FINANCIAL TIMES

WEDNESDAY 10 AUGUST 2016 | WORLD BUSINESS NEWSPAPER | EUROPE

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Putin and Erdogan pledge to end stand-off and restore friendship

- Economy woes and failed coup spur detente
- Concern in west over meeting in Russia

KATHRIN HILLE — MOSCOW

The Russian and Turkish presidents vowed to restore their friendship yesterday, ending an eight-month stand-off over the Syrian conflict as economic pressures and the failed Turkey coup drove the two regional powers together.

Vladimir Putin greeted Recep Tayyip Erdogan at a former imperial residence outside St Petersburg overlooking the Gulf of Finland, for their first meeting since Turkish forces shot down a Russian military aircraft on the Syrian border in November last year.

The "axis of friendship" between Moscow and Ankara had been resurrected, Mr Erdogan said following more than four hours of talks, adding that relations between the two countries would be closer than before the quarrel over Syria that brought them to the brink of military conflict.

Ties "are a lot more robust than ever, and they will help us resist any potential crises", Mr Erdogan added, addressing his Russian counterpart as "my dear friend" three times in as many minutes.

The Turkish leader's choice of Russia for his first foreign trip since last month's failed coup gave the summit broader geopolitical significance, with some in the west fearing that the Nato member might be drawn into the Kremlin's orbit, despite their support for opposite sides in the Syria conflict.

Mr Erdogan was incensed by what he saw as a lack of solidarity from his Nato allies following the attempted putsch and criticism of the ensuing crackdown. In contrast, he welcomed the Kremlin's unequivocal backing.

"The western world must show solidarity with Turkey, which has adopted its democratic values," Mr Erdogan told Le Monde newspaper in an interview published yesterday. "Unfortunately, western leaders have preferred to leave Turkish people to themselves."

He added: "Instead of showing empathy, western leaders had the opposite reaction. This makes us sad and it is unacceptable."

Despite the detente, Mr Putin was more reserved, breaking barely a smile at a news conference. "There have been dramatic periods in our relations, but inevitably our mutual respect gained the upper hand," he said. "We want to and we will restore relations to the full dimension. We feel the sincerity of our Turkish friends and want to do this."

Mr Putin reacted furiously when the Turkish military shot down the Russian fighter after it allegedly crossed into Turkey's airspace while patrolling northern Syria. The Kremlin imposed a series of embargoes on Turkey covering tourism, construction and food exports to Russia. It also denounced Mr Erdogan as an autocrat and accused his family of profiting from the illegal oil trade with Isis militants in Syria.

But yesterday, he said full restoration of economic and trade ties was "only a question of time". Moscow and Ankara would seek to develop economic relations under a three-year programme running until 2019, he added. He did not give concrete deadlines for the revival of a visa-free travel regime and Russian charter flights to Turkey.

The rapprochement began in June when the Kremlin accepted Mr Erdogan's apology for the downing of the jet. Within days, officials had begun talks to roll back sanctions.

In St Petersburg, the atmosphere had improved enough for the summit lunch table to be decked out with plates featuring a photo of the two leaders shaking hands. Later in the afternoon the leaders were joined by diplomatic and military chiefs to discuss the Syria war.

"It's well known that we are far from agreeing on the issue of Syria, but we have a common goal: that this crisis needs to be resolved," Mr Putin said.

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Axis of friendship: Vladimir Putin and Recep Tayyip Erdogan in St Petersburg yesterday
Alexei Nikolsky/EPA/Sputnik

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The EU's demand that Turkey overhaul its terror laws in return for visa-free travel is 'impossible' after the attempted coup, Omer Celik, the country's EU minister, tells the FT

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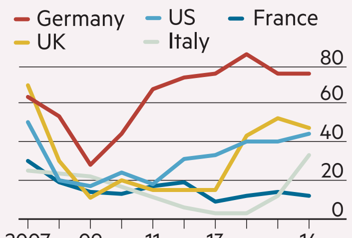
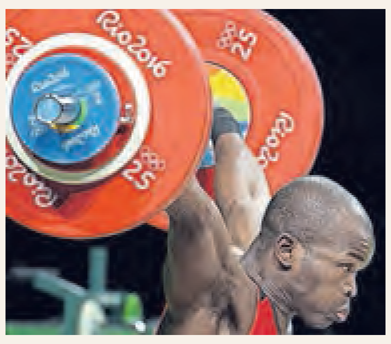
Datawatch

How's the economy doing?
% of respondents who think their country's current economic situation is good



Source: Pew Research Center

Ten years after the financial crisis, most people feel their country's economy is not in good shape, even though sentiment has improved. The mood in France is particularly glum. Germans, Swedes and the Dutch are the most upbeat in Europe



Media fervour keeps big sponsors loyal to Games

Rio 2016 ▸ PAGE 4

Austria	€3.60	Luxembourg	€3.60
Bahrain	Din1.7	Macedonia	Den220
Belgium	€3.60	Malta	€3.50
Bulgaria	Lev7.50	Morocco	Dh43
Croatia	Kn27.50	Netherlands	€3.60
Cyprus	€3.50	Norway	NKr35
Czech Rep	Kc100	Oman	OR1.50
Denmark	DKr32	Pakistan	Rupee 280
Egypt	E£20	Poland	Zl 18
Finland	€4.10	Portugal	€3.50
France	€3.60	Qatar	QR15
Germany	€3.60	Romania	Ron17
Gibraltar	£2.70	Russia	€5.00
Greece	€3.50	Serbia	NewD420
Hungary	Ft1090	Slovak Rep	€3.60
India	Rup195	Slovenia	€3.50
Italy	€3.50	Spain	€3.50
Kazakhstan	US$5.50	Sweden	SKr37
Kenya	Kshs300	Switzerland	SFr5.90
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Bank of England runs into trouble on second day of post-Brexit QE drive

ELAINE MOORE AND JOSEPHINE CUMBO — LONDON

The Bank of England's new bond-buying programme ran into trouble on its second day yesterday, as pension funds and insurance companies struggling with a deepening funding crisis refused to sell gilts to the central bank.

Investors rejected the BoE's attempt to buy £1.17bn of long-dated government bonds in spite of receiving prices significantly above market levels and offered to sell just £1.12bn.

Last week, BoE governor Mark Carney unveiled a package of monetary easing measures designed to cushion the economy from an anticipated downturn following Britain's vote to quit the EU. It surprised financial markets by its breadth and led to a further collapse in government bond yields.

The auction shortfall triggered a sharp drop in gilt yields as investors questioned whether the BoE will find enough sellers to complete the revived £70bn quantitative easing scheme.

"The fact that their first attempt to buy long-dated gilts has failed raises significant question marks," said Mitul Patel, head of interest rates at Henderson Global Investors.

BoE officials are confident future auctions will be covered in full and pointed out that the shortfall was small and that trading in markets is thin in August. It was due to release a statement today.

However, investors say the BoE is likely to run into the same problem at its next auction of long-dated gilts as pension funds grapple with severe funding mismatches. "The Bank of England fell £50m short in its gilt purchase target for today, and even then only secured this much by paying well above market price," said Darren Bustin, head of derivatives at Royal London Asset Management. "Short term, to meet its QE targets the bank may seek to target bonds less prized by pension schemes."

Benchmark 10-year gilt yields have fallen from 2 per cent to an all-time low of 0.56 per cent this year, opening up record shortfalls in UK pension schemes which use bond yields to calculate liabilities. The combined deficit of the UK's 6,000 private-sector pension schemes rose to a new high of £408bn last month, according to the Pension Protection Fund, up from £383.6bn in June.

"Record lows in gilt yields continued to put pressure on pension scheme funding," said the fund.

Additional reporting by Gemma Tetlow and Emily Cadman

BoE stimulus page 22

World Markets

STOCK MARKETS

	Aug 9	prev	%chg
S&P 500	2186.12	2180.89	0.24
Nasdaq Composite	5235.42	5213.14	0.43
Dow Jones Ind	18572.12	18529.29	0.23
FTSEurofirst 300	1357.93	1345.09	0.95
Euro Stoxx 50	3028.72	2982.92	1.54
FTSE 100	6851.30	6809.13	0.62
FTSE All-Share	3724.84	3700.89	0.65
CAC 40	4468.07	4415.46	1.19
Xetra Dax	10692.90	10432.36	2.50
Nikkei	16764.97	16650.57	0.69
Hang Seng	22465.61	22494.76	-0.13
FTSE All World $	276.84	275.27	0.57

CURRENCIES

	Aug 9	prev		Aug 9	prev
$ per €	1.111	1.107	€ per $	0.900	0.903
$ per £	1.299	1.304	£ per $	0.770	0.767
£ per €	0.855	0.849	€ per £	1.169	1.177
¥ per $	101.895	102.535	¥ per €	113.226	113.552
¥ per £	132.378	133.690	£ index	78.514	78.665
€ index	88.775	88.580	$ index	100.275	100.094
SFr per €	1.091	1.089	SFr per £	1.276	1.282

COMMODITIES

	Aug 9	prev	%chg
Oil WTI $	42.94	43.02	-0.19
Oil Brent $	45.21	45.39	-0.40
Gold $	1341.00	1336.80	0.31

INTEREST RATES

	price	yield	chg
US Gov 10 yr	100.52	1.57	-0.02
UK Gov 10 yr	107.86	0.69	-0.03
Ger Gov 10 yr	106.15	-0.14	0.00
Jpn Gov 10 yr	101.53	-0.04	0.00
US Gov 30 yr	104.81	2.28	-0.03
Ger Gov 2 yr	103.16	-0.66	0.00
	price	**prev**	**chg**
Fed Funds Eff	0.39	0.38	0.01
US 3m Bills	0.31	0.28	0.03
Euro Libor 3m	-0.32	-0.32	0.00
UK 3m	0.40	0.41	-0.02

Prices are latest for edition | Data provided by Morningstar

A Nikkei Company

Turkey rejects EU demands on terror laws

Overhaul of legislation impossible in wake of failed coup, minister says

LAURA PITEL — ISTANBUL
JIM BRUNSDEN — BRUSSELS

The EU's demand that Turkey must overhaul its terror laws in return for visa-free travel is "impossible" after last month's attempted coup, the country's EU minister has warned.

In an interview with the Financial Times, Omer Celik dealt a fresh blow to the fragile deal between the EU and Ankara that has helped stem the flow of refugees and migrants to European shores.

For the EU to ease visa requirements for 79m Turkish citizens — one of a series of incentives promised in return for Turkey's help with the refugee crisis — Turkey needs to amend its sweeping terror legislation in line with EU law and guidance from the Council of Europe.

Mr Celik said Turkey was open to discussions about counterterror law with European partners and could commit to reforms in the longer term. He warned, however, that it was "impossible" in the short term after the government was almost overthrown by alleged supporters of Fethullah Gulen, an exiled cleric whom Turkey has branded a terrorist. He strongly denies the accusation.

Mr Celik said Turkey had survived "a coup attempt by a terrorist organisation", adding: "We have the PKK, Daesh [Isis] and other groups launching attacks so it would not be intelligent to make an amendment in the terrorism law at this point."

FT **Tourists shun cruises over terror fears**
Attacks in Paris, Brussels and Turkey hit demand
ft.com/travel-leisure

The EU has repeatedly made clear that it is not willing to bend the rules on the question of reforming terror laws. Dimitris Avramopoulos, the EU's migration commissioner, told the FT: "We have always been clear with our Turkish partners on visa liberalisation — if Turkey wants visa liberalisation, all conditions must be met."

The warning from Turkey came as it emerged that several parts of the controversial deal had broken down in the wake of the coup attempt on July 15.

The resettlement of Syrians from Turkey to Europe was temporarily halted when Turkish officials were unable to provide the correct paperwork in the chaos after the failed putsch.

In Greece, Turkish liaison officers posted to help process asylum claims were called back to Turkey. EU officials insisted this had no impact on the continuing work but, even before the coup attempt, forced returns of failed asylum seekers from Greece were on hold because of big backlogs and legal delays.

Vincent Cochetel, director of the European office of the UN High Commissioner for Refugees, said recently that the agreement had been "de facto suspended" in the turmoil following the failed coup, in which more than 270 people were killed and which prompted a purge of Turkey's civil service, police force, judiciary and the military. He told Agence Europe that the episode had created "complications" in several aspects of the deal.

Despite technical and political glitches, the number of people using smugglers to make the sea journey from Turkey's Aegean coast to the chain of nearby Greek islands has fallen sharply since the landmark deal was struck in March. According to official figures, before the agreement about 1,740 migrants were crossing from Turkey's Aegean coast to the chain of nearby Greek islands every day. In June, the daily average was 48.

Turkey, however, has made clear that it will not continue to uphold its obligations — which include clamping down on smuggling networks and taking back all "irregular" migrants arriving in Greece from Turkey after March 20 — if it is not granted the full array of promised incentives.

The package included €3bn in aid for the 2.7m Syrian refugees living in Turkey and an agreement to relocate one Syrian to Europe for every one sent back to Turkey. The most politically appealing offer for Turkey's leadership was the promise of visa-free travel for Turkish passport holders to the EU's borderless Schengen zone.

Mevlut Cavusoglu, Turkey's foreign minister, provoked an angry response from Germany last week when he warned that Ankara would "renounce" the bargain if visa liberalisation was not granted by October, a deadline already pushed back from the end of June. Sigmar Gabriel, Germany's deputy chancellor, said his country "should not let itself be blackmailed" by Turkey.

Mr Celik said that Turkey was meeting its responsibilities and wanted to cooperate with its European allies to find a solution to "a joint problem". He added, however: "We do not accept an approach that says that Turkey must fulfil its liabilities in the package but the European Union must not fulfil its own."

Tensions are already running high between Recep Tayyip Erdogan, Turkey's president, and European leaders, who have voiced concern about the arrest or dismissal of more than 70,000 people allegedly linked to the coup. For his part, Mr Erdogan has harshly attacked his EU allies for a lack of solidarity in the aftermath of an attempt to kill him and overthrow the government.

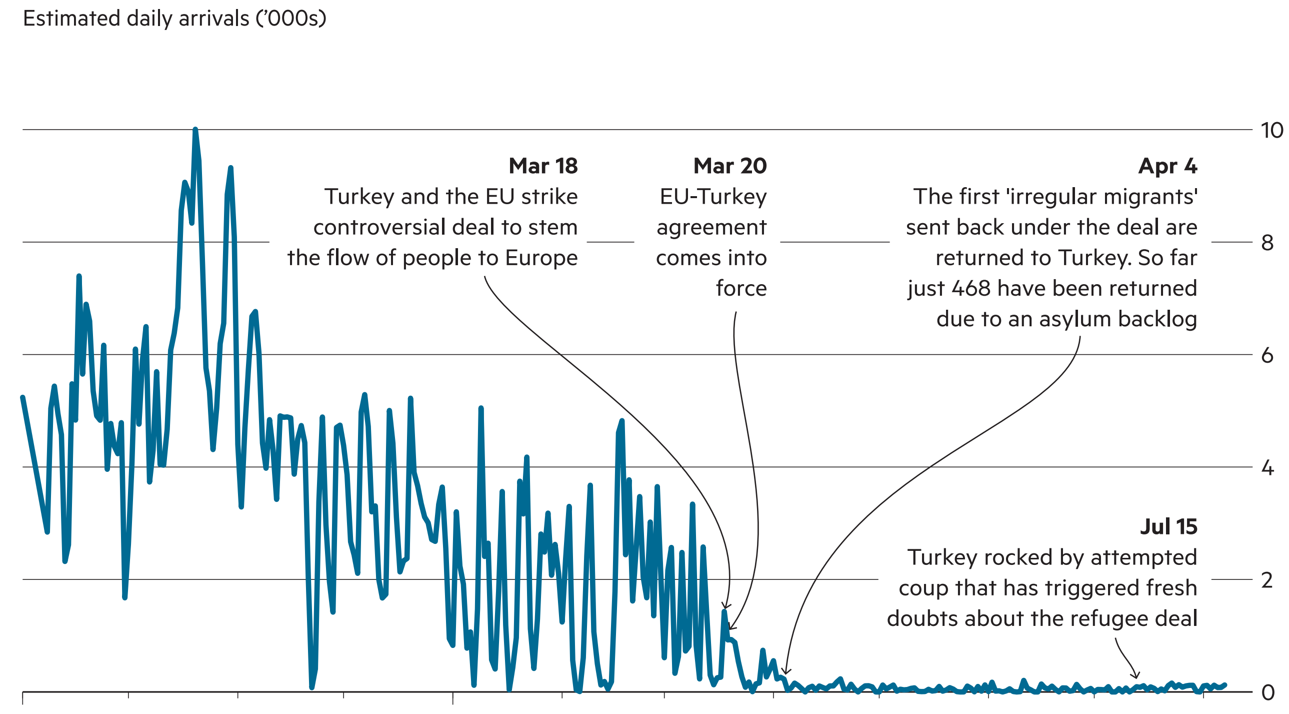
On Sunday night at a huge anti-coup rally in Istanbul, the president repeated a promise to approve a reintroduction of the death penalty if it was backed by parliament. Angela Merkel, the German chancellor, has made clear that a return to capital punishment would instantly end Turkey's hopes of EU accession — another plank of the refugee deal.

One EU diplomat based in Ankara said it was not clear that the collapse of the agreement would even make a difference. "It is not the Turks who are stopping the refugees. It is the fact that the Balkan route is closed — and that the processing in Greece is taking so long."

Editorial Comment page 8

Long wait: Syrian boys stand outside their tents at a refugee camp in Osmaniye, Turkey, above. Right, Omer Celik. Left, Recep Tayyip Erdogan attends the anti-coup rally in Istanbul on Sunday
Umit Bektas/Reuters; Adem Altan/AFP; Kayhan Ozer/Reuters

Migrant flows into Greece
Estimated daily arrivals ('000s)



Source: UNHCR

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Industrial deflation

Chinese prices fall at slowest pace in two years

YUAN YANG — BEIJING

The steep fall in prices afflicting Chinese industrial groups slowed last month to its lowest rate in almost two years, as the prices of metals and coal started to rebound.

China's industrial producer price index fell 1.7 per cent in the year to July, government statistics showed yesterday, a relief compared with 2.6 per cent the previous month and lows of 6 per cent deflation in the second half of last year.

"Easing deflation bodes well for corporate earnings, particularly in upstream sectors," said Larry Hu of Macquarie Capital, a financial advisory group.

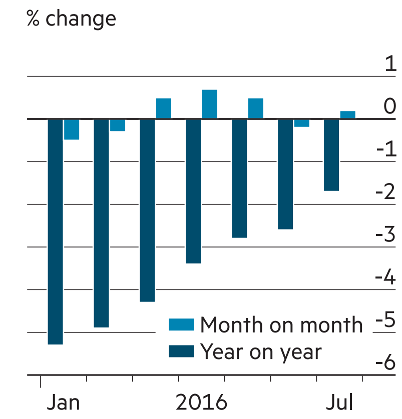
China's persistent producer-price deflation has been largely due to slumping commodity prices. However, this has translated into profits for companies further down the supply chain that buy commodities as inputs.

In an economy plagued by industrial overcapacity, corporate over-leverage and a long-term growth slowdown, observers have been questioning how much longer China's industrial profit growth can continue.

Industrial profits at large companies in China rose 5.1 per cent year on year in June, according to the National Bureau of Statistics.

It said the improvement in industrial deflation compared with the previous month was largely the result of a rebound in prices of metal mining and processing, including steel. The prices of petroleum and natural gas extraction, and of coal mining, continued to rise.

China producer price trends
% change



Source: National Bureau of Statistics

In the long term, however, the uptick in steel prices is not likely to have a lasting impact on China's PPI, said Tomas Gutierrez of Kallanish Commodities.

"Steel is generally looking stronger than expected but this is mainly due to low inventories and sustained exports, not really because of the fight against overcapacity," he added.

Meanwhile, Zhou Hao, senior economist at Commerzbank, warned that the data could undermine China's economic reforms, as "rising steel and coal prices may slow down the rate of capacity cutting".

China has come under fire from its trading partners for alleged dumping of excess steel on to the world market. The government has vowed to cut industrial overcapacity as part of its five-year plan to 2020.

But the implementation of capacity cuts has been patchy, with several closed steel mills reopening this spring after the price of steel futures jumped.

China's consumer price index continued to rise, with inflation at 1.8 per cent in the year to July, according to yesterday's data.

Bad debts

India's central bank chief urges lenders to persist with clean-up

AMY KAZMIN — NEW DELHI

Raghuram Rajan, India's outgoing central bank governor, said in his final monetary policy statement that he was "comfortable" with recent progress made in cleaning up India's banking system, but urged banks and over-indebted industrialists to keep up the effort to resolve bad debt problems.

His comments come amid speculation over who will take the helm of the Reserve Bank of India after Mr Rajan steps down next month. In his nearly three years in office, Mr Rajan championed the aggressive clean-up of the books of state-owned banks — discomfiting many politically connected tycoons — or so-called corporate promoters.

"The culture of cleaning up seems to be well embedded, as well as the culture of recognition of bad loans," Mr Rajan said. "What remains is [to restructure] some of the large stressed projects . . . in a way that makes sense for the health of the system and the health of the project.

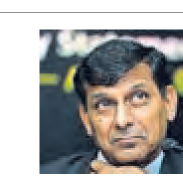
"The path is clear. The banks know what needs to be done, and the promoters know what needs to be done. Now it's a process of doing it, as opposed to backtracking . . . Banks have enough tools. The real issue is to use them. We don't want to go back to the old days of forbearance."

As expected, Mr Rajan held interest rates steady in his final monetary review, after inflation hit a two-year high of 5.77 per cent in June on sharp increases in food prices, posing an "upside risk" to the country's inflation target of 5 per cent by next March.

But Mr Rajan also urged banks to pass on the benefits of past interest rate cuts to borrowers, expressing disappointment at banks' slow pace of cutting lending rates — or "transmission" of previous policy rate reductions.

Mr Rajan also urged Prime Minister Narendra Modi's government to move ahead with setting up a promised Monetary Policy Committee, which is supposed to take future interest rate decisions out of the sole hands of the RBI governor.

Raghuram Rajan: 'The path is clear. Banks have enough tools. The real issue is to use them'



The new system, approved by parliament last month, calls for interest rates to be set by a new six-member committee, on which the RBI governor will have a vote only in case of deadlock.

Mr Rajan called the establishment of the MPC — which is intended to help insulate RBI governors from political pressure — a "fundamental institutional reform" that would be a big step towards the modernisation of the RBI.

"My hope is that the next monetary policy statement [in October] will be by the proposed Monetary Policy Committee," he said.

Last week, New Delhi reaffirmed that it will maintain its existing long-term 4 per cent inflation target set with the RBI, with a band of 2 per cent up or down.

Mr Rajan, admired internationally for his efforts to modernise the RBI, stunned India in June when he declared that he would not seek a second term when his initial three-year term ended, after it was apparent that Mr Modi was reluctant to offer him an extension.

Tension between Mr Rajan and Mr Modi's government had simmered over the governor's perceived hawkish stance on inflation, and what many complained was his overly aggressive clean-up of state banks. Powerful business owners long accustomed to papering over their companies' financial woes with easy access to capital from state banks were particularly upset.

Mr Rajan had wanted to see through the bank clean-up and the establishment of the Monetary Policy Committee to help it get up and running. But he said he felt he had delivered "value added" as RBI governor, and would continue to try to do so until his time in office ran out. He said: "Twenty-eight days are still left in my tenure and I intend to utilise them fully."

India's one nation tax page 9

FT **Singapore banks: too much excitement**
In a sector that has had a bit too much excitement in recent years, the pedestrian reputation of Singapore's banks is welcome. That reputation is changing, however.
ft.com/lex

INTERNATIONAL

One-third of biggest Obama donors have yet to fund Clinton campaign

Only 340 of president's 500 largest backers from 4 years ago have given to this year's Democratic candidate

JENNIFER BISSELL — NEW YORK

Roughly one-third of the biggest donors to Barack Obama's 2012 campaign have yet to donate to back Hillary Clinton this cycle, suggesting that she has failed to attract some of the wealthy Democrats who carried him to the presidency.

