.45	26.65	17796.77
TaiwanSem	244.00	-2.50	266.00	186.50	2.89	18.43	217076.18
Thailand (THB)							
PTT Explor♦	542.00	10.00	588.00	365.00	3.29	11.70	49603.16
United Arab Emirates (Dhs)							
Emirtestele♦	17.35	-0.10	18.85	15.75	5.00	16.09	41079.38
United Kingdom (p)							
AscBrFd	2509	14.00	3387	2386	1.51	16.55	27800.4
AstraZen	5007	140.00	5520	4260	4.07	28.58	88750.15
Aviva♦	487.70	-14.70	550.00	482.20	4.40	32.30	27393.78
Barclays	212.20	4.80	225.50	177.30	1.41	62.41	50678.53
BP	499.80	18.00	536.20	4.80	5.90	39.54	139418.93
BrAmTob	4286	73.50	17365.43	2879.89	5.09	2.34	137588.16
BSkyB♦	1314	-2.50	1378	893.42	-	27.78	31614
BT	232.25	6.25	318.01	216.40	6.22	14.43	32251.83
Compass	1481.5	35.00	1765.92	1396.5	2.27	20.78	34100.68
Diageo♦	2495	65.00	2735.5	2186.5	2.49	19.60	86777.84
GlaxoSmh♦	1420	24.60	1724.5	1236.4	5.63	45.81	97739.04
Glencore	358.75	13.75	416.90	270.00	1.44	12.13	72427.49
HSBC♦	673.70	11.60	798.60	618.00	5.58	18.99	188542.81
Imperial Brands	2529.5	23.50	3956.5	2301	6.32	17.18	33765.03
LlydsBkg	66.18	1.02	73.58	61.81	4.08	13.79	66755.75
Natl Grid	824.10	21.30	1174.36	733.00	5.54	0.00	38777.8
Prudential♦	1794	44.00	1992.5	1612.14	2.51	19.29	64963.65
RBS	262.70	5.20	304.20	221.80	-	41.70	43995.95
ReckittB	6202	152.00	8110.43	5562	2.61	13.07	61127.22
RELX	1517	45.00	1784	1399	2.47	18.61	43927.02
RioTinto♦	3645.5	107.50	4226.56	2882.5	4.71	10.13	68432.14
RollsRoyce♦	864.60	26.60	994.50	766.33	0.53	3.78	22505.82
RylDShlA	2333.5	84.50	2579.5	1982.5	6.00	20.23	274537.88
Shire♦	3707	107.00	5021	2940.5	0.61	10.76	47251.59
StandCh♦	720.10	19.30	864.20	678.80	-	41.81	33226.68
Tesco	202.90	2.10	217.30	165.35	-	36.23	23251.4
Vodafone	203.65	6.43	239.65	190.10	6.46	-74.08	76027.81
WPP	1138.5	43.50	1762	1074	4.97	8.39	20222.92
United States of America ($)							
21stC Fox A♦	36.33	0.19	39.14	24.81	1.03	16.41	38292.14
3M	220.05	2.49	259.77	188.62	2.21	26.82	130865.48
AbbottLb	60.09	0.63	64.60	42.31	1.83	290.39	104937.2
Abbvie	92.50	-0.44	125.86	63.12	2.86	27.09	146768.57
Accenture	151.34	1.37	165.58	114.82	1.70	26.18	101753.91
Adobe	225.18	0.13	231.34	128.21	-	59.11	110894.47
AEP	68.41	-0.26	78.07	63.32	3.61	17.04	33677.83
Aetna	171.72	1.33	194.40	127.08	1.05	29.22	56142.57
Aflac	43.92	-0.33	45.88	36.08	2.05	7.36	34225.86
AirProd♦	163.78	1.65	175.17	134.17	2.40	33.61	35857.88
Alexion	110.37	-1.14	149.34	96.18	-	54.15	24541.69
Allegran	166.09	-0.38	256.80	142.81	1.74	-13.39	54408.92
Allstate	97.57	1.04	105.36	79.09	1.57	11.28	34455.82
Alphabet	1042.36	12.65	1198	834.60	-	55.97	311136.67
Altria♦	63.94	0.59	77.79	59.07	4.11	11.64	121514.73
Amazon	1451.81	41.24	1617.54	884.49	-	228.17	702833.39
AmerAir	53.05	1.01	59.08	41.06	0.78	13.15	25100.01
AmerExpr♦	94.94	1.71	102.39	75.51	1.46	30.90	81662.13
AmerIntGrp	54.61	0.39	67.30	52.42	2.43	-8.07	49316.33
AmerTower	145.42	2.37	155.28	120.44	1.86	52.64	64108.66
Amgen	172.01	-1.52	201.23	152.16	2.77	61.80	123940.31
Anadarko	60.50	1.42	64.15	39.96	0.34	-68.79	32215.48
Anthem	230.32	1.90	267.95	163.87	1.21	15.51	58927.61
Aon Cp	141.01	0.88	152.78	118.10	1.03	89.08	34713.91
Apple	174.16	2.55	183.50	140.06	1.46	17.28	883672.35
ArcherDan	44.39	0.49	45.91	38.59	2.98	15.38	24808.35
AT&T	36.06	0.18	41.74	32.55	5.65	7.32	221463.67
AutomData	118.28	1.56	125.24	95.50	2.05	29.54	52429.94
Avago Tech	240.11	3.12	285.68	208.44	1.97	13.47	98625.66
BakerHu	57.68	3.17	68.59	43.09	0.56	-197.51	24541.87
BankAm	30.53	0.65	33.05	22.07	1.32	18.92	312138.39
Baxter	65.68	1.27	72.58	52.10	0.96	48.83	35476.32
BB & T	53.07	0.40	56.31	41.17	2.46	18.72	41254.53
BectonDick	220.05	1.27	248.39	175.66	1.38	168.79	58585.32
BerkshHat	303640	3790	326350	242180	-	10.74	227228.08
Biogen	266.04	-6.36	370.57	244.28	-	21.57	56284.14
BkNYMeln	52.08	0.60	58.99	45.89	1.71	13.53	52475.04
BlackRock	544.21	7.90	594.52	375.52	1.90	17.40	87464.73
Boeing	336.97	9.53	371.60	175.47	1.74	24.25	198300.64
BrisMySq♦	62.72	0.14	70.05	51.56	2.59	99.38	102548.72
CapOne	98.06	1.71	106.50	76.05	1.69	25.21	47685.31
CardinalHlth♦	63.88	0.94	82.80	54.66	2.97	10.76	20103.48
Carnival	65.72	0.74	72.70	57.39	2.63	17.73	35117.63
Caterpillar	148.83	3.65	173.24	92.98	2.16	114.17	88944.64
CBS	53.09	-0.70	70.10	49.24	1.40	15.94	18323.88
Celgene	89.29	-1.18	147.17	84.25	-	23.71	67161.76
CharlesSch	52.47	0.72	58.11	37.16	0.63	31.50	70739.44
Charter Comms	314.47	2.78	408.83	298.67	-	8.92	74777.24
Chevron Corp	117.42	2.94	133.88	102.55	3.81	23.40	224301.94
Chubb♦	136.90	0.72	157.50	131.14	2.13	16.16	63769.19
Cigna♦	169.93	1.14	227.13	148.75	0.02	18.73	41271.81
Cisco♦	41.89	0.69	46.16	30.36	2.73	-137.28	201785.09
Citigroup	70.75	1.44	80.70	57.55	1.40	-23.26	181143.03
CME Grp	162.42	1.93	171.71	114.82	1.68	13.15	55287.55
Coca-Cola	44.55	0.31	48.62	42.19	3.44	159.48	189983.45
Cognizant	80.93	0.21	85.10	57.50	0.58	30.92	47590.99
ColgtPlm	71.90	0.25	77.91	67.86	2.29	30.48	62799.41
Comcast♦	34.59	0.28	44.00	32.74	1.88	7.04	160326.85
ConocPhil	61.00	1.44	61.32	42.27	1.80	-84.23	71649.35
Corning	27.71	0.32	35.10	26.32	2.31	-40.58	23532.18
Costco	186.50	0.98	199.88	150.00	1.09	27.36	81837.79
CrownCstl	109.80	0.89	114.97	93.14	3.67	105.07	45547.13
CSX	55.23	-0.24	60.04	46.04	1.46	8.91	49002.05
CVS	64.95	0.67	84.00	60.14	3.19	9.73	65893.86
Danaher♦	99.45	0.39	104.82	78.97	0.58	27.46	69460.19
Deere♦	152.88	4.31	175.26	107.04	1.55	35.30	49500.69
Delphi	50.68	0.73	60.39	31.83	-	15.26	4498.61
Delta	54.42	0.56	60.79	43.81	1.93	10.63	38470.22
Devon Energy	32.35	1.03	45.16	28.79	0.77	18.39	17019.34
DiscFinServ	72.63	0.94	81.93	57.50	1.85	12.95	25678.37
Disney	102.21	1.26	116.10	96.20	1.64	14.01	153690.67
DominRes	66.95	-	85.30	66.37	4.69	13.71	43682.29
DowChem	66.65	1.75	-	-	-	-	81542.6
DukeEner	77.77	0.06	91.80	72.93	4.64	17.20	56140.63
Eaton	79.36	0.78	89.85	69.82	3.13	11.48	34767.87
eBay	40.01	0.22	46.99	31.89	-	40.71	40493.31
Ecolab♦	140.90	2.03	140.94	124.46	1.12	26.55	40628.25
Emerson	68.54	0.41	74.45	56.77	2.91	25.58	43511.77
EOG Res	105.19	1.02	119.00	81.99	0.66	22.80	60866.92
EquityResTP♦	63.16	0.01	70.46	54.97	3.30	37.45	23253.59
Exelon	38.77	-0.02	42.67	33.30	3.50	9.44	37407.72
ExpScripts	69.79	-0.25	85.07	55.80	-	8.72	39189.26
ExxonMb	76.11	1.24	89.30	72.16	4.16	15.89	322513.24
Facebook	159.53	4.43	195.32	138.81	-	28.61	382228.09
Fedex	240.37	1.61	274.66	182.89	0.80	14.44	64230.52
FordMtr	11.34	0.01	13.48	10.14	5.47	5.77	44475.18
Franklin♦	34.31	-0.06	47.65	32.91	2.50	28.10	18928.95
GenDyn	221.52	2.98	230.00	185.64	1.53	22.40	66028.71
GenElectric♦	13.45	0.17	30.54	12.73	6.46	-19.11	116755.03
GenMills	45.36	-0.01	60.69	43.84	4.37	11.94	25862.58
GenMotors	38.32	0.29	46.76	31.92	4.10	168.35	53748.8
GileadSci	74.82	-0.58	89.54	63.76	2.88	20.60	98011.79
GoldmSchs	257.86	5.24	275.31	209.62	1.16	27.66	97736.63
Halliburton	48.19	1.41	57.86	38.18	1.55	-91.33	42161.9
HCA Hold	97.99	1.13	106.84	71.18	-	15.92	34513.81
Hew-Pack	21.77	0.23	24.75	17.10	2.43	9.70	35732.71
HiltonWwde	78.97	0.94	88.11	55.91	0.79	19.83	25023.78
HomeDep	179.67	2.23	207.61	144.25	1.95	25.04	207108.65
Honywell	146.83	1.99	165.13	122.40	1.93	66.32	109884.75
HumanaInc♦	286.49	-0.50	293.35	208.72	0.68	16.47	39560.26
IBM	154.63	0.51	176.33	139.13	3.95	24.34	142440.19
IllinoisTool♦	159.98	1.95	179.07	130.17	1.85	31.82	54267.82
Illumina	238.73	0.96	256.64	167.16	-	46.90	35093.31
Intcntl Exch	72.97	0.58	76.30	57.91	1.13	16.67	42393.83
Intel	50.63	0.64	53.78	33.23	2.20	24.59	236340.84
Intuit	173.19	0.14	179.30	115.56	0.83	48.34	44355.88
John&John	130.90	0.49	148.32	120.95	2.62	269.19	351157.53
JohnsonCn♦	34.69	-0.31	44.37	33.55	3.01	20.83	32126.6
JPMrgnCh♦	112.78	2.35	119.33	81.64	1.94	17.28	384626.14
Kimb-Clark	109.12	-0.17	134.30	104.58	3.68	16.48	38199.81
KinderM	15.52	0.36	21.92	14.69	3.33	1500.04	34227.2
Kraft Heinz	61.25	-0.13	93.88	59.48	4.14	6.61	74656.15
Kroger	24.03	-0.06	31.45	19.69	2.13	13.57	20805.08
L Brands	38.60	0.37	63.10	35.00	6.12	11.47	10763.92
LasVegasSd	71.59	1.55	79.84	55.18	4.22	19.55	56476.04
LibertyGbl	32.27	0.69	39.73	28.17	-	-13.62	7090.47
Lilly (E)	78.82	0.22	89.09	73.69	2.73	-400.97	86126.64
Lockheed	344.83	3.04	363.00	266.01	2.24	50.19	98560.75
Lowes	88.77	0.71	108.98	70.76	1.75	22.05	73303.27
Lyondell	105.04	2.31	121.95	78.01	3.50	8.27	41444.2
Marathon Ptl	73.65	1.08	74.92	47.78	2.14	10.62	34938.88
Marsh&M	82.59	0.61	86.54	71.79	1.79	27.81	41981.06
MasterCard	177.33	3.64	183.73	111.01	0.39	46.96	183934.89
McDonald's	164.03	2.30	178.70	129.52	2.42	24.89	130318.79
McKesson	143.58	2.23	178.86	133.82	0.89	6.32	29626.2
Medtronic♦	79.46	0.74	89.72	76.41	2.24	39.58	107697.97
Merck♦	55.23	0.69	66.41	52.83	3.54	61.36	148910.6
Metlife	46.20	0.35	55.91	43.38	3.58	9.86	47892.89
Microsoft	92.78	0.45	97.24	64.85	1.77	72.91	714386.78
Mnstr Bvrg	57.62	0.85	70.22	44.35	-	39.22	32636.13
MondelezInt♦	42.12	0.05	47.23	39.19	2.01	21.31	62473.71
Monsanto♦	117.50	1.29	124.20	114.19	1.90	21.08	51800.84
MorganStly	55.01	1.34	59.38	40.43	1.69	17.26	98569.47
MylanNV	40.88	0.08	47.82	29.39	-	30.39	21923.16
Netflix	297.62	8.68	333.98	138.66	-	230.13	129151.74
NextEraE	162.95	0.62	164.71	128.31	2.50	13.84	76715.87
Nike	69.40	0.98	70.25	50.35	1.10	29.06	90066.03
NorfolkS	133.48	1.50	157.15	111.07	1.89	6.93	40527.84
Northrop	357.89	4.45	359.43	235.16	1.13	30.16	62410.22
NXP	115.12	-0.31	125.93	103.16	-	19.16	39831.85
Occid Pet♦	67.84	1.22	78.09	57.20	4.67	38.57	51910.82
Oracle	46.10	0.59	53.48	43.60	1.67	52.77	188194.63
Pepsico	110.94	0.76	122.51	105.94	2.95	31.72	157473.26
Perrigo	84.24	0.85	95.93	63.68	0.79	96.93	11867.3
Pfizer	35.86	-0.27	39.43	31.67	3.69	9.85	213469.73
Phillips66	97.90	1.91	107.47	75.14	2.89	9.61	45653.23
PhilMorris♦	101.98	1.06	123.55	95.51	4.28	25.40	158524.34
PNCFin	153.69	1.19	163.59	115.45	1.75	14.34	72478.73
PPG Inds	111.90	1.11	122.07	100.45	1.57	20.33	27899.22
Praxair	147.44	2.42	166.95	117.40	2.21	32.99	42335.45
Priceline	1905.64	-1.38	2067.99	1612.41	-	39.47	92937.2
ProctGmbl	79.12	0.07	94.67	75.81	3.58	20.34	199461.81
Prudntl	105.13	0.71	127.14	97.88	2.95	5.69	44350.25
PublStor	201.23	-2.81	232.21	180.48	4.11	28.90	35031.04
Qualcomm	54.93	-0.06	69.28	48.92	4.22	-18.69	81316.36
Raytheon	219.45	2.45	222.82	149.70	1.50	30.56	63312.64
Regen Pharm	327.66	-9.69	543.55	313.53	-	30.63	34661.66
ReynoldsAm	65.40	-1.49	-	-	-	-	-
S&P Global	191.38	1.92	197.76	128.26	0.89	32.00	47722.34
Salesforce	120.37	0.89	128.87	83.00	-	719.39	86943.25
Schlmbrg♦	66.29	1.48	80.89	61.02	3.12	-59.33	91875.1
Sempra Energy♦	109.96	-0.38	122.98	100.63	3.10	105.23	29018.87
Shrwin-Will	397.78	1.32	435.15	307.28	0.88	20.12	37431.56
SimonProp	154.88	-1.40	176.17	147.28	4.78	23.99	48024.09
SouthCpr	56.35	0.85	56.66	32.63	1.08	57.94	43560.15
Starbucks	59.06	0.23	64.87	52.58	1.84	18.84	83014.74
StateSt♦	101.20	1.26	114.27	76.95	1.64	18.67	37319.52
Stryker♦	160.86	2.03	170.00	129.82	1.12	58.01	60018.94
Sychrony Fin	35.12	1.21	40.59	26.01	1.65	14.02	26695.02
Target	72.10	0.24	78.70	48.56	3.33	13.77	38847.19
TE Connect	99.21	0.87	108.23	71.93	1.64	27.96	34843.18
Tesla Mtrs	300.68	13.74	389.61	244.59	-	-24.57	50790.85
TexasInstr	102.84	-1.37	120.75	75.92	2.13	27.53	101102.6
TheTrvelers	139.70	1.07	150.55	113.76	2.10	18.42	37918.49
ThrmoFshr♦	212.52	3.20	226.44	151.74	0.29	36.68	85387.15
TimeWrnr	96.47	0.56	103.89	85.88	1.73	14.04	75232.29
TJX Cos	84.78	0.81	84.95	66.44	1.42	21.74	53606.61
T-MobileUS	60.16	0.41	68.88	54.60	-	11.18	51402.42
UnionPac	132.89	-0.01	143.05	101.06	1.93	9.61	103066.73
UPS B	106.85	0.44	135.53	101.45	3.21	18.41	73539.13
USBancorp♦	51.38	0.70	58.50	49.03	2.34	14.15	84811.44
UtdHlthcre	230.78	1.99	250.79	164.60	1.29	20.81	223317.25
UtdTech	126.07	0.30	139.24	109.10	2.23	21.38	100866.87
ValeroEngy	95.86	2.51	99.95	60.69	3.02	10.11	41308.21
Verizon	48.14	0.21	54.77	42.80	5.02	6.32	196366.07
VertexPharm	160.26	-1.86	178.25	111.22	-	148.94	40688.73
VF Cp	77.33	1.14	84.38	51.22	2.30	41.76	30676.76
Viacom	30.71	0.14	46.02	22.13	2.70	5.94	10837.89
Visa Inc	121.95	2.14	126.88	88.13	0.59	39.16	219830.07
Walgreen	65.43	-0.08	87.79	61.74	2.45	16.10	64884.68
WalMartSto	88.06	0.84	109.98	71.38	2.28	27.28	259838.36
WellsFargo	53.66	0.75	66.31	49.27	2.97	12.65	261651.15
Williams Cos	24.78	0.32	33.67	24.11	5.01	9.14	20501.17
Yum!Brnds	86.00	0.58	86.93	63.54	1.44	22.05	28596.13
Venezuela (VEF)							
Bco de Vnzla	25500	500.00	33150	490.00	44.59	-	1882.03
Bco Provncl	800000	-5000.00	805000	6000	-	45.10	1745.64
Mrcntl Srvcs	2000000	-	3000000	18500	0.01	208.76	2464.03