Only 340 of Mr Obama's 500 largest financial backers have donated to funds supporting Mrs Clinton, according to a Financial Times analysis in collaboration with Crowdpac, a political data start-up. More striking is the fact that of those who have donated, half have contributed 5 per cent of the sums they gave four years ago, or less.

The president's top 2012 donors were among the first to take advantage of the enhanced power of super political action committees after the 2010 Citizens United and SpeechNow.org federal court decisions lifted restrictions on political spending. His top 500 donors that cycle spent an unprecedented $98m, making up nearly 10 per cent of total funds raised by his campaign, the Democrats' joint fundraiser and his super-Pac. Super-Pacs are granted unlimited spending as long as it does not co-ordinate with a candidate's principal campaign.

Yet few of Mr Obama's top donors have given as much to support Mrs Clinton. She had raised just $60m to June 30 from the group, with many prominent donors sitting on the sidelines. These include Anne Cox Chambers, the 96-year-old media proprietor; David Boies, a founding partner of law firm Boies, Schiller & Flexner; and Sidney Kimmel, the founder of Jones Apparel Group and the production company behind *Death at a Funeral*. Each gave Mr Obama more than $1m but none has publicly disclosed a donation to her, according to Federal Election Commission filings.

When asked why he had not contributed this year, Mr Kimmel said he had not been a major political donor before 2012. "After the first 2012 presidential debate, Barack Obama took a big hit in the polls and [I] wanted to help make sure he was re-elected," he said. "The contribution came very late in the game and there is no reason to suspect a similar need in 2016."

Even without all of Mr Obama's supporters, however, the funds backing Mrs Clinton's campaign are still on track to meet or surpass his 2012 record, and have raised $532m to the end of June. She has appealed to a different donor base with a select few making larger contributions, even among those who gave to Mr Obama's fund in 2012.

For example, James and Marilyn Simons, who gave Mr Obama his largest donation of $5m, have given Mrs Clinton $7m so far. Haim and Cheryl Saban have also donated $11.4m to Mrs Clinton, after giving Mr Obama $400,000.

The funds backing her campaign have raised twice as much as Donald Trump, her Republican rival. Mr Trump's main fundraising vehicles, including four super-Pacs, have raised a minimum of $209m to the end of July, almost half of which was raised in the past four months, catching up to Mrs Clinton's monthly fundraising totals.

Bernie Sanders' campaign raised $235m to the end of June, all from donations less than $2,700 and without a joint fundraiser or super-Pac. Mr Sanders had far less from Mr Obama's top 500 supporters than Mrs Clinton. Fewer than 20 donors gave to his campaign over hers.

Mason Harrison, head of communications at Crowdpac, said it was common for donors to wait until closer to the election, but that it was safe to say it had been "an unconventional year, and the Democratic field winnowed down much later than in previous cycles".

"In this final stretch of the election, when the pace of giving tends to increase rapidly, we may see greater movement from former Obama backers," he added.

Additional reporting by Courtney Weaver in Washington

About the data
How individuals' amounts were tallied up

To analyse Barack Obama's top 500 donors, the FT and Crowdpac, a political data start-up, gathered all the itemised individual contributions received by the main committees backing Mr Obama, Hillary Clinton and Bernie Sanders' presidential campaigns.

The data for Mr Obama's 2012 campaign included contributions to his principal campaign, his joint fundraiser with the Democratic National Committee, and the super-Pac Priorities USA Action, which supported his candidacy.

Data for Mrs Clinton's 2016 campaign included contributions to her principal campaign, the DNC's joint fundraising committees, the super-Pac Ready for Hillary, which formed during the 2014 election cycle, and Priorities USA, which is supporting her candidacy this year. The data collected included contributions through to June 30.

Data for Mr Sanders' contributions only included his principal campaign fund. His DNC joint fundraiser was largely inactive through June, and he did not have a super-Pac backing him.

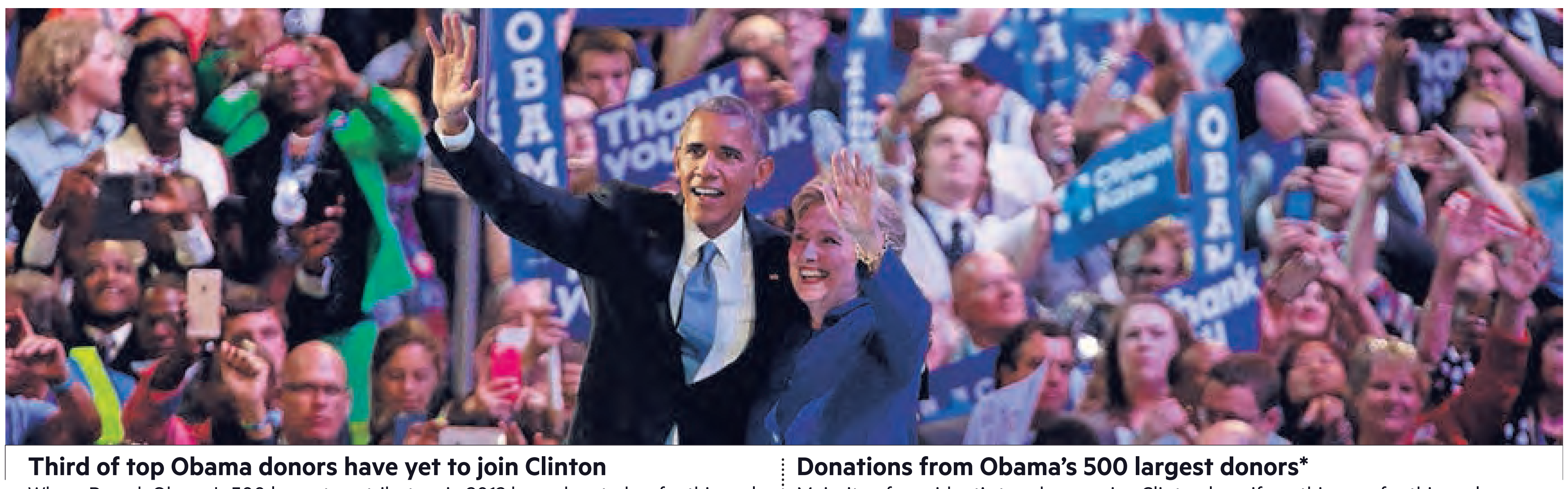
The cap on individual donations per committee has changed since the 2011-12 campaign and election. The limit on donations to candidates' presidential campaign funds this cycle was raised to $2,700 per election, up from $2,500 in 2011.

Similarly, the cap on donations to national party committees such as the DNC were also raised to $33,400 this cycle from $30,800 in 2011. Joint fundraisers between presidential candidates and a national party committee allow candidates to raise larger amounts by combining what donors may give to an individual candidate and the party. This cycle, a national party's committee may also accept up to $300,600 for its accounts funding the party's presidential nominating convention, election recounts and headquarters.

Super-Pacs, by contrast, can raise unlimited amounts. But they may not co-ordinate with candidates' campaigns.

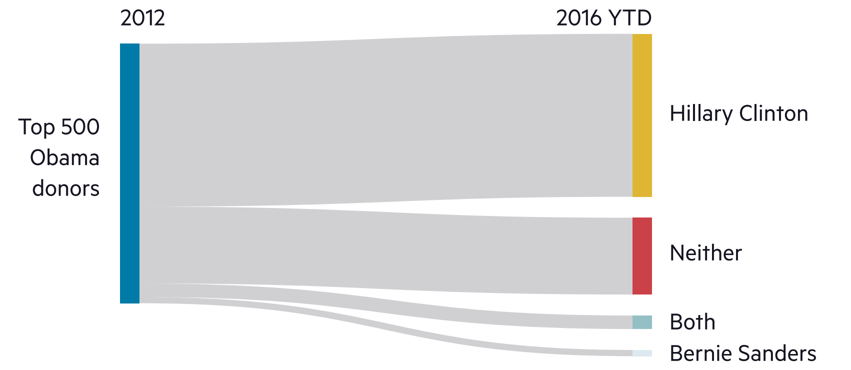
It can be difficult to tally up donations from any one individual, as filings to the Federal Election Commission can be incomplete or inconsistent. If a donor uses a nickname, initial, different address or name of a new employer, it can obscure the data. Some donors will go to great lengths to reduce the perceived amount of their donations by giving through friends, family members or separate committees, which will then donate to the main committees backing the candidate.

To solve some of these issues, Crowdpac has an algorithm that analyses donors' names, occupations, employers and geographic data in order to link separate donations made by individuals across multiple election cycles and jurisdictions. This, combined with manual processes and checking, allowed the FT and Crowdpac to produce a database and list of the top publicly-known donors. *Jennifer Bissell*



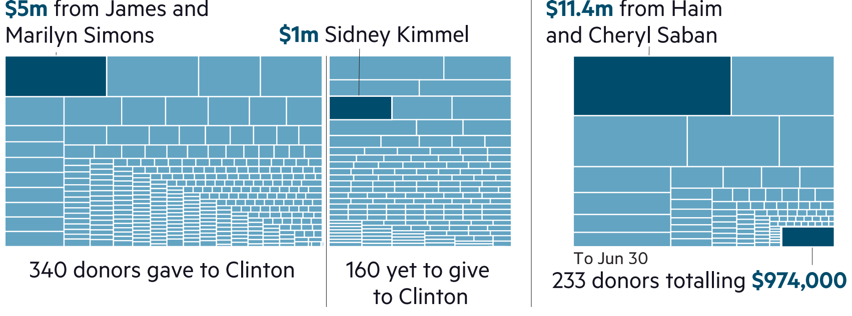
Jeremy Hogan/Polaris

Third of top Obama donors have yet to join Clinton
Where Barack Obama's 500 largest contributors in 2012 have donated so far this cycle



FT graphic Source: FT/Crowdpac analysis of Federal Election Commission filings

Donations from Obama's 500 largest donors*
Majority of president's top donors give Clinton less, if anything, so far this cycle



* Totals include itemised individual donations to candidates' principal campaigns, DNC joint fundraisers and supporting super-Pacs including Priorities USA and Ready for Hillary

Obama's top 3 donors

Sums include contributions to Barack Obama's 2012 and Hillary Clinton's 2016 principal campaigns, DNC joint fundraisers and super-Pacs backing their candidacy

James and Marilyn Simons

Contributions ($m)

Clinton 2016	7
Obama 2012	5

With an estimated net worth of $15.5bn, Mr Simons ranks as Forbes' 26th richest billionaire in the US. He stepped down as chief executive of his Renaissance Technologies fund, in 2010. Mrs Simons is president of the Simons Foundation, a charity advancing science research.

Fred Eychaner

Contributions ($m)

Clinton 2016	2.7
Obama 2012	4.6

Mr Eychaner is a retired media executive from Chicago who founded Newsweb, a newspaper printing company. He is a noted donor for gay rights groups and HIV/Aids prevention, and is the founder of Alphawood, a grant-making foundation.

Jeffrey and Marilyn Katzenberg

Contributions ($m)

Clinton 2016	1.4
Obama 2012	3.1

Mr Katzenberg served as chairman of Walt Disney for 10 years before co-founding DreamWorks Animation and serving as its chief executive. He and his wife have an estimated fortune of $750m, according to Forbes.

Clinton's top 3 donors

Sums include contributions to Barack Obama's 2012 and Hillary Clinton's 2016 principal campaigns, DNC joint fundraisers and super-Pacs backing their candidacy

Haim and Cheryl Saban

Contributions ($m)

Clinton 2016	11.4
Obama 2012	0.4

Mr Saban is the founder of a children's TV production company best known for *Power Rangers*. With an estimated $3.6bn fortune, he and his wife are donors for pro-Israel and Jewish causes. Ms Saban also founded the Self-Worth Foundation for Women and Girls.

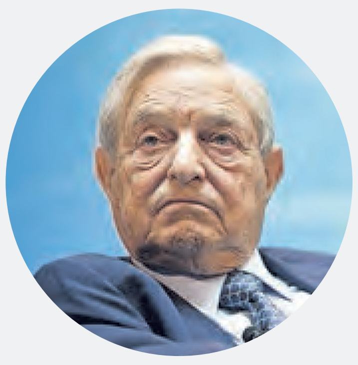
JB and MK Pritzker

Contributions ($m)

Clinton 2016	7.5
Obama 2012	0

Known as JB, Jay Robert Pritzker owns Hyatt Hotels and the Marmon Group. He is the managing partner of the private investment firm Pritzker Group. He and his wife, Mary Kathryn, lead the Pritzker Family Foundation. Forbes estimates their wealth at $3.3bn.

George Soros



Contributions ($m)

Clinton 2016	7.4
Obama 2012	1

An investing heavyweight, Mr Soros is the 15th richest billionaire in the US and the 10th highest paid hedge fund manager, according to Forbes. At 85 years old, he has donated $13bn over his lifetime, primarily through his Open Society foundations.

Totals based on itemised individual donations and including contributions to Hillary Clinton's 2014 super-Pac Ready for Hillary

Source: FT/Crowdpac analysis of Federal Election Commission filings to June 30. Photos: Bloomberg, AP, Getty Images

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Credit markets

US debt levels point to strong turnround but student loans buck trend

SAM FLEMING — WASHINGTON

America's turnround from the worst debt crisis in modern times is gathering strength as new foreclosures tumble to their lowest levels since records began at the end of the 1990s and fewer borrowers fall behind on their mortgage payments.

Yet the benign picture seen in US credit markets is being marred by a persistent trouble spot and a hot-button topic in the presidential campaign: student debt, where late payments have remained doggedly high.

Data from the Federal Reserve Bank of New York reveal a sturdy performance by mortgage borrowers, as just 82,000 consumers saw their lenders begin proceedings to reclaim their mortgaged property in the second quarter — the lowest in the 18-year history of the data.

At the same time, the share of loan balances that were 90 or more days overdue declined to the lowest level since 2007 for mortgages and to a record low for credit card loans.

The strengthening record of US borrowers shows the effects of gradually rising wages, falling unemployment and ultra-low interest rates. It also reflects much tougher lending standards by banks and other financial institutions, with just under $15bn of mortgages extended to people with lower credit scores, a fraction of quarterly levels that reached $100bn during the subprime lending boom in the past decade.

Sam Khater, an economist at Corelogic, a property information provider, said the country still faced a long pipeline of crisis-era foreclosures, but when it came to newer mortgages the performance was "pristine".

"The US residential market is the healthiest it has been in 20 years," he said. "It is very stable. You are seeing steady increases in house prices, steady increases in sales, and underwriting is steady . . . It is not suffering from the booms and busts we have had in the past two decades."

> 'You are seeing steady increases in house prices, steady increases in sales, underwriting is steady'

Hillary Clinton, the Democratic nominee, has been brandishing signs of recovery from the property implosion of 2007-09 and seeks to repel arguments by rival Donald Trump that the Democrats have presided over the weakest economic rebound in modern times.

The former secretary of state told the Democratic convention in Philadelphia last month that the US was "so much stronger" than when President Barack Obama took office, with 15 million new private sector jobs, even as she insisted: "None of us can be satisfied with the status quo."

Mr Trump this week attempted to shift the discussion to the economy as he unveiled a conservative economic platform that pledged to boost growth. Speaking in Detroit, he launched a fierce attack on the Democratic party's record in the White House, lambasting the "weakest so-called recovery since the Great Depression" and decrying a decline in the US home ownership rate.

Rebounding US property prices have meant that home equity for owners with a mortgage has nearly doubled to $6.9tn in the past four years, according to a recent report by Corelogic. Some 92 per cent of mortgaged houses had equity in the first quarter, it found. That still left key weak spots in some parts of the country, with Nevada, Florida and Illinois still nursing the largest shares of homes in negative equity.

But the improved story is being undermined by continued problems with student loans, the New York Fed figures show. The share of student loan balances 90 or more days overdue held at above 11 per cent in the second quarter for the eighth quarter in a row.

Americans were sitting on $1.26tn of student debt in the quarter, compared with $439bn a decade earlier. The total due was higher than amounts on car loans and credit cards.

Yesterday Mr Trump said he would unveil a plan next month to help student borrowers, adding that the availability of federal student loans had allowed colleges to lift tuition costs without suffering consequences.

Addressing student debt problems has become a key focus on the campaign, with Mrs Clinton pledging to help student borrowers refinance their loans at lower rates and lower interest rates for future students.

The dangers of neo-serfdom page 9

South China Sea

Reef photos cast doubt on Beijing's military pledge

Images show large aircraft hangars on Spratly Islands that could house fighter jets

TOM MITCHELL — BEIJING

China has built hangars large enough for some of its biggest military aircraft on three contested reefs, despite a pledge by President Xi Jinping not to militarise the South China Sea.

In an analysis of activity on Subi, Mischief and Fiery Cross reefs, each of which has an operational runway, the Center for Strategic and International Studies said the hangars could accommodate up to 12 fighter jets and four larger planes on each of the Spratly Islands. While noting there was no evidence of any Chinese military deployment in the Spratlys, the CSIS concluded from new satellite images that "the rapid construction of reinforced hangars at all three features indicates this is likely to change".

Evidence of the hangars emerged as Beijing steps up diplomatic and military activity after last month's ruling by an international tribunal that its territorial claims in the region had no legal basis.

China has rejected the ruling on a lawsuit initiated by the Philippines. Manila maintains that Beijing's "island-building" in the South China Sea is in violation of the UN Convention on the Law of the Sea, to which both governments are signatories.

After the ruling, the People's Liberation Army Air Force announced it would begin routine patrols over the South China Sea, similar to those made by US spy planes along the Chinese coast. One recent patrol included Chinese jet fighters that were refuelled in flight.

Basing military aircraft or refuelling them on islands that are closer to the Philippines and Malaysia than to mainland China could greatly expand the air force's operational range in the region.

In addition to fighter aircraft, the CSIS said the hangars could accommodate PLA bombers, refuelling tankers, military transports and surveillance planes.

Shi Yinhong, a foreign relations expert at Renmin University in Beijing, said: "There are direct and indirect signs that China is strengthening its military position in the South China Sea."

He added that "the situation has changed a lot" since Mr Xi warned of the dangers of militarising the region during a visit to Washington last year.

In addition to the tribunal ruling, Beijing has been angered by "freedom of navigation" exercises by US naval vessels near Chinese-held reefs and islets, which Pentagon officials say are aimed at challenging "excessive maritime claims".

Despite the ruling, the Philippines and other governments in Southeast Asia have taken a low-key diplomatic posture. A recent meeting of Asean foreign ministers and their Chinese, US and Russian counterparts in Vientiane, the capital of Laos, was free of squabbling that marred a similar meeting in June.

This week Fidel Ramos, former Philippines president, travelled to Hong Kong in a visit he said could help "rekindle [Manila's] ties with China".

Since stepping down from office in 1998, Mr Ramos has maintained close ties with Chinese government officials, especially in his role as a founder of the Beijing-led Boao Forum for Asia, which holds a regional summit every spring on Hainan island, China.

Additional reporting by Wan Li

Olympics

Sponsorship Games' host cities strike gold from rich seam of deals

RIO 2016

JOE LEAHY AND MURAD AHMED
RIO DE JANEIRO

It might be one of the most stunning cities to host the Olympic Games, but Rio de Janeiro did not always offer an attractive backdrop for sponsors looking to associate their brand with one of the world's biggest sporting events.

In April, Amnesty International, the human rights group, painted Rio's favelas, or slums, as a killing field for young children, with innocents being hit by stray bullets as police undertook a "clean-up" of the city's drug gangs ahead of the games.

International media coverage also portrayed a capital in which body parts were washing up on beaches, mosquitoes laden with the Zika virus were swarming the Olympic arenas and so much untreated sewage was flowing into the water venues that a rowing boat could not readily penetrate the sludge.

Yet the past experience of other cities holding the games teaches Rio's city government and the main corporate sponsors, which include Coca-Cola, McDonald's, Visa and Samsung, that the storm is worth weathering, according to marketing experts. History suggests that once the games start, the media switches its attention to the sport. The Olympics then suddenly reveals its enormous marketing power as a platform for a city to rebrand itself and for corporate sponsors to reach a global audience.

"[In London], I remember thinking how the atmosphere instantly changed and I mean instantly, it was like somebody switching on a light," said Sir Martin Sorrell, chief executive of WPP, the world's largest advertising group, of how the mood quickly lifted at the start of the 2012 games.

While it is still early days for South America's first Olympics, five days into the 17-day contest there are signs history is repeating itself. After a well-executed opening ceremony in the Maracana stadium, the world is focused on the sport and Brazilians are beginning to take pride in the event.

"We really needed this," said a public relations executive at one of Brazil's largest companies who works in Rio, pointing to the country's deep recession and political crisis, with leftwing president Dilma Rousseff facing impeachment. "Everyone is a bit down at the moment but the opening ceremony gave us something to smile about."

The brand value of the games is shown by the International Olympic Committee's enormous revenues from staging the summer and winter editions of the event. A report by the research body Sportcal estimated that the IOC made $8bn in revenues in the four-year cycle encompassing the 2010 Vancouver winter games and the 2012 London summer games. It suggested around $3.91bn was made from media rights.

The American TV network NBC, which has exclusive broadcast rights in the US, has said it is on track to exceed selling $1bn worth of advertising across its channels during the Rio games.

Its parent company Comcast has paid $4.4bn to acquire the broadcast rights for the games to 2020, and a further $7.75bn for rights until 2032. Last year, Discovery Communications, the owner of Eurosport, paid €1.3bn for the near-exclusive rights to broadcast the games in Europe between 2018 and 2024.

The IOC says it has "one of the most effective international marketing platforms in the world, reaching billions of people in over 200 countries and territories".

Michael Payne, a former head of the IOC's marketing division, said evidence

$8bn	$1bn
IOC's estimated revenues in four-year cycle covering 2010-12	Advertising sales made by US TV network NBC during Rio games

of the games' attraction for advertisers was the next Olympics, Tokyo 2020, which had broken all records.

"They [Tokyo] have 30 major partners already on board," said Mr Payne. "The Toyota deal for the IOC's top programme — the number has not been announced — but media reports say that [it is] $1.6bn and I understand it is accurate."

London enjoyed 13 quarters of record tourism numbers following its Olympics, according to Gordon Innes, chief executive of London & Partners, the city's official promotional company.

"That was a genuine Olympics bounce," he said. The games reminded people that London was vibrant but also showed them that it had evolved, sparking new interest. "Rio has an opportunity to do something similar."

However, economists have consistently argued that the games themselves have little impact on tourism after they are held, or other key measures such as direct foreign investment. In developing or authoritarian countries, there are also suspicions that they can be a vehicle for corrupt officials to squeeze bribes out of the construction projects.

Mr Payne said the sponsors would have preferred to have avoided the negative build-up to Rio. But the headlines at the end of the games would be worth it. "You will have very powerful, emotional stories that capture the Olympic spirit . . . the Olympic brand was and is relevant," Mr Payne said.

On the charge: Charlotte Caslick of Australia, centre, is tackled by Kelly Brazier of New Zealand in the women's sevens final — Phil Noble/Reuters

Rugby Australia's women triumph in historic return of oval ball

JOE LEAHY — RIO DE JANEIRO

Rugby history was made in a remote corner of Rio on Monday as the Australian women's team claimed the first Olympic gold to be awarded for the sport in 92 years.

The attack-filled women's rugby sevens final between Australia and New Zealand set the scene for what is expected to be a tough men's tournament, starting yesterday.

"We've just made Australian history, rugby history," said Ellia Green of Australia after her team defeated rivals New Zealand 24-17 at the Deodoro stadium.

The return of rugby, which was last played at the Olympics in a 15-a-side tournament in the 1924 Paris games, follows hard campaigning by the sport over more than 22 years.

The International Olympic Committee recognised the World Rugby organisation as an official international federation in 1994, laying the foundations for the sport's inclusion. But it took another 15 years for the IOC to vote for the sport to be put on the programme for the Rio 2016 and Tokyo 2020 Olympic Games.