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 %
FastRetail	46500.00	45200.00	1300.00	2.88	5600.00	13.7	10.58
Tesla Mtrs	300.68	286.94	13.74	4.79	34.55	13.0	-10.09
KoreaElePwr	34500.00	34850.00	-350.00	-1.00	2700.00	8.5	4.86
UtdHlthcre	230.78	228.79	1.99	0.87	16.78	7.8	0.97
MitsuiFud	2689.50	2576.00	113.50	4.41	181.50	7.2	4.53
CanNatRs	43.37	41.44	1.93	4.66	2.87	7.1	7.66
HumanaInc	286.49	286.99	-0.50	-0.18	17.66	6.6	5.89
Delphi	50.68	49.95	0.73	1.46	3.03	6.4	8.36
ChShpbldng	5.50	5.40	0.10	1.85	0.32	6.2	-2.14
LVMH	264.50	255.85	8.65	3.38	14.30	5.7	9.87
ImpOil	35.99	34.71	1.28	3.69	1.87	5.5	2.50
GenMotors	38.32	38.03	0.29	0.76	1.98	5.4	1.47
Total	48.56	47.28	1.28	2.71	2.43	5.3	5.68
FEMSA UBD	174.50	171.46	3.04	1.77	8.68	5.2	1.51
WalMrtMex	48.66	47.54	1.12	2.36	2.40	5.2	6.94
MitsubEst	1833.00	1792.50	40.50	2.26	88.50	5.1	-1.71
Naspers N	3037.76	2956.84	80.92	2.74	145.92	5.0	-8.34
McDonald's	164.03	161.73	2.30	1.42	7.65	4.9	8.58
Vodafone	203.65	197.22	6.43	3.26	9.43	4.9	-98.85
Anthem	230.32	228.42	1.90	0.83	10.62	4.8	-0.86

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 %
Bradesco	33.96	34.70	-0.74	-2.13	-4.51	-11.7	-1.91
Sinopec Oil	2.01	2.02	-0.01	-0.50	-0.23	-10.3	-12.23
Midea	1.55	1.57	-0.02	-1.27	-0.10	-6.1	-8.28
CNOOC	10.94	11.14	-0.20	-1.80	-0.68	-5.9	-1.44
BOC Hold	36.50	37.20	-0.70	-1.88	-1.90	-4.9	-7.12
Regen Pharm	327.66	337.35	-9.69	-2.87	-16.70	-4.8	-2.09
Takeda Ph	5265.00	5285.00	-20.00	-0.38	-267.00	-4.8	-12.33
HonHaiPrc	87.20	88.10	-0.90	-1.02	-4.00	-4.4	-0.68
MediaTek	328.00	336.50	-8.50	-2.53	-14.50	-4.2	8.43
Softbank	7600.00	7618.00	-18.00	-0.24	-322.00	-4.1	-12.71
ABB	21.81	21.06	0.75	3.56	-0.91	-4.0	-3.84
CSR	6.55	6.60	-0.05	-0.76	-0.27	-4.0	-9.66
ChMinsheng	7.40	7.58	-0.18	-2.37	-0.30	-3.9	-6.92
Hunng Pwr	5.09	5.13	-0.04	-0.78	-0.20	-3.8	0.39
Keyence	62500.00	62520.00	-20.00	-0.03	-2400.00	-3.7	0.39
Tencent	397.60	409.40	-11.80	-2.88	-14.60	-3.5	-8.81
Cielo	19.96	20.05	-0.09	-0.45	-0.73	-3.5	-17.05
ChinaPcIns	34.15	34.75	-0.60	-1.73	-1.20	-3.4	-10.60
Swiss Re	94.00	92.68	1.32	1.42	-3.28	-3.4	-0.89
PetroChina	5.31	5.37	-0.06	-1.12	-0.18	-3.3	-0.75

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Apr 05	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$										
Qwest Capital Funding, Inc.	08/21	7.63	B+	WR	BB	102.82	6.66	0.00	-0.06	-
High Yield Euro										
Astaldi S.p.A	12/20	7.13	CCC+	-	B	80.75	16.34	0.34	-0.42	-
Emerging US$										
Peru	03/19	7.13	BBB+	A3	BBB+	104.40	2.60	-	-	0.34
Mexico	09/22	8.00	BBB+	A3	BBB+	123.00	2.52	0.00	-0.03	-0.07
Brazil	01/23	2.63	BB-	Ba2	BB-	95.05	3.77	0.01	-0.02	1.18
Colombia	03/23	2.63	BBB-	Baa2	BBB	95.75	3.57	-0.02	-0.10	0.98
Turkey	03/23	3.25	-	Ba2	BB+	92.75	4.91	0.02	0.11	2.32
Poland	03/23	3.00	BBB+	A2	A-	99.02	3.22	0.00	-0.03	0.63
Turkey	03/27	6.00	-	Ba2	BB+	101.26	5.82	0.00	0.17	3.07
Peru	08/27	4.13	BBB+	A3	BBB+	104.90	3.51	-0.01	-0.20	0.71
Russia	06/28	12.75	BBB-	Ba1	BBB-	166.87	4.51	-0.01	0.10	1.71
Brazil	02/47	5.63	BB-	Ba2	BB-	97.00	5.84	0.02	-0.10	-
Emerging Euro										
Mexico	02/20	5.50	BBB+	A3	BBB+	110.25	0.01	-0.01	-0.01	-2.27
Brazil	04/21	2.88	BB-	Ba2	BB-	106.00	0.83	0.01	-0.02	-
Mexico	04/23	2.75	BBB+	A3	BBB+	107.80	1.15	-0.01	-0.06	-1.44
Bulgaria	03/28	3.00	BBB-	Baa2	BBB	112.10	1.67	0.00	-0.03	-1.13

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

BONDS: GLOBAL INVESTMENT GRADE

Apr 05	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+	Baa2	A-	117.52	4.63	-0.01	-0.20	1.83
Barclays plc	01/28	4.34	BBB	Baa2	A	98.99	4.47	0.02	-0.07	1.67
FleetBoston Financial Corp.	01/28	6.88	BBB+	Baa2	A-	117.52	4.63	-0.01	-0.20	1.83
NationsBank Corp.	03/28	6.80	BBB+	Baa2	A-	117.17	4.63	-0.01	-0.15	1.83
NationsBank Corp.	03/28	6.80	BBB+	Baa2	A-	117.17	4.63	-0.01	-0.15	1.83
General Electric Company	01/29	5.00	A	A2	A+	104.34	4.49	0.01	0.03	1.69
Euro										
Barclays plc	08/29	2.29	BBB	Baa2	A	91.63	3.18	-0.03	-0.06	0.38
AT&T Inc.	12/29	2.60	BBB+	Baa1	A-	104.38	2.16	-0.01	0.02	-0.64
AT&T Inc.	12/29	2.60	BBB+	Baa1	A-	104.38	2.16	-0.01	0.02	-0.64
Electricite de France (EDF)	04/30	4.63	A-	A3	A-	128.72	1.93	-0.01	-0.02	-0.87
Yen										
Poland	11/27	2.50	-	A2	A-	109.76	1.41	0.00	-0.02	-1.39
£ Sterling										
Cooperatieve Rabobank U.A.	05/29	4.63	BBB+	Baa1	A	112.52	3.26	0.01	0.04	0.46
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	132.15	3.05	0.00	0.02	0.25

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

Apr 05	Rate	Current	Since	Last	Month Ago	Year Ago
US	Fed Funds	1.25-1.50	15-06-2017	1.00	1.25-1.50	0.50-0.75
US	Prime	4.75	15-06-2017	4.75	4.25	3.50
US	Discount	0.75	15-06-2017	0.75	1.75	1.00
Euro	Repo	0.00	16-03-2016	0.05	0.00	0.00
UK	Repo	0.50	04-08-2016	0.25	0.25	0.25
Japan	O'night Call	0.00-0.00	01-02-2016	0.00	0.00--0.10	0.00--0.10
Switzerland	Libor Target	0.00-0.25	15-01-2015	0.00-0.75	-1.25--0.25	-1.25--0.25

INTEREST RATES: MARKET

Apr 05 (Libor: Apr 04)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	1.70188	0.003	0.004	0.013	1.89063	2.32461	2.46000	2.68094
Euro Libor	-0.43614	0.002	0.001	0.001	-0.40157	-0.36429	-0.32371	-0.24557
£ Libor	0.47404	0.003	-0.003	-0.001	0.51281	0.74286	0.86100	1.02263
Swiss Fr Libor				-0.004	-0.79040	-0.73500	-0.64980	-0.52320
Yen Libor				-0.004	-0.04851	-0.03800	0.01808	0.11450
Euro Euribor				0.000	-0.37200	-0.32800	-0.27100	-0.19000
Sterling CDs				0.000	0.55000	0.78000	0.92500	
US$ CDs				0.000	1.95000	2.29000	2.43500	
Euro CDs				0.000	-0.44500	-0.40500	-0.34500	

Apr 05	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	-0.50	-0.35	-0.50	-0.35	-0.62	-0.37	-0.48	-0.33	-0.42	-0.27	-0.43	-0.18
Sterling			0.45	0.55	0.50	0.60	0.73	0.83	0.85	1.00	1.03	1.18
Swiss Franc	-	-	-	-	-	-	-	-	-	-	-	-
Canadian Dollar	-	-	-	-	-	-	-	-	-	-	-	-
US Dollar	1.75	1.85	1.85	1.95	2.00	2.10	2.24	2.34	2.40	2.50	2.68	2.78
Japanese Yen	-0.20	0.20	-0.20	0.20	-0.20	0.20	-0.10	0.30	-0.10	0.30	-0.05	0.35

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	194.55	-0.11	0.23	2.17	1.38	8.13
Corporates(£)	340.64	-0.14	-0.26	-1.74	0.02	0.86
Corporates($)	272.77	-0.24	-0.25	-2.46	-0.25	-2.46
Corporates(€)	225.59	0.04	-0.02	-0.42	-0.06	1.35
Eurozone Sov(€)	236.33	0.16	0.08	1.48	1.55	2.78
Gilts(£)	322.41	-0.28	-0.50	-0.29	1.15	-0.65
Global Inflation-Lkd	272.71	-0.35	-0.28	1.45	1.56	7.86
Markit iBoxx £ Non-Gilts	335.71	-0.14	-0.25	-1.41	0.16	0.56
Overall ($)	235.62	-0.27	-0.22	-1.77	-0.22	-1.77
Overall(£)	323.32	-0.24	-0.42	-0.62	0.86	-0.30
Overall(€)	231.17	0.11	0.06	0.79	1.06	2.05
Treasuries ($)	221.41	-0.31	-0.24	-1.45	-0.24	-1.45
FTSE						
Sterling Corporate (£)	113.14	-0.40	-	-	-0.52	-3.69
Euro Corporate (€)	106.01	-0.14	-	-	-0.24	-0.77
Euro Emerging Mkts (€)	616.22	3.65	-	-	-5.31	-19.08
Eurozone Govt Bond	112.12	-0.33	-	-	1.12	0.30

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	283.51	-6.63	0.37	-	295.64	283.14
Europe 5Y	57.62	-2.60	-2.06	-	62.10	57.62
Japan 5Y	49.94	-0.87	-0.22	-	52.96	49.57
Senior Financials 5Y	62.07	-3.51	-3.46	-	68.89	62.07
Markit CDX						
Emerging Markets 5Y	135.06	-1.26	-6.22	-	148.67	135.06
Nth Amer High Yld 5Y	356.41	-7.55	-13.69	-	370.10	356.41
Nth Amer Inv Grade 5Y	64.07	-2.43	-3.40	-	69.04	61.70

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

VOLATILITY INDICES

	Apr 05	Day Chng	Prev	52 wk high	52 wk low
VIX	19.13	-0.93	20.06	50.30	8.56
VXD	20.45	-1.04	21.49	40.09	3.93
VXN	24.99	-1.30	26.29	38.11	11.03
VDAX	-	-	-	-	-

† 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	10/19	2.75	101.17	1.98	0.01	0.05	0.09	0.18
	11/28	2.75	100.87	2.66	0.03	0.04	-0.11	-0.09
Austria	10/19	0.25	101.26	-0.57	0.01	0.01	-0.02	0.09
	04/27	0.50	99.01	0.61	-0.02	0.00	-0.15	-
Belgium	09/20	2.10	106.05	-0.39	-0.01	-0.01	-0.06	0.02
	06/27	0.80	101.40	0.64	-0.01	0.00	-0.17	-0.14
Canada	02/20	1.25	99.00	1.81	0.02	0.00	0.04	-
	06/28	2.00	98.31	2.19	0.03	0.05	-0.04	-
Denmark	11/19	4.00	107.49	-0.61	-0.02	-0.01	-0.04	-0.17
	11/27	0.50	99.68	0.53	-0.01	0.00	-0.17	0.02
Finland	09/20	0.38	101.96	-0.42	-0.01	-0.01	-0.06	0.04
	09/27	0.50	99.08	0.60	-0.01	-0.01	-0.16	-
France	11/19	0.50	101.75	-0.56	0.00	0.01	-0.02	-0.17
	05/23	1.75	108.99	0.00	-0.01	-0.02	-0.14	-0.26
	05/28	0.75	100.30	0.72	-0.01	-0.01	-0.19	-
Germany	10/20	0.25	102.01	-0.54	0.00	0.01	-0.07	0.13
	08/23	2.00	111.09	-0.07	-0.01	0.00	-0.13	0.24
	08/27	0.50	100.58	0.44	-0.01	-0.01	-0.15	-
	08/48	1.25	102.58	1.15	-0.01	0.00	-0.14	-
Greece	04/19	4.75	103.46	1.31	-0.04	-0.15	-0.34	-6.46
	01/28	3.75	97.21	4.10	-0.16	-0.26	-0.26	-
Ireland	10/20	5.00	113.90	-0.44	-0.01	0.00	-0.04	-0.22
	05/30	2.40	115.65	1.02	-0.03	-0.03	-0.19	-0.38
Italy	06/20	0.35	101.25	-0.22	-0.03	-0.05	-0.23	-
	08/22	0.90	101.98	0.44	-0.04	-0.08	-0.25	-
	08/27	2.05	103.40	1.66	-0.04	-0.09	-0.29	-
	03/47	2.70	99.60	2.72	-0.04	-0.08	-0.22	-0.51
Japan	11/19	0.10	100.38	-0.14	-0.01	0.00	0.02	-
	09/22	0.10	100.99	-0.12	0.00	-0.01	-0.02	-
	09/27	0.10	100.86	0.01	0.00	0.00	-0.04	-
	09/47	0.80	102.30	0.71	-0.01	-0.02	-0.05	-
Netherlands	01/20	0.25	101.57	-0.62	0.00	0.01	-0.04	0.07
	07/27	0.75	102.05	0.52	-0.01	-0.01	-0.16	0.03
New Zealand	04/20	3.00	102.11	1.93	0.03	0.06	0.02	-0.37
	04/27	4.50	113.64	2.78	0.04	0.04	-0.16	-0.33
Norway	-	-	-	-	-	-	-	-
	05/19	4.50	104.15	0.79	-0.01	-0.02	0.13	0.18
Portugal	06/20	4.80	111.08	-0.24	-0.03	-0.05	-0.17	-1.24
	04/27	4.13	122.54	1.44	-0.02	-0.02	-0.35	-2.50
Spain	07/20	1.15	103.38	-0.30	-0.01	-0.03	-0.20	-0.28
	10/27	1.45	103.26	1.09	-0.03	-0.06	-0.35	-
Sweden	-	-	-	-	-	-	-	-
	11/26	1.00	104.29	0.49	-0.01	-0.03	-0.12	-0.09
Switzerland	07/20	2.25	107.11	-0.87	0.00	0.02	0.01	-0.09
	06/27	3.25	130.43	-0.04	-0.02	-0.03	-0.05	0.08
United Kingdom	07/20	2.00	102.63	0.84	0.00	0.01	0.07	0.63
	07/23	0.75	98.06	1.13	0.00	0.01	0.01	-
	07/27	1.25	98.62	1.41	0.01	0.00	-0.08	0.27
	07/47	1.50	94.00	1.76	0.03	0.05	-0.11	0.10
United States	11/19	1.75	99.14	2.28	0.00	0.01	0.06	-
	10/22	2.00	97.48	2.59	0.01	0.02	-0.02	-
	11/27	2.25	95.41	2.80	0.01	0.02	-0.08	-
	11/47	2.75	94.52	3.03	0.01	0.01	-0.11	-

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

GILTS: UK CASH MARKET

Apr 05	Price £	Red Yield	Change in Yield Day	Week	Month	Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
Tr 1.25pc '18	100.20	0.56	1.82	24.44	-88.80	330.77	104.44	100.00	34.84
Tr 4.5pc '19	103.44	0.73	4.29	14.06	17.74	630.00	108.42	103.44	36.35
Tr 4.75pc '20	107.53	0.79	3.95	5.33	8.22	507.69	113.52	107.53	33.31
Tr 1.5pc '21	101.63	0.91	3.41	3.41	8.33	213.79	104.73	101.42	32.46
Tr 4pc '22	111.74	0.94	3.30	4.44	3.30	154.05	117.84	111.51	37.95
Tr 5pc '25	125.01	1.22	4.27	5.17	-1.61	54.43	132.93	124.15	35.08
Tr 1.25pc '27	98.24	1.45	3.57	3.57	-3.97	25.00	102.29	96.41	23.45
Tr 4.25pc '32	132.53	1.66	2.47	3.75	-4.60	14.48	139.13	129.40	35.44
Tr 4.25pc '36	138.67	1.73	2.37	4.22	-5.98	7.45	144.09	134.34	29.76
Tr 4.5pc '42	153.51	1.80	2.27	4.65	-5.76	5.26	159.30	147.31	26.64
Tr 3.75pc '52	152.36	1.72	2.38	5.52	-5.49	5.52	159.09	144.61	23.59
Tr 4pc '60	171.86	1.62	2.53	5.88	-5.26	3.85	179.15	162.07	23.61

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

GILTS: UK FTSE ACTUARIES INDICES

Price Indices Fixed Coupon	Apr 05	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	92.74	-0.07	2404.51	-0.06	-1.12	0.91
2 5 - 10 Years	178.74	-0.30	3436.86	0.35	-1.68	1.29
3 10 - 15 Years	210.34	-0.43	4194.33	0.93	-1.26	1.60
4 5 - 15 Years	186.05	-0.34	3623.35	0.55	-1.56	1.43
5 Over 15 Years	335.34	-0.77	5178.47	2.09	0.03	1.73
7 All stocks	177.84	-0.44	3564.35	1.03	-0.69	1.62

Index Linked	Apr 05	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	307.63	-0.06	-0.58	-2.60	2445.30	-0.12	-1.21
2 Over 5 years	704.60	-0.60	1.15	-3.79	5266.93	1.20	-3.28
3 5-15 years	470.52	-0.26	0.00	-3.18	3665.30	0.02	-2.17
4 Over 15 years	906.57	-0.71	1.55	-3.98	6623.28	1.60	-3.64
5 All stocks	636.76	-0.55	0.99	-3.71	4833.71	1.08	-3.13

Yield Indices	Apr 05	Apr 04	Yr ago		Apr 05	Apr 04	Yr ago
5 Yrs	1.05	1.01	0.37	20 Yrs	1.82	1.78	1.73
10 Yrs	1.48	1.44	1.10	45 Yrs	1.60	1.56	1.56
15 Yrs	1.74	1.70	1.56				

Real yield	inflation 0% Apr 05	Dur yrs	Previous	Yr ago	inflation 5% Apr 05	Dur yrs	Previous	Yr ago
Up to 5 yrs	-1.74	2.99	-1.75	-2.70	-2.15	3.00	-2.17	-3.36
Over 5 yrs	-1.56	24.53	-1.59	-1.78	-1.59	24.61	-1.61	-1.80
5-15 yrs	-1.55	9.20	-1.58	-2.06	-1.66	9.22	-1.69	-2.17
Over 15 yrs	-1.56	29.70	-1.59	-1.76	-1.58	29.74	-1.60	-1.77
All stocks	-1.56	22.62	-1.59	-1.79	-1.59	22.72	-1.62	-1.81

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

All data provided by Morningstar unless otherwise noted. All elements listed are indicative and believed accurate at the time of publication. No offer is made by Morningstar, its suppliers, or the FT. Neither the FT, nor Morningstar's suppliers, warrant or guarantee that the information is reliable or complete. Neither the FT nor Morningstar's suppliers accept responsibility and will not be liable for any loss arising from the reliance on the use of the listed information. For all queries e-mail ft.reader.enquiries@morningstar.com

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COMMODITIES

www.ft.com/commodities

Energy		Price*	Change
Crude Oil†	Apr	63.19	-0.36
Brent Crude Oil‡		68.32	0.10
RBOB Gasoline†	Apr	1.97	-0.02
Heating Oil†	Apr	1.68	0.00
Natural Gas†	Apr	2.71	-0.01
Ethanol♦		-	-
Uranium†	Apr	18.10	0.00
Carbon Emissions‡		-	-
Diesel†		-	-
Unleaded (95R)		-	-
Base Metals (♠ LME 3 Months)			
Aluminium		1986.00	-7.00
Aluminium Alloy		1800.00	0.00
Copper		6845.00	132.00
Lead		2372.00	4.00
Nickel		13285.00	130.00
Tin		21010.00	135.00
Zinc		3224.00	-28.00
Precious Metals (PM London Fix)			
Gold		1337.30	3.85
Silver (US cents)		1646.00	-6.00
Platinum		919.00	-8.00
Palladium		923.00	-23.00
Bulk Commodities			
Iron Ore (Platts)		63.00	0.00
Iron Ore (The Steel Index)		76.55	-1.30
GlobalCOAL RB Index		91.25	-1.65
Baltic Dry Index		953.00	-24.00

Agricultural & Cattle Futures		Price*	Change
Corn♦	May	383.75	3.25
Wheat♦	May	460.00	4.50
Soybeans♦	May	1021.75	5.00
Soybeans Meal♦	May	382.70	1.20
Cocoa (ICE Liffe)✠	May	1726.00	4.00
Cocoa (ICE US)♥	May	2451.00	-20.00
Coffee(Robusta)✠	May	1756.00	0.00
Coffee (Arabica)♥	May	117.25	0.25
White Sugar✠		350.60	0.00
Sugar 11♥		12.35	0.11
Cotton♥	May	80.77	1.22
Orange Juice♥	May	138.75	-0.45
Palm Oil♣		-	-
Live Cattle♣	Apr	112.95	0.00
Feeder Cattle♣	Apr	134.63	3.98
Lean Hogs♣	Apr	53.25	0.00

	Apr 04	% Chg Month	% Chg Year
S&P GSCI Spt	448.97	1.63	15.24
DJ UBS Spot	87.08	-1.21	2.10
R/J CRB TR	200.86	1.99	2.66
M Lynch MLCX Ex. Rtn	231.14	-9.84	-33.05
UBS Bberg CMCI TR	15.29	-0.21	-
LEBA EUA Carbon	11.05	-1.78	123.23
LEBA CER Carbon	0.18	5.88	-33.33
LEBA UK Power	4150.00	26.52	72.20

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

BONDS: INDEX-LINKED

	Price Apr 04	Yield Apr 04	Yield Prev	Month chg yld	Value stock	No of stocks
Can 4.25%' 21	114.48	0.264	0.228	-0.18	5.18	75830.69	8
Fr 2.25%' 20	114.69	-2.141	-2.130	20.31	245575.75	15
Swe 0.25%' 22	114.25	-2.066	-2.066	0.04	31.71	241985.93	8
UK 2.5%' 20	361.90	-2.135	-2.148	-0.04	6.58	656201.43	28
UK 2.5%' 24	358.95	-1.712	-1.722	-0.11	6.58	656201.43	28
UK 2%' 35	267.31	-1.598	-1.615	-0.03	9.08	656201.43	28
US 0.625%' 21	98.96	0.626	0.639	0.04	25.84	1292643.86	39
US 3.625%' 28	127.98	0.727	0.726	-0.08	16.78	1292643.86	39

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	2.66	2.22	-0.15	Italy	1.66	1.22	-1.15
Austria	0.61	0.18	-2.19	Japan	0.03	-0.41	-2.79
Belgium	0.64	0.20	-2.16	Netherlands	0.52	0.08	-2.28
Canada	2.19	1.75	-0.61	Norway	-	-	-
Denmark	0.53	0.10	-2.27	Portugal	1.44	1.01	-1.36
Finland	0.60	0.16	-2.20	Spain	1.09	0.65	-1.71
France	0.72	0.28	-2.08	Switzerland	-0.04	-0.48	-2.84
Germany	0.44	0.00	-2.36	United Kingdom	1.41	0.97	-1.39
Greece	4.10	3.67	1.30	United States	2.80	2.36	0.00
Ireland	1.02	0.58	-1.78				

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

MANAGED FUNDS SERVICE

Fund	Bid	Offer	D+/-	Yield
Algebris Investments (IRL)				
Regulated				
Algebris Financial Credit Fund - Class I EUR	€ 156.51	-	-0.11	0.00
Algebris Financial Income Fund - Class I EUR	€ 144.63	-	-0.23	0.00
Algebris Financial Equity Fund - Class B EUR	€ 132.70	-	-0.61	0.00
Algebris Asset Allocation Fund - Class B EUR	€ 98.18	-	-0.05	0.00
Algebris Macro Credit B EUR Acc	€ 110.74	-	0.12	0.00
Algebris Core Italy Fund - Class R EUR	€ 97.56	-	-0.27	-
The Antares European Fund Limited				
Other International				
AEF Ltd Usd (Est)	$ 713.77	-	-29.70	-
AEF Ltd Eur (Est)	€ 701.53	-	-30.04	0.00
Arisaig Partners				
Other International Funds				
Arisaig Africa Consumer Fund Limited	$ 14.63	-	-0.08	0.00
Arisaig Asia Consumer Fund Limited	$ 93.70	-	-0.38	0.00
Arisaig Global Emerging Markets Consumer Fund	$ 11.96	-	-0.09	0.00
Arisaig Global Emerging Markets Consumer UCITS	$ 12.49	-	-0.02	0.00
Arisaig Global Emerging Markets Consumer UCITS STG	£ 13.95	-	-0.04	0.00
Arisaig Latin America Consumer Fund	$ 27.64	-	0.12	0.00
Artisan Partners Global Funds PLC (IRL)				
Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland				
Tel: 44 (0) 207 766 7130				
FCA Recognised				
Artisan Partners Global Funds plc				
Artisan Global Equity Fund Class I USD Acc	$ 19.19	-	-0.05	0.00
Artisan Global Opportunities I USD Acc	$ 17.20	-	-0.07	0.00
Artisan Global Value Fund Class I USD Acc	$ 20.42	-	-0.03	0.00
Artisan US Value Equity Fund Class I USD Acc	$ 14.64	-	-0.12	0.00
Artisan Global Opportunities Class I GBP Acc	£ 21.04	-	-0.12	0.00
Ashmore Investment Management Limited (UK)				
2 rue Albert Borschette L-1246 Luxembourg				
FCA Recognised				
Ashmore SICAV Emerging Market Debt Fund	$ 99.68	-	-0.04	5.50
Ashmore SICAV Emerging Market Frontier Equity Fund	$ 201.49	-	0.49	0.62
Ashmore SICAV Emerging Market Total Return Fund	$ 91.03	-	-0.14	5.24
Ashmore SICAV Global Small Cap Equity Fund	$ 178.68	-	-0.48	0.56
EM Mkts Corp.Debt USD F	$ 97.49	-	-0.19	6.21
EM Mkts Loc.Ccy Bd USD F	$ 91.21	-	-0.23	5.18
EM Short Duration Fund Acc USD	$ 137.18	-	0.12	0.00
Aspect Capital Ltd (UK)				
Other International Funds				
Aspect Diversified USD (Est)	$ 413.32	-	2.41	0.00
Aspect Diversified EUR (Est)	€ 238.29	-	1.25	0.00
Aspect Diversified GBP (Est)	£ 124.86	-	0.70	0.00
Aspect Diversified CHF (Est)	SFr 112.09	-	0.56	0.00
Aspect Diversified Trends USD	$ 121.93	-	-0.57	0.00
Aspect Diversified Trends EUR	€ 117.42	-	-0.58	0.00
Aspect Diversified Trends GBP	£ 124.64	-	-0.59	0.00
Atlantas Sicav (LUX)				
Regulated				
American Dynamic	$ 4893.58	-	-163.15	0.00
American One	$ 4126.65	-	-123.92	0.00
Bond Global	€ 1361.58	-	12.96	0.00
Eurocroissance	€ 975.10	-	9.85	0.00
Far East	$ 989.50	-	-15.85	0.00
Bank of America Cap Mgmt (Ireland) Ltd (IRL)				
Regulated				
Global Liquidity USD	$ 1.00	-	0.00	0.61
Barclays Investment Funds (CI) Ltd (JER)				
39/41 Broad Street, St Helier, Jersey, JE2 3RR Channel Islands 01534 812800				
FCA Recognised				
Bond Funds				
Sterling Bond F	£ 0.47	-	0.00	2.05
BlackRock (JER)				
Regulated				
BlackRock UK Property	£ 44.43	-	0.32	2.18
BLK Intl Gold & General	£ 5.38	5.67	-0.02	0.00
CCLA Investment Management Ltd (UK)				
Senator House 85 Queen Victoria Street London EC4V 4ET				
Authorised Inv Funds				
Diversified Income 1 Units GBP Inc	£ 1.51	1.51	0.01	3.40
Diversified Income 2 Units GBP Inc	£ 1.46	1.46	0.01	2.36
Diversified Income 3 Units GBP Inc	£ 1.47	1.47	0.01	-
CG Asset Management Limited (IRL)				
25 Moorgate, London, EC2R 6AY				
Dealing: Tel. +353 1434 5098 Fax. +353 1542 2859				
FCA Recognised				
Capital Gearing Portfolio Inc	£ 31021.81	31021.81	202.90	0.54
CG Portfolio Fund Plc				
Absolute Return Cls M Inc	£ 112.92	112.92	-0.24	1.30
Capital Value Cls V Inc	£ 149.67	149.67	1.00	0.45
Dollar Fund Cls D Inc	£ 141.14	141.14	-0.36	1.75
Dollar Hedged GBP Inc	£ 96.80	96.80	0.02	1.73
Real Return Cls A Inc	£ 182.65	182.65	-0.50	2.30
Cedar Rock Capital Limited (IRL)				
Regulated				
Cedar Rock Capital Fd Plc	$ 441.01	-	-2.77	1.55
Cedar Rock Capital Fd Plc	£ 493.32	-	-6.04	1.62
Cedar Rock Capital Fd Plc	€ 373.05	-	-1.50	1.69
Charles Schwab Worldwide Funds Plc (IRL)				
Regulated				
Schwab USD Liquid Assets Fd	$ 1.00	-	0.00	0.35
Chartered Asset Management Pte Ltd				
Other International Funds				
CAM-GTF Limited	$ 329216.39	329216.39	28.09	0.00
CAM GTi Limited	$ 664.88	-	-43.66	0.00
Raffles-Asia Investment Company	$ 1.68	1.68	-0.02	1.18
Cheyne Capital Management (UK) LLP				
Other International Funds				
Cheyne European Event Driven Fund (M)	€ 149.92	-	2.23	-
price updated (D) daily, (W) weekly, (M) monthly				
DAVIS Funds SICAV (LUX)				
Regulated				
Davis Value A	$ 51.35	-	0.43	0.00
Davis Global A	$ 39.99	-	0.24	0.00
Dodge & Cox Worldwide Funds (IRL)				
6 Duke Street,St.James,London SW1Y 6BN				
www.dodgeandcox.worldwide.com 020 3713 7664				
FCA Recognised				
Dodge & Cox Worldwide Funds plc - Global Bond Fund				
EUR Accumulating Class	€ 12.22	-	-0.01	0.00
EUR Accumulating Class (H)	€ 11.09	-	0.00	0.00
EUR Distributing Class	€ 10.64	-	-0.01	3.74
EUR Distributing Class (H)	€ 8.97	-	0.00	3.58
GBP Distributing Class	£ 11.30	-	-0.01	3.72
GBP Distributing Class (H)	£ 9.26	-	0.01	3.17
USD Accumulating Class	$ 10.83	-	0.01	0.00
Dodge & Cox Worldwide Funds plc-Global Stock Fund				
USD Accumulating Share Class	$ 21.33	-	-0.12	0.00
GBP Accumulating Share Class	£ 24.92	-	0.09	0.00
GBP Distributing Share class	£ 17.81	-	0.06	0.72
EUR Accumulating Share Class	€ 26.08	-	0.10	0.00
GBP Distributing Class (H)	£ 11.46	-	0.06	0.50
Dodge & Cox Worldwide Funds plc-International Stock Fund				
USD Accumulating Share Class	$ 17.25	-	-0.01	0.00
EUR Accumulating Share Class	€ 16.54	-	-0.01	0.00
GBP Accumulating Share Class	£ 26.43	-	0.23	0.00
Dodge & Cox Worldwide Funds plc-U.S. Stock Fund				
USD Accumulating Share Class	$ 25.03	-	0.25	0.00
GBP Accumulating Share Class	£ 27.66	-	0.23	0.00
GBP Distributing Share Class	£ 17.28	-	0.14	0.80
EUR Accumulating Share Class	€ 31.20	-	0.12	0.00
GBP Distributing Class (H)	£ 11.27	-	0.11	0.53