The sport's inclusion would bring a smile to the face of the founder of the modern Olympics, Frenchman Pierre de Coubertin, were he alive today. A keen rugby fan who played and refereed the sport, as the first president of the IOC he ensured the 15-a-side version was included in the Paris 1900, London 1908, Antwerp 1920 and Paris 1924 games.

His successor as IOC president, Count Henri de Baillet-Latour, was less of a fan and rugby began its near century-long Olympic hiatus.

The return of the game in the faster sevens short-form might have been a surprise for de Coubertin, though. With two halves of seven minutes (10 minutes in the final), the emphasis in the short version is on speed.

In their match, New Zealand took the lead on World Series champions Australia early with a try from Kayla McAlister. Australia's Emma Tonegato responded with a quick try. Then the referee sent Portia Woodman of New Zealand, the tournament's top try-scorer, to the sin bin for a deliberate knockdown around halftime.

Australia sped through three more tries and two conversions, outpacing the All Blacks as they found gaps in the defences. New Zealand forced two tries in the final two minutes and a conversion but by this time the Australians were already celebrating Olympic gold.

As the Aussies left the field, the disappointed Kiwis performed a tearful but defiant haka for their fans. Their disappointment was more than matched by that of Britain, however, which ceded the bronze to Canada 33-10.

The inclusion of the fun-loving sevens format, made popular by the Hong Kong tournament that attracts 120,000 party-going fans over three days, made for an animated crowd at Deodoro. The remote location in Rio's outer suburbs did not damp fans' enthusiasm, with supporters

Ellia Green: 'We've just made Australian history, rugby history' after Australia beat NZ 24-17

dancing in the aisles to a samba ensemble before the finals kicked off.

"These are definitely the most passionate fans I have seen all week, but access has had a big impact on attendance," said Kevin Gibson, Latin American chief executive of Robert Walters, the human resources company, which sponsors the Brazilian rugby team.

He said the Olympics came as rugby was growing in popularity in Brazil, which previously had not taken to the sport, despite its popularity in neighbouring Argentina.

Legend has it that Englishman Charles Miller, the man who introduced organised soccer to Brazil, brought an oval ball as well as a round one to the country in 1894. But it was the latter type that caught the nation's attention.

With the Olympics, rugby has recovered some of that ground in Brazil, with the country's women's sevens team defeating Japan in Rio and featuring in the top 10 of the HSBC World Rugby Women's Sevens Series in 2015-16, having been champions of South America on 12 occasions since 2004.

After the Rio matches, however, there were some concerns over whether there was too much of a disparity between the top and bottom teams in the sevens.

"In the world series [World Rugby Sevens Series] we do need some more tournaments, I believe, to make sure other teams can participate and that the current teams are getting more competition," said Australia coach Tim Walsh after the women's final.

"At any Olympics there tends to be a disparity in the top and the bottom teams. But you look at the top eight — very, very competitive."

Gymnastics Japan's 'Superman' must use all his powers to carry heavy burden of national pride

Kohei Uchimura was given a mission from birth. His first name, roughly translated, means "to cross the Pacific Ocean", as his parents wanted their child to achieve astonishing feats.

Aged 27, he has done so, becoming known in his native Japan as "Superman". He has even made that Pacific journey, to the Olympic Games in Rio de Janeiro. All to prove what many in his sport already consider Uchimura to be: the greatest male gymnast of all time.

On Monday he led the country to gold in the men's team gymnastics competition, one of the few major titles to have evaded his grasp. To settle any arguments about his status, Uchimura might need to replicate that performance today in the individual all-round competition, the most prestigious event in men's gymnastics.

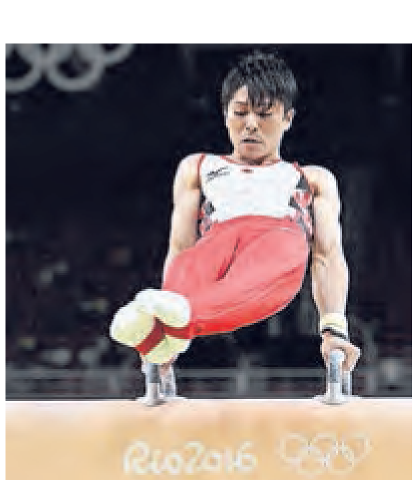
Gymnasts describe his talent in breathless terms and his contribution in the team competition helps explain why. Despite some rivals towering over his 5ft 4in frame, he moves with power and balletic grace, dispatching the most difficult challenges with ease.

He has won praise from Nadia Comaneci, the first woman to achieve perfect 10s in Olympic gymnastics at the 1976 Montreal games.

"If you look at gymnasts in slow-motion, it's usually not a good thing because you can see all their flaws and mistakes. But if you see Uchimura in slow-motion, everything is perfect," she said after he won gold at the London Olympics in 2012.

"The way he does everything is very clean," said Danell Leyva, a gymnast on the US team. "His skills are on point. It's impressive to see how consistent he is all the time."

Uchimura enters the individual all-round contest as clear favourite — the current Olympic champion, he has also garnered six world titles. Yet there is no guarantee of success. In qualifying for the individual finals, errors on the horizontal bar and pommel horse meant he finished second overall to Ukraine's Oleg Verniaiev.



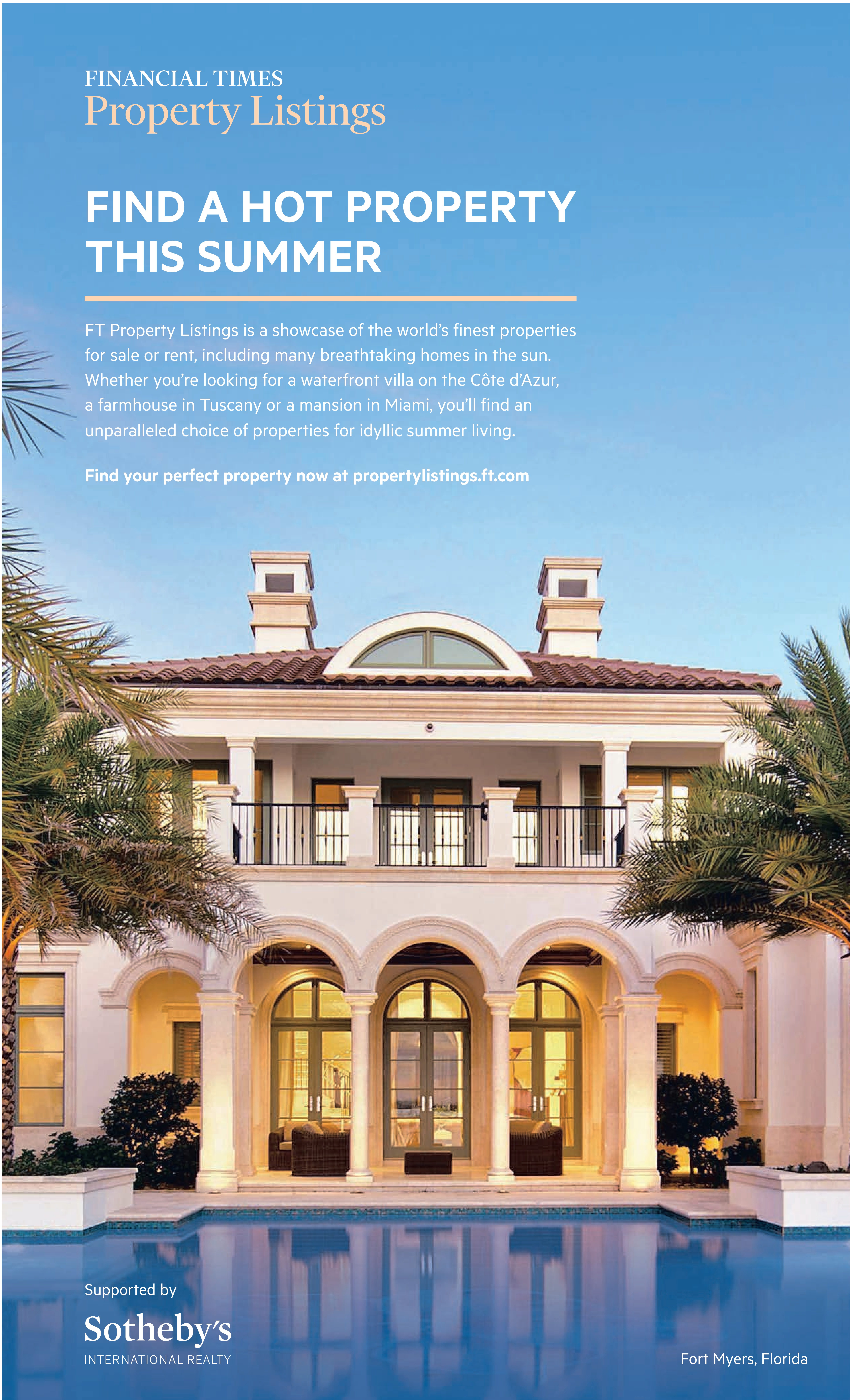
Kohei Uchimura: considered by many to be greatest male gymnast

Afterwards he told reporters: "I don't think the mistake was a bad thing, because it makes me recognise and focus that I am performing in the Olympic Games."

Uchimura also faces challengers good enough to take advantage of any errors, including Cuba's Manrique Larduet, China's Deng Shudi and Great Britain's Max Whitlock. He must also cope with the pressure of being Japan's highest-profile athlete at the games. He has been tasked with winning at least three golds as part of the country's target of 14, which would double Japan's tally from London in 2012.

These goals form part of Japan's "gold plan" all with the aim of achieving medal success when Tokyo hosts the summer games in 2020.

The plans have begun to pay off. During the first set of apparatus in the team event, Koji Yamamuro fell off the pommel horse to leave the Japanese men in sixth position. But, led by Uchimura, the group clawed back the lead from Russia. By the final apparatus, Japan was in first place. Uchimura performed on the floor, nailing his final tumble to confirm victory. "He knows he's done the job," announced the stadium's commentator. Then Uchimura lent over to rest on his haunches, looking far from elated. Perhaps he knew the job was not over yet. *Murad Ahmed*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Island of urbanity in an urban desert

The Msheireb city centre regeneration project aims to give Doha a place worth strolling around — even in the heat. By *Edwin Heathcote*

When Qatar became independent in 1971, the population of its capital Doha was about 80,000. Now it is more than 12 times that: the city has gone from provincial outpost to a conurbation with global ambitions in a few decades. Dozens of cities — Las Vegas, Dubai, Chengdu — have seen explosive growth in the span of a single lifetime. But many now struggle to find an identity. They rely on bristling skylines rather than street-level urbanity to identify what makes them different. So what, exactly, does Doha have?

Like many of its neighbours in the Gulf, Doha is an oil-fuelled city. Urban landscapes are governed by traffic management and the place becomes a succession of discrete air-conditioned spaces fused by the air-conditioned bubble of the automobile, a series of interiors rather than a city.

Or at least it was. Now, one of the world's most ambitious and coherent city centre regenerations aims to turn Doha into a place people might actually want to stroll round, even in the melting heat.

The Msheireb is a massive, 76-acre, QR20bn (£4bn) rebuilding of the entire centre, remarkable in its scale as well as in its architecture — which has been almost entirely designed by British architects. Integrating the few remaining fragments of historic buildings into a plan that uses traditional narrow, shaded streets and reinterprets local motifs, from screens to courtyards, its aim is to evoke the feel of a Middle Eastern city but at the scale of contemporary commercial architecture.

The explosive construction in the Gulf has, so far, been characterised by the architecture of spectacle: eye-wateringly extravagant museums, odd-shaped towers and hotels, islands in the shape of palm trees and the generic glass blocks familiar from Vancouver to Guangzhou. Doha's business district is a perfect example of what Danish urbanist Jan Gehl calls a "perfume bottle" skyline, a cluster of objects marketing only themselves and refusing to engage with their context.

The Msheireb is a reaction to that detached skyline. It is mid-rise, dense and deliberately walkable, with shady streets and public spaces. Masterplanned by Allies and Morrison, it centres around a huge new public plaza, Barahat Al-Nouq Square, designed by London-based Michel Mossessian. Defined by a pair of elegant buildings clad in wafer-thin stone which glows from within after dark, the square features a delicate canopy that shades it from the sun during the day and fades away at night, while the ground level is artificially cooled.

At one end stands the asymmetrical white volume of the new Cultural Forum, designed by John McAslan. As with so much of the cultural infrastructure in the Gulf, it is unclear what exactly might happen in this building, but it exerts a civic presence, solid and a little dour on the outside, vast and hangar-like in the interior, where a theatrical stair wraps around the inside of a lofty atrium. It feels unusual to see a stair — Qataris prefer escalators and elevators — and the result is a journey through the structure that terminates on a loggia with a dramatic view over the square. Although it's rather more Spanish in ambition than Arabian, this feels like a genuinely public space with potential.

Other museums designed by McAslan address history and continuity. Known rather grandly as the Heritage Quarter, a group of four preserved historic houses — the oldest no more than a century old — aims to anchor the development in the scale, materials and spaces of the traditional city. The reduction in scale comes as a welcome shock. Built around elegant courtyards, the spaces are shady and quiet and, unlike their more massive counterparts, have a real sense of cultural purpose.

One house is dedicated to Doha's history, from pearl fishing to the explosive mid-century expansion of the oil industry — and its modest, intimate displays are surprisingly gritty and unflinching. More surprising still is another that has been transformed into a museum of slavery. Only abolished in 1952, slavery is still well within living memory here, and the displays, mostly films, use the testimony of former slaves to profoundly moving effect. This is a provocative museum that doesn't avoid addressing concerns about the migrant building workers of today. It's an odd experience to walk off construction sites crowded with south Asian and Nepali builders sweating beneath their hard hats and enter the cool courtyards of a museum of their exploitation. But it also seems a hopeful beginning of an acknowledgment of the circumstances in which this country — where barely any of the inhabitants is a citizen — is being built.

The Heritage Quarter is completed by the Jumaa mosque, also designed by McAslan. Showing a slight Art Deco influence, with stone piled back to reveal intricate filigree surfaces in complex Islamic patterns, a fiercely sunlit courtyard, an elegantly tapering minaret and delicately pierced screens, it's an urbane and serious contribution to the cityscape.

There are other good buildings here too: an arcaded office by Allies and Morrison themselves and others by David Adjaye, Eric Parry, McAslan and Mossessian. Some of the in-between buildings tend towards corporate blandness. But this all needs to be seen against both the themed historicism of the nearby rebuilt souk and, perhaps more importantly, the giganticism of Education City.

This latter compound has been driven by Sheikha Mozah, the wife of Qatar's former emir and mother of its new ruler, Sheikh Tamin bin Hamad al-Thani. It is the opposite of the Msheireb, a loose grid of starchitect-designed structures on a sprawling dusty campus that is almost impossible to traverse on foot. There are a few architectural horrors here — notably Arata Isozaki's strikingly weird convention centre (fronted by a gigantic fake tree) — but also some sheer delights. Among the latter is OMA's National Library, a sci-fi spaceship landed from a planet of better architecture, a profound and challenging building that creates its own underworld of books and artefacts revealed like an archaeological excavation of a lost city.

> It's an odd experience to walk off construction sites full of south Asian builders into a museum of their exploitation

Compared with the library, the architecture of the Msheireb is conservative and unambitious, but the intent to produce a piece of real city succeeds where Education City fails. It stands as an island of urbanity in a desert of mediocrity. The new metro (being built for the 2020 World Cup) is a nice idea, but its stations emerge on traffic islands and on the sides of motorways: who is it for? Nevertheless the key to a real downtown is here, the network of streets, arcades and public spaces that the city badly needs. It isn't perfect — but there is plenty here to build on.

msheireb.com

Out of the shadows: the Jumaa mosque, designed by John McAslan, in Doha's Heritage Quarter. Top right: the Msheireb Museum of slavery

Off with his head

Canon Fodder

In the series reassessing artistic reputations, Rachel Spence asks why Artemisia Gentileschi is sidelined in favour of male artists

If Cézanne had not loved Nicolas Poussin so passionately, would we admire the 17th-century artist so much? Without Poussin, no Cézanne, or so scholarly thinking goes. Without Cézanne, no Picasso. Hey presto! Poussin is catapulted to the pinnacle of art history.

Yet has any spectator ever halted in silent, dazzled awe in front of one of his paintings? Titian will do that to you. Rembrandt too. Also Velázquez, Delacroix and even modest yet exquisite Chardin. But has any Poussin ever given us the shiver of mystery that is the mark of great art?

Poussin was, of course, the acclaimed painter of reason. Steeped in the classics of Ovid, Tasso and Virgil, he threw away the passionate palette and informal brushstroke of his chief influence, Titian, in favour of more rigid, analytical composition. Blame the Stoics, whom he read avidly. Classical philosophers who believed the passions must be subdued if God was to be attained, they nourished Poussin's intellect at the expense of his instinct.

In consequence, his oeuvre speaks to our heads rather than our hearts. Take the Louvre's "Et in Arcadia ego" (1637-38), which shows shepherds huddling around a sarcophagus in a tree-dotted landscape. Lauded for its enigmatic mood, it implies that even in the most idyllic Arcadia, death is inescapable. Yet its brilliance is calculated, a picture puzzle designed to be deciphered rather than to delight. The shepherds' bodies are so classically perfect all sensuality is lost, the light lacks tender glow.

Compare this to a masterpiece by a supposedly subordinate contemporary, Artemisia Gentileschi's "Judith Slaying Holofernes" (1614-20). It shows Judith and her maid pinning down their victim with the fiery, transcendent energy of avenging angels, as Judith, her face swallowed by shadows, severs Holofernes's neck to send blood gushing extravagantly over the sheets.

'Judith Slaying Holofernes' (1614-20)

Poussin's static tableaux have none of the charge of Gentileschi's painting. Even Caravaggio's attempt at the same subject, painted in 1598-99, is lily-livered by comparison: his flimsy-limbed Judith could be slicing bread. So why is Gentileschi always condemned to stand in the shadows of these artists?

Feminist critics often suggest that had the Roman painter been a man she would have been hailed a titan. Yet her paintings could only have been executed by a woman: their female themes include Susanna, whose bath was spied on by two licentious old men, and Bathsheba, whose nudity cast a spell on King David.

Gentileschi has remained in the second division for the same reason that Emily Dickinson published just seven poems in her lifetime. Their oeuvres were dismissed as too confessional, too sentimental, too female, to possess the so-called universality crucial for acceptance by the canon. That Gentileschi was the survivor of a much-publicised rape fuelled the perception that she painted out of a desire for revenge on the male gender. But why is a painting by an angry woman less universal than one by an angry man?

DANCE

The Flames of Paris

Royal Opera House, London
★★★★☆

Clement Crisp

The Flames of Paris, now arrived in the Bolshoi repertory, is a significant staging that dates from Stalinist times. Created in 1932, it was an early example of that all-pervading official art that was to educate and indoctrinate the populace. With a score by Boris Asafiev based on late-18th-century French music, its choreography by Vasily Vainonen proclaimed the triumph of the people in Paris in 1789. It was an early model for Soviet ballet's future, leavened by the power of its performers.

The piece survived in Moscow and Leningrad repertories until political change doomed it to oblivion. But in 2008 Alexei Ratmansky, then director of the Bolshoi Ballet, decided that its artistic significance merited revival, and made skilled choreographic revisions.

Alas, this present appearance again indicates how papery is its dramatic scheme and how predictable its chief roles. Characters are ciphers; drama is blatant. What triumphs is the verve, the heart-whole involvement, of the Bolshoi's cast, and a brave account of Asafiev's score from the Bolshoi orchestra under Pavel Sorokin.

Ekaterina Krysanova, Igor Tsvirko

Ekaterina Krysanova is life-and-art-enhancing. As the heroine Jeanne, she soars through her dances, producing astonishing feats of bravura and playing with a lovely sincerity. As Philippe, the Marseillais hero, Igor Tsvirko cuts a tremendous figure, every roaring, soaring step fuelled with testosterone, the dance proud, exhilarating.

The company performance is splendid, even in the tedious divertissement at the court of Louis XVI which is rescued by the elegant skills of Anna Tikhomirova and Artem Ovcharenko. Now performed in two acts rather than its original three, the staging, for all Ratmansky's skills, seems interminably picturesque. But the intensities of the artists' playing, the dominating power of their dancing, their commitment to this bombastic tract, are wonderful.

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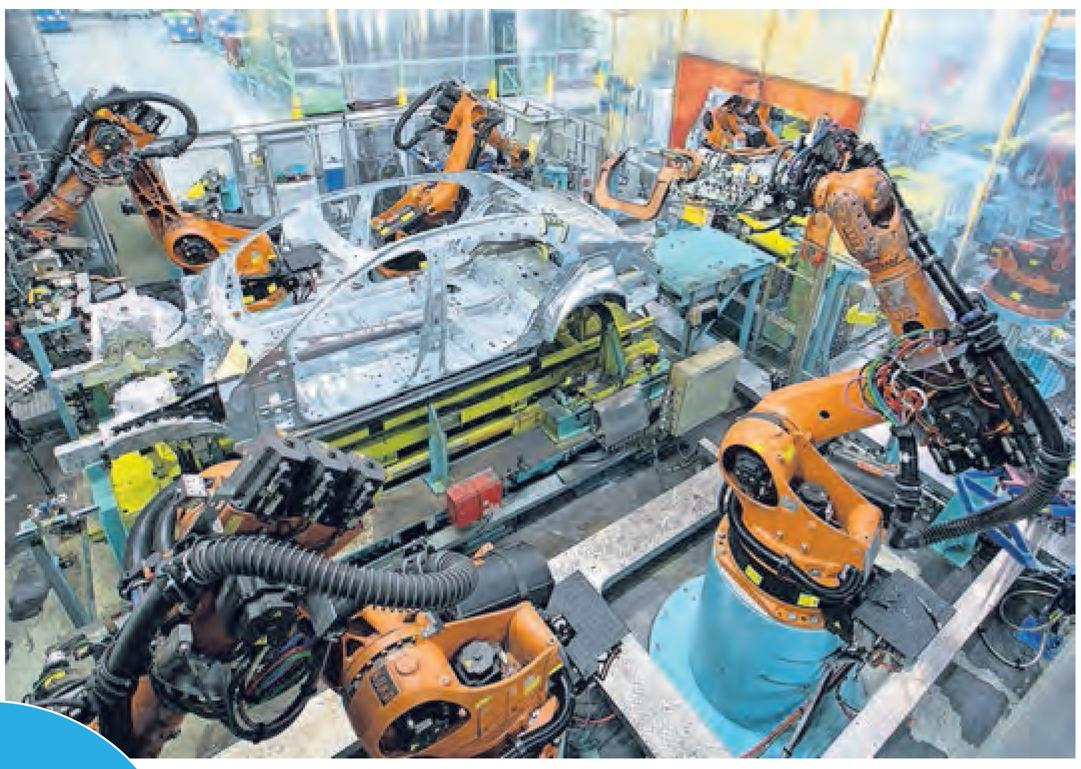
FT BIG READ. M&A

Why Beijing is courting Berlin

Germany is emerging as the top destination for Chinese investment in Europe as it seeks a foothold in sophisticated engineering and technology. But some see a threat to the country's strategic industries.

By Guy Chazan



Nuts and bolts: Kuka's Iiwa, left, is part of a bid to develop robots for use beyond assembly lines (right). Below, Angela Merkel meets China's President Xi Jinping in Berlin — Krisztian Bocsi/Bloomberg; Fabrizio Bensch/Reuters

Midea

€4.5bn

Midea's deal to buy the engineering group Kuka is the largest ever Chinese takeover of a German company

At this year's Hannover Messe, the world's biggest industrial fair, it was one of the stars of the show: an elegant, ultra-sensitive robot known as an Iiwa that can pour a beer and brew a cup of coffee.

Angela Merkel and Barack Obama, guests of honour on the Messe's opening day, were intrigued. "Can it squeeze lemons?" the German chancellor asked.