Fund	Bid	Offer	D+/-	Yield
Dragon Capital Group				
1501 Me Linh Point, 2 Ngo Duc Ke, District 1, Ho Chi Minh City, Vietnam				
Fund information, dealing and administration: funds@dragoncapital.com				
Other International Funds				
Vietnam Property Fund (VPF) NAV	$ 0.80	-	0.03	0.00
DSM Capital Partners Funds (LUX)				
www.dsmsicav.com				
Regulated				
DSM Global Growth I2 Acc	A$ 104.77	-	-0.30	-
DSM Global Growth I2 Acc	€ 180.33	-	-0.31	0.00
DSM Global Growth I1 Acc	€ 122.20	-	0.19	0.00
DSM US Large Cap Growth A	$ 146.63	-	1.26	0.00
DSM US Large Cap Growth I2	€ 119.39	-	0.79	0.00
E.I. Sturdza Strategic Management Limited (GSY)				
Regulated				
Strat Evarich Japan Fd Ltd JPY	¥ 88304.00	-	-679.00	0.00
Strat Evarich Japan Fd Ltd USD	$ 854.52	-	-8.46	0.00
E.I. Sturdza Funds PLC (IRL)				
Regulated				
Nippon Growth (UCITS) Fd - B	¥ 91628.00	-	-246.00	0.00
Strategic China Panda Fd - USD	$ 3562.72	-	-65.26	0.00
Strategic Euro Bond Fd - Acc	€ 1120.34	-	0.05	0.00
Strategic Europe Value Fd - EUR	€ 206.99	-	0.02	0.00
Strategic European Smaller Companies Fd - EUR	€ 1287.92	-	-13.95	0.00
Strategic Global Bond Fd - USD	$ 1046.89	-	-0.45	0.00
Strategic Global Quality Fd - USD Inst	$ 137.00	-	1.11	0.00
Strategic Quality Emerging Bond Fd - USD	$ 1055.91	-	0.34	0.00
Strategic US Momentum and Value Fd - USD Class	$ 845.73	-	8.45	0.00
Strategic Japan Opportunities Fund	¥ 62097.00	-	105.00	0.00
Strategic Beta Flex Fund	€ 1007.49	-	-2.17	0.00
Edinburgh Partners Limited (IRL)				
27-31 Melville Street, Edinburgh EH3 7JF				
Tel: +353 1 434 5143 Dealing - Fax +353 1 434 5230				
FCA Recognised				
Edinburgh Partners Opportunities Fund PLC				
Emerging Opportunities I USD $	$ 1.42	-	0.00	1.35
European Opportunities I EUR	€ 2.63	-	-0.04	1.92
European Opportunities I GBP	£ 2.30	-	-0.04	1.70
European Opportunities A EUR	€ 2.59	-	-0.04	0.95
Global Opportunities I USD	$ 1.97	-	-0.01	1.36
Global Opportunities I GBP	£ 1.41	-	-0.01	1.18
Pan European Opportunities I EUR	€ 1.77	-	-0.02	-
Ennismore Smaller Cos Plc (IRL)				
5 Kensington Church St, London W8 4LD 020 7368 4220				
FCA Recognised				
Ennismore European Smlr Cos NAV	£ 123.95	-	-0.03	0.00
Ennismore European Smlr Cos NAV	€ 141.94	-	0.07	0.00
Ennismore European Smlr Cos Hedge Fd				
Other International Funds				
NAV	€ 516.23	-	5.12	0.00
Equinox Fund Mgmt (Guernsey) Limited (GSY)				
Regulated				
Equinox Russian Opportunities Fund Limited	$ 202.09	-	1.73	0.00
Euronova Asset Management UK LLP (CYM)				
Regulated				
Smaller Cos Cls One Shares	€ 42.55	-	-0.98	0.00
Smaller Cos Cls Two Shares	€ 28.78	-	-0.66	0.00
Smaller Cos Cls Three Shares	€ 14.53	-	-0.33	0.00
Smaller Cos Cls Four Shares	€ 18.73	-	-0.35	0.00
Eurobank Fund Management Company (Luxembourg) S.A.				
Regulated				
(LF) Absolute Return	€ 1.36	-	0.00	0.00
(LF) Eq Emerging Europe	€ 1.20	-	0.00	0.00
(LF) Eq Mena Fund	€ 12.78	-	0.15	0.00
(LF) Greek Government Bond	€ 29.12	-	0.44	0.00
(LF) Greek Corporate Bond	€ 14.81	-	0.07	0.00
(LF) FoF Dynamic Fixed Inc	€ 11.82	-	0.03	0.00
(LF) FOF Real Estate	€ 14.93	-	0.11	0.00
FIL Investment Services (UK) Limited (1200)F (UK)				
130, Tonbridge Rd, Tonbridge TN11 9DZ				
Callfree: Private Clients 0800 414161				
Broker Dealings: 0800 414 181				
OEIC Funds				
Cash Fund Y-Acc-GBP	£ 1.00	-	0.00	0.20
Cash Fund Y-Inc-GBP	£ 1.00	-	0.00	0.21
Fidelity Select 50 Balanced Fund PI-ACC-GBP	£ 0.99	-	0.01	-
Fidelity Short Dated Corporate Bond Fund Y-Acc-GBP	£ 9.74	-	-0.01	4.09
Fidelity Short Dated Corporate Bond Fund Y-Gross Acc	£ 10.26	-	0.00	3.99
Target 2020 A-ACC-GBP	£ 0.65	-	0.00	0.46
Target 2025 A-ACC-GBP	£ 1.58	-	0.01	0.53
Target 2030 A-ACC-GBP	£ 1.77	-	0.01	0.60
Findlay Park Funds Plc (IRL)				
30 Herbert Street, Dublin 2, Ireland Tel: 020 7968 4900				
FCA Recognised				
American EUR Unhedged Class	€ 108.09	-	1.01	0.00
American Fund GBP Hedged	£ 57.99	-	0.53	0.00
American Fund GBP Unhedged	£ 77.44	-	0.50	0.00
Latin American Fund USD Class	$ 17.02	-	0.06	0.00
Latin American Fund GBP Unhedged	£ 12.12	-	0.01	0.00
The First Investor OSCC				
5th Floor, Barwa Bank Building, Grand Hamad Street, P.O. Box 16034, Doha, State of Qatar				
+974 4459 6111				
http://www.tfi.com.qa/				
Other International Funds				
TFI GCC Equity Opportunities Fund (Q)	QAR 1260.10	-	0.04	0.00
Foord Asset Management				
Website: www.foord.com - Email: info@foord.com				
FCA Recognised - Luxembourg UCITS				
Foord International Fund | R	$ 39.32	-	0.00	-
Foord Global Equity Fund (Lux) | R	$ 12.97	-	0.01	-
Regulated				
Foord Global Equity Fund (Sing) | B	$ 15.65	-	0.01	0.00
Foord International Trust (Gsy)	$ 39.01	-	-0.01	0.00
Franklin Templeton International Services Sarl (IRL)				
JPMorgan House - International Financial Services Centre, Dublin 1, Ireland				
Other International Funds				
Franklin Emerging Market Debt Opportunities Fund Plc				
Franklin Emg Mkts Debt Opp CHF	SFr 18.05	-	0.17	7.92
Franklin Emg Mkts Debt Opp EUR	€ 11.19	-	0.02	5.89
Franklin Emg Mkts Debt Opp SGD	S$ 24.11	-	0.11	4.55
Franklin Emg Mkts Debt Opp USD	$ 18.89	-	0.15	5.85
GAM				
funds@gam.com, www.funds.gam.com				
Regulated				
LAPIS TOP 25 DIV.YLD-D	£ 99.04	-	0.47	2.01
GYS Investment Management Ltd (GSY)				
Regulated				
Taurus Emerging Fund Ltd	$ 225.22	229.82	-7.72	0.00
Genesis Asset Managers LLP				
Other International Funds				
Emerging Mkts NAV	£ 7.88	-	-0.04	1.33
Global Investment House				
Global GCC Islamic Fund	$ 102.87	-	2.34	0.00
Global GCC Large Cap Fund	$ 155.37	-	3.18	0.00
Global Saudi Equity Fund	SR 248.03	-	8.84	0.00

Fund	Bid	Offer	D+/-	Yield
HPB Assurance Ltd				
Anglo Intl House, Bank Hill, Douglas, Isle of Man, IM1 4LN 01638 563490				
International Insurances				
Holiday Property Bond Ser 1	£ 0.53	-	-0.01	0.00
Holiday Property Bond Ser 2	£ 0.65	-	0.00	0.00
Haussmann				
Other International Funds				
Haussmann Cls A	$ 2944.46	-	28.23	0.00
Haussmann Cls C	€ 2468.28	-	21.53	0.00
Haussmann Cls D	SFr 1290.86	-	11.22	0.00
Hermes Investment Funds Plc (IRL)				
Hermes Investment Management Limited, 1 Portsoken Street, London E1 8HZ +44 (0) 207 680 2121				
FCA Recognised				
Hermes Abs Return Credit Fund Class F Acc USD	$ 1.14	1.14	0.00	0.00
Hermes Abs Return Credit Fund Class F Acc EUR	€ 1.92	1.92	-0.01	0.00
Hermes Asia Ex-Japan Equity Fund Class F Acc GBP	£ 2.52	2.52	0.01	0.00
Hermes Asia Ex-Japan Equity Fund Class C Acc USD	$ 4.50	4.50	0.02	0.00
Hermes Europe Ex-UK Equity Fund Class F Acc	£ 2.02	2.02	0.04	0.00
Hermes Global Emerging Markets Fund Class F Acc	£ 3.91	3.91	0.10	0.00
Hermes European Alpha Equity Fund Class F Acc	£ 1.67	1.67	0.04	0.00
Hermes Global Emerging Markets Fund Class F Dis	£ 1.36	1.36	0.03	0.00
Hermes European Alpha Equity Fund Class F Dis	£ 3.33	3.33	0.08	0.00
Hermes Global Emerging Markets Fund Class F Acc	€ 1.98	1.98	0.01	0.00
Hermes Global Emerging Markets Fund Class F Acc	$ 4.15	4.15	0.04	0.00
Hermes Global Equity Fund Class F Acc	£ 2.14	2.14	0.03	0.00
Hermes Global Equity Fund Class F Dis	£ 4.62	4.62	0.06	0.00
Hermes Global ESG Equity Fund Class F Acc	£ 1.62	1.62	0.04	0.00
Hermes Global High Yield Credit Fund Class F Acc	£ 1.46	1.46	0.00	0.00
Hermes Global High Yield Credit Fund Class F Dis	£ 1.46	1.46	0.01	0.00
Hermes Global Small Cap Equity Fund Class F Acc	£ 3.13	3.13	0.01	0.00
Hermes Global Small Cap Equity Fund Class F Dis	£ 2.17	2.17	-0.01	0.00
Hermes Impact Opportunities Equity Fund F	£ 1.98	-	0.02	-
Hermes Impact Opportunities Equity Fund F	£ 0.94	-	0.01	-
Hermes Multi Asset Inflation Fund Class F Acc	£ 1.02	1.02	0.01	0.00
Hermes Multi Strategy Credit Fund F	£ 1.14	1.14	0.00	0.00
Hermes SDG Engagement Equity Fund F	£ 2.07	-	0.03	-
Hermes SDG Engagement Equity Fund F	£ 0.98	-	0.01	-
Hermes US All Cap Equity Fund Class F Acc	£ 1.36	1.36	0.04	0.00
Hermes US All Cap Equity Fund Class F Dis	£ 2.18	2.18	0.10	0.00
Hermes US SMID Equity Fund Class F Acc	£ 2.24	2.24	0.06	0.00
Hermes US SMID Equity Fund Class F Dis	$ 3.93	3.93	0.01	0.00
INDIA VALUE INVESTMENTS LIMITED (INVIL)				
www.invil.mu				
Other International Funds				
NAV	£ 8.67	-	0.06	0.00
Intrinsic Value Investors (IVI) LLP (IRL)				
1 Hat & Mitre Court, 88 St John Street, London EC1M 4EL +44 (0)20 7566 1210				
FCA Recognised				
IVI European Fund EUR	€ 21.35	-	-0.15	0.00
IVI European Fund GBP	£ 25.04	-	-0.11	0.00
Invesco				
Dublin 00 353 1 439 8100 Hong Kong 00852 3191 8282				
FCA Recognised				
Invesco Management SA				
Invesco Active Multi-Sector Credit Fund A	€ 3.13	-	0.00	0.00
Invesco Asia Balanced A dist	$ 14.84	-	0.12	2.76
Invesco Asia Consumer Demand Fund A Income	$ 18.31	-	0.28	0.06
Invesco Asia Infrastructure (A)	$ 15.39	-	0.26	0.76
Invesco Asia Opportunities Equity Fund A	$ 148.34	-	2.15	0.00
Invesco Balanced Risk Allocation Fund A	€ 16.69	-	0.05	0.00
Invesco Emerging Europe Equity Fund A	$ 12.60	-	0.01	0.00
Invesco Emerging Local Currencies Debt A Inc	$ 7.24	-	0.03	5.60
Invesco Emerging Market Structured Equity Fund A	$ 12.82	-	0.16	0.00
Invesco Energy A	$ 16.73	-	0.41	0.00
Invesco Euro Corporate Bond Fund (A)	€ 17.84	-	-0.02	0.00
Invesco Euro Reserve A	€ 320.04	-	-0.01	0.00
Invesco Euro Bond A	€ 7.54	-	-0.01	0.00
Invesco European Growth Equity A	€ 26.32	-	0.47	0.00
Invesco Global Absolute Return Fund A Acc	€ 11.01	-	0.07	0.00
Invesco Global Bond A Inc	$ 5.87	-	0.00	1.32
Invesco Global Conservative Fund EUR A	€ 11.71	-	0.02	0.00
Invesco Global Equity Income Fund A	$ 72.26	-	1.60	0.00
Invesco Global Leisure A	$ 54.41	-	1.69	0.00
Invesco Global Real Estate Sec A dist	$ 9.40	-	0.05	2.20
Invesco Global Inv Grd Corp Bond A Dist	$ 12.06	-	-0.01	2.31
Invesco Global Health Care A	$ 132.83	-	3.43	0.00
Invesco Global Small Cap Eq A	$ 75.61	-	1.27	0.00
Invesco Global Structured Equity A	$ 50.87	-	1.01	0.00
Invesco Global Total Return EUR Bond A	€ 13.78	-	0.00	0.00
Invesco Gold & Precious Metals A	$ 4.90	-	-0.03	0.00
Invesco Greater China Equity A	$ 66.51	-	1.01	0.00
Invesco India Equity A	$ 73.23	-	1.42	0.00
Invesco Japanese Equity Adv Fd A	¥ 4750.00	-	58.00	0.00
Invesco Japanese Value Eq Fd A	¥ 1634.00	-	14.00	0.00
Invesco Latin American Equity A	$ 8.23	-	0.10	0.00
Invesco Nippon Small/Mid Cap Equity A	¥ 1719.00	-	-17.00	0.00
Invesco Pan European Equity A EUR Cap	€ 20.39	-	0.53	0.00
Invesco Pan European High Income A	€ 14.39	-	0.08	1.72
Invesco Pan European Small Cap Equity A	€ 24.22	-	0.29	0.00
Invesco Pan European Structured Equity A	€ 18.56	-	0.39	0.00
Invesco Real Return (EUR) Bond A	€ 15.84	-	0.02	0.00
Invesco UK Equity Income A	£ 10.43	-	0.26	0.00
Invesco UK Investment Grade Bond A	£ 1.06	-	0.00	2.03
Invesco US Structured Equity A	$ 26.66	-	0.74	0.00
Invesco US Value Eq Fd A	$ 40.73	-	1.27	0.00
Invesco USD Reserve A	$ 88.16	-	0.00	0.00
Invesco Global Asset Management Ltd (IRL)				
Dublin 00 353 1 439 8100 Hong Kong 00 852 2842 7200				
FCA Recognised				
Invesco Stlg Bd A QD F	£ 2.67	-	0.00	3.04
Invesco Asian Equity A	$ 9.28	-	0.15	0.00
Invesco ASEAN Equity A	$ 110.55	-	1.17	0.30
Invesco Bond A	$ 28.18	-	-0.07	2.24
Invesco Continental European Equity A	€ 9.04	-	0.25	0.00
Invesco Continental Europe Small Cap Equity A	$ 287.24	-	5.38	0.00
Invesco Emerging Markets Equity A	$ 50.16	-	0.99	0.00
Invesco Emerging Markets Bond A	$ 22.00	-	0.02	5.14
Invesco Continental European Equity A	€ 9.14	-	0.22	0.86
Invesco Gilt A	£ 16.01	-	-0.01	0.00
Invesco Global Small Cap Equity A NAV	$ 162.72	-	2.48	0.00
Invesco Global High Income A NAV	$ 12.17	-	0.01	5.10
Invesco Global Bond A	$ 6.85	-	0.04	0.39
Invesco Global Health Care A	$ 124.67	-	3.83	0.00
Invesco Global Select Equity A	$ 16.36	-	0.36	0.00
Invesco Global Technology A	$ 23.87	-	0.48	0.00
Invesco Japanese Equity A	$ 27.07	-	0.33	0.00
Invesco Korean Equity A	$ 39.35	-	0.06	0.00
Invesco PRC Equity A	$ 80.40	-	1.75	0.00
Invesco Pacific Equity A	$ 68.08	-	0.57	0.00
Invesco Global Technology A	$ 22.14	-	0.67	0.00
Invesco UK Equity A	£ 8.81	-	0.16	1.83
Kames Capital VCIC				
1 North Wall Quay, Dublin 1, Ireland +35 3162 24493				
FCA Recognised				
Absolute Return Bond B GBP Acc	1109.19	-	0.43	1.18
Eq Market Neutral B Acc	932.11	-	-0.48	0.00
High Yield Global Bond A GBP Inc	536.61	-	0.28	5.00
High Yield Global Bond B GBP Inc	1086.99	-	0.34	3.97
Investment Grade Global Bd A GBP Inc	565.60	-	-3.37	1.98
Global Equity Income B GBP Acc	1587.80	-	17.36	0.00
Global Equity Income B GBP Inc	1456.44	-	-8.32	3.19
Global Sustainable Equity A GBP Inc	13.42	-	0.08	0.00
Global Sustainable Equity B GBP Acc	13.47	-	0.08	0.00
Global Sustainable Equity C GBP Acc	13.46	-	0.08	0.00
Short Dated High Yield Bd B GBP Acc	10.03	-	0.00	-
Short Dated High Yld Bd C Acc GBP (Hdg)	10.05	-	0.00	-
Strategic Global Bond A GBP Inc	1118.72	-	-0.33	0.91
Strategic Global Bond B GBP Inc	635.12	-	-0.18	1.57
Link Asset Services (UK)				
65 Gresham Street, London, EC2V 7NQ				
Order Desk and Enquiries: 0345 922 0044				
Authorised Inv Funds				
LF Heartwood Balanced MA B Acc	141.81	-	0.37	0.36
LF Heartwood Cautious MA B Acc	138.66	-	0.35	0.44
LF Heartwood Defensive MA B Acc	114.11	-	0.04	0.07
LF Heartwood Growth MA B Acc	171.19	-	0.54	0.04
LF Heartwood Income MA B Inc	109.70	-	0.00	3.09
LF Heartwood Income Plus MA B Inc	114.50	-	0.24	3.73

Fund	Bid	Offer	D+/-	Yield
LF Seneca Diversified Growth A Acc	264.54	-	0.89	2.12
LF Seneca Diversified Growth B Acc	158.91	-	0.54	2.72
LF Seneca Diversified Growth N Acc	156.44	-	0.53	2.49
LF Seneca Diversified Income A Inc	91.47	-	0.24	4.97
LF Seneca Diversified Income B Inc	109.86	-	0.28	4.96
LF Seneca Diversified Income N Inc	108.29	-	0.28	4.96
Investment Adviser - Morant Wright Management Limited				
LF Morant Wright Japan A Acc	393.13	-	0.00	0.00
LF Morant Wright Japan A Inc	384.89	-	0.00	0.43
LF Morant Wright Japan B Acc	423.25	-	0.00	0.92
LF Morant Wright Japan B Inc	392.20	-	0.00	0.93
LF Morant Wright Nippon Yield A Acc	419.75	-	-0.81	2.16
LF Morant Wright Nippon Yield A Inc	346.73	-	-0.67	2.20
LF Morant Wright Nippon Yield B Acc	440.38	-	-0.84	2.15
LF Morant Wright Nippon Yield B Inc	363.86	-	-0.69	2.20
Lloyds Investment Fund Managers Limited (1000)F (JER)				
PO Box 311, 11-12 Esplanade, St Helier, Jersey, JE4 8ZU 01534 845555				
Other International Funds				
Lloydstrust Gilt	£ 12.4690	-	-0.0800	1.93
Lloyds Investment Funds Limited				
Euro High Income	€ 1.5730	-	-0.0010	3.02
European	£ 9.9240	-	0.1310	0.32
High Income	£ 0.8570	-	-0.0036	4.28
International	£ 5.3420	-	0.0650	0.16
North American	£ 21.3600	-	0.2900	0.00
Sterling Bond	£ 1.5110	-	-0.0070	2.79
UK	£ 7.2830	-	0.0570	0.60
Lloyds Gilt Fund Limited				
Lloyds Gilt Fund Quarterly Share	£ 1.3090	-	-0.0090	1.59
Monthly Share	£ 1.2580	-	-0.0080	1.59
Lloyds Money Fund Limited				
Sterling Class	£ 52.5220	-	0.0000	-0.20
Lloyds Multi Strategy Fund Limited				
Conservative Strategy	£ 1.2090	-	-0.0020	0.86
Growth Strategy	£ 1.7460	-	0.0000	0.67
Aggressive Strategy	£ 2.3290	-	0.0000	0.00
Global USD Growth Strategy	$ 1.6340	-	0.0050	0.00
Dealing Daily				
MMIP Investment Management Limited (GSY)				
Regulated				
Multi-Manager Investment Programmes PCC Limited				
UK Equity Fd Cl A Series 01	£ 2788.84	2813.67	-38.52	0.00
Diversified Absolute Rtn Fd USD Cl AF2	$ 1665.16	-	-20.33	0.00
Diversified Absolute Return Stlg Cell AF2	£ 1649.06	-	-20.99	0.00
Global Equity Fund A Lead Series	£ 1425.11	1430.83	-12.20	0.00
Marwyn Asset Management Limited (CYM)				
Regulated				
Marwyn Value Investors	£ 412.12	-	-19.95	0.00
Emerging Markets Managed Accounts PLC (IRL)				
emma@milltrust.com, +44(0)20 8123 8369, www.milltrust.com				
Regulated				
Milltrust ASEAN A	$ 118.36	-	0.19	0.00
Milltrust India A	$ 174.14	-	4.35	0.00
Milltrust Latin America A	$ 112.82	-	-0.36	0.00
Milltrust Keywise China Fund	$ 157.53	-	-0.70	0.00
Milltrust SEDCO MENA Fund (Class A)	$ 103.01	-	-0.75	0.00
Milltrust International Managed Investments ICAV (IRL)				
mimi@milltrust.com, +44(0)20 8123 8369 www.milltrust.com				
Regulated				
MAI - Buy & Lease (Australia)	A$ 99.42	-	-0.58	-
MAI - Buy & Lease (New Zealand)	NZ$ 99.44	-	-0.56	0.00
British Innovation Fund	£ 98.31	-	-1.03	-
EICM South Asia Hospitality 1	$ 101.98	-	4.50	-
Mirabaud Asset Management (LUX)				
www.mirabaud.com, marketing@mirabaud-am.com				
Please find more details on our website: www.mirabaud-am.com				
Regulated				
Mir. - Glb Strat. Bd I USD	$ 109.34	-	0.03	0.00
Mir. - EqPanEuropeSm&Mid	€ 150.56	-	-2.48	0.00
Mir. - Eq UK High Income I GBP	£ 116.38	-	-0.13	0.00
Morgan Stanley Investment Funds (LUX)				
6b Route de Trèves L-2633 Senningerberg Luxembourg (352) 34 64 61				
www.morganstanleyinvestmentfunds.com				
FCA Recognised				
US Advantage A F	$ 79.40	-	-0.53	0.00
Asian Equity A F	$ 54.23	-	-0.98	0.00
Asian Property A F	$ 23.20	-	0.04	0.00
Emerg Europ, Mid-East & Africa Eq A F	€ 79.63	-	-1.11	0.00
Emerging Markets Debt A F	$ 87.43	-	0.01	0.00
Emerging Markets Domestic Debt AX F	£ 12.11	12.11	-0.08	5.22
Emerging Markets Equity A F	$ 45.71	45.71	-0.74	0.00
Euro Bond A F	€ 16.29	16.29	0.01	0.00
Euro Corporate Bond A F	€ 27.23	27.23	0.00	1.30
Euro Strategic Bond A F	€ 46.81	46.81	0.03	0.00
European Currencies High Yield Bd A F	€ 24.56	24.56	-0.01	0.00
European Equity Alpha A F	€ 42.51	-	-0.25	0.00
European Property A F	€ 35.20	35.20	0.10	0.00
Eurozone Equity Alpha A F	€ 12.28	12.28	-0.10	0.00
Global Bond A F	$ 43.18	43.18	0.04	0.00
Global Brands A F	$ 125.57	-	0.61	0.00
Global Convertible Bond A F	$ 44.94	-	-0.07	0.00
Global Property A F	$ 30.04	-	0.21	0.00
Indian Equity A F	$ 45.61	-	-0.43	0.00
Latin American Equity A F	$ 57.88	-	-1.28	0.00
Short Maturity Euro Bond A F	€ 20.37	20.37	0.00	0.00
US Dollar Liquidity A F	$ 13.17	-	0.00	0.00
US Growth A F	$ 101.49	-	-0.99	0.00
US Growth AH F	€ 67.67	67.67	-0.66	0.00
US Growth AX F	£ 72.08	72.08	-0.92	0.00
US Property A F	$ 67.16	-	0.79	0.00
Morgens Waterfall Vintiadis.co Inc				
Other International Funds				
Phaeton Intl (BVI) Ltd (Est)	$ 473.80	-	-18.55	0.00
Natixis International Funds (LUX) I SICAV (LUX)				
FCA Recognised				
ASG Managed Futures Fund I/A (USD)	$ 99.78	99.78	0.29	0.00
Harris Global Equity Fund R/A (USD)	$ 320.55	320.55	1.63	0.00
Loomis Sayles Global Growth Equity Fund I/A (USD)	$ 130.49	130.49	0.73	0.00
Loomis Sayles U.S. Equity Leaders N/A (GBP)	£ 133.40	133.40	0.78	0.00
Natixis Investment Funds (UK)				
Authorised Funds				
DNCA European Select Equity Fund	£ 1.01	-	0.02	-
Harris Global Concentrated Equity Fund	£ 1.59	-	0.04	1.40
H2O MultiReturns Fund N/A (GBP)	£ 1.62	-	0.03	0.70
Loomis Sayles U.S. Equity Leaders N/A (GBP)	£ 2.24	-	0.06	0.14
New Capital Fund Management Ltd (IRL)				
Regulated				
New Capital Euro Value Credit Fund - EUR Inst Acc	€ 100.30	-	0.01	-
New Capital UCITS Fund PLC				
Leconfield House, Curzon Street, London, W1J 5JB				
www.newcapitalfunds.com				
FCA Recognised				
New Capital Asia Pacific Equity Income Fund - USD Inst Acc	$ 94.13	-	-0.09	3.89
New Capital China Equity Fund - USD Inst Acc	$ 108.39	-	-1.39	2.48
New Capital Dynamic European Equity - EUR Inst Acc	€ 178.95	-	-0.98	2.73
New Capital China Equity Fund - USD Inst Acc	$ 170.88	-	-1.57	0.00
New Capital Global Value Credit Fund - USD Inst Acc	$ 183.41	-	0.00	0.00
New Capital Global Equity Conviction Fund - USD Inst Acc	$ 122.42	-	0.32	0.00
New Capital Healthcare Fund - USD Inst Acc	$ 114.76	-	0.26	0.00
New Capital Strategic Portfolio UCITS Fund - USD Inst Acc	$ 118.88	-	0.09	4.39
New Capital Wealthy Nations Bond Fund - USD Inst Acc	$ 114.45	-	-2.17	0.00
New Capital Swiss Select Equity Fund - CHF Ord Inc	SFr 159.11	-	3.54	0.00
New Capital US Growth Fund - USD Inst Acc	$ 271.08	-	-0.31	0.00
New Capital All Weather Fund - EUR Inst Acc	€ 100.99	-	-0.26	0.00
New Capital US Small Cap Growth Fund - USD Inst Acc	$ 130.92	-	1.45	0.00
New Capital Global Alpha Fund - USD Inst Acc	$ 104.82	-	-0.03	0.32