The Iiwa — or intelligent industrial work assistant — is produced by Kuka, one of Germany's most innovative engineering companies. But it will not be entirely German for long. Less than a month after the fair, a Chinese appliance-maker called Midea offered to buy Kuka for €4.5bn, in the largest ever Chinese takeover of a German company.

The idea of a Chinese entity owning one of the nation's great innovators is a cause for widespread angst in Germany. The hand-wringing started soon after Midea revealed its bid.

"Kuka is a successful company in a strategic sector that is important for the digital future of European industry," said Günther Oettinger, the EU's digital commissioner and a close political ally of Ms Merkel. He called on other European companies to make a counter offer, but no one came forward. Midea announced on Monday that it now holds 94.55 per cent of Kuka's shares.

Even before the Kuka deal, Germany was becoming the top destination for Chinese investment in Europe. Transactions with a total value of $10.8bn were announced in the first half of this year, according to EY, the professional services firm — more than all previous years combined. Chinese investors acquired 37 German companies in that period,

> 'In China, we have a lot of respect for German manufacturing excellence, their craftsmanship, their dedication to technology'

EY says — compared with 39 in the whole of 2015.

"In China, we have a lot of respect for German manufacturing excellence, their craftsmanship, their dedication to technology," says Andy Gu, Midea's vice-president. "There is lots of goodwill towards German brands, and that is also true in our organisation."

The range of targets has been wide. Last month, Osram, one of the most venerable names in German business, sold its lamp unit to a consortium led by Chinese LED specialist MLS for more than €400m. In February, Beijing Enterprises bought EEW, the German waste management company, for €1.44bn. Also this year, ChemChina agreed a €925m deal to buy German machinery maker KraussMaffei Group.

Martin Reitz, chief executive of Rothschild Germany, says 35-40 per cent of German inbound investment in the first half of the year came from China. "We have several deals on the go with Chinese involvement right now," he says.

The pivot towards Germany "reflects [China's] strategic plan to be much more focused on innovation, on high-tech brands, to enable them to shift to a more advanced industrial society", he adds.

German technology firms are a key focus, but the Chinese net has widened to include everything from pharma and biotech companies to clinics and care homes. Meanwhile, "since the Brexit vote, several top managers in China are thinking about moving their European headquarters from Britain to Germany", says Yi Sun, a partner at EY Germany.

Regulatory scrutiny

Midea's announcement of its offer for Kuka on May 18 rang alarm bells in the German political elite, given the company's place at the heart of "Industrie 4.0" — Germany's ambitious drive to link the real-life factory with the virtual world. The company is best-known for big industrial robots used to make things like cars and planes. But it is working on more intelligent machines that can send and receive data from the cloud and connect to the much-vaunted "internet of things".

However, Chinese ownership of Kuka "could be problematic for customers that want to go into the cloud", says Roland Klose, a business professor and board member of the DSW independent shareholders' association. "Some of them worry about the security of sensitive industrial and corporate data if the owner of the company is Chinese."

Such concerns are not confined to Germany. Last month, British prime minister Theresa May delayed the final go-ahead for Hinkley Point C, a massive new nuclear plant backed by China General Nuclear Power Group, amid signs of a rethink on Chinese investment in the UK. Nick Timothy, her policy guru, wrote last year that China could use its stake in the British nuclear industry to engage in energy blackmail, threatening to turn off the power in the event of an international crisis.

Elsewhere, too, a number of Chinese deals targeting sensitive foreign assets have fallen foul of regulatory scrutiny, particularly from the Committee on Foreign Investment in the US. In January CFIUS shot down Philips' attempt to sell its lighting business to a Chinese-led consortium. In February, Tsinghua Unigroup withdrew from a $3.8bn investment in Western Digital after the deal was flagged for an investigation by CFIUS. ChemChina's planned $44bn takeover of Swiss chemical group Syngenta is now also looking under pressure after the company was forced to refile its application to CFIUS in June.

Mr Reitz says it is "legitimate" to think about what happens when you transfer control of high-tech companies like Kuka to the Chinese. "The more iconic a company, the more this will be debated," he says. "But if you really want to be China's strategic partner, you can't try and stop these deals."

World's largest robot market

Founded by Josef Keller and Jakob Knappich in the Bavarian town of Augsburg in 1898, Kuka began life as a producer of acetylene gas for street lighting, and later branched out into welding machines. In 1973, it developed one of the world's first industrial robots.

Midea's relationship with Kuka goes back years. The company has installed about 100 Kuka robots in its factories, producing everything from vacuum cleaners to washing machines. Last year, Midea acquired a small stake in the German company, building it up to 13 per cent by this spring. Then in May, it unveiled a tender offer for all the remaining stock, offering €115 per share — a chunky 36 per cent premium to the previous day's closing share price.

Midea says it saw a chance to help expand Kuka's presence in its home market. Most Chinese factories are not automated: the country had just 36 robots per 10,000 manufacturing workers in 2014. In contrast, average robot density is 85 in Europe and 79 in the Americas.

But as it moves away from heavy industries towards a more consumer-driven economy, China intends to become one of the world's top 10 automated nations. By 2020, it plans to have 150 units per 10,000 workers, Wang Ruixiang, president of the China Machinery Industry Federation, said last month.

"China is becoming the largest robotics market in the world, [and] we want to capture that growth potential," says Midea's Mr Gu. "There's demand not just from us, but from all industries."

Kuka is already big in China, with 15 per cent of the market, but it wants to be even bigger and having Midea as its owner will help.

"Midea has a clear picture of how Kuka will benefit from the Chinese market," says Till Reuter, Kuka's chief executive. But the reaction from Kuka's workforce to the offer was one of shock.

"Anyone who hears China and Chinese investments being mentioned initially takes fright," says Armin Kolb, the workers' representative on Kuka's supervisory board. "I'd be lying if I said everyone kept calm and everything proceeded as normal."

The political reaction was just as negative. Sigmar Gabriel, Germany's deputy chancellor, said it would be "appropriate if there was at least one alternative offer from Germany or Europe".

Ms Merkel, who happened to be on a trip to China with a delegation of German businessmen, also reportedly expressed her concern. A key source of irritation in Berlin is that such a deal would be impossible in China, which in many industries restricts foreign companies to joint ventures. "We expect reciprocity on the Chinese side too," she told officials during the trip.

Yet there was no way her government could block the deal. Ministers can only intervene to prevent a takeover by a non-EU investor when it involves "strategic" infrastructure such as energy networks, or defence companies. Kuka does not qualify.

Mr Reuter spoke to other potential bidders, while continuing to negotiate with Midea's boss Paul Fang. There were hopes that the Swiss engineering group ABB might step in. Friedhelm Loh, a German industrialist who owned 10 per cent of Kuka, was also approached, but said in June that he could not afford to buy the whole company. "Lots of names were floated, but were they prepared to do something?" says Mr Reuter. "We had one offer on the table."

Midea was surprised by the backlash. "We didn't expect such a high level of negative comments," says Mr Gu. "But you have to accept that there are certain fears in Germany and so you must thoroughly explain the rationale of the deal."

Much of the anger at the Chinese bid was directed at Mr Reuter. Mr Loh and another big shareholder, the German engineering group Voith, both criticised him for publicly supporting the offer. In the end, though, both sold their stakes.

The future of German industry?

What may have swayed them were the concessions Midea made to win support for the deal. It promised a hands-off approach, committing itself to preserve existing jobs and factory sites for the next seven-and-a-half years, and not to delist or restructure the company during that period.

"Alternative bids from other investors would have been worse, and would not have ensured our long-term future," says Mr Kolb.

Midea also agreed on a complex ringfencing arrangement to protect data belonging to Kuka's customers. "There's clearly sensitivity there," says Mr Reuter. "But we gave a clear signal that data security is taken seriously."

Some in Augsburg worry that once the investor agreement expires in 2023, Midea could simply move Kuka's production lock, stock and barrel to China, and sack thousands of staff at its German locations.

EY's Ms Yi says that will not happen. "The times when they dismantled a steelworks here and reassembled it in China are long gone," she says. Anyway, the high-tech firms targeted by the Chinese cannot simply be moved because of all the know-how tied up in their production, logistics and IT processes.

Yet for some critics of the deal, it increases the likelihood that the robots of the future will be built in China, not Germany. Mr Klose says it would have been better if Kuka had simply set up a joint venture in China with a local partner, while "keeping the core technology in the parent company, as the nucleus of its long-term strategic growth".

"In Hanover, Ms Merkel described Kuka as the future of German industry," he says. "So should we be selling it off, like something of no strategic value?"

Rise of the machines
Finding a place in the home for sensitive robots

Industrial robots are dangerous machines that can easily kill a person. Most have to be surrounded by protective fencing, flashing lights and warning signs.

Compared with such hazardous machinery, the Kuka LBR Iiwa is like a cuddly toy. It is one of a new generation of small robots that can work alongside humans on highly sensitive tasks.

The LBR Iiwa — or "lightweight robot" and "intelligent industrial work assistant" — is a super-flexible machine with seven joints that can twist round like human wrists and elbows. It also has sensors to detect whether people or obstacles are in its path: if they are, it slows down or stops.

What is most striking about the Iiwa is its sensitivity. "It can screw, install, insert — and all with feeling," says Christina Heckl, a Kuka engineer.

The Iiwa is part of the company's attempt to break out of the confines of the factory and produce robots that can work in other environments like hospitals and, ultimately, the home.

"It's a very exciting time," says Ms Heckl. "Now that we have such sensitive robots we can develop completely new applications for them."

Till Reuter, Kuka's chief executive, sees robots playing an ever larger role in people's lives. Care for the elderly is a huge potential application. "It is not just about increasing efficiency but making life easier for people and keeping them active," he says.

Mr Reuter says Günther Oettinger, the EU digital commissioner, once asked him if Kuka could design a robot to take him to his friends to play cards when he's old.

But the Kuka boss is equally interested in more mundane household tasks. "A robot that picked up socks would be good," he says.

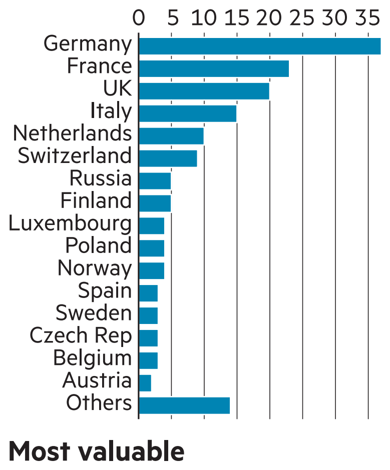
Speed read

White knight Midea's offer for Kuka sparked calls in Germany for alternative bids, but none were made

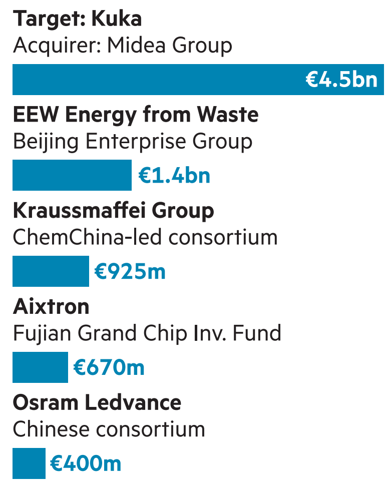
Active buyers Chinese investors have acquired 37 German companies in the first six months of the year alone

Security worries The deals have raised concerns about security of sensitive industrial and corporate data

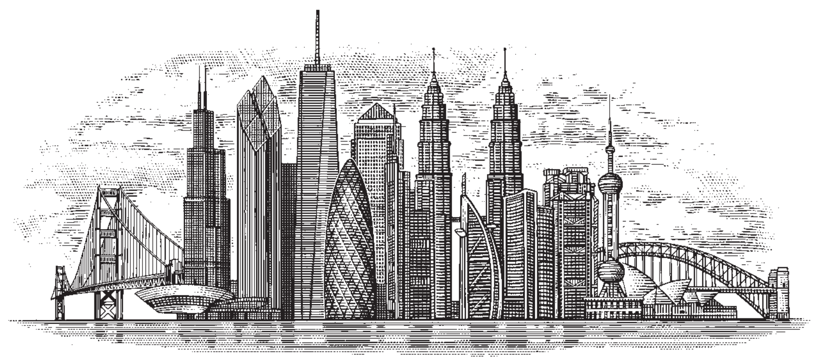
Chinese investments in Europe
Number of transactions in the first six months of 2016



Most valuable China-Germany deals
Transactions, 2016 ($bn)



Sources: EY; FT research



FINANCIAL TIMES

'Without fear and without favour'

WEDNESDAY 10 AUGUST 2016

A diplomatic dilemma in dealing with Turkey

The EU and US may have more leverage with Erdogan than assumed

Recep Tayyip Erdogan has always been a volatile ally. Never more so than in the past few months. As recently as June, Ankara's relations with Moscow were frozen as a result of last year's downing of a Russian fighter jet; and Turkey was finalising a landmark deal with the EU, winning cash and access to European visas in exchange for controlling the flow of refugees to Europe.

Now, the migrant deal has effectively collapsed and Russia's Vladimir Putin is mounting a show of solidarity with Turkey's president, following a failed military coup that has thrown the country into turmoil and put immense strain on its relations with the west.

There is plenty for Turkey's Nato and European allies to worry about. The crackdown that has followed the coup — with 16,000 under arrest, scores of thousands purged from the public sector, media outlets closed and Mr Erdogan threatening to restore the death penalty — could finally kill off Turkey's protracted quest for EU membership. Anti-American sentiment has been fuelled by the US refusal to hand over the cleric Fethullah Gulen, whom Turkey holds responsible for the coup. There have always been ups and downs in Turkey's dealings with the west, but there is now a risk of a lasting breach.

Mr Putin is happy to support a fellow strongman facing criticism from liberal democracies. He will also seize any opportunity to drive a wedge between Turkey and its Nato allies. This carries immediate risks for western policy in Syria. Turkey — whose chief concern is to limit the ambitions of Syria's Kurds — has been an unreliable partner in the fight against Isis, but it has been a crucial conduit for arming rebel groups battling Syria's Bashar al-Assad. It will now be under pressure to tacitly accept Moscow's position that Mr Assad must stay in place during any transition.

Despite these risks, Russian-Turkish talks on Syria could have some positive effects. There can be no political solution to the conflict without their involvement; and both countries have an interest in ending the siege of Aleppo, which is showing the limits of Russian air power and could lead to a fresh influx of refugees into Turkey.

Despite western angst at Turkey's drift into autocracy, it is too soon to give up on Mr Erdogan. His trip to Moscow is a calculated slight to the west, but it is also a sign of his underlying pragmatism. Turkey cannot afford to pick fights with all its neighbours. Terrorist attacks and political instability are scaring off tourists and investors alike. Russia can alleviate the economic squeeze if it lifts sanctions and revives energy deals. But the EU remains a far more important trading partner, and Nato the best guarantee of security in an embattled region.

They may have more leverage than they think. Turkey drove a hard bargain with Brussels over the migrant crisis, but there has been no increase in refugee flows since the coup attempt disrupted its patrols of the coastline. Moreover, Mr Erdogan does still care what the west thinks: since the coup, he has paid for a huge publicity offensive.

The EU and US should make no concessions in its dealings with Turkey. They should condemn any abuse of the rule of law; and insist that Ankara supplies evidence to support demands for Mr Gulen's extradition. They should also recognise the challenges Turkey faces at home and on its borders.

Many western governments were slow to condemn the coup: this has alienated even those Turks who oppose Mr Erdogan, and it has fuelled suspicions of western backing for the coup. It would help to be far more explicit in acknowledging that Turkey would be in a far worse position now if the rebel generals had succeeded.

China flexes its muscles over Hinkley Point deal

UK review of the nuclear project should not derail bilateral relations

China's warning to the UK that the future of bilateral ties stand at a "crucial historical juncture" over the deferral of an £18bn nuclear project cannot be dismissed as mere rhetoric. Beijing has a record of rounding on countries that displease it. It downgraded its ties with Norway after the Oslo-based Nobel committee awarded a prize to the Chinese dissident Liu Xiaobo in 2010. Similarly, a meeting two years later between the Dalai Lama, Tibet's exiled spiritual leader, and former UK premier, David Cameron, temporarily plunged London's relationship with Beijing into the deep freeze.

The decision of Theresa May's new government to review the proposed Hinkley Point power station imperils a project in which Beijing has invested a great deal of political capital. The deal was described by Xi Jinping, China's president, as the "flagship project" in a new phase of relations lionised by both countries as a "golden era". China's stake in Hinkley is seen as a potential springboard for its nuclear industry, an important part of the country's military-industrial complex, to broaden its international footprint.

With this background, it is no surprise that Liu Xiaoming, China's ambassador to the UK, warned London in an article published in the Financial Times that the deferral imperils the UK-China relationship. He urged London to approve Hinkley as soon as possible and expressed a hope that "the UK will keep its door open to China".

But while China's disappointment may be understandable, it should not overreact. The long-delayed Hinkley Point is both a complex commercial project and a delicate political issue for several reasons that have little to do with China. For domestic considerations alone Mrs May's government is justified in seeking a thorough review.

There have long been doubts about the commercial merits of Hinkley — ones shared by this newspaper. The basic economics of power generation have shifted dramatically since the project was first proposed, as the costs of building a nuclear power station have risen while wholesale energy prices have dropped. This has left the UK committed to guarantee a price of £92.50 per MWh — more than double the current price in wholesale markets — for 35 years.

There is, moreover, real political risk for the UK government in supporting a plant that has even split opinion at the executive level of EDF, the French utility that was due to lead its construction. These divisions reflect worries about the fragility of the French utility's finances and its ability to bring the project in on time and within budget. EDF has experienced serious delays and overruns with nuclear reactors under construction in both Finland and France.

So China should be understanding even if the UK decides after its review to scrap the Hinkley project entirely. Beijing need only look at the swaths of its own domestic economy that remain resolutely closed to foreign investors to remind itself that Britain maintains one of the most open investment environments in the world. Chinese companies, as Mr Liu notes, have invested more in the UK than in Germany and France over the past five years. Beijing should not jeopardise the commercial interests of its companies by throwing a diplomatic fit of pique.

For her part, Mrs May should seize opportunities ahead of and during the G20 summit in China in September to reassure Chinese counterparts that the UK's new government values ties to China and Chinese business. After all, the UK's pending exit from the EU makes a thriving commercial relationship with China indispensable.

Letters

Email: letters.editor@ft.com or
Fax: +44 (0) 20 7979 7790
Include daytime telephone number and full address
Corrections: corrections@ft.com

The internet improves people's quality of life

Sir, Aleks Krotoski's well-balanced article "'Digital detox' is no panacea for the compulsive device checker" (August 8) is a refreshing examination of internet use. It has become a well-worn mantra among older fossilised people to attack internet use. These attacks seem to be based more on fear of a new paradigm rather than on objective studies of the phenomenon. Ms Krotoski seems to understand this while also suggesting people take a break from it and step back. I think people choose to be on the internet because they believe it improves their quality of life.

I find it strange that when the Nielsen ratings reported that Americans were spending approximately five hours a day passively in front of their televisions, academics were not crying and tearing out their hair over the antisocial aspects of television watching. So, why the virulent attacks on internet use? What is the difference? With the internet, people can choose what news and information they want to see. This should be celebrated, not bemoaned. Certainly, it is not a passive activity.

In my specific case, I use the internet to study economic trends so I can make better investments. In addition, since I also teach physical fitness and Zumba, the net allows me to post photographs of the activities and generate interest among the people who want and need physical activity. By using the internet, I can post the time and place of our next activity and motivate people to get off their sofas to do something with other human beings.

I also use the internet to discuss current events with groups of people. This is not antisocial. Sure, I could get in a car and drive somewhere to meet people who want to engage in such discussions. However, then I would be spending a significant amount of time travelling to and from such live engagements. With the internet, such discussions can be had with people from all over the world for a richer experience.

In *The Structure of Scientific Revolutions*, Thomas Kuhn said that when new paradigms arise, people generally don't embrace them. Instead, younger people adopt them while older people wail against them and go to their graves along with their beliefs in their old paradigms. So it is with the internet.

Andy Serrano
Los Angeles, CA, US

Growth and equality can be promoted together

Sir, Lawrence Summers is absolutely correct that there is a progressive case for championing pro-growth policies in the US (August 8). But he is wrong to say that a focus on inequality has come at the expense of considerations of growth. In short, the political case for pro-growth policies cannot be separated from that concerning inequality. Unlike the assertions of the "stylised facts" of Professor Summers' graduate student days, the distribution of total income has always been thoroughly imbricated in the rate of growth of total income. It is no coincidence that the past half century has been characterised by three concurrent long-term trends: the decline of organised labour, the decline of the income share of ordinary workers, and the decline of the growth rate.

What does this mean for politics that are both pro-growth and pro-"fairness", as Prof Summers calls it? While the call for more public spending is significant, we need to be clear about precisely where government should make these investments. In a world of increasingly flexible and precarious work, and new skill requirements, government will have to make investments in three core areas: health, education and urban infrastructure (especially housing). These investments have the advantage of producing long-term gains in human capital, short-term gains in stimulating labour demand and increasing productivity through the "network effects" of cities — the "fixed capital" of the 21st-century economy.

Perhaps even more important, Prof Summers' proposed fiscal expansion to achieve both growth and "fairness" requires a degree of political will that has been strikingly absent. It would be logical, therefore, to expect him to use his space in future columns to highlight the minimum wage demands of unions, and the public investments demanded by the Black Lives Matter movement and housing rights organisations in cities across the country. These organisations and movements are likely to be the basis of political pressure for achieving a future that is both more productive and more equal.

Benjamin H Bradlow
Cambridge, MA, US

EU is a common regulatory space

Sir, As John Plender suggests ("The myth of the European peace project", August 5), the story of the EU as the source of Europe's postwar peace can be overdone. But his article contains two omissions and an important error.

The first omission is any mention of Nato. Without the American commitment and presence in Europe, Germany would either have fallen under Soviet influence, or it would have needed a military big enough to fight a two-front war: something that would have scared the daylights out of everyone else. Nato was a precondition of the EU. The EU treaties themselves may be seen as a substitute for peace treaties ending the second world war in Europe.

The second omission is eastern Europe. We should give the EU some credit for the transition in central Europe, a rare case of revolutions bringing democracy. In the Balkans, the lure of the EU — still more attractive than any alternative — remains vital in rebuilding peace.

The error is to discuss the EU as though it were a free trade area. Mr Plender is right to dismiss the Cobden theory that free trade brings peace. The EU, however, is not a free trade area but a common regulatory space. This requires endless meetings, including among heads of government. The meetings may be dull but the habit of doing business together creates useful spin-offs, one of which is a certain sense of being a political community. It is something like this that Jean Monnet was aiming at: an intangible that we may notice only when we no longer belong.

Robert Cooper
London W11, UK

It is referendums that breed populism

Sir, Lauding referendums, John Plender complains about "a profound disrespect for public opinion and democratic process" of the European political elite breeding populism ("The myth of the European peace project", August 5).

I would instead argue that referendums breed populism. And that European countries should stick to their sound representative democratic process.

'I've got an app that says you've got lots of money in your safe'

Most European countries have had only a handful of referendums, typically about prohibition in the 1920s, constitutions, nuclear power, EU membership and a few other EU matters. This selection is arbitrary and harmful because referendum debates have invariably been of lower quality than ordinary political debate and the results often absurd, contradicting public opinion.

The main conclusion from the embarrassing Brexit campaign with its unclear choices, substandard arguments and disastrous outcome should be that European countries should exclude the possibility of referendums.

The worst method of decision-making should not be used for the most important decisions.

Anders Åslund
Atlantic Council,
Washington, DC, US

Clara Hughes: surely the greatest Olympian of all

Sir, I enjoyed John Burn-Murdoch's analysis of the greatest Olympians ("The Baseline", August 8). But surely in the true spirit of the Olympics such an accolade has to go to the only person who has ever won multiple medals at both the winter and summer Olympic Games: the Canadian Clara Hughes.