Fund	Bid	Offer	D+/-	Yield
Northwest Investment Management (HK) Ltd				
11th Floor, Kinwick Centre, 32, Hollywood Road, Central Hong Kong +852 9084 4373				
Other International Funds				
Northwest China Opps $ Class	$ 3309.23	-	-20.67	0.00
Northwest $ Class	$ 2475.63	-	-8.75	0.00
Oasis Crescent Management Company Ltd				
Other International Funds				
Oasis Crescent Equity Fund	R 10.04	-	0.11	0.00
Oasis Global Mgmt Co (Ireland) Ltd (IRL)				
Regulated				
Oasis Global Investment (Ireland) Plc				
Oasis Crescent Global Short Term Income Fund	$ 0.98	-	0.00	1.64
Oasis Crescent Global Investment Fund (Ireland) plc				
Oasis Crescent Global Equity Fund	$ 30.58	-	0.22	0.62
Oasis Crescent Variable Balanced Fund	£ 10.16	-	-0.01	0.00
OasisCresGl Income Class A	$ 10.68	-	0.00	2.66
OasisCresGl LowBal D ($) Dist	$ 12.20	-	0.05	0.00
OasisCresGl Med Eq Bal A ($) Dist	$ 12.81	-	0.06	0.40
Oasis Crescent Gbl Property Eqty	$ 9.48	-	0.04	1.88
Odey Asset Management LLP (CYM)				
Regulated				
OEI Mac Inc GBP A	£ 160.61	-	6.65	0.00
OEI Mac Inc GBP B	£ 92.54	-	3.78	0.00
OEI MAC Inc USD	$ 855.94	-	36.66	0.00
Odey European Inc EUR	€ 370.48	-	15.76	0.00
Odey European Inc GBP A	£ 148.27	-	6.28	0.00
Odey European Inc GBP B	£ 84.05	-	3.56	0.00
Odey European Inc USD	$ 177.58	-	7.77	0.00
Giano Capital EUR Inc	€ 4772.90	-	-68.93	0.00
Odey Asset Management LLP (IRL)				
FCA Recognised				
Odey Pan European EUR R	€ 311.54	-	-0.22	0.00
Odey Allegra International EUR O	€ 167.72	-	-0.52	0.00
Odey Allegra Developed Markets USD I	$ 158.62	-	0.42	0.00
Odey European Focus Fund	€ 18.83	-	-0.07	0.00
Odey Giano European Fund EUR R	€ 121.55	-	-0.32	0.00
Odey Odyssey USD I	$ 97.19	-	-0.92	0.00
Odey Swan Fund EUR I	€ 44.40	-	-0.23	0.00
Odey Absolute Return Focus Fund	$ 86.12	-	-0.66	0.00
Odey Wealth Management (CI) Ltd (IRL)				
www.odey.com/prices				
FCA Recognised				
Odey Opportunity EUR I	€ 236.12	-	0.31	0.00
Omnia Fund Ltd				
Other International Funds				
Estimated NAV	$ 1002.33	-	-46.69	0.00
Optima Fund Management				
Other International Funds				
Cuttyhunk Fund II Limited	$ 1573.59	-	0.00	0.00
JENOP Global Healthcare Fund Ltd	$ 16.36	-	-1.06	0.00
OPTIKA Fund Limited - Cl A	$ 137.02	-	0.00	0.00
Optima Fd NAV	$ 99.66	-	0.00	0.00
Optima Discretionary Macro Fund Limited	$ 86.05	-	0.00	0.00
The Dorset Energy Fd Ltd NAV	$ 20.94	-	0.00	0.00
Platinum Fd Ltd	$ 114.15	-	0.00	0.00
Platinum Fd Ltd EUR	€ 21.10	-	0.00	0.00
Platinum Japan Fd Ltd	$ 71.61	-	0.00	0.00
Optima Partners Global Fd	$ 17.19	-	0.00	0.00
Optima Partners Focus Fund A	$ 17.87	-	0.00	0.00
Optima STAR Fund (hedged)	$ 106.52	-	-0.54	0.00
Optima STAR Long Fund	$ 139.49	-	1.06	0.00
Oryx International Growth Fund Ltd				
Other International Funds				
NAV (Fully Diluted)	£ 9.23	-	-0.07	0.00
Pictet Asset Management (Europe) SA (LUX)				
15, Avenue J.F. Kennedy L-1855 Luxembourg				
Tel: 0041 58 323 3000				
FCA Recognised				
Pictet-Absl Rtn Fix Inc-HI EUR	€ 106.38	-	0.01	0.00
Pictet-Asian Equities Ex Japan-I USD F	$ 317.98	-	-4.87	0.00
Pictet-Asian Local Currency Debt-I USD F	$ 172.39	-	0.26	0.00
Pictet-Biotech-I USD F	$ 799.01	-	21.62	0.00
Pictet-CHF Bonds I CHF	SFr 507.14	-	0.49	0.00
Pictet-China Index I USD	$ 160.58	-	-2.87	0.00
Pictet-Clean Energy-I USD F	$ 100.02	-	0.55	0.00
Pictet-Digital-I USD F	$ 395.47	-	5.21	0.00
Pictet-Em Lcl Ccy Dbt-I USD F	$ 190.18	-	-0.48	0.00
Pictet-Emerging Europe-I EUR F	€ 388.70	-	-2.37	0.00
Pictet-Emerging Markets-I USD F	$ 694.47	-	-9.97	0.00
Pictet-Emerging Markets Index-I USD F	$ 316.94	-	2.10	0.00
Pictet-Emerging Corporate Bonds I USD	$ 125.02	-	0.03	0.00
Pictet-Emerging Markets High Dividend I USD	$ 131.15	-	-1.34	0.00
Pictet-Emerging Markets Sust Eq I USD	$ 114.99	-	0.48	0.00
Pictet-EUR Bonds-I F	€ 586.15	-	0.72	0.00
Pictet-EUR Corporate Bonds-I F	€ 211.27	-	0.10	0.00
Pictet-EUR Government Bonds I EUR	€ 164.99	-	0.33	0.00
Pictet-EUR High Yield-I F	€ 272.05	-	-0.09	0.00
Pictet-EUR Short Mid-Term Bonds-I F	€ 137.51	-	-0.06	0.00
Pictet-EUR Short Term HY I EUR	€ 126.77	-	-0.04	0.00
Pictet-EUR Sov.Sht.Mon.Mkt EUR I	€ 101.56	-	0.00	0.00
Pictet-Euroland Index IS EUR	€ 149.44	-	-0.96	0.00
Pictet-Europe Index-I EUR F	€ 181.95	-	-0.75	0.00
Pictet-European Equity Selection-I EUR F	€ 724.99	-	-6.75	0.00
Pictet-European Sust Eq-I EUR F	€ 256.30	-	-1.20	0.00
Pictet-Global Bds Fundamental I USD	$ 131.20	-	0.33	0.00
Pictet-Global Bonds-I EUR	€ 163.62	-	-0.19	0.00
Pictet-Global Defensive Equities I USD	$ 171.64	-	1.88	0.00
Pictet-Global Emerging Debt-I USD F	$ 405.87	-	-1.03	0.00
Pictet-Global Env.Opport-I EUR	€ 195.30	-	-0.02	0.00
Pictet-Global Megatrend Selection-I USD F	$ 293.11	-	2.02	0.00
Pictet-Global Sust.Credit HI EUR	€ 148.84	-	0.02	0.00
Pictet-Greater China-I USD F	$ 676.33	-	-1.38	0.00
Pictet-Health-I USD	$ 277.67	-	3.31	0.00
Pictet-High Dividend Sel I EUR F	€ 161.24	-	0.58	0.00
Pictet-India Index I USD	$ 122.43	-	-1.51	0.00
Pictet-Indian Equities-I USD F	$ 619.52	-	8.23	0.00
Pictet-Japan Index-I JPY F	¥ 18455.69	-	212.66	0.00
Pictet-Japanese Equities Opp-I JPY F	¥ 11810.64	-	137.21	0.00
Pictet-Japanese Equity Selection-I JPY F	¥ 16700.88	-	208.34	0.00
Pictet-LATAM Lc Ccy Dbt-I USD F	$ 144.69	-	-0.61	0.00
Pictet-Multi Asset Global Opportunities-I EUR	€ 120.47	-	0.04	0.00
Pictet-Nutrition-I EUR	€ 207.76	-	-0.49	0.00
Pictet-Pacific Ex Japan Index-I USD F	$ 427.84	-	-1.54	0.00
Pictet-Premium Brands-I EUR F	€ 172.50	-	1.00	0.00
Pictet-Russia Index I USD	$ 79.77	-	0.23	0.00
Pictet-Russian Equities-I USD F	$ 78.40	-	-0.11	0.00
Pictet-Security-I USD F	$ 254.53	-	1.78	0.00
Pictet-Select-Callisto I EUR	€ 102.66	-	-0.25	0.00
Pictet-Small Cap Europe-I EUR F	€ 1318.62	-	-12.50	0.00
Pictet-ST Emerg Local Currency Debt-I USD F	$ 111.43	-	-0.22	0.00
Pictet-ST.MoneyMkt-I	€ 139.34	-	0.00	0.00
Pictet-ST.MoneyMkt JPY I USD	¥ 101091.71	-	0.48	0.00
Pictet-ST.MoneyMkt-ICHF	SFr 121.88	-	0.00	0.00
Pictet-ST.MoneyMkt-IUSD	$ 139.02	-	0.00	0.00
Pictet-Timber-I USD F	$ 211.67	-	1.95	0.00
Pictet TR-Agora I EUR	€ 124.23	-	-0.62	0.00
Pictet TR-Corto Europe I EUR	€ 144.12	-	-0.23	0.00
Pictet TR-Divers Alpha I EUR	€ 111.90	-	-0.48	0.00
Pictet TR-Kosmos I EUR	€ 109.75	-	-0.04	0.00
Pictet TR-Mandarin I USD	$ 161.65	-	0.07	0.00
Pictet-US Equity Selection-I USD	$ 237.24	-	2.31	0.00
Pictet-US High Yield-I USD F	$ 162.81	-	0.03	0.00
Pictet-USA Index-I USD F	$ 240.21	-	2.76	0.00

Fund	Bid	Offer	D+/-	Yield
Pictet-USD Government Bonds-I F	$ 643.32	-	-0.25	0.00
Pictet-USD Short Mid-Term Bonds-I F	$ 131.30	-	0.00	0.00
Pictet-USD Sov.ST.Mon.Mkt-I	$ 104.89	-	0.00	0.00
Pictet-Water-I EUR F	€ 320.53	-	0.33	0.00
Platinum Capital Management Ltd				
Other International Funds				
Platinum All Star Fund - A	$ 131.02	-	-	-
Platinum Global Dividend Fund - A	$ 47.72	-	-	-
Platinum Global Growth UCITS Fund	$ 10.00	-	-	-
Polar Capital Funds Plc (IRL)				
Regulated				
Automation & Artificial Intelligence CL I USD Acc	$ 10.30	10.30	-0.04	-
Asian Financials I USD	$ 392.27	392.27	2.86	0.00
Biotechnology I USD	$ 23.08	23.08	0.30	0.00
European Income Acc EUR	€ 11.69	11.69	-0.01	0.00
European Ex UK Inc EUR Acc	€ 10.68	10.68	-0.03	0.00
Financial Opps I USD	$ 14.52	-	0.00	1.86
GEM Income I USD	$ 12.71	-	-0.10	0.00
Global Convertible I USD	$ 12.94	12.94	0.01	0.00
Global Insurance I GBP	£ 5.83	-	0.01	0.00
Global Technology I USD	$ 40.95	-	-0.57	0.00
Healthcare Blue Chip Fund I USD Acc	$ 11.83	11.83	0.07	0.00
Healthcare Opps I USD	$ 42.39	-	0.48	0.00
Income Opportunities B2 I GBP Acc	£ 2.19	2.19	0.00	0.00
Japan Alpha I JPY	¥ 251.68	251.68	2.52	0.00
Japan I JPY	¥ 2552.73	-	19.07	0.00
North American I USD	$ 24.06	24.06	0.19	0.00
UK Absolute Equity I GBP	£ 20.67	20.67	-0.03	0.00
UK Val Opp I GBP Acc	£ 11.51	11.51	0.17	0.00
Polar Capital LLP (CYM)				
Regulated				
European Forager A EUR	€ 185.30	-	0.49	0.00
Private Fund Mgrs (Guernsey) Ltd (GSY)				
Regulated				
Monument Growth 27/03/2018	£ 485.58	491.17	2.96	3.36
Prusik Investment Management LLP (IRL)				
Enquiries - 0207 493 1331				
Regulated				
Prusik Asian Equity Income B Dist	$ 206.07	-	0.86	3.39
Prusik Asia A	$ 288.25	-	1.56	0.00
Prusik Asian Smaller Cos A	$ 171.28	-	1.28	0.00
Purisima Investment Fds (CI) Ltd (JER)				
Regulated				
PCG B ✠	203.95	-	0.16	0.00
PCG C ✠	200.30	-	0.15	0.00
Ram Active Investments SA				
www.ram-ai.com				
Other International Funds				
RAM Systematic Emerg Markets Core Eq	$ 108.07	-	-1.28	-
RAM Systematic Emerg Markets Eq	$ 190.57	-	-2.09	-
RAM Systematic European Eq	€ 436.91	-	-3.62	-
RAM Systematic Global Shareholder Yield Eq	$ 130.88	-	0.65	0.00
RAM Systematic Long/Short Emerg Markets Eq	$ 121.01	-	-0.36	-
RAM Systematic Long/Short European Eq	€ 153.19	-	-0.59	-
RAM Systematic North American Eq	$ 300.74	-	3.15	-
RAM Tactical Convertibles Europe	€ 145.78	-	-0.33	-
RAM Tactical Global Bond Total Return	€ 144.32	-	-0.01	-
RAM Tactical II Asia Bond Total Return	$ 140.26	-	-0.10	-
Robeco Asset Management (LUX)				
Weena 850, 3014 DA Rotterdam, The Netherlands				
www.robeco.com/contact				
FCA Recognised				
Asia-Pacific Equities (EUR)	€ 159.29	-	0.30	0.00
BP US Premium Equities (EUR)	€ 226.63	-	2.10	0.00
BP US Premium Equities (USD)	$ 263.50	-	2.43	0.00
Chinese Equities (EUR)	€ 98.71	-	0.42	0.00
Em Stars Equities (EUR)	€ 223.37	-	1.26	0.00
Emerging Markets Equities (EUR)	€ 194.32	-	1.12	0.00
Glob.Consumer Trends Equities (EUR)	€ 192.15	-	1.16	0.00
High Yield Bonds (EUR)	€ 143.54	-	-0.03	0.00
New World Financials (EUR)	€ 65.44	-	-0.20	0.00
Ruffer LLP (1000)F (UK)				
65 Gresham Street, London, EC2V 7NQ				
Order Desk and Enquiries: 0345 601 9610				
Authorised Inv Funds				
Authorised Corporate Director - Link Fund Solutions				
LF Ruffer European C Acc	565.48	-	-2.46	0.31
LF Ruffer European C Inc	104.31	-	-0.46	0.62
LF Ruffer European O Acc	555.95	-	-2.44	0.00
LF Ruffer Equity & General C Acc	436.61	-	-1.82	0.05
LF Ruffer Equity & General C Inc	402.53	-	-1.68	0.05
LF Ruffer Equity & General O Acc	429.29	-	-1.80	0.00
LF Ruffer Equity & General O Inc	398.30	-	-1.68	0.00
LF Ruffer Gold C Acc	143.09	-	1.37	0.09
LF Ruffer Gold C Inc	86.60	-	0.83	0.14
LF Ruffer Gold O Acc	140.63	-	1.34	0.00
LF Ruffer Japanese C Inc	114.23	-	-0.36	0.26
LF Ruffer Japanese C Acc	243.17	-	-0.76	0.24
LF Ruffer Pacific C Acc	368.24	-	-2.94	0.95
LF Ruffer Pacific C Inc	103.54	-	-0.83	1.12
LF Ruffer Pacific O Acc	361.72	-	-2.91	0.64
LF Ruffer Total Return C Acc	434.39	-	-0.75	1.48
LF Ruffer Total Return C Inc	290.59	-	-0.50	1.48
LF Ruffer Total Return O Acc	427.05	-	-0.76	1.47
LF Ruffer Total Return O Inc	285.52	-	-0.51	1.50
S W Mitchell Capital LLP (IRL)				
Regulated				
SWMC European Fund B EUR	€ 17063.62	-	-235.49	0.00
SWMC Small Cap European Fund B EUR	€ 15354.36	-	-38.69	0.00
RobecoSAM (LUX)				
Tel. +41 44 653 10 10 http://www.robecosam.com/				
Regulated				
RobecoSAM Sm.Energy/A	£ 16.88	-	0.00	1.23
RobecoSAM Sm.Energy/N	€ 15.31	-	0.01	0.00
RobecoSAM Sm.Materials/A	£ 193.65	-	-1.36	1.34
RobecoSAM Sm.Materials/N	€ 199.52	-	-1.24	0.00
RobecoSAM Sm.Materials/Na	€ 134.15	-	-0.84	1.33
RobecoSAM Gl.Small Cap Eq/A	£ 108.53	-	-0.20	1.13
RobecoSAM Gl.Small Cap Eq/N	€ 192.73	-	-0.21	0.00
RobecoSAM Sustainable Gl.Eq/B	€ 207.02	-	0.69	0.00
RobecoSAM Sustainable Gl.Eq/N	€ 181.56	-	0.60	0.00
RobecoSAM S.HealthyLiv/B	€ 183.32	-	0.80	0.00
RobecoSAM S.HealthyLiv/N	€ 173.80	-	0.76	0.00
RobecoSAM S.HealthyLiv/Na	£ 129.18	-	0.47	1.42
RobecoSAM S.Water/A	£ 226.53	-	-0.77	1.49
RobecoSAM S.Water/N	€ 195.55	-	-0.52	0.00
Rubrics Global UCITS Funds Plc (IRL)				
www.rubricsam.com				
Regulated				
Rubrics Emerging Markets Fixed Income UCITS Fund	$ 137.55	-	-0.08	0.00
Rubrics Global Credit UCITS Fund	$ 15.84	-	0.00	0.00
Rubrics Global Fixed Income UCITS Fund	$ 162.31	-	0.00	0.00
Q Rubrics India Fixed Income UCITS Fund	$ 11.41	-	-0.01	0.00
Rubrics India Fixed Income UCITS Fund	$ 97.78	-	-0.09	0.00