Richard Stubbs
Professor Emeritus,
Dept of Political Science,
McMaster University,
Hamilton, ON, Canada

UK economy is on a path mapped out back in May

Sir, We have wrestled long and hard with the question of whether lowering the growth forecast for the UK following the referendum result represents a downward revision.

In NIESR's case, we had mapped out two likely scenarios for the UK under Leave or Remain in our May projections and we picked the Remain scenario for the most likely path for output. The referendum result, more or less, allowed us to pick up the previously projected Leave scenario in which the probability of a technical recession is about evens.

This change, which has been echoed by the Bank of England and the International Monetary Fund, is less a revision and more the projection of an alternative state of nature, which although enduringly uncertain had been constructed previously. This much had been communicated prior to the referendum by all serious forecasters, so the change in the most likely path is not news. So far the economy seems reasonably consistent with the path mapped out in May in the event of a Leave vote. Naturally when the data surprise us we will then revise.

Prof Jagjit S Chadha
Director, National Institute of Economic & Social Research (NIESR),
London SW1, UK

Institutions and savers are under identical pressure

Sir, During last week's press conference and in response to a question about the impact of continued, now lower, rates being imposed upon individual savers, Bank of England governor Mark Carney stated that "there is a difference between individual and institutional savers such as pension funds and insurance companies". To the extent that pension fund and insurance company assets consist of funds placed in their custody by individual savers, both individuals and the institutions to which Mr Carney refers are, in fact, not mutually exclusive, but mutually under identical pressure, due to unconventional central bank monetary policy that continues to favour financial repression over higher real returns.

Jonathan P Kahn
Beechhurst, NY, US

Donald Trump is not a quark

Sir, The economy seems to be one of the few areas where the majority of US voters favour Donald Trump, apparently because he is a businessman.

Business experience is totally irrelevant to the economic functions of government. Businessmen are not practitioners of macroeconomics; rather they are its subject matter. One might as well expect a quark to be an expert in quantum physics.

Tony Welsh
Houston, TX, US

Correction

● The Chinese partner in the UK's proposed Hinkley Point nuclear power project is China General Nuclear Power Group. It was wrongly identified by its former name China Guangdong Nuclear Power in an article on August 9.

No ifs, no butts: a ban on French smokers' filter-flicking habit

Paris Notebook

by Adam Thomson

Anyone who has spent time in the French capital will know that one of the Parisians' most ingrained habits is smoking. They will also know that a another is tossing cigarette butts on to the street.

There is the backhand flick, like performing a tennis stroke in miniature. There is the long-range launch, which is more technical and requires deft co-ordination of thumb and middle finger. Then there is the "grind", involving twisting your shoe firmly over the smouldering filter.

Whatever the technique, they are all now the target of an official campaign to convince people to change their ways.

In the past year, the city's Socialist government has almost doubled fines from €35 to €68. About 30,000 public bins with special rims for extinguishing butts have been installed throughout the city. The government has even distributed tens of thousands of pocket ashtrays.

The reasons for the campaign are obvious, Mao Peninou, the local government minister responsible for the campaign, tells me. For one thing, cigarette butts contaminate in ways that other litter does not. The government estimates that Parisians throw about 350 tonnes of *mégots* on to the capital's streets every year. Many of them end up in the drains, leaching harmful chemicals into the water supply.

For another, says Mr Peninou, the campaign fits into the government's wider push to recover public spaces in a city that has the highest population density in Europe.

"When the city becomes increasingly dense, with apartments that get smaller and smaller, public spaces take on an increasingly important role," Mr Peninou explains.

Maybe. But walk down any street, at almost any time of day, and the size of his task becomes painfully clear.

In the city centre I talk to Pierre, a tall and slim office worker who prefers not to give his surname as he takes the last long drag on his cigarette before heading inside to start the day's work.

Each of his multiple daily cigarette breaks ends with a ritual: he lets the butt fall to the ground and then puts it out with a couple of sharp twists of his shoe. "Doing it like that marks the end of the break," he tells me. "It's like putting a full stop at the end of a sentence."

Lys Castillo, a 25-year-old assistant shop manager, tells me that throwing your butt — she prefers the backhand flick — is an integral part of the pleasures of smoking. "Everyone does it," she says as she fires up a Marlboro Light. "You don't have to worry about throwing your butt in the city because there are people who clean the streets all the time."

Victoire Brasseur, 22, first tasted nicotine aged six, when her father gave her a puff of his cigar. "I loved it," she admits, as she reaches for a John Player Special. Like many of the people I spoke to, she barely thinks about throwing cigarette ends on to the street.

At home she likes to flick the butts from her fifth-storey window, although she says that she first makes sure nobody is walking underneath.

"I would never throw litter but I have no qualms about cigarette butts, which I know is irrational," she says. "Then again, smoking is irrational, too."

Given such apparent resistance to change, I ask Mr Peninou how the campaign is going so far. To my surprise, he tells me that attitudes are starting to change.

The government has enlisted hundreds of officials to form a "verbalisation brigade" to educate the capital's residents — but also to hand out about 1,500 fines in the first six months of the campaign.

"We didn't want to set targets because it is not about tax collection," he says. "But nobody likes to pay a fine of €68, and even less in the street in front of everyone; the message is starting to get through." He says that, in general, the people receiving fines have accepted them without too many complaints.

I think about this as I leave his office. Then I catch sight of two police officers sharing a cigarette. Taking a final drag, one of them lets the butt drop to the ground, places a shiny black boot over the smouldering end and grinds it into the pavement.

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Comment

India's one nation tax depends on local statesmanship

OPINION
Swaminathan Aiyar

One nation, one tax, one market. That is the aim of India's goods and services tax, for which a constitutional amendment was last week passed by the upper house of parliament after years of wrangling. One single tax code will replace the welter of 15 different codes at central and state levels. The World Bank's 2016 "Doing Business" report ranks India at 157th of 189 countries in the ease of paying taxes, and the GST could transform that.

It will also check tax evasion. Its software will enable the matching of 3bn-5bn invoices per month, identifying evaders. It will help match indirect tax payments with the payment of (or failure to pay) income tax. Only 12.5m of 1.3bn Indians pay income tax currently.

The GST will reduce paperwork, disputes, corruption and logistical costs. The Infrastructure Development Finance Corporation, India's top infrastructure financier, estimates the tax could raise India's GDP by 1-2 per cent. Yet good implementation is crucial — never the country's strong point.

The IDFC estimates that the nation's trucks travel 280km a day against about 800km in the west — a discrepancy caused by hassles, delays and corruption at state and city border checkpoints. The GST will subsume all existing state and city entry taxes into a single tax collected at the point of consumption. Not all checkpoints will disappear: some will remain to deal with criminal activity and vehicle registration. The Essential Commodities Act empowers states to restrict the movement across state or district borders of items such as grain, vegetables, edible oil, alcohol and petroleum products, and will continue to do so after the GST is enacted. So corrupt border officials may still find ways to harass truckers and extort bribes. India will not become a seamless market. But delays and corruption should fall drastically.

The constitutional amendment must now be ratified by the lower house and a majority of states. Then a GST council, comprising the central and state finance ministers, begins the crucial task of determining tax bands for different items. These rates will have to be passed by the central and state governments.

> History suggests this quality is in short supply — but Delhi is right to be ambitious

An expert committee had suggested four tax bands — zero for essentials, 12 per cent for "merit" goods consumed mostly by poorer people, a standard rate of 17-18 per cent and 40 per cent for luxury goods. However, the council may have different ideas. The GST will not cover alcohol and petroleum products: the states will be free to set their own rates for these high-revenue items.

State governments need to show statesmanship in accepting tax uniformity as a public good. History suggests that such statesmanship is in short supply. Big disagreements are possible in the GST council on the number and coverage of tax bands. Some states want the standard rate to be over 20 per cent, which New Delhi opposes as inflationary. Some states, such as Kerala, claim they have the right to set their rates well above or below those of the council, seriously eroding the "one nation, one tax, one market" ideal. A dispute settlement mechanism is being set up but it will take time to deliver its verdicts.

The new law obliges New Delhi to compensate the states for all revenue losses from the switch to the GST for five years. There is no clarity on how these losses will be computed, leaving much scope for quarrels and heartburn.

Staff retraining, new documentation and the digital network for switching from multiple taxes to the GST have been in the works for some time but are far from complete. Tax disputes and litigation are rife today — and a switch to a new system will inevitably create many new areas of dispute, with officials and economic actors offering very different interpretations of the rules. In the long run, a simpler, more uniform tax code should reduce disputes and litigation. But in the short term the pain of transition could actually worsen the problem.

Arun Jaitley, the finance minister, has set April 1 2017 as the deadline for implementing the GST. This looks very ambitious, given the technical and staffing problems and the need for the GST council to decide on the number, rate and coverage of tax bands. These are thorny political issues, and swift decisions are far from certain.

Still, Mr Jaitley is right to push for an early deadline and then fix problems as they arise. In many countries, fixing glitches in a new GST has taken years. India may be no different. The policy is best seen as a process. It may be messy and drawn out, yet it has great potential.

The writer is a research fellow at the Cato Institute

Uberisation and the dangers of neo-serfdom

OPINION
Rana Foroohar

Hillary Clinton and Donald Trump have been pitching at voters their plans to revitalise the American economy. The proposals from Mr Trump, the Republican nominee, come with the usual dose of cognitive dissonance; he claims to be a fan of fiscal stimulus yet his new economic advisory committee consists of what seem to be the last surviving "supply-siders", proponents of Reagan-era trickle down theory. Mrs Clinton's plans have more intellectual coherence — the Democratic nominee is promising big investments in infrastructure, manufacturing and clean energy, intended to create better paying jobs. But neither candidate has fully addressed the most important trend in labour markets — the gig economy.

A spate of research by everyone from high-profile academics to McKinsey consultants points to the idea that in the next 10-20 years, the number of people working as freelancers, independent contractors or for multiple employers will increase dramatically. In the US, 35 per cent of workers are working in this way. So the sharing economy, made up of both lower-level gig workers and higher-end professionals with "portfolio" careers, is the future. The question is whether it will be an economy that creates more sustainable, robust growth.

There are two paths this new economy might take. One, more widely covered, is Darwinian. People at all ends of the socio-economic spectrum become Uberised, as both blue- and white-collar jobs are handed out piecemeal to the lowest bidder. Already, eastern European designers and Indian radiologists are undercutting their full-time peers in more developed countries this way. The labour markets starts to resemble, as Adair Turner, chairman of the New York-based Institute for New Economic Thinking once put it to me, "a feudal marketplace in which the lord shows up each day and says, 'I'll take you, and you, and you'." The labour share of the pie, which has been shrinking across the developed world for the past four decades, continues to decrease. Stagnant growth and polarised politics continue.

But there is another possibility. Platform technologies used by companies such as Uber could, with a few crucial tweaks, enable a return to a more benign, pre-industrial form of capitalism.

As Arun Sundararajan, a New York University academic, notes in his new book, *The Sharing Economy*, the percentage of self-employed workers in 1900 in the US was three times as high as it is today. Rather than working for huge corporations that take the majority of the pie — corporate profit share has reached record levels in the past couple of years — the farmers, artisans and small merchants that made up the majority of the 19th-century labour force were self-employed, selling goods and labour directly into the marketplace to myriad customers. The gig economy, it turns out, is not new; peer to peer commerce has just reinvigorated an old model.

The trick for the next US president will be to craft policies that ensure the 21st-century sharing economy is more conducive to enterprise than to feudalism. That will include making sure labour can grab a larger chunk of the profit. Policymakers might take a lesson from existing co-operatives, in which workers already own the means of production. This type of business, with roots in the 19th century, is widespread in the US agricultural industry. Big brands such as Ocean Spray, Welch's, Land O'Lakes and Sunkist are owned by individual farmers who can use economies of scale to secure prices above market average for their products.

> With crucial tweaks, platform technologies could enable a return to a more benign form of capitalism

Digital platforms make it possible to spread this model to fast-growing hands on sectors such as healthcare and education. In the US, the Bronx-based Cooperative Home Care Associates employs 2,000 workers in jobs with above-average wages and more favourable scheduling standards and benefits. Swift, a new Uber-like taxi app, is run and owned by drivers themselves. New York recently launched a $2m fund to help develop digital co-operatives among companies such as print shops, neighbourhood cafés and artisan makers of high-end goods.

Increasing the scale of such a model requires state intervention. Current laws mean it is much easier for businesses to register as limited liability companies than as co-ops, for example. Labour laws, which assume there is an imbalance between individuals and large institutions, will need to be rethought, as will regulation. Already, there have been wrangles over legal compensation for things that go wrong in, for example, an Airbnb, and how that differs from a similar situation in a hotel. Portable benefits, an idea supported by many tech titans, would help provide a basic safety net for workers in the US sharing economy, allowing them to be more entrepreneurial. This is vital at a time when start-ups per head have been falling for at least four decades.

Restructuring the rules for the new sharing economy will be time consuming and politically fraught. But the rewards could be significant. While trade in traditional goods and services is flat, a study by the McKinsey Global Institute shows that cross-border digital flows in areas such as e-commerce, streaming video, web searches and so on have increased 45 times in the past decade, and are projected to grow another nine times in the next five years.

What is more, the companies responsible for the jump include a much higher proportion of small businesses and sole proprietors. That points to a form of globalisation that could be much more inclusive and thus less politically contentious. Handing greater power to those who create it could elevate not only our economy but also our politics.

The writer is the author of 'Makers and Takers: The Rise of Finance and the Fall of American Business'

The liberation of black South Africans from the politics of guilt

OPINION
Barney Mthombothi

A few months before he became South Africa's president in 1994, Nelson Mandela warned his compatriots to be as tough on his African National Congress as they had been on the National party. "If the ANC does to you what the apartheid government did to you," he said, "then you must do to the ANC what you did to the apartheid government."

For more than two decades black South Africans largely ignored Mandela's advice — until last week's local elections. In a series of stinging defeats the ANC lost its majorities in important centres such as Johannesburg, Pretoria and Port Elizabeth. It managed to hang on to Durban but Cape Town has been in opposition hands for some years.

The results mark a significant shift in South African politics. In the two decades since the first democratic elections, policies had appeared to be more or less irrelevant, as did some of the outrageous behaviour associated with the government of President Jacob Zuma.

Black voters had flocked to the ANC out of gratitude; the party had sacrificed much for our liberation. It had been driven into exile — from the eastern bloc to Ethiopia, from Angola to Cuba — where many cadres died in a largely symbolic armed struggle. Mandela and other leaders spent years in prison. With the struggle won and the party in government, support at the ballot box was the least we could offer. To think otherwise was almost sacrilegious.

Mandela's iconic status, ironically, helped cement the ANC's hold. In old age he would be dragged to rallies to stiffen voters' resolve. Elderly women would arrive at polling stations willing to vote for him and his party or no one. There was little scrutiny of policies.

Meanwhile, the main opposition proved a convenient scarecrow. The ANC would argue that the Democratic Alliance, once a white party, would reintroduce apartheid if it won power.

> Supporters flocked to the party of Mandela out of gratitude. But ANC scandals have tested their patience

The ANC's unchallenged position made the party reckless — in some cases fatally. In a country with one of the highest rates of HIV infection, Thabo Mbeki, Mandela's successor, joined the ranks of Aids deniers. His refusal to take steps to curb the spread of the disease led to hundreds of thousands of deaths.

The party felt so confident that it elected Mr Zuma to succeed Mr Mbeki as party leader despite the fact that he was facing corruption charges and had faced a high-profile rape trial (he was acquitted) — inappropriate in a country with high crime rates.

But ANC dominance seems to have hit the wall. Three years after his death, the party can no longer call on voters to "do it for Mandela". And, as Mmusi Maimane, DA leader, says, the ANC no longer represents what Mandela stood for. It has even jettisoned his signature policies of reconciliation and non-racialism.

Mr Zuma's corruption scandals and the incompetence of his administration have tested the patience of his supporters. A ruling this year that he had breached the constitution by defying the public protector's recommendation that he repay some of the millions of tax dollars spent upgrading his private residence seems to have damaged his standing more than was originally thought.

The election results also indicate an emerging generational divide. While the party can still appeal to the older generation, directly blighted by apartheid, an increasing number of younger people have had no such experience.

Meanwhile, the ANC is being squeezed from both ends of the political spectrum. In Mr Maimane, the DA has found a black leader who is making it acceptable for black people to vote for it. On the left, the ANC is being challenged by its splinter group, Julius Malema's radical Economic Freedom Fighters.

These elections are a sign that black voters are being liberated from the politics of guilt on their part and entitlement on that of the ANC. They are finally heeding Mandela's counsel to be tough on their rulers. That can only bode well for the future of democracy.

The writer is a former editor of the Financial Mail in Johannesburg

Learn from experience for the best industrial plan

OPINION
Richard Lambert

Theresa May is drawing up plans to develop an industrial strategy for the UK and to change an "anything goes" business culture. Good. There is a lot that needs fixing. The prime minister is not the first leader to make such promises. Here are the do's and don'ts her government should consider, based on experience over the past few decades in the UK and elsewhere.

An industrial strategy is a good idea, provided that it is built around sectors where the UK has a comparative advantage and where the government is an important player, either as a provider of development finance or as a customer.

We do not need an industrial strategy for dying businesses such as steel, or for those like retail that flourish without direct government involvement. We do need one for sectors like aerospace, defence, life sciences and energy, where government is bound to play a part in success.

In the past ten years UK governments have twice launched and abandoned industrial strategies. So Mrs May needs to persuade people that this time it is real — and not get into the business of deciding which takeovers are or are not in the public interest. Politics have trumped economics when this has happened before.

Her government should find ways of throwing grit into the machinery of takeovers, which play a much bigger role in British corporate life than in other developed economies, including the US. Companies making a substantial takeover bid should be required to set a five-year business plan with binding commitments. And Mrs May should also search for ways of sharpening competition policy, and not just when it comes to takeover bids. Look everywhere for barriers to market entry and tear them down.

> May should look everywhere for barriers to market entry and tear them down

There is no need to waste time developing, in the prime minister's words, "a better research and development policy that helps firms to make the right investment decisions". The UK's R&D tax credits are competitive. Mrs May should, however, set aside public money to compensate British science for the loss of European research funding, one of the downsides of Brexit, and she should rethink plans to scale down Innovate UK, the agency that has been a catalyst for business research.

When it comes to executive pay, Mrs May should not mess with new rules for bonuses, which always have unintended consequences, usually in the form of increases in basic pay. She should, though, give teeth to annual shareholder votes on compensation packages, ignoring the objection that making these votes binding would lead to difficulties in agreeing pay contracts. So much the better. At the same time, parliamentary select committees should be encouraged to invite chairs of compensation committees to explain themselves if they sign off ridiculous pay packages. That would help to concentrate minds.

There should be no move to force boards to appoint non-executive directors they would not choose themselves. That would drive serious debates out of the boardroom and into the chief executive's office, as in France. Instead, toughen up company legislation that requires boards to pay attention to the needs of a wider group of stakeholders than those who own shares.

And it is time to find ways to exploit the considerable soft power of government. For example, bosses in the UK crave access to Downing Street for the bragging rights. Those who take absurd pay packages or who play games with the tax system should be given the political cold shoulder as ostentatiously as possible.

Capitalism thrives on animal spirits but occasionally creates monsters. The challenge for policymakers is to encourage the one while nailing the other.

The writer is a former director-general of the CBI and a previous Financial Times editor

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Altice: when the music stops

Bonds and bond traders differ in one respect, goes the joke: the former eventually mature. In a world where Germany can auction off 10-year bonds with a negative yield, there is little choice but to join the youthful exuberance.

No surprise, then, that high-yield debt has performed very well in 2016. In the US, high-yield spreads over US Treasuries have fallen to their lowest in a year, at about 5 per cent. In this environment, companies that use debt to expand their businesses look smart. The only worry: when will the frivolity end?

Altice, the Amsterdam-listed telecommunications group, is laughing along. Fond of debt-funded acquisitions, it slashes costs to ensure that cash flow covers its ever-swelling interest charges. Which of course means Altice's shares are very sensitive to its progress on reducing overhead expenses. The company's second-quarter earnings report yesterday, beating estimates, gave the market some relief. The shares soared 13 per cent. This looks impulsive.

In France, SFR, its Paris-listed subsidiary, (which contributes more than half of group earnings before interest, tax, depreciation and amortisation), average revenue per customer in their broadband business has improved over the past year. Fewer customers are leaving. Altice has plans to cut employee numbers by a third from 15,000. Less exciting: profit margins are down from last year as revenues fall even faster than costs.

Better news came from the US. Its Suddenlink and Cablevision (renamed Optimum) cable acquisitions beat profit expectations. The latter had its best quarter since 2012. Optimum, though, benefited from a strike at key competitor Verizon.

Altice needs everything Optimum can give, however. Next year, Altice's US operations are expected to provide almost a third of ebitda, on New Street Research estimates. Most of that will come from Optimum. Yet it has the lowest ebitda margins in the group.

The reason to be suspicious of all this good cheer is Altice's ugly leverage. Net debt is almost six times its ebitda, which means that there is little room for error. Meanwhile, the US Federal Reserve makes increasingly hawkish noises.

If US interest rates do rise in the year ahead, Altice investors, and a lot of bond traders, are going to grow up fast.

Lending Club: membership drive

Hurrah for the plucky individual investor. Since May, when Lending Club admitted falsifying loan dates and ousted founder Renaud Laplanche, institutions have sharply reduced their loan purchases. As a result, originations fell 29 per cent to $2bn between the first and second quarters.

But "self-managed" individuals have been less flighty. They fund 17 per cent of loans, compared with 13 per cent at the end of last year. In other words, banks fled, and insurance companies, hedge funds, asset managers and individuals whose wealth is managed by professionals cut back.

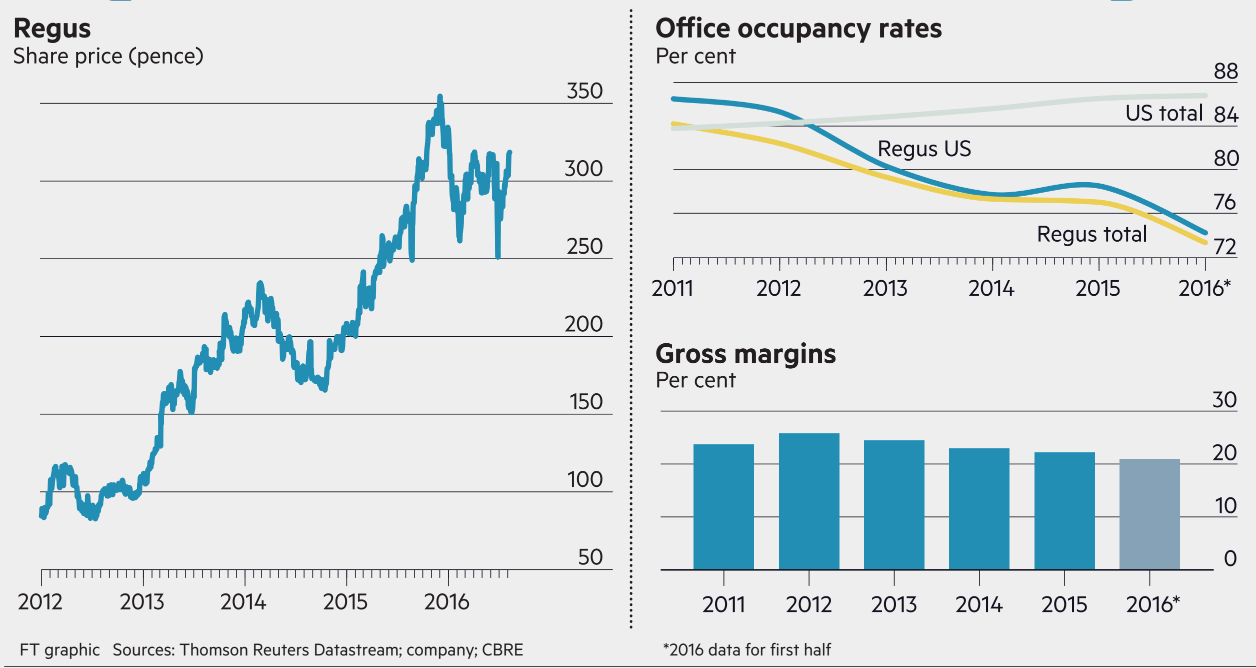
A cynic would say the dumb money remains. There is a risk individual punters pull back, too. A headline-grabbing fine from regulators might be the catalyst. Even if they keep the faith, they are not enough by themselves to restore the growth predicted at 2014's initial public offering. Lending Club needs to lure back the big players and it is offering them incentives to do so. So far, 15 of the 20 biggest investors have returned, Lending Club says, though not at the level they were operating at before May. There is an alternative funding source, which Scott Sanborn, Lending Club's chief executive, referred to on Monday's earnings call as "committed capital". Asset managers would pledge to buy a certain amount of loans. The stability would be good news for Lending Club. The question is what it would have to pay for it.

The most attractive currency might be equity in the company. Lending Club has fallen 60 per cent this year. Since the IPO, it has gone from an enterprise value of 20 times revenue to five times. Loan investors are being better compensated for risk in a yield-starved world: Lending Club has increased interest rates three times this year. The repricing of the equity makes it more attractive, too. Combine them and investors willing to overlook previous bad behaviour can do well.

Those fearless individuals, meanwhile, may yet be rewarded rather than punished for staying the course.

Office romance

Regus shares have been performing well. Despite the trend in the US, the company's occupancy rates have been declining there. So have global occupancy rates and gross margins



FT graphic Sources: Thomson Reuters Datastream; company; CBRE

*2016 data for first half

Regus is in a cyclical business — real estate — but it has a secular kicker. It equips and leases offices across the world (more than 40 per cent of sales come from the US, with the rest split evenly between Europe, the UK and Asia). Many of its clients, businesses with variable space needs, pay as they go to use facilities.

So, while global growth fuels office demand, Regus benefits from the trend towards more flexible work. Its biggest risk, in fact, is that it grows too fast. First-half results, announced yesterday, were decent. Revenue growth was 10 per cent in the first half, and its number of locations has grown 4 per cent since the end of 2015.

The market is enthused: the stock is near its 2016 high, pressing its price-to-earnings ratio up to 25 and its dividend yield down to 1.5 per cent.

The company, founded in 1989, is learning the right things from the millennial clients that populate the lounges of its trendy "Spaces" brand of offices. A leaner management structure cut first-half overhead costs by 9 per cent compared with the prior year, despite the rising number of facilities. Clients are encouraged to use apps to book offices, bringing sales costs down.

Management tracks performance in terms of cash flow return on invested capital; the ratio is calculated for each of the various "vintages" of property. The latest vintage, 2015, is showing a negative 9 per cent return, but profits rise as time passes. The 2011 vintage, for example, are returning a meaty 21 per cent. Given that last figure, the market's evident enthusiasm for its business model, and the availability of cheap capital, Regus might be tempted to add new spaces more aggressively. In that case, cash burn from recently opened offices would increase, but the future harvest would be greater.

Tempting, but in any retail business, growing assets is only a good idea so long as the productivity of each asset is increasing. In the US, there are signs this is not happening. Despite increasing occupancy in the US overall, Regus's facilities have seen a slight fall. Like its clients, Regus must stay flexible, and invest only where demand is strongest.

Brother: growth, where art thou?

Tech start-ups say: profit good, growth better. Companies languishing at the other end of the innovation curve have no choice but to start with the former. Late on Monday Brother Industries, the Japanese hardware maker, announced June quarter sales down 4 per cent because of the strong yen. Operating profit, however, rose nearly 30 per cent, prompting the company to lift its full-year profit targets. The targets still imply lower earnings than last year, but the shares rose a fifth. Before the rally they had lost half of their value over a year and a half. To claw more of that back, profit will not be enough. Profit growth must come.

The near term looks promising. The company has been trying to cut costs, and it is working. Across the group, operating profit margins were higher than the prior year. More efficient advertising spending helped to improve earnings at the largest division, printing, says Nomura. A near-doubling in margins at the unit — which accounts three-fifths of group revenues — accounted for nearly all of the pick-up in operating profits.

There is room for more. In March, Brother introduced a three-year plan to lift profits and growth, which has barely begun. Divisions making more mature products such as printers and karaoke systems will aim to maximise cash flow. This will be recycled to finance the expansion of existing businesses identified for that potential, including sewing machines and factory and office automation. The company also wants to develop new offerings such as tailor-made suites of office equipment.

The pick-up in the first quarter proves the company can deliver savings. But cost cutting cannot lift earnings indefinitely. Success in the growth areas will be critical, as printer volumes slow. With Domino, a printer of food packaging labels Brother bought last year, that will be particularly important. Savings good, sales growth better.

L&G/Standard Life: income assurance

So much for gratitude. Legal & General reported a double-digit increase in pre-tax profits yesterday and raised its dividend. Shares fell by 5 per cent. Peer Standard Life also reported increased profits and a more generous payout. Its shares rose. Both should benefit from long-term trends such as ageing populations — so why the divergence?

The ostensible difference is that UK-focused L&G has cut its free cash flow growth forecast for the year by about 2 percentage points (to 5 per cent). In the run-up to the Brexit vote, L&G sensibly chose to hold more zero-yielding cash. So returns naturally dipped.

But lower cash generation at L&G could mean an unsustainable dividend. A high yield of about 7 per cent underscores this point. Lower economic growth after the UK referendum could also hit its annuity business, nearly half of operating profits. These funds have exposure to corporate credit and alternative assets such as infrastructure.

Standard Life, by contrast, looks more like an asset manager than a traditional insurer. Over nine-tenths of revenues come from management fees. Given their recurring nature, that should make the dividend comparatively safe (its dividend yield stands at 5 per cent).

Standard Life's income increases as inflows (and thus fees) go up. Worryingly, its flagship Global Absolute Return Strategies Fund (which accounts for 30 per cent of earnings according to RBC Capital Markets) had a rare net outflow in the second quarter. About £2bn of inflows from (generally longer-term) institutional investors enabled Standard Life to end the half with a small overall rise. Yet given intense competition, typical institutional money earns lower fees.

Over the past three years, Standard Life shares have underperformed L&G's by 26 percentage points. That seems excessive. If the former can boost inflows, it should outperform its rival in the year ahead.

FT Lex on the web
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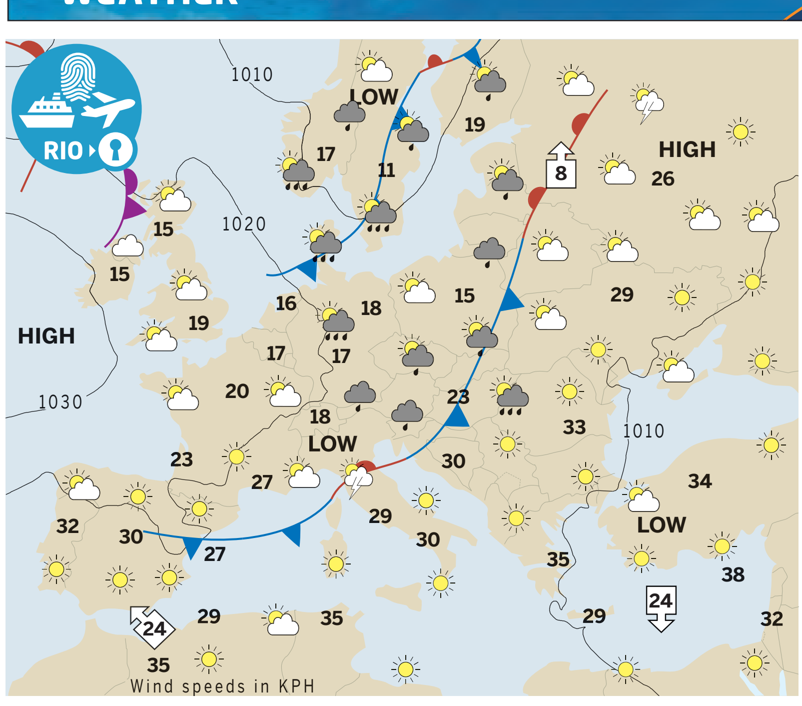
WEATHER



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

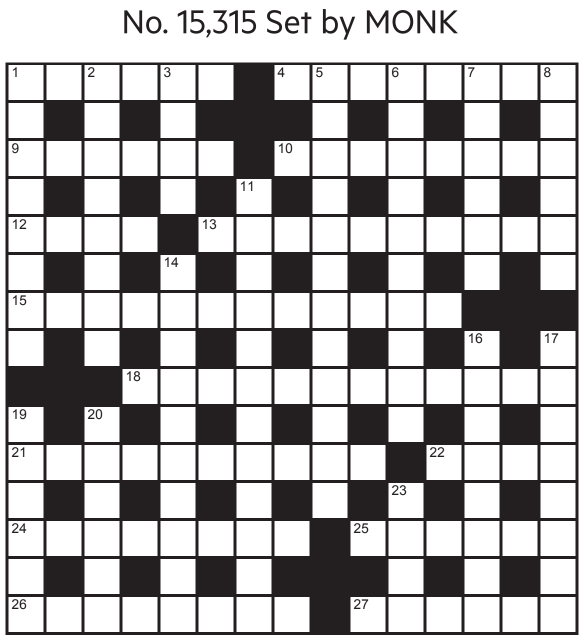
Today's temperatures

Maximum for day °C

Abu Dhabi	Sun	41	Malta	Sun	29
Amsterdam	Shower	16	Manila	Thunder	30
Ankara	Sun	34	Miami	Thunder	33
Athens	Sun	35	Milan	Sun	27
Bahrain	Sun	41	Montreal	Fair	30
Barcelona	Fair	27	Moscow	Fair	26
Beijing	Fair	32	Mumbai	Thunder	29
Belfast	Rain	15	Munich	Cloudy	17
Belgrade	Sun	30	Naples	Sun	30
Berlin	Fair	18	New York	Thunder	29
Brussels	Shower	16	Nice	Sun	26
Budapest	Fair	23	Nicosia	Sun	38
Cairo	Sun	35	Oslo	Rain	17
Cardiff	Cloudy	17	Paris	Fair	20
Chicago	Fair	32	Prague	Shower	16
Cologne	Shower	16	Reykjavik	Rain	14
Copenhagen	Shower	16	Riga	Shower	18
Delhi	Thunder	32	Rio	Rain	23
Dubai	Sun	40	Rome	Sun	29
Dublin	Rain	15	San Francisco	Fair	21
Edinburgh	Drizzle	15	Singapore	Fair	31
Frankfurt	Shower	19	Stockholm	Shower	17
Geneva	Fair	21	Strasbourg	Fair	20
Hamburg	Shower	15	Sydney	Sun	25
Helsinki	Fair	19	Tokyo	Thunder	32
Hong Kong	Thunder	30	Toronto	Fair	33
Istanbul	Fair	31	Vancouver	Fair	21
Lisbon	Sun	32	Vienna	Rain	16
London	Shower	19	Warsaw	Rain	15
Los Angeles	Fair	27	Washington	Cloudy	32
Luxembourg	Shower	17	Zagreb	Drizzle	20
Madrid	Sun	30	Zurich	Shower	18

CROSSWORD

No. 15,315 Set by MONK



JOTTER PAD

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1 It flies in very large quarry (6)
4 Beginning to tune, say, four small instruments (1-7)
9 Vulnerable offer (6)
10 Maybe Christmas fairy's touring dates adjusted (5-3)
12 Not a thing to wrap extremely excellent cheese (4)
13 Islanders, drooping in rain, set out in ship (3,7)
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18 Perfume department in France stocking English and German port (3-2-7)
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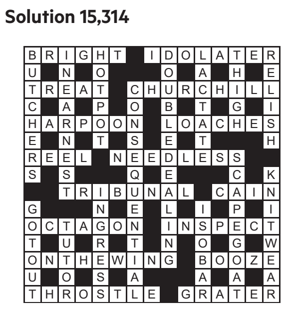
22 What might carry ultimately dormant fish (4)
24 Smack steams to the Orient, as far as it goes? (8)
25 Quartet from Rome in setback, following split, west of one Italian town (6)
26 Hybrid transplant by artery (8)
27 Frank introducing vital broadcast – very odd (6)

DOWN
1 Public joining our European unemployed (3,2,3)
2 Pressure on union judge to leave flat (8)
3 Cotswold female on river vessel (4)
5 Might one be confused by form from Dumbledore, for example (12)
6 Buoyant United Kingdom clever to welcome Poles in (10)
7 Example of MP inflamed over EU farming system? (6)
8 Somewhat cautious, boy finally tucked into type of kebab (6)
11 TV put out on furniture (5-7)
14 Cadge fresh butter – yours truly finds a third of an ounce or so (10)
16 Indian city hosting one colonel and a general (8)
17 Heartless name for speed (8)
19 Bee caught in little picture (6)
20 At first sight, typical weather in Scotland, temperate yet windy (6)
23 Fence turning up – one's worse than a thief (4)

Solution 15,314



Companies & Markets

FINANCIAL TIMES

Litmus test Savings bank listing is a big trial for Chinese assets

JENNIFER HUGHES, PAGE 12

Japan Steel Works	Citic	L&G	Xetra Dax	Brent crude	Sterling/dollar	Spanish 10-yr govt bond	CBoE Vix
10.61%	3.5%	5.5%	2.5%	0.5%	0.3%	1bp	2.4%
¥511	HK$12.44	206p	10,692	$45.15	$1.3002	0.99%	11.23

Facebook strikes back at ad blockers

● New technology will keep marketing visible ● Changes seek to protect online revenues

HANNAH KUCHLER — SAN FRANCISCO

Facebook is taking a stand against ad blocking by introducing technology to make it harder for people to avoid seeing its advertisements, as it claims that increasingly popular ad blockers are bad for publishers and users.

The world's largest social network is also encouraging users to identify which ads they do not like and to tell the site which ads would interest them, allowing it to collect more in-depth information for marketers.

Andrew Bosworth, vice-president of ads and business platform, said ad blockers took an "all or nothing" approach, whereas Facebook was hoping to find a "middle ground", by allowing users to report irrelevant ads.

Facebook yesterday began presenting users with new options at the top of their news feed, showing them what Facebook thinks they like and which advertisers are using their contact information to target them on the network.

"As we offer people more powerful controls, we'll also begin showing ads on Facebook desktop for people who currently use ad blocking software," Mr Bosworth said.

Many marketers have seen Facebook as a way to avoid the risk of having their ads blocked, as ad blockers cannot disrupt ads on the mobile app because of its natural design, which tightly integrates content and advertising. Facebook generates 87 per cent of its revenue on mobile but is now making changes to ensure its desktop ads cannot be disrupted either.

The social network joins media companies that are already trying to find ways to protect online revenues from ad blocking. People using ad-blocking software who visited The New York Times website in March were told "the best things in life aren't free" and were asked to disable the ad blocker or pay for a subscription.

PageFair, which helps publishers overcome ad-blocking software, estimated that more than 200m people now use some form of ad blocking on their laptop or desktop, and so do 420m of the world's 1.8bn smartphone users.

> More than 420m smartphone users now have some form of ad blocking

Facebook is the second-largest digital advertising platform by revenue after Google. E-Marketer, the research firm, predicts it will generate $22.4bn from advertising in 2016, compared with $57.8bn for Google. The social network makes most of its money from selling advertisements in the news feed.

But attempts to defeat ad blockers have themselves been met with criticism. The European Commission says "blockers of ad blockers" used by some publishers could break EU privacy laws because, to detect the ad blocker, they may need to store or access information on the user.

Norwegian all at sea
Cruise operator hit by terrorism fallout

The recent terrorist attacks in Paris, Brussels and Turkey are causing a sharp drop-off in demand from North American travellers for Mediterranean cruises, Norwegian Cruise Line warned yesterday, **writes Pan Kwan Yuk.**

Shares in the Miami-based operator dropped as a confluence of problems, including bookings headwinds and the weak pound, forced it to chop its earnings forecast for this year and abandon its financial targets for 2017.

Norwegian blamed the "successive geopolitical events" for the revisions, in which full-year adjusted earnings per share are expected be $3.35 to $3.45, compared with its previous guidance of $3.65-$3.85. Another key metric, adjusted net yield, is seen growing only 1 per cent. The shock profit warning came as Norwegian delivered quarterly results that missed expectations. Although total revenue for the June quarter rose 9.3 per cent to $1.18bn, it was weaker than the $1.21bn that analysts had forecast.

Frank Del Rio, president and chief executive, cited "continued weak demand from our core North American consumer for European sailings at a time when half of our fleet is deployed in the region".

Short View

Katie Martin

You know what they say: no-brainers are for people with no brains.

But the allure of selling sterling, particularly against the dollar, is proving as compelling as it is obvious, and still it is tough to argue that the trade is about to collapse under the weight of its own popularity.

This week, the aftershocks keep coming from the Bank of England's full-throttle efforts to stimulate the UK economy in the wake of the vote to leave the EU. The chop to interest rates and renewed bond buying from the central bank have jammed the pound just under $1.30 to the dollar. The currency had picked up to more than $1.33 just before the BoE took the plunge, but any recoveries are proving shallow and brief, and momentum for a new burst lower appears to be building.

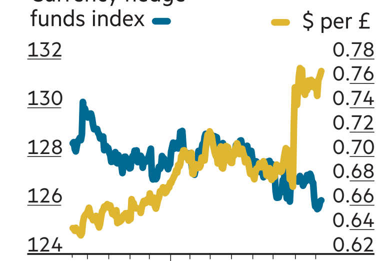
The contrast with the US could not be clearer, particularly after last week's bumper jobs data that have left even diehard miserabilists searching for scraps. Sure, the Fed may wait until after the presidential election before it raises interest rates again, but the BoE is not expected to jack up rates for about five years. Indeed, it has laid heavy hints of more stimulus to come. Mind the gap.

This is of course a blessing for punters who were braced for a slide. There are plenty of them; data tracked by the Commodity Futures Trading Commission in the US show that net shorts on the currency, as measured through the futures markets, had ballooned to record levels by the Tuesday before Super Thursday.

This kind of crowding is normally enough to make would-be sellers nervous. But the Parker Index of currency hedge funds' performance shows that returns from these specialists, which have been slumping for most of this year, are still soggy now, even while the buck has rocketed against the pound. It does not look like these funds are fully committed to this shift. Yet. Instead, some bears appear to be sitting back, waiting for the next wave.

The dominance of imports over exports in the UK in June offers a reminder that the poorly pound will hit Brits' pockets. But if sterling does as HSBC for example expects, and drops to $1.10 next year, this will get a lot worse before it gets better.

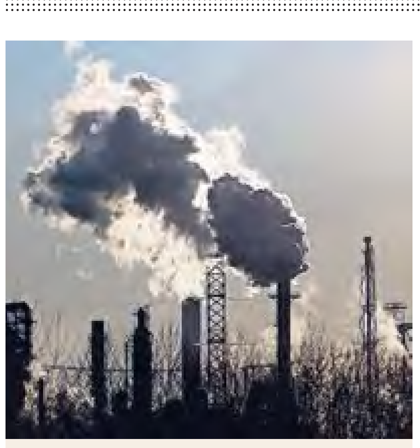
Currency hedge funds vs dollar/sterling rally



Source: Bloomberg

Returns from currency hedge funds are still soggy, even while the buck has rocketed against the pound

katie.martin@ft.com



Crude price trend upsets oil major recovery hopes

The fall in oil prices back below $50 has halted a surge of optimism that the worst of the crude price slump was over for international oil companies. Second-quarter results were worse than expected, with oil majors hit by a glut of crude and refined products.

Analysis ▸ PAGE 13

BP to sell stake in Chinese petrochem plant as Asia oversupply erodes prices

LUCY HORNBY — BEIJING
PILITA CLARK
AND ANJLI RAVAL — LONDON

BP is planning to sell one of its biggest Chinese investments by disposing of the UK energy company's 50 per cent stake in the Secco petrochemicals plant near Shanghai.

BP is the latest western oil company to curtail activity in China, as energy groups reel from low crude and petrochemical prices. China's slow liberalisation of its energy sector has disappointed investors. Analysts said BP's move to exit the Secco plant made sense at a time when Asia was "awash" with petrochemical supplies.

It also comes amid the UK company's plans to sell between $3bn and $5bn worth of assets this year. BP has made more than $50bn of divestments since 2011 to help pay legal and clean-up bills after the 2010 Gulf of Mexico oil spill.

State-controlled Sinopec, which also has a 50 per cent stake in the Secco joint venture, said it was "researching" BP's planned sale. "We haven't made any decision to buy or not," said a Sinopec spokesman. BP declined to comment.

One analyst, who declined to be named, valued BP's chemicals business, which is largely Asia focused, at $3bn. That would imply BP could secure between $1bn and $2bn for its Secco stake, added the analyst.

The Secco plant started operations about 10 years ago after $2.7bn of investment by BP and Sinopec. It makes products including ethylene, which is a building block for plastics.

While BP appears keen to scale back in China, it has no plans to exit the country. It has stakes in several big Chinese petrochemical sites as well as a liquefied natural gas terminal. It does not have any oil or gas production in the country.

Other western oil companies aiming to reduce their presence in China include Total, which is trying to sell its stake in the Wepec refinery in the north-east.

"Asia is awash with petrochemicals supplies and in China, even though there is ample demand, the oversupply is translating into lower domestic prices," said Michal Meidan, analyst at Energy Aspects.

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COMPANIES

Technology

Japan Display seeks funding as sales slip

Losses widen at Apple supplier amid iPhone weakness and rise in yen

KANA INAGAKI — TOKYO

Apple supplier Japan Display is seeking financial support from a Japanese government-backed fund, after plummeting iPhone sales and a damaging rise in the yen.

Its funding troubles had surfaced early this year, just as Japan Display's main shareholder, Innovation Network Corporation of Japan (INCJ), was busy battling Taiwan's Hon Hai Precision Industry to take over rival display maker Sharp of Japan.

The INCJ ultimately lost against Hon Hai, better known as Foxconn, at the end of March, and its scheme to merge Sharp with Japan Display evaporated. By the end of May, Japan Display's cash was running low, with rising inventories and payments for new equipment.

"We encountered a temporary funding shortage," Mitsuru Homma, Japan Display's chief executive, admitted yesterday.

"Going forward, we have received assurance from INCJ for its full support and we will carry out negotiations," Mr Homma said, without disclosing how much assistance it was seeking from the fund. The INCJ said it would work with Japan Display to support its growth strategy, but declined to comment further.

The admission of a funding crisis, which was first reported by the Nikkei newspaper on Saturday, came after Japan Display said its quarterly net loss had widened to ¥11.8bn ($115m) from ¥461m a year earlier.

The company, which generates more than half its revenues from Apple, was hit by a 15 per cent year-on-year drop in iPhone unit sales in the three months to June.

Mr Homma emphasised that the funding shortage was resolved at the end of June and that the company had sufficient bank lending to run its operations.

But analysts remained sceptical, since Japan Display needs to make heavy investments in new technologies to compete against Korean rivals Samsung Display and LG Display.

¥11.8bn
Japan Display's quarterly net loss has deepened from ¥461m a year earlier

15%
Year-on-year drop in iPhone unit sales in the three months to June

The company is aiming to start mass production of organic LED panels in 2018, with Apple likely to adopt OLED screens for its new iPhones.

Ahead of the earnings release, Macquarie on Monday lowered its rating on Japan Display from "neutral" to "underperform", saying that the company faced "significant structural challenges in an increasingly crowded small to midsize panel industry".

The brokerage estimated the company would need up to ¥50bn in further borrowings in the 2017-18 fiscal year.

Japan Display said it was in talks with key customers and shareholders to finance its future investments in OLED.

The company's shares have fallen 6.5 per cent since it issued a profit warning on Friday.