Fund	Bid	Offer	D+/-	Yield
Schroder Property Managers (Jersey) Ltd				
Other International Funds				
Indirect Real Estate SIRE	£ 141.20	147.68	-0.03	2.82
Slater Investments Ltd (UK)				
www.slaterinvestments.com; Tel: 0207 220 9460				
FCA Recognised				
Slater Growth	494.40	524.56	3.10	0.00
Slater Income A Inc	157.23	157.23	1.52	0.00
Slater Recovery	231.23	245.34	0.67	0.00
Slater Artorius	191.55	191.55	-0.17	0.25
Standard Life Wealth (JER)				
PO Box 189, St Helier, Jersey, JE4 9RU 01534 709130				
FCA Recognised				
Standard Life Offshore Strategy Fund Limited				
Bridge Fund	£ 1.8001	-	0.0201	2.03
Global Equity Fund	£ 2.2516	-	0.0269	0.89
Global Fixed Interest Fund	£ 0.9855	-	-0.0002	4.16
Income Fund	£ 0.5426	-	0.0068	4.43
Sterling Fixed Interest Fund	£ 0.8580	-	-0.0040	3.47
UK Equity Fund	£ 2.1133	-	0.0407	3.13
Stenham Asset Management Inc				
www.stenhamassetmanagement.com				
Other International Funds				
Stenham Credit Opportunities A Class USD	$ 116.30	-	-0.52	0.00
Stenham Equity UCITS USD	$ 177.22	-	-9.62	0.00
Stenham Growth USD	$ 227.18	-	-2.94	-
Stenham Healthcare USD	$ 214.49	-	-2.03	0.00
Stenham Managed Fund USD	$ 121.42	-	-0.95	0.00
Stenham Quadrant USD A	$ 424.89	-	-2.28	-
Stenham Trading Inc USD	$ 122.34	-	-0.58	-
Stenham Universal USD	$ 454.13	-	-1.87	-
Stenham Universal II USD	$ 166.35	-	-0.76	0.00
Superfund Asset Management GmbH				
www.superfund.com, +43 (1) 247 00				
Regulated				
Superfund Green EUR SICAV	€ 943.70	-	-7.79	0.00
Superfund Red EUR SICAV	€ 795.69	-	-0.03	0.00
Superfund Blue EUR	€ 754.84	-	-6.91	0.00
Other International Funds				
Superfund Green Gold SICAV	$ 1045.12	-	-5.17	0.00
Superfund Red Silver SICAV	$ 408.03	-	-3.02	0.00
Toscafund Asset Management LLP (UK)				
www.toscafund.com				
Authorised Funds				
Aptus Global Financials B Acc	£ 4.26	-	0.01	4.55
Aptus Global Financials B Inc	£ 3.34	-	0.00	4.72
Toscafund Asset Management LLP				
www.toscafund.com				
Other International Funds				
Tosca A USD	$ 391.86	-	4.55	-
Tosca Mid Cap GBP	£ 274.92	-	-12.94	-
Tosca Opportunity B USD	$ 396.76	-	-23.82	-
Pegasus Fund Ltd A-1 GBP	£ 65.98	-	0.65	0.00
TreeTop Asset Management S.A. (LUX)				
Regulated				
TreeTop Convertible Sicav				
International A	€ 314.87	-	1.54	0.00
International B	$ 421.90	-	2.10	0.00
International C	£ 132.73	-	0.65	2.65
International D	€ 275.91	-	1.35	2.55
TreeTop Global Sicav				
Global Opp.A	€ 168.99	-	0.38	0.00
Global Opp.B	$ 180.09	-	0.51	0.00
Global Opp.C	£ 235.09	-	0.06	0.00
Sequoia Equity A	€ 158.22	-	1.25	0.00
Sequoia Equity B	$ 177.03	-	1.45	0.00
Sequoia Equity C	£ 201.28	-	1.09	2.99
Troy Asset Mgt (1200) (UK)				
65 Gresham Street, London, EC2V 7NQ				
Order Desk and Enquiries: 0345 608 0950				
Authorised Inv Funds				
Authorised Corporate Director - Link Fund Solutions				
Trojan Investment Funds				
Trojan Global Income O Acc	100.56	-	1.16	3.10
Trojan Global Income O Inc	97.08	-	1.12	3.16
UBS Asset Management (UK)				
5 Broadgate, London, EC2M 2QS				
Client Services 0800 358 3012, Client Dealing 0800 358 3012				
www.ubs.com/retailfunds				
Authorised Inv Funds				
OEIC				
UBS Global Emerging Markets Equity C Acc	£ 0.81	-	0.02	1.17
UBS Global Optimal C Acc	£ 0.96	-	0.03	0.74
UBS UK Opportunities C Acc	£ 0.86	-	0.02	3.06
UBS US Equity C Acc	£ 1.14	-	0.03	0.28
UBS S&P 500 Index C Acc	£ 0.77	-	0.00	1.55
UBS Targeted Return C Acc	£ 13.62	-	-0.01	1.28
UBS Sterling Corporate Bond Indexed C Acc	£ 0.60	-	0.00	2.86
UBS Multi Asset Income C Inc Net	£ 0.49	-	0.00	3.94
UBS UK Equity Income C Inc Net	£ 0.69	-	0.02	4.13
UBS Corporate Bond UK Plus C Inc Net	£ 0.53	-	0.00	4.16
UBS Global Allocation (UK) C Acc	£ 0.78	-	0.01	1.67
UBS Global Enhanced Equity Income C Inc	£ 0.44	-	0.00	6.57
UBS US Growth C Acc	£ 1.22	-	0.03	0.00
UBS Emerging Markets Equity Income C Inc	£ 0.51	-	0.01	4.10
UBS FTSE RAFI Dev 1000 Index J Acc	£ 137.27	-	0.02	2.51
UBS MSCI World Min Vol Index J Acc	£ 143.11	-	0.34	2.30
Unicapital Investments (LUX)				
Regulated				
Investments IV - European Private Eq.	€ 120.08	-	-10.04	0.00
Investments IV - Global Private Eq.	€ 171.84	-	-15.19	0.00
Value Partners Hong Kong Limited (IRL)				
www.valuepartners-group.com, fis@vp.com.hk				
Regulated				
Value Partners Asia Dividend Stocks Fund A USD	$ 7.86	-	0.05	0.00
Value Partners Classic Equity Fund USD Z Unhedged	$ 15.27	-	-0.14	0.00
Value Partners Classic Equity Fund CHF Hedged	SFr 15.08	-	-0.15	0.00
Value Partners Classic Equity Fund EUR Hedged	€ 15.35	-	-0.15	0.00
Value Partners Classic Equity Fund GBP Hedged	£ 15.97	-	-0.15	0.00
Value Partners Classic Equity Fund GBP Unhedged	£ 18.03	-	-0.21	0.00
Value Partners Classic Equity USD Unhedged	$ 18.96	-	-0.18	0.00
Value Partners Global Emerging Market Bond Fund USD A Acc Unhedged	$ 10.55	-	0.00	0.00
Value Partners Global Emerging Market Equity Fund USD V Unhedged	$ 10.86	-	-0.20	-
Value Partners Greater China Equity Fund USD A (Acc) Unhedged	$ 11.74	-	-0.22	0.00
Value Partners Health Care Fund HKD Class A Unhedged	HK$ 12.90	-	0.05	0.00
Value Partners Health Care Fund USD Class A Unhedged	$ 13.00	-	0.05	0.00
Waverton Investment Funds Plc (1600)F (IRL)				
waverton.investments@citi.com				
FCA Recognised				
Waverton Asia Pacific A USD	$ 23.39	-	0.14	0.65
Waverton Global Equity Fund A GBP	£ 18.73	-	0.18	0.26
Waverton Global Strategic Bond Fund A USD	$ 8.57	-	0.00	5.02
Waverton UK Fund A GBP	£ 13.03	-	0.26	1.97
Waverton Equity Fund A GBP	£ 18.41	-	-0.07	0.00
Waverton Sterling Bond Fund A GBP	£ 9.44	-	-0.02	4.42
WA Fixed Income Fund Plc (IRL)				
Regulated				
European Multi-Sector	€ 117.89	-	0.12	3.46

Fund	Bid	Offer	D+/-	Yield
Yapi Kredi Asset Management (TUR)				
www.yapikrediportfoy.com.tr Tel: + 90 (212) 385 48 48				
Other International Funds				
Eurobond Fund	TRY 0.109418	-	0.000661	-
Koc Affiliate and Equity Fund	TRY 0.976405	-	0.867648	-
DPM Bonds and Bills Fund (FX)	$ 1.048753	-	0.939996	0.00
Yuki International Limited (IRL)				
Tel +44-20-7269-0207 www.yukifunds.com				
Regulated				
Yuki Mizuho Umbrella Fund				
Yuki Mizuho Japan Dynamic Growth	¥ 9962.00	-	6.00	0.00
Yuki Japan Low Price	¥ 50923.00	-	323.00	0.00
Yuki Japan Value Select	¥ 21149.00	-	75.00	0.00
Yuki Asia Umbrella Fund				
Yuki Japan Rebounding Growth Fund JPY Class	¥ 40477.00	-	212.00	0.00
Yuki Japan Rebounding Growth Fund USD Hedged Class	$ 1586.70	-	8.47	0.00
Zadig Gestion (Memnon Fund) (LUX)				
FCA Recognised				
Memnon European Fund I GBP	£ 160.05	-	-1.24	0.00

Data Provided by

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www.morningstar.co.uk

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Guide to Data

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Prices are in pence unless otherwise indicated. The change, if shown, is the change on the previously quoted figure (not all funds update prices daily). Those designated $ with no prefix refer to US dollars. Yield percentage figures (in Tuesday to Saturday papers) allow for buying expenses. Prices of certain older insurance linked plans might be subject to capital gains tax on sales.

Guide to pricing of Authorised Investment Funds: (compiled with the assistance of the IMA. The Investment Management Association, 65 Kingsway, London WC2B 6TD. Tel: +44 (0)20 7831 0898.)

OEIC: Open-Ended Investment Company. Similar to a unit trust but using a company rather than a trust structure.

Different share classes are issued to reflect a different currency, charging structure or type of holder.

Selling price: Also called bid price. The price at which units in a unit trust are sold by investors.

Buying price: Also called offer price. The price at which units in a unit trust are bought by investors. Includes manager's initial charge.

Single price: Based on a mid-market valuation of the underlying investments. The buying and selling price for shares of an OEIC and units of a single priced unit trust are the same.

Treatment of manager's periodic capital charge: The letter C denotes that the trust deducts all or part of the manager's/operator's periodic charge from capital, contact the manager/operator for full details of the effect of this course of action.

Exit Charges: The letter E denotes that an exit charge may be made when you sell units, contact the manager/operator for full details.

Time: Some funds give information about the timing of price quotes. The time shown alongside the fund manager's/operator's name is the valuation point for their unit trusts/OEICs, unless another time is indicated by the symbol alongside the individual unit trust/OEIC name.

The symbols are as follows: ✠ 0001 to 1100 hours; ♦ 1101 to 1400 hours; ▲ 1401 to 1700 hours; # 1701 to midnight. Daily dealing prices are set on the basis of the valuation point, a short period of time may elapse before prices become available. Historic pricing: The letter H denotes that the managers/operators will normally deal on the price set at the most recent valuation. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis. The managers/operators must deal at a forward price on request, and may move to forward pricing at any time. Forward pricing: The letter F denotes that that managers/operators deal at the price to be set at the next valuation.

Investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper are the most recent provided by the managers/operators. Scheme particulars, prospectus, key features and reports: The most recent particulars and documents may be obtained free of charge from fund managers/operators. * Indicates funds which do not price on Fridays.

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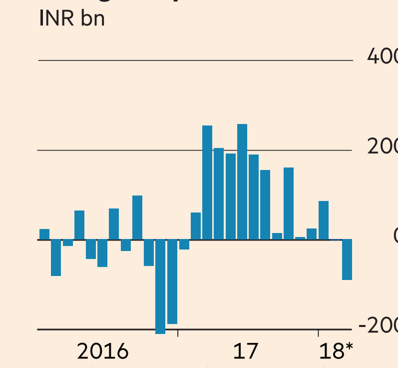
Analysis. Capital markets

Investors encourage India to roll out red carpet for foreign buyers of debt

Narendra Modi's administration must rely heavily on debt financing as it pursues development goals — AP

Monthly net investment by foreign buyers in Indian debt
INR bn



* Data up to Mar 2018

Yield for generic 10-year Indian government bond
Per cent

1. **Jun 14 2017** Consumer price data for May show record low inflation of 2.18%
2. **Nov 20 2017** Central bank cancels plans to sell government bonds worth $1.5bn
3. **Dec 28 2017** Government expands borrowing plan for next three months
4. **Mar 26 2018** Government announces smaller than expected borrowing over next 6 months

Sources: National Securities Depository Limited; Bloomberg

Bond turbulence fuels debate over worryingly shallow domestic pool

SIMON MUNDY — MUMBAI

In late March, officials from India's finance ministry held a closed-doors meeting with the banks that help sell the government's debt.

The backdrop was an unusually ugly period for the market, with the yield on 10-year government bonds rising over a percentage point since August — an alarming sign for an administration, which must rely heavily on debt financing to fund development.

Days later, the government announced an overhaul of its bond issuance policy that prompted the biggest one-day drop in ten-year yields in more than two years to 7.33 per cent — still well above the trough of 6.41 per cent reached last July.

Typically, the government front-loads its annual borrowing, with about 60 per cent of issuance in the first half of the April-March fiscal year.

This year, that proportion would be 48 per cent, the government said — reinvigorating the bond market by triggering expectations of a short-term squeeze in supply.

A further boost to sentiment came at the start of this week when the central bank extended the period over which banks must book provisions against their bond trading losses, freeing up funds for further investment.

Many in the Mumbai market warned that these measures might bring only limited relief, arguing that the recent surge in government borrowing costs reflected an unhealthily shallow pool of domestic bond buyers.

The problem could best be addressed, they argued, by opening the market further to foreign investors — a move some speculated might happen as soon as this month.

The sovereign debt market is of critical importance to India's economic policy, as the government pursues investment plans aimed at keeping economic growth above 7 per cent and at pushing per capita annual income well beyond its current level of below $2,000.

The bond market slump of recent months was the worst since the taper tantrum of 2013, when foreign investors pulled money from India and other vulnerable emerging markets.

In contrast, foreign appetite for Indian bonds has been strong over the past year.

Although they turned net sellers last month, foreign investors pumped a net $18.3bn into Indian debt — including the relatively small corporate bond market — in the financial year ending in March. That compared with net sales of $1.1bn in the previous financial year, when markets were jolted by the government's demonetisation of high-value banknotes.

The strong foreign appetite reflects a reappraisal of the country's economic fundamentals.

Teresa Kong, a portfolio manager for Matthews Asia, said: "India is a structurally different country today than what it was back in 2013 . . . fundamentally stronger and less susceptible to sudden stop of capital."

The external debt burden is smaller relative to gross domestic product, she noted, while foreign currency reserves had soared and tighter monetary policy had boosted confidence in the inflation outlook.

But while Ms Kong would like to expand her investment in Indian sovereign bonds, she is hamstrung by rules restricting foreign holdings to 5 per cent of outstanding issuance.

Together with the limited scale of India's insurance and debt mutual fund sectors, this has meant that domestic banks dominate the Indian sovereign debt market. Regulations require the banks to invest at least 19.5 per cent of their deposits in government bonds.

With their deposit bases swollen after the demonetisation of late 2016 and their appetite for new lending dented by soaring bad loan rates, the banks' investment in sovereign bonds went well above that level.

> 'India is a structurally different country today than in 2013 — stronger and less susceptible to sudden stop of capital'
>
> Teresa Kong, Matthews Asia

However, bank treasury managers concluded that holdings had gone high enough.

This caused a vicious cycle, as growing mark-to-market losses further deterred banks from buying bonds and created a worrying shortfall of demand for government debt.

The market had almost been "showing signs of having broken down" in recent months, said Suyash Choudhary, head of fixed income at IDFC Asset Management.

Participants are more immediately interested in whether the government will increase the cap on foreign investment in its debt — perhaps bringing it in line with the treatment of corporate bonds at 8 per cent.

If that were done in a staggered way, one analyst estimated that foreign investors could absorb as much as a quarter of the Rs6tn ($92bn) of bond issuance planned for the year.

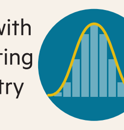
But with memories still fresh of the destabilising capital outflows of 2013, most expect the government to tread cautiously.

"In the past, sudden capital flows have caused a lot of volatility and damage," said Mahendra Jajoo, head of India fixed income investment for the Indian operation of Mirae Asset Management of South Korea. "But now India is becoming a larger economy, and there is enough strength to open up this market further."

Tail risk

All this talk of corrections needs correcting

MILES JOHNSON



Those who are tasked with analysing and commenting on markets must often try to pin a meaningful narrative on the daily gyrations of financial assets when quite possibly there was none at all. Because of this tension between the need for a narrative and the frequent absence of important new information, the language used to describe market swings can risk lurching into the imprecise or exaggerated.

In recent weeks, following a fall in the value of US stocks, we have seen the reappearance of a classic of market commentary linguistic contortion: "the correction".

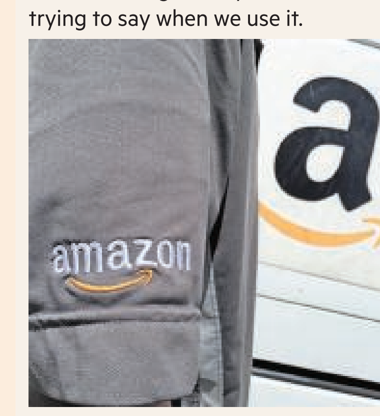
A correction is commonly defined as when a market falls by 10 per cent or more from its peak. On occasions, the term "official" is attached to correction to note when the market has finally fallen by precisely 10 per cent or more, as opposed to 9.5 per cent or 8.2 per cent. Why the seemingly arbitrary 10 per cent precisely is taken as the level for a correction, or what recognised body exists to make this "official" is never explained.

Another confusing aspect to the "correction" is why a 10 per cent fall in a market suddenly renders the new price "correct"? Was it wrong before and now it is right? Over what timeframe should we judge this? Amazon shares are down more than 12 per cent from their peak. Over six months they are still up by 43 per cent.

Those who choose to use "correction" as a meaningful construction are implicitly accepting a number of questionable and unproven concepts that are subtly embedded within the word. The idea that a 10 per cent drop is more meaningful than, say, an 8 per cent drop accepts the idea of "technical levels" and a belief that chart patterns can accurately predict future prices.

Many argue this is little more than financial sophistry (just ask bitcoin chart followers who used its "parabolic" chart pattern to extrapolate a value of $100k a coin by the end of 2018). If someone is simply trying to describe a large drop in price over a period of time, the terms "fall", or more precisely "fall by X", are surely better alternatives.

No one is likely to stop making reference to market corrections any time soon but we would all benefit by being more correct about understanding exactly what we are trying to say when we use it.