Banks. Consolidation

US lenders fall behind in dealmaking drive

Regulation proves a barrier for tie-ups in fragmented sector as M&A gains ground elsewhere

ALISTAIR GRAY AND JAMES FONTANELLA-KHAN — NEW YORK

Another one bites the dust. EverBank, the online-focused lender, agreed this week to a $2.5bn takeover from the pensions group TIAA. It becomes the 122nd US bank to be bought so far this year.

The recent run of acquisitions in the sector remains more a steady stream than a deluge, however. There are still about 6,000 lenders across the country, according to Federal Deposit Insurance Corporation data — raising the question of why more deals are not being done in such a highly fragmented industry.

There is no shortage of factors advisers can point to to argue that the dealmaking drive will accelerate. As the latest round of underwhelming financial results illustrated last month, rock-bottom interest rates are eating away at retail banks' profit margins.

Lenders are also grappling with a series of regulations — from capital and liquidity to money laundering and terrorism. Technology is testing traditional business models, and competition from non-traditional operators is on the rise.

For investment bankers selling prospective deals to management teams, it should all make for a straightforward pitch: by bulking up, you can cut expenses — and spread them across a wider pool of assets. "Scale is more important than ever," says Jerry Wiant, co-head of US financial institutions at RBC Capital Markets.

Advisers maintain that banks with similar geographic footprints should generate expense savings of between 30 and 40 per cent by combining — and that even those with no overlap should cut costs about a fifth.

Despite such apparent attractions, investors in a few US banks that have pushed the button on acquisitions recently have appeared unenthusiastic. Buyers' share prices have been dented by worries over whether such complex businesses can be integrated successfully, as well as uneasiness over some of the prices paid. YNB dropped 9 per cent on the day last month that the Pittsburgh bank disclosed its agreement to buy North Carolina-based Yadkin for $1.4bn.

The latest acquirer in the sector, TIAA, does not have that problem. A not-for-profit group best known for meeting the retirement needs of teachers and academics, the pensions provider does not have to justify its decisions to Wall Street.

It is not just scepticism from investors that would-be buyers of banks need to overcome, though. While toughened post-crisis regulations tempt more lenders to turn to dealmaking to boost returns, they also present barriers to further consolidation.

EverBank has agreed to a $2.5bn takeover from the pensions group TIAA
The Florida Collection/Alamy

Watchdogs believe the bigger banks become, the bigger risk they pose to the economy — making deals involving the largest lenders, such as JPMorgan Chase and Bank of America, very difficult. Regulators have also made takeovers further down the food chain more time consuming, costly and cumbersome.

"It used to be you called the regulators on a Sunday night before the deal was announced on the Monday," says another adviser who declined to be named. Now supervisors take months to approve deals, scrutinising everything from how customer complaints will be handled to the number of ATMs left on the street. The most notorious example investment bankers point to is M&T's purchase of New Jersey-based Hudson City. The two parties agreed the transaction in 2012, when it valued the target at $3.7bn, but they took more than three years to get the green light.

The deal's approval last November boosted hopes that a flood would follow. Yet it has been slow to materialise. So far this year, $18bn worth of acquisitions have been announced, according to Dealogic, following $33bn in 2015. That is far behind deal-heavy sectors such as healthcare and a far cry from the pre-crisis years. Between 2003 and 2007, an average $88bn worth of US bank purchases were agreed annually.

Still, the pressures on retail banks are not going away. So far they have succeeded, to an extent, in combating pressures on their business models — not just by cutting costs, but also by lending more. In doing so, however, they have attracted increased regulatory scrutiny. In particular, advisers highlight a crackdown in the past six months on risky commercial real estate (CRE) lending.

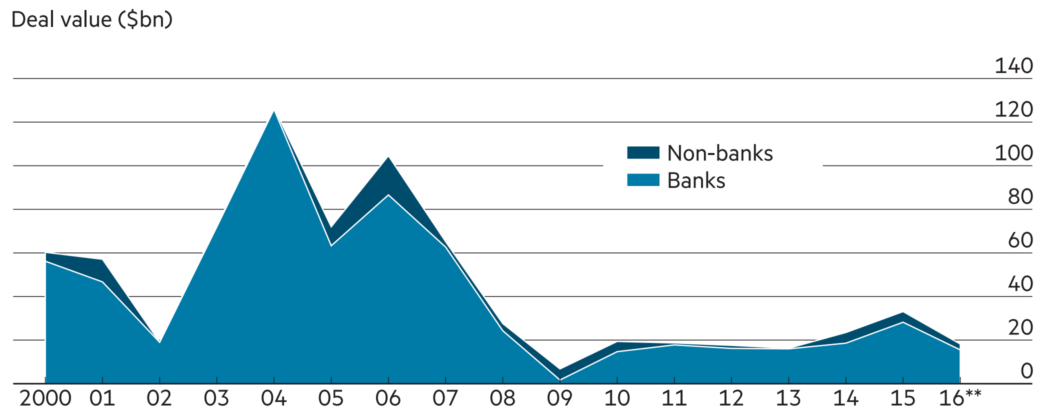
Earlier in the summer, Suffolk Bancorp agreed to be bought by People's United for about $400m after the New York-based lender cited CRE pressures and warned it may not be able to "maintain compliance" with regulators' capital requirements.

Analysts at KBW have drawn up a list of potential sellers among listed lenders of a similar size. It comprises Flushing Financial, Guaranty Bancorp, Independent Bank, MutualFirst Financial, Seacoast Banking Corporation of Florida, State Bank Financial, and United Financial.

Foreign buyers could also help lift M&A. Several Canadian banks have turned south of the border in the face of a slowing economy. The latest example came earlier this summer when Canadian Imperial Bank of Commerce agreed to buy Chicago-based PrivateBancorp in a deal worth about $3.8bn.

Dealmakers also say prospective Chinese buyers have shown some interest in US banks. However, supervisors present a potential stumbling block.

Acquisitions of US banks by non-banks*
Deal value ($bn)



* Excludes investment banks. Acquired stake over 50% ** Year to date
Source: Dealogic

INSIDE BUSINESS
ASIA

Jennifer Hughes

PSBC offering will be litmus test of investor sentiment on China

Back when China formed Postal Savings Bank in 2007, its already-listed banking behemoths garnered valuations of at least twice their book value and enthusiasm for the country knew no bounds. Now PSBC is its fifth-largest bank by assets and is about to brave the Hong Kong market — even though its fellows have not traded near book value in more than a year.

That joins a list of other challenges facing the world's biggest public offering since Alibaba blasted past fevered expectations and raised a record $25bn in New York two years ago. Looking for between $8bn and $10bn, PSBC is altogether more modest. It will, however, be a far greater litmus test of investor sentiment towards China.

Depending on your view, PSBC is either an unwieldy, undercapitalised, cost-inefficient bricks-and-mortar bank stuck in a bygone era, or a vast, under-exploited savings pool with unique knowledge of under-leveraged rural China, where it lends. The truth is that it is all of those things. The question is, will the glass half-full thinkers be prepared to back it when it launches its offering next month?

Those who have already placed bets include JPMorgan, Canada Pension Plan Investment Board and Singapore's Temasek as well as DBS, the city-state's biggest bank. Ant Financial, Alibaba's payments arm, and its rival Tencent were also part of the same $7bn pre-IPO investment round last December. This blue-chip group valued PSBC at $41bn — far above the $30bn suggested by bankers earlier in 2015. Mark Machin, now head of CPPIB, described his fund's $500m investment as a bet on the bank, not the financial sector, because it fits his broader aim to focus on rural China as well as on consumers.

> The uniqueness of PSBC lies in its 400m retail customers and 40,000 branches

The uniqueness of PSBC lies in its 400m retail customers and 40,000-odd branches, which give it an on-the-ground network at least double the size of its better-known peers. The bank is also 90 per cent funded by deposits — well above the average. Compounding that is the fact that these are almost all retail savings and considered much stickier than corporate cash. The cash is also underused: PSBC has a loan to deposit ratio of 39 per cent versus more than 70 per cent at peers.

Against that, investors must weigh up the fact that the bank's profitability has been deteriorating at a faster pace than its rivals'. Last year, it produced a return on equity of 15 per cent. That might sound fabulous to western bank investors but it was down 13 percentage points from its 2012 level, according to Bernstein. It also lagged behind its peers by more than one percentage point. PSBC's commercial relationship with its 83 per cent owner and parent, China Post Group, from whom it was split in 2007, is complicated too.

> The biggest problem for those selling the shares is valuation

The biggest problem, meanwhile, for those selling the shares is valuation. Chinese state-owned financials cannot sell shares at below book value, and PSBC's four big state-owned rivals are all trading at between 0.7 and 0.8 times book value. They last traded at par, and then only barely, in June 2015 during the mainland market boom that collapsed a year ago.

Bankers involved say that PSBC's low loan-to-deposit ratio means it is not dragged down by the bad loan fears that give its peers such a discount. "This is a once-in-a-decade deal," said one banker involved in the process. "Do you want to miss that for paying up maybe 10 to 15 per cent?"

Hong Kong listings cannot adjust price ranges like New York deals can, so any failure to fill the book means pulling the deal. That is extremely unlikely since Chinese deals tend to come well-stocked with cornerstone investors, who accept a six-month lock-up in return for sizeable allocations. State-backed Chinese deals in particular are known for rounding up so-called friends and family to cut the risk of a deal failing. More than 40 per cent of all equity sold in Hong Kong this year has gone to cor\nerstones. State-backed CDB Leasing needed a record 85 per cent in June to get its $800m deal across the line.

Bankers claim that top-name investors are queueing up to discuss PSBC, although in an initial public offering-starved environment this is hardly surprising. Usually the success of deals rests on their pricing and their early performance, as Alibaba's did in New York. In Hong Kong, meanwhile, the success of PSBC's float should be judged on the quality it attracts.

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Personal & household goods

Pandora loses sparkle after missing forecasts

RICHARD MILNE
NORDIC CORRESPONDENT

Pandora, the Danish jeweller, has fallen short of expectations for sales and profits for the first time in 10 quarters but is sticking to its full-year guidance.

The purveyor of charm bracelets and rings yesterday announced a 20 per cent rise in revenues to DKr4.3bn ($645m) in the second quarter compared with a year earlier. The average analyst estimate was for DKr4.5bn.

Earnings before interest, tax, depreciation and amortisation rose 23 per cent to DKr1.6bn, below forecasts of DKr1.7bn.

Pandora has been a darling of European stock pickers, rising 20-fold in the past year following a disastrous profit warning in 2011 shortly after it floated. But its shares have stagnated this year and fell as much as 7 per cent yesterday amid disappointment with the results.

Anders Friis, chief executive, insisted the results were "very good", adding: "If you look at our expectations we are still on track to meet them."

Pandora had posted a very strong first quarter, which had even surprised the company, he said. Perhaps analysts had got a "little bit ahead of themselves" for the three months to the end of June.

Mr Friis said the company had not been affected by Britain's vote to leave the EU except in terms of currency. It had run several Brexit scenarios and "no matter what we are looking at, we have a strong business in the UK", he said.

Pandora stuck to its full-year guidance of revenues above DKr20bn — or up at least 20 per cent compared with 2015 — and an ebitda margin of more than 38 per cent, up at least 1 percentage point. The ebitda margin was 37.2 per cent for the second quarter and first six months of this year.

Its shares regained some ground to close down 4.16 per cent at DKr830.

Telecoms

SFR shares surge amid signs of price war easing

ADAM THOMSON — PARIS

SFR shares rose more than 10 per cent yesterday, as the French operator said a price war in the domestic mobile market was easing.

"We expect more normalised conditions to come in the coming months," said Michel Combes, chief executive of parent group Altice, on a call with journalists.

SFR shares rose more than 11 per cent before giving up some gains, despite it reporting a 6.8 per cent fall in underlying profit. The telecoms group controlled by billionaire Patrick Drahi continued to lose customers even as it invested heavily in promotional activity.

The country's second-biggest mobile operator by subscribers said that adjusted earnings before interest, tax, depreciation and amortisation fell to €999m during the second quarter from €1.07bn a year earlier — slightly ahead of consensus forecasts.

The company, which plans to cut up to 5,000 jobs from 2017, about a third of its workforce, said mobile revenue fell 7.1 per cent during the period, mainly due to a decline in the customer base. Revenue from residential fixed-line and broadband services fell 2 per cent.

However, SFR said it expected "significant improvement" in revenue trends in the second half of the year after seeing declines of 6.1 per cent and 4.6 per cent, respectively, during the first two quarters of the year. It said it still expected revenue trends for the year to be better than the 3.5 per cent fall during 2015.

Citi said the better than expected ebitda in the second quarter would "ease the path for SFR to reach consensus expectations" in the second half of the year, when benefits would come from media asset consolidation, price rises and savings from workforce cuts.

See Lex

COMPANIES

Oil groups struggle with tricky balancing act

Majors seek to squeeze costs while tapping long-term opportunities after abandoning hopes of higher crude prices

ANDREW WARD — ENERGY EDITOR

When the price of oil rose above $50 a barrel in June, it looked like the worst was over for international oil companies. Few people expected a return to the industry's $100 a barrel heyday, but steady recovery seemed under way.

Two months later, with prices back down to about $45 a barrel, that optimism has been extinguished.

The oil majors' second-quarter results in recent weeks were mostly worse than expected, with sharp drops in profits, rising debts and gloomy outlooks.

As well as weak prices of crude oil and natural gas, margins for refined products are also being squeezed, as excess production and high storage rates ripple down the supply chain. BP said its refining margins in the second quarter were the lowest since 2010.

"The glut of crude oil has translated into a glut of refined product," says Michele Della Vigna, co-head of European equity research at Goldman Sachs. "So the integrated oil majors are getting hit at both ends."

In response, companies are once again reducing spending. Royal Dutch Shell, fresh from its £35bn takeover of BG Group, said capital expenditure this year would be 38 per cent less than the pair jointly invested as standalone companies in 2014.

Yet cost cuts alone are not enough to defend shareholder returns. With the exception of Eni of Italy, all the oil majors have so far maintained their prized dividends — but they have had to increase borrowing to do so.

Shell's net debt increased $5bn in the second quarter to a record $75bn. Simon Henry, chief financial officer, admitted the group's debt to equity ratio was in danger of breaching its self-declared upper limit of 30 per cent.

"The fact that debts are creeping up shows that the majors are not able to fund their dividends organically at these prices," says Tom Ellacott, head of corporate research at Wood Mackenzie, the energy consultancy.

A year ago, oil groups were talking about the need for a long-term break-even point of $60 a barrel. That was painful enough for an industry that had grown fat on prices twice that level. But companies are now acknowledging that even tougher action is required. BP, for example, is aiming to cover all its cash needs — including its dividend — at an oil price of $50-$55 a barrel by next year.

Analysts and industry executives say the squeeze is leading to a leaner, more productive industry. Tens of thousands of jobs have been cut, contracts have been renegotiated with service providers and engineering processes simplified. "We're starting to see the benefits of projects being reworked with much improved economics," says Mr Ellacott.

These efficiency gains are lowering the potential cost of new oil and gas fields. Of the 13m barrels a day of proven but untapped resources available for development, the average break-even point has fallen $19 a barrel since the 2014 peak to $51, according to Wood Mackenzie.

There have been tentative signs of lower costs giving companies confidence to resume the hunt for future growth.

"There's a tricky balancing act between cutting costs to achieve cash flow neutrality while at the same time looking to the long term," says Mr Ellacott. "We are seeing the majors trying to reposition their portfolios to the most attractive and lowest-cost growth opportunities."

In the past two months, BP has approved projects in Indonesia and Egypt, while Chevron gave the green light to a $37bn expansion of the Tengiz oilfield in Kazakhstan.

There has also been a burst of acquisitions, with ExxonMobil and Statoil each striking $2.5bn deals in recent weeks to buy InterOil, an exploration company focused on Papua New Guinea, and a controlling stake in a Brazilian offshore oilfield from Petrobras, respectively.

> 'The fact that debts are creeping up shows that the majors are not able to fund dividends organically'

However, these acquisitions are dwarfed by the disposal programmes under way to raise cash. Shell alone is looking to raise $30bn by 2018 from sales of non-core assets.

Investment activity also remains far below pre-crash levels. From 2007-13, there were, on average, 40 large projects — defined as having reserves of 50m barrels of oil equivalent or more — approved each year. In 2015, there were just eight and so far this year there have been six.

Oil bulls believe these cuts will eventually lead to tighter supplies and drive recovery in prices and investment. Wood Mackenzie calculates that more than 20m barrels a day of new capacity needs to be developed by 2025 to offset production declines from existing fields and to meet future demand growth.

Some analysts doubt the arguments for cyclical recovery, pointing out that output from the Opec nations remains close to record highs while US shale production could be quickly intensified if the market tightens.

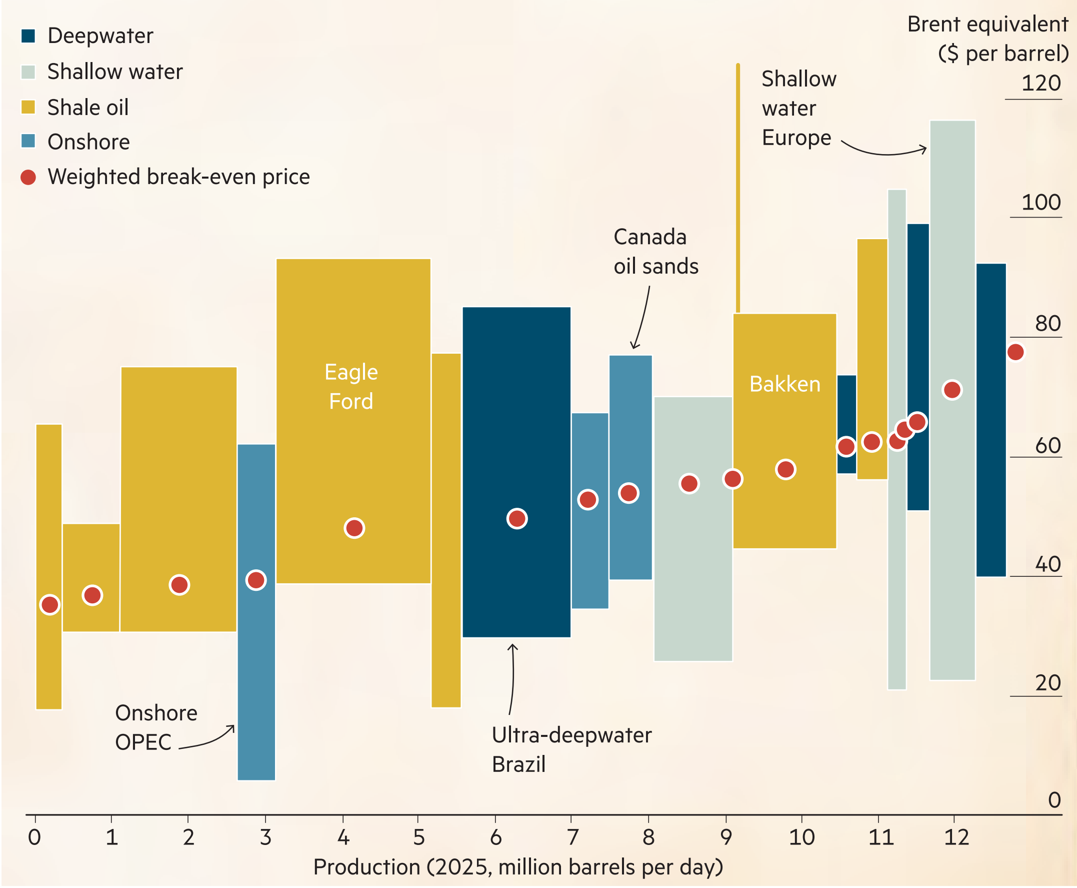
Mr Della Vigna at Goldman Sachs believes oil is facing a "deflationary spiral" with plentiful supplies forcing the industry to become more efficient, which in turn leads to further increases in production at lower costs.

This analysis leads Mr Della Vigna to argue that the sacrifices being made by oil majors to defend dividends may be in vain. "They inflated their dividends in a high oil price environment and now cheap debt and disposals are propping them up. They've done enough to keep it going for a couple more years but, longer term, they are going to have to review their payouts."

In the pipeline

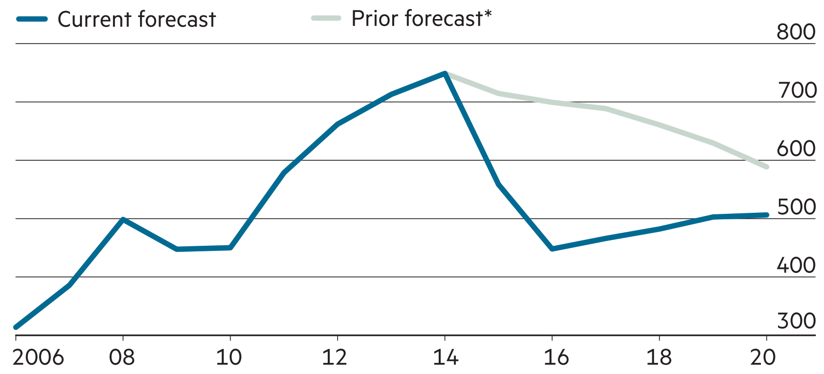
Estimated break-even price of oil

Top and bottom of bar shows price range, while width represents estimated output in 2025



Upstream oil and gas capital investment

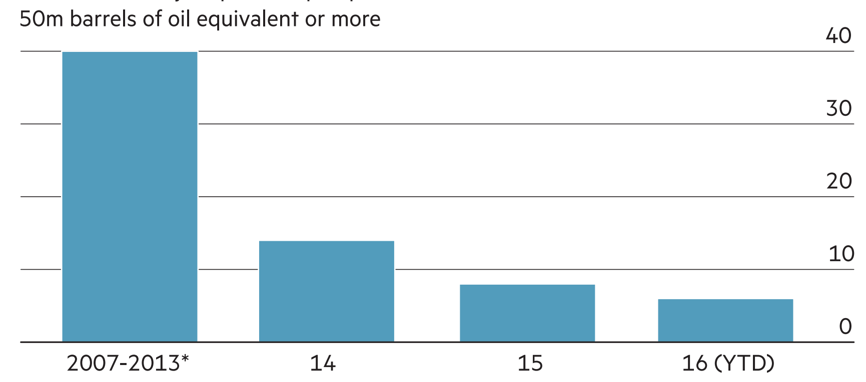
$bn



FT graphic Source: Wood Mackenzie *Before fall in global oil prices

Green light: number of oil projects to get final investment decision

Medium and major upstream prospects with reserves of 50m barrels of oil equivalent or more



** Average

Savings push

Total edges ahead of rivals after cost cuts

A 30 per cent drop in profit may not sound like something to be proud of but, for Total, its second-quarter earnings were a sign of resilience. While most of its rivals reported worse than expected results, the French group beat analysts' forecasts and earned plaudits for the way it is weathering the downturn in oil and gas prices.

Total's earnings drop was half the average 60 per cent fall suffered by Royal Dutch Shell, BP, ExxonMobil and Chevron. "Total is emerging as a relatively safe haven, and with oil prices weakening again it looks the most attractive investment among the . . . global majors for what might be a very difficult few quarters," said Iain Reid, analyst at Macquarie.

He said Total's management had a "firm grip on costs" leading to "more predictable and positive" results than rivals'. The group said last month that it was on course to exceed a target for $2.4bn in savings this year.

Operating costs per barrel have fallen 12 per cent in the past year to $6.50. Mike Borrell, Total's head of exploration and production in Europe and central Asia, said the group was quicker than most to tackle the unrestrained spending that built across the industry in the era of $100-per-barrel oil.

"Even before the crash we saw that the industry was on an unsustainable footing," Mr Borrell said. "Costs were eating away at profit margins and we could see that unless we did something about it we were not going to be able to deliver shareholder value."