Amazon shares fell over 12% from their peak but are still up by 43%

Equities

Financial markets become a battleground as China and US seek to strengthen political hand

CHLOE CORNISH AND JOE RENNISON

The swings in US stocks over the past 48 hours undermine the notion that investors know what a trade war would mean for markets.

China's plan to impose tariffs on more than 100 US imports sent the S&P 500 tumbling more than 1.6 per cent in early trading on Wednesday before the benchmark for large-cap stocks rallied to close up 1.2 per cent. It was up a further 1 per cent in late afternoon trading yesterday.

However, what is becoming clearer, say analysts and investors, is that financial markets have themselves become a battleground as both China and the US seek to strengthen their political hand.

China's response to the Trump administration's plan to impose a levy on $50bn worth of imports was "driven by the desire to inflict as much visible political and financial market pain", said Steven Englander, head of research and strategy at Rafiki Capital Management, who said the trade spat "is largely being played out in financial markets".

Boeing shares have been among those most affected by this week's tit-for-tat after Beijing's tariffs plan included aircraft weighing between 15,000kg and 45,000kg. Panicked investors sent Boeing stock down as much as 5.7 per cent on Wednesday before it recovered to close down just 1 per cent. And as the single biggest constituent on the Dow Jones Industrial Average, accounting for almost 10 per cent of its weighting, Boeing's drop helped drag the wider index down more than 2 per cent at one point.

Shares in Caterpillar, another significant member of the Dow with a big business in China, fell as much as 4.8 per cent on Wednesday before recovering to close the day little changed.

While Boeing, Caterpillar and the Dow all headed higher yesterday, a sustained drop in the US stock market is likely to be uncomfortable for Donald Trump who has frequently pointed to its advance since his election as something of a stamp of approval.

He last tweeted about the Dow Jones on March 26, commenting "Great news! #MAGA" on a CNBC news report about the Dow posting "its third best one-day point gain ever".

"Clearly [the Chinese] have identified the areas which are most sensitive," Edmund Shing, head of equity derivative strategy at BNP Paribas, said of China's decision to target American products like soybeans and aircraft. "I feel the Chinese are very open to negotiating, but they don't want to lose face".

While equity investors cheered Mr Trump signing corporate tax cuts into law late last year, the threat that he will target China as part of a plan to return jobs to the US is potentially a new headwind for the S&P 500.

The promise to return jobs to the US won him support, and market analysts expect him to double down on these themes ahead of the midterm congressional elections in November.

Johan Javeus, chief strategist at SEB Group, the Nordic bank, said the US's planned tariffs on Chinese goods were "very much aimed for the US public".

China's threatened soybean levy will hit the US where it hurts

The degree to which China's retaliation was designed to make an uncomfortable political impact in markets was underlined in the threat to impose a levy on soyabeans.

With US soyabean exports worth $14bn annually, and China the biggest export market, prices of the legume initially fell 3 per cent. Soyabean farming is concentrated in states that helped swing the 2016 US election Mr Trump's way such as Iowa, Minnesota and Ohio, Goldman Sachs noted.

Stefan Selig, founder of BridgePark Advisors and former undersecretary of commerce for international trade under Barack Obama, said that the skirmishes over tariffs were not "good either for markets or economic growth".

While investors may struggle to work out the ultimate effects of a possible trade war, they may have to get used to financial markets being part of the negotiation process.

US commerce secretary Wilbur Ross helped US stocks stabilise on Wednesday after remarking that "even shooting wars end with negotiations".

Additional reporting by Emma Dunkley in Hong Kong and Robin Wigglesworth in New York

Equities

BlackRock funds to shun gun shares after school shootings

CHRIS FLOOD

BlackRock, the world's largest asset manager, is to launch a range of new funds that exclude firearms manufacturers and retailers following the deaths of 17 people in a deadly high school shooting in Florida in February.

New York-based BlackRock is one of the biggest shareholders of the three largest US publicly traded gun companies. It owns 16.9 per cent of Sturm Ruger; 11.1 per cent of American Outdoor Brands; and 12.7 per cent of Vista Outdoor.

These companies, along with the retailers Walmart, Dick's Sporting Goods and Kroger, will be excluded from two new BlackRock exchange traded funds tracking US smaller companies and bonds that score well on a range of environmental, social and governance (ESG) metrics.

It has also decided to exclude firearms manufacturers and retailers from an existing range of six ESG equity and bond ETFs that have around $2.2bn in total assets.

US public pension funds are also under growing pressure to divest from gun manufacturers.

BlackRock is seeking to respond to those pressures by offering institutional investors five new index tracking strategies that will follow broad benchmarks, such as the S&P 500, but exclude gun producers and large retailers of civilian firearms.

"It is ultimately our clients' choice about the types of funds they invest in," said BlackRock in an internal memo. "We will continue to engage with all our clients to understand their needs and preferences so that we can effectively meet their investment objectives."

The comptroller of New York state's pension funds wrote last week to the heads of nine major US financial companies including JPMorgan, Bank of America and Wells Fargo to ask them to explore the cost of implementing systems that could reject purchases of firearms, ammunition or other gun accessories via credit cards.

Thomas DiNapoli, the comptroller, asked the companies to consider whether gun purchases should be classified alongside other risky transactions including pornography, illegal drugs and cryptocurrencies.

"If gun violence continues unabated in society, public outcry and calls for action may grow and create significant financial risk for the company," Mr DiNapoli said in the letter.

Markets & Investing

FINANCIAL TIMES

The day in the markets

What you need to know

- Global stock markets gain ground as trade war worries ease
- White House seeks to calm concerns about tariffs
- Dollar higher across the board while Treasury yields rise and gold falls

German stocks record biggest one-day gain in a year

Xetra Dax index

Source: Thomson Reuters Datastream

An easing of concerns about the possibility of a US-China trade war helped drive a further improvement in global risk appetite as optimism mounted that Washington and Beijing would manage to resolve their differences.

White House officials attempted to play down the rhetoric, saying the Trump administration was involved in negotiations with China and that current US trade tariffs were just proposals.

"It appears that President Trump remains very focused on avoiding any large-scale fallout in US equity markets," said Derek Halpenny, analyst at MUFG.

"That could have serious repercussions for Mr Trump's approval rating as we head toward the midterm elections."

However, analysts highlighted that considerable uncertainty remained as to what would happen next.

"Trade policy risks are perhaps spilling over into the outlook for monetary policy and perhaps focusing investors' attention on the extended run-up in equity markets in recent years," said Scotiabank.

Nevertheless, the S&P 500 index extended the previous day's rally to leave it just a whisker away from re-entering positive territory for the year while the Xetra Dax in Frankfurt jumped 2.9 per cent, its biggest one-day rise since April 2017.

Citi strategists said they expect global equities to rise 8 per cent by year-end.

"Synchronised growth in the global economy and tax cuts in the US should help to drive another year of healthy earnings-per-share gains across all major markets," the bank said.

The "risk-on" mood helped push sovereign bond prices lower across the globe with the yield on the 10-year Treasury pushing back above 2.8 per cent to its highest in a fortnight.

The yen softened to its weakest level against the dollar since late February, gold lost ground and the CBOE Vix equity volatility index dipped below its long-term average of 20 for the first time in two weeks.

Attention is now likely to turn to the health of the US economy as the markets digest the March non-farm payrolls report, due out today. The focus is likely to be on the pace of average hourly earnings growth. **Dave Shellock**

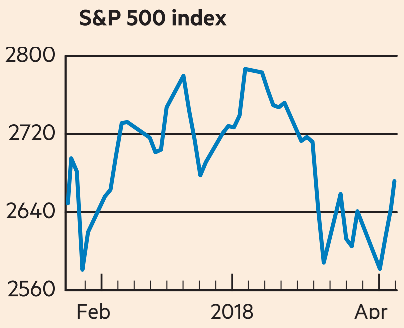
Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	2671.75	1475.03	21645.42	7199.50	3131.11	85722.12
% change on day	1.02	2.48	1.53	2.35	-0.17	1.62
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	90.425	1.223	107.460	1.400	6.300	3.331
% change on day	0.314	-0.569	0.864	-0.639	0.000	-0.665
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	2.780	0.498	0.026	1.366	3.776	9.543
Basis point change on day	1.000	0.000	0.610	1.000	-1.800	2.300
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	336.47	68.32	63.58	1337.30	16.46	3193.80
% change on day	1.00	0.15	0.06	0.29	-0.36	-0.80

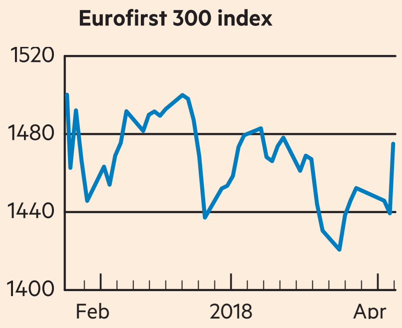
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

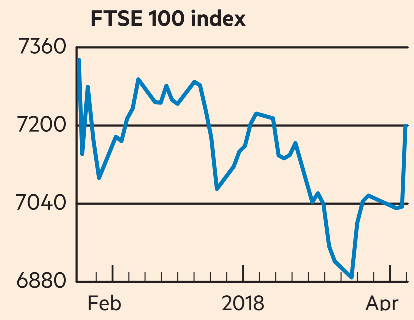
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Marathon Oil	6.51	Arcelormittal	5.58	Micro Focus Int	8.86
	Navient	5.22	Raiffeisen Bank Internat	5.54	Evraz	5.46
	Range Resources	4.86	Telecom Italia	5.22	Johnson Matthey	4.34
	Mosaic (the)	4.73	Omv	4.96	Easyjet	4.22
	Albemarle	4.73	Tenaris	4.60	Royal Dutch Shell	3.99
Downs	Micron Technology	-5.64	Seadrill	-1.76	Direct Line Insurance	-9.96
	Hormel Foods	-2.98	Carlsberg	-1.12	Aviva	-2.93
	Regeneron Pharmaceuticals	-2.87	Red Ele.	-0.51	Randgold Resources Ld	-2.49
	Under Armour	-2.46	Terna	-0.17	Pearson	-1.32
	Biogen	-2.33	Lindt	-0.14	Just Eat	-1.30

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

Spotify climbed more than 2 per cent to $147.40 after Stifel started coverage of the music streaming service with "buy" advice and a $180 target.

It forecast Spotify would reach operating income profitability by 2020 based on monthly average users growing to 300m by 2021 — with more than half as paying subscribers — from 160m at the end of 2017.

"We think Spotify's market leadership, emerging markets exposure, favourable user demographics, the secular shift to mobile and digital services, as well as the near-universal appreciation of music, will support Spotify's growth for years to come," said Stifel.

Industrials that received a drubbing in early trading on Wednesday after China hit back at US protectionist measures with tariffs of its own on US imports were among yesterday's top gainers by New York mid-session. **Boeing** bounced back with a 2.5 per cent gain.

Deere & Company, the tractor maker, rose 1.1 per cent while **Caterpillar** advanced 1.7 per cent. Sentiment for both companies was hurt by concerns that China's proposed tariffs on soyabeans and other agricultural products would hurt US farm income.
Bryce Elder and Pan Kwan Yuk

Eurozone

Ubisoft rose close to 11 per cent on news that Far Cry 5 had become the computer game maker's second-biggest launch ever with $310m in sell-through consumer spending in the first week of release. Digital distribution accounted for more than 50 per cent of total sales.

"The success of Far Cry 5 and strong digital performance confirms that Ubisoft has successfully embraced the digital transition and game-as-a-service business model," said Kepler Cheuvreux. It estimated 3m units sold would generate around €135m of net revenues for Ubisoft.

European equities jumped yesterday with Germany's Dax up almost 3 per cent — its best performance this year.

Linde, the German chemicals group, led the index, closing up nearly 5 per cent. The stock had been under pressure since the European Commission launched a probe into its planned merger with US rival Praxair in February.

Outokumpu, the Finnish stainless steel group, rose 7 per cent as investors concluded there was upside in the stock, which has fallen nearly 20 per cent since February. Credit Suisse analysts, however, said they preferred the "risk-reward balance for other names" and would keep a "neutral" rating on Outokumpu.
Bryce Elder and Chloe Cornish

London

Shire was in demand after Takeda, its potential acquirer, hosted an analysts' meeting to address concerns about the deal's size and strategic rationale.

Christophe Weber, Takeda's chief executive, was reported by analysts who attended as saying that buying Shire would accelerate the Japanese group's transformation and that it can afford a deal without sacrificing its investment-grade credit rating or dividend.

Sophos led the FTSE 250 gainers after a trading update from the security software maker showed a rebound in billings. The reassurance helped sector peer **Micro Focus**, which suffered similar weak trends to Sophos in the last quarter.

Johnson Matthey climbed amid speculation of stakebuilding by an activist investor. The appearance of an activist on Matthey's shareholder list will probably revive talk that Matthey could split its vehicle batteries division from the exhaust catalysts business, which is seen to be in long-term decline.

Just Eat faded after JPMorgan Cazenove turned negative. The rapid expansion of Deliveroo and UberEats has seen them take a bigger share of chain restaurants and upscale operators, which makes Just Eat's core UK business more fragile, the broker argued. *Bryce Elder*

Oil traders should pay more attention to the Middle East power struggle

David Sheppard

Markets Insight

In the past 14 days Saudi Arabia, the world's largest oil exporter, has faced a barrage of missiles aimed at its capital city, an attack on a super-tanker hauling 2m barrels of crude, and a second missile launch aimed at oil storage tanks on its Red Sea coast.

Oil prices, normally a reasonable barometer of geopolitical risk in the Middle East, have responded to these attacks from Houthi rebels in Yemen by falling 3 per cent over the same period.

Oil traders, distracted for now by a brewing trade war between the US and China, are at risk of growing complacent. But it is unlikely they will be able to discount Saudi Arabia's conflict in Yemen much longer.

Since Riyadh entered Yemen's war in 2015, the oil market has changed dramatically. At the time, crude markets were awash with excess supplies created by the US shale industry and Opec's post-2014 decision to pump full blast.

That allowed the loss of supplies from Yemen — which were above 400,000 barrels a day in the early years of this decade — to be readily discounted, even as they slowed to less than 10 per cent of that level.

The fighting, largely confined to the Arabian peninsula's poorest country, was seen as of limited risk to the wider oil market, whatever the humanitarian catastrophe that unfolded.

But the oil industry is in a very different place today. Opec is back to managing supplies through output curbs and the market is significantly tighter than it was three years ago as demand has grown strongly. Any disruption to oil supplies now would be felt much more keenly, even as US shale production breaks new records.

The Houthi attacks over the past two weeks also suggest an increased willingness to wage a concerted effort targeting the economic lifeblood of the kingdom, a move Riyadh is unlikely to take lightly.

While the recent bids to hit Saudi oil shipments or energy infrastructure have been thwarted, with the kingdom's oil minister, Khalid al-Falih, describing them as "a desperate attempt" that would fail to disrupt oil supplies, analysts are increasingly unnerved.

With the rebels widely seen as enjoying backing from Iran, Saudi Arabia's fellow Opec member and regional rival, the potential for the oil market to be impacted by secondary effects from the conflict increases.

Helima Croft, a former CIA analyst who heads RBC Capital Markets commodity strategy team, this week told S&P Platts it had become the "most dangerous confrontation for the oil market", describing it as a potential "tripwire for a direct confrontation between Saudi Arabia and Iran".

> Oil prices have responded to recent attacks from Houthi rebels in Yemen by falling 3 per cent

Iran, which most military analysts believe must have supplied the ballistic missiles capable of reaching Riyadh — more than 500km from the Yemen border — is itself feeling greater pressure on its oil supplies as tensions with Saudi Arabia have mounted.

Mohammed bin Salman, Saudi Arabia's powerful crown prince, has been in the US for the past two weeks, lobbying not just for investment and partnerships as part of his economic transformation plans, but also for increased pressure on Iran.

Donald Trump, the US president, will decide next month on whether to withdraw from the Iran nuclear deal, which he has described as "the worst" ever negotiated, potentially hitting Iran's crude exports again after sanctions curtailed Tehran's oil sales between 2012 and 2015. His appointment of Iran hawk John Bolton as national security adviser does not suggest a change of course.

Though the Iranian oil volumes affected are likely to be less this time without the backing of the EU and other US allies that still support the nuclear deal, it would still arrive at a time when the oil market is already tightening.

While Saudi Arabia — the only country with significant spare oil production capacity — may see an opportunity in lower Iranian oil exports to capture additional market share, such a move would do little to soothe tensions between the two countries.

In the meantime, a successful assault by Houthi rebels on a Saudi oil shipment, refinery or storage facility would be a significant escalation. A direct ballistic missile hit on a residential area in Riyadh, which has so far depended on US-produced Patriot missile defence systems to avert more damage, would also probably demand a more severe response from Saudi Arabia.

The next ministerial Opec meeting in Vienna, when the Saudi Arabian and Iranian oil ministers next come face to face, is a little over two months away.

What was expected to be a simple rollover of their supply deal, which many expect Saudi Arabia to push the cartel — and Russia — to agree later this year to extend it into 2019, may become a lot more interesting. Oil traders should be paying attention.

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