Travel & leisure

William Hill rejects £3.6bn betting bid

BRYCE ELDER, PAUL MCCLEAN AND ARASH MASSOUDI

William Hill, the British bookmaker, has rejected an audacious consolidation attempt by two of its smaller rivals, dismissing a complex £3.6bn bid from Rank Group and 888 Holdings as "highly opportunistic".

The UK high-street chain, which missed out on a feverish round of consolidation last year, said the 364p cash and stock offer "substantially undervalues" the company.

Shares in William Hill rose yesterday after the Financial Times reported that Rank and 888 had teamed up to submit the offer, which set out cost savings to lift the value of the proposal to 408p a share.

But William Hill's board "unanimously rejected" the offer, saying it posed "substantial risk" for shareholders.

It said that the proposed takeover involved "a highly complicated three-way combination at a low premium", with the merged company "assuming approximately £2.2bn of leverage" in order to fund the deal.

Chairman of William Hill, Gareth Davis, said: "This conditional proposal substantially undervalues William Hill, is highly opportunistic and does not reflect the inherent value of the business."

Rank and 888 declined to comment, but have previously said the takeover "presents significant industrial logic".

The offer comes as other bookmakers have consolidated as they seek to build scale to help absorb the costs from tougher regulation and higher taxes. Betfair and Paddy Power completed a merger in March, while Ladbrokes and Gala Coral are also combining.

William Hill generates 85 per cent of its £1.5bn revenues in the UK, while half of 888's are from overseas

The bid marks a sharp turnround in William Hill's fortunes, as last year the bookmaker made a £700m approach for its rival 888.

Since then, William Hill has endured a tumultuous period, marked by a disastrous Cheltenham Festival, a profit warning and poor performance at its online business. James Henderson stepped down as chief executive of William Hill last month.

A tie-up between 888, Rank and William Hill would create a company with revenues of £2.7bn and earnings of £500m, making it the third-largest online betting company by revenues.

A merger with the two groups would give William Hill much-needed access to 888's online platforms, and would boost its geographical diversity. William Hill generates 85 per cent of its £1.5bn revenues in the UK, while 54 per cent of 888's $462m revenues are from overseas.

Shares in William Hill were 0.5 per cent higher at 329p at the close of trading yesterday, while 888 shares were down 1.9 per cent at 219.25p. Rank shares were 0.9 per cent lower at 211p.

Analysts said investors in William Hill would be unconvinced by the offer.

David Jennings at Davy Research said a bid of 408p would be a "decent premium". But he added: "We don't see a rationale for Rank and William Hill coming together."

Pharmaceuticals

Valeant shares surge on news of talks with lenders

Canadian group seeks to reassure investors it can cope with $31bn debt pile

DAVID CROW — NEW YORK

Valeant, the Canadian drugmaker, said it was in talks with its lenders about loosening restrictions put in place to ensure it can afford to service its borrowings, as it seeks to reassure investors it can cope with $31bn of net debt.

Joseph Papa, recruited 90 days ago to try to turn round the company, said he was confident Valeant could meet its debt obligations until the end of the year without amending agreements with lenders, but that he wanted to "take this issue off the table".

"The cushion, to be clear, is not as large as I'd like it to be and, candidly, until I can make the issue go away then much of my conversations with investors will be about this," he said in an interview with the Financial Times. "By gaining an amendment, we believe we can go back to talking about our products and our pipeline."

Mr Papa said Valeant had already entered discussions with some of its largest lenders about loosening debt covenants, but added: "I do not want to oversell it . . . it's not a done deal."

It is the second time this year that Valeant has sought to rewrite agreements with its lenders. In the spring, it asked creditors to loosen a covenant that required the company to file its financial statements with the securities regulator on time, after an accounting scandal at its pharmacy unit delayed publication.

Mr Papa revealed the discussions with debtholders as Valeant reported second-quarter results and reiterated its guidance for annual adjusted earnings before interest, tax, depreciation and amortisation, which it expects to be in the $4.8bn to $4.95bn range.

Reeling from a series of crises over its pricing and accounting policies, the company has cut its annual profit forecasts with alarming regularity since December, when it told investors it would generate adjusted ebitda of at least $7.5bn this year — $2.7bn higher than the low point of current guidance.

Many investors were braced for another cut yesterday and reacted positively to the unchanged guidance, sending shares up 18 per cent in early trading in New York to $26.51. That gave the company a market value of $7.6bn — a far cry from roughly one year ago when it was worth $90bn. The plummeting share price has left Valeant's biggest investors, including hedge fund tycoon Bill Ackman, nursing huge losses and resulted in the ousting of its long-time chief executive Michael Pearson.

By reiterating Valeant's annual ebitda forecasts, Mr Papa has an uphill climb for the remainder of the year. The drugmaker generated $2.1bn of adjusted ebitda in the first six months, meaning it must make at least $2.7bn to meet the low end of the target.

Financials. Distressed assets

Chinese vulture funds hunt for bargains in the debt debris

Bad-loan investment industry poised for growth after post-financial crisis binge

GABRIEL WILDAU — SHANGHAI

Chinese distressed debt mostly consists of real estate as property is overwhelmingly the collateral of choice for loans — Carlos Barria/Reuters

When Chinese distressed debt investor Sheng Li goes to inspect property pledged as collateral for a bad loan, he never knows what he might encounter.

On a sweltering summer day at a rundown commercial development market in the suburbs of Shanghai, he finds a shirtless man arranging rolls of wallpaper for shipment. The bare concrete floors of the residential apartment on the upper floor are strewn with rubbish.

"Sometimes I'll hear my colleagues say: 'This is an ugly place. We shouldn't buy it.' But that's the wrong approach. All that matters is the difference between the buy and sell prices. It's not like I'm going to live here," says Mr Sheng, executive partner at Bald Eagle Asset Management, which manages a portfolio of Rmb1bn ($151m) in assets.

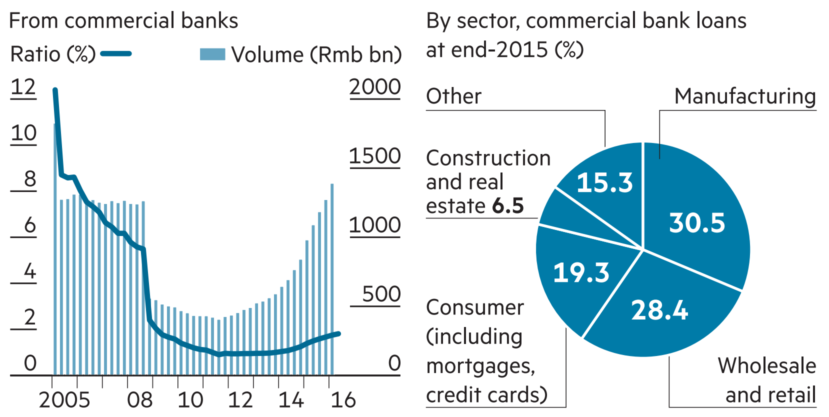
This is the unglamorous work of investing in Chinese distressed debt, which is essentially a real estate play. Property is overwhelmingly the collateral of choice for loans, and chasing debtors for repayment is usually futile.

The world of Chinese "vulture funds" remains small but the industry is poised for growth. Non-performing loans in the country hit an 11-year high of Rmb1.39tn at the end of March, not including defaults on shadow-bank credit. Bad debts are expected to grow as the bill comes due from China's post-financial crisis debt binge.

China's finance ministry created four asset management companies in 1998 to clean up the commercial banking system and the AMCs remain the dominant performers, but small funds such as Mr Sheng's are playing an increasingly large role.

The development that Mr Sheng is visiting was once a construction materials market and warehouse space for steel traders. With China's building boom waning and steel prices depressed, many units are empty.

Those that are still occupied are used mainly by small-scale merchants on Taobao, Alibaba's online marketplace.



China non-performing loans

Sources: China Banking Regulatory Commission; CEIC; FT estimates

While bad debt investors agree that a big wave of distressed assets is headed to market, there is significant disagreement over the profit opportunity.

"I'm basically not doing any new investment because I'm not optimistic about where things are headed," says Li Guoqiang, founding partner of Qingdao Zhengqi Investments. "Within three years, I won't have any distressed asset investment outstanding. I'll be purely a service provider."

Profiting from the new wave of Chinese bad debt will be more difficult than during the first wave, which consisted of roughly Rmb3.5tn in problem loans that the AMCs cleansed from the balance sheets of the Big Four state-owned banks in advance of their initial public offerings between 1999 and 2008.

As instruments of a policy bailout, the AMCs were not subject to strict profitability targets, focusing instead on disposing of loans as quickly as possible. With Chinese financial institutions then only a fraction of their current size, cash-rich foreign investors such as Goldman Sachs and Morgan Stanley were able to buy assets on the cheap.

Selecting assets also required little skill. Rapid economic growth in the 2000s resulted in a rising property tide that lifted all boats. The AMCs not only accumulated land and buildings in prime sites but also swapped debt for equity in profitable state-owned enterprise. "Back then, making money was easy. You really didn't have to do anything — just buy the assets and sit on them," says Mr Li.

"Property and land prices were rising. And most of the NPLs were from SOEs. The land was all in the city centre."

Today the outlook is cloudier. Mr Sheng and Mr Li, both lawyers by training, buy assets from banks, AMCs or at court-ordered auctions. Facing pressure from shareholders and regulators to keep NPLs low, banks are eager to sell them off but are also driving harder bargains on price. With basic returns now greatly reduced, Mr Li adds leverage to his investments to boost profits.

Distressed debt investors have also turned to internet finance. Gu Suying is chief executive of TZW.com, a crowdfunding platform for investment in distressed commercial real estate around Shanghai. Mr Gu buys office space with his own money, then sells it to groups of investors via the website. After the sale he manages the assets, distributing rental income to investors and collecting a management fee for his trouble.

A typical investor spends about Rmb20,000 for a stake equivalent to 2 sq metres of office space. But Mr Gu says that acclimatising retail investors to the uncertainties of distressed debt is a challenge.

"Chinese investors are used to fixed returns and guaranteed repayment," he says. "This is very different. It's hard for people to accept."

Back at the rundown construction materials market, Mr Li goes about his work much like a journalist. He chats to a passer-by carrying a stack of baseball caps and asks about selling prices in the area. For low-end commercial property, transaction volumes are too low to produce reliable price data.

He also needs to assess how difficult it will be to remove existing occupants. Courts are often unwilling to enforce judgments against "weak cohorts".

"A colleague of mine bought a flat in Beijing from a court auction five years ago and still hasn't been able to take possession. Every time he shows up the old couple that lives there just locks the door," says Mr Sheng.

Additional reporting by Ma Nan

Insurance

Munich Re earnings knocked by rise in catastrophe claims

JAMES SHOTTER — FRANKFURT

Munich Re's net profit fell 9 per cent in the second quarter as the German reinsurer was hit by higher claims for natural catastrophes and the cost of restructuring its primary insurance business.

In the three months to the end of June, Munich Re posted a net profit of €974m, down from €1.08bn in the same period a year earlier. The group's premium volume declined 4.3 per cent to €11.92bn.

Nikolaus von Bomhard, chief executive, said that the result was "above average" and that, having posted a net profit of €1.4bn in the first half, Munich Re was "well on track" for its revised full-year profit target of €2.3bn.

Munich Re had initially targeted a range of €2.3bn to €2.8bn, but lowered its sights in May after wild swings in global markets in the first quarter prompted it to write down some of its equity investments. However, analysts at Citi said that after the first half, the new target "may now be rather conservative".

Like other insurance groups, Munich Re was hit by a number of natural catastrophes in the second quarter. The most expensive for the company were wildfires in the Canadian province of Alberta, which it expects will cost it €400m. It also took an €85m hit from a series of earthquakes in Japan.

However, despite these costs, profits at Munich Re's dominant reinsurance division rose 18 per cent in comparison with the same period a year earlier, as the group took more risk in how it matched investments and liabilities across currencies.

Munich Re's other businesses fared less well. Its health insurance business posted a net profit of €16m, down 11 per cent from a year earlier. And its primary insurance unit Ergo, which like other German insurers has been struggling with rock-bottom interest rates, posted a €34m net loss.

Markus Riess, Ergo's new chief executive, set out a plan for overhauling the division in June that will involve 1,800 job cuts, and which is designed to reduce the insurer's cost base by €280m by 2020.

Ergo said at the time the restructuring costs would push it to a "slight loss" this year, but that it expected to return to profit in 2017. It took €160m of net restructuring costs in the first six months of the year.

Despite the hits from natural catastrophes and Ergo, Munich Re's overall profit was more than double what analysts had forecast. This was mainly due to a better than expected investment result that included €900m in gains from securities sales.

Shares in the company rose 1.8 per cent to €155.80 on the news, making Munich Re the best performer in Germany's blue-chip Dax index.

Oil & gas

Amec forced to write down £440m as sector woes persist

NICHOLAS MEGAW — LONDON

Weakness in the oil and gas sector forced Amec Foster Wheeler to write down £440m with the Anglo-American engineering group still loss-making despite a rise in revenue.

Revenues in the first half increased 7 per cent to £2.8bn compared with the same period last year because of strong growth in its clean energy and environment and infrastructure businesses.

However, revenues in its US oil and gas business fell 55 per cent with delays and cancellations of important contracts also leading to lower margins.

The company reported a pre-tax loss of £446m for the half compared with a profit of £73m a year earlier.

It maintained its guidance for the full year but predicted like-for-like revenues would be down by "double-digit" levels compared with last year.

Shares gained 3 per cent to £480.70 yesterday morning as the results surpassed analysts' expectations for revenues and profits.

"Our industry continues to face very challenging conditions, with capital projects across natural resources markets being delayed and cancelled in many parts of the world," said Jonathan Lewis, chief executive.

Amec's troubles reflect the toxic overspill of the oil sector's pain.

Companies that provide services and equipment for the offshore and shale industries, such as Wood Group or Weir, have been hammered as big energy groups slash investment spending in response to the oil price fall.

Amec designs, builds and maintains engineering equipment, and relies on the oil and gas industry for much of its business.

The Anglo-American group parted ways with chief executive Samir Brikho in January, just over a year after he created it through a $3bn merger. It has pledged to cut costs and deleverage its balance sheet, with sales of non-core assets planned to help reduce debt.

Amec recognised £440m of impairments during the first half. The company aims to complete £500m of disposals by next June to help halve its net debt.

However, it admitted that, excluding any benefit from disposals, net debt will be higher than previously forecast at the end of this year at about £1.1bn.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WORLD AIRLINE WINNER SKYTRAX AWARDS 2016
WINNER

MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
0.24%	0.43%	0.23%	0.62%	0.95%	0.69%	-0.13%	0.57%	0.361%	-0.383%	-0.624%	0.707%	0.44%	0.31%

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

AMERICAS

Index (Jul 10 - Aug 09)	Place	Start	End	Day	Month	Year
S&P 500	New York	2,137.16	2,186.12	0.24%	4.21%	NaN%
Nasdaq Composite	New York	4,988.64	5,235.42	0.43%	5.62%	3.81%
Dow Jones Industrial	New York	18,226.93	18,572.12	0.23%	2.35%	6.90%
S&P/TSX COMP	Toronto	14,259.84	14,815.79	0.41%	3.91%	3.60%
IPC	Mexico City	46,177.61	47,684.09	0.67%	4.31%	6.36%
Bovespa	São Paulo	53,960.12	57,752.85	0.20%	8.66%	18.87%

EUROPE

Index (Jul 10 - Aug 09)	Place	Start	End	Day	Month	Year
FTSE 100	London	6,682.86	6,851.30	0.62%	3.98%	2.00%
FTSE Eurofirst 300	Europe	1,315.49	1,357.93	0.95%	4.79%	-13.74%
CAC 40	Paris	4,264.53	4,468.07	1.19%	6.62%	-13.32%
Xetra Dax	Frankfurt	9,833.41	10,692.90	2.50%	5.41%	NaN%
Ibex 35	Madrid	8,305.10	8,665.40	1.20%	5.86%	-22.48%
FTSE MIB	Milan	16,260.64	16,796.14	0.31%	4.54%	-29.15%

ASIA

Index (Jul 10 - Aug 09)	Place	Start	End	Day	Month	Year
Nikkei 225	Tokyo	15,106.98	16,764.97	0.69%	10.97%	-19.11%
Hang Seng	Hong Kong	20,564.17	22,465.61	-0.13%	9.25%	-8.50%
Shanghai Composite	Shanghai	2,994.92	3,025.68	0.71%	1.26%	-19.19%
Kospi	Seoul	1,988.54	2,043.78	0.62%	4.11%	1.67%
FTSE Straits Times	Singapore	2,862.17	2,870.78	1.51%	0.30%	-10.19%
BSE Sensex	Mumbai	27,626.69	28,085.16	-0.35%	3.53%	-0.54%

Country	Index	Latest	Previous
Argentina	Merval	15419.83	15372.77
Australia	All Ordinaries	5636.70	5625.70
	S&P/ASX 200	5552.50	5537.80
	S&P/ASX 200 Res	3020.40	3012.70
Austria	ATX	2274.47	2247.39
Belgium	BEL 20	3493.77	3464.39
	BEL Mid	5934.21	5925.14
Brazil	Bovespa	57752.85	57635.43
Canada	S&P/TSX 60	860.90	856.47
	S&P/TSX Comp	14815.79	14755.62
	S&P/TSX Met & Min	688.95	688.22
Chile	IGPA Gen	20457.74	20449.32
China	FTSE A200	8213.76	8160.54
	FTSE B35	9462.68	9420.47
	Shanghai A	3167.45	3145.00
	Shanghai B	347.44	346.13
	Shanghai Comp	3025.68	3004.27
	Shenzhen A	2073.89	2052.51
	Shenzhen B	1161.98	1156.23
Colombia	COLCAP	1314.34	1309.48
Croatia	CROBEX	1785.01	1780.90
Cyprus	CSE M&P Gen	67.34	67.94
Czech Republic	PX	856.79	862.37
Denmark	OMXC Copenahgen 20	990.99	996.35
Egypt	EGX 30	8223.46	8255.36
Estonia	OMX Tallinn	1012.22	1009.83
Finland	OMX Helsinki General	7979.72	8001.14
France	CAC 40	4468.07	4415.46
	SBF 120	3543.31	3503.61
Germany	M-DAX	21576.41	21282.41
	TecDAX	1729.54	1704.12
	XETRA Dax	10692.90	10432.36
Greece	Athens Gen	562.40	560.39
	FTSE/ASE 20	1494.82	1487.62
Hong Kong	Hang Seng	22465.61	22494.76
	HS China Enterprise	9301.17	9276.56
	HSCC Red Chip	3845.15	3819.36
Hungary	Bux	27593.10	27357.86
India	BSE Sensex	28085.16	28182.57
	S&P CNX 500	6627.95	6634.30
Indonesia	Jakarta Comp	5440.29	5458.98
Ireland	ISEQ Overall	5960.13	5895.08
Israel	Tel Aviv 100	12.88	12.75
Italy	FTSE Italia All-Share	18456.91	18393.96
	FTSE Italia Mid Cap	30438.72	30266.22
	FTSE MIB	16796.14	16743.82
Japan	2nd Section	4194.18	4172.32
	Nikkei 225	16764.97	16650.57
	S&P Topix 150	1086.08	1076.90
	Topix	1317.49	1305.53
Jordan	Amman SE	2135.61	2137.06
Kenya	NSE 20	3463.59	3482.18
Kuwait	KSX Market Index	5516.08	5491.54
Latvia	OMX Riga	636.34	630.48
Lithuania	OMX Vilnius	536.23	537.71
Luxembourg	LuxX	1589.48	1567.62
Malaysia	FTSE Bursa KLCI	1671.71	1672.68
Mexico	IPC	47684.09	47368.65
Morocco	MASI	9918.23	9890.46
Netherlands	AEX	453.80	449.07
	AEX All Share	693.59	686.70
New Zealand	NZX 50	7363.16	7348.30
Nigeria	SE All Share	27425.86	27751.34
Norway	Oslo All Share	663.11	665.18
Pakistan	KSE 100	39663.71	39663.71
Philippines	Manila Comp	8055.06	7993.58
Poland	Wig	48265.91	47910.99
Portugal	PSI 20	4772.21	4702.94
	PSI General	2539.94	2505.39
Romania	BET Index	6886.14	6846.54
Russia	Micex Index	1958.72	1956.99
	RTX	953.80	953.64
Saudi-Arabia	TADAWUL All Share Index	6319.30	6289.51
Singapore	FTSE Straits Times	2870.78	2828.17
Slovakia	SAX	316.00	315.47
Slovenia	SBI TOP	716.51	710.71
South Africa	FTSE/JSE All Share	52486.65	52348.36
	FTSE/JSE Res 20	32220.79	31843.65
	FTSE/JSE Top 40	45510.65	45385.74
South Korea	Kospi	2043.78	2031.12
	Kospi 200	255.85	254.11
Spain	IBEX 35	8665.40	8562.50
Sri Lanka	CSE All Share	6510.11	6506.93
Sweden	OMX Stockholm 30	1345.44	1359.14
	OMX Stockholm AS	480.68	485.01
Switzerland	SMI Index	8229.42	8168.84
Taiwan	Weighted Pr	9155.08	9150.26
Thailand	Bangkok SET	1548.21	1542.26
Turkey	BIST 100	77779.10	76065.69
UAE	Abu Dhabi General Index	4526.56	4509.62
UK	FT 30	2986.70	2959.10
	FTSE 100	6851.30	6809.13
	FTSE 4Good UK	6110.29	6073.12
	FTSE All Share	3724.84	3700.89
	FTSE techMARK 100	4370.75	4345.73
USA	DJ Composite	6469.48	6459.11
	DJ Industrial	18572.12	18529.29
	DJ Transport	7866.30	7869.31
	DJ Utilities	691.86	690.23
	Nasdaq 100	4806.99	4784.74
	Nasdaq Cmp	5235.42	5213.14
	NYSE Comp	10820.14	10788.01
	S&P 500	2186.12	2180.89
	Wilshire 5000	21224.32	21238.05
Venezuela	IBC	12336.35	12336.35
Vietnam	VNI	637.34	629.46
Cross-Border	DJ Global Titans ($)	248.24	247.32
	Euro Stoxx 50 (Eur)	3028.72	2982.92
	Euronext 100 ID	878.67	869.77
	FTSE 4Good Global ($)	5488.15	5455.86
	FTSE All World	276.84	275.27
	FTSE E300	1357.93	1345.09
	FTSE Eurotop 100	2669.69	2645.87
	FTSE Global 100 ($)	1362.62	1356.41
	FTSE Gold Min ($)	2010.16	2007.94
	FTSE Latibex Top (Eur)	3178.40	3135.40
	FTSE Multinationals ($)	1555.00	1553.23
	FTSE World ($)	490.42	487.51
	FTSEurofirst 100 (Eur)	3817.95	3785.97
	FTSEurofirst 80 (Eur)	4146.55	4083.17
	MSCI ACWI Fr ($)	416.79	415.58
	MSCI All World ($)	1719.91	1716.65
	MSCI Europe (Eur)	1383.92	1381.72
	MSCI Pacific ($)	2354.21	2319.99
	S&P Euro (Eur)	1387.09	1366.93
	S&P Europe 350 (Eur)	1395.48	1382.19
	S&P Global 1200 ($)	1921.70	1910.31
	Stoxx 50 (Eur)	2883.02	2860.67

(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

Downs (AMERICA)	Close price	Day's change	Day's chng%
Norwegian Cruise Line Holdings Ltd	39.26	-3.70	-8.61
Gap	24.04	-1.58	-6.17
Scripps Networks Interactive	62.23	-3.94	-5.95
Royal Caribbean Cruises Ltd	70.08	-3.90	-5.27
Southwestern Energy	13.54	-0.58	-4.11

Based on the constituents of the S&P500 and the Nasdaq 100 index

Downs (LONDON)	Close price	Day's change	Day's chng%
Sig	100.60	-6.50	-6.07
Legal & General	206.00	-12.58	-5.77
Paypoint	992.50	-34.29	-3.35
Pendragon	32.92	-1.03	-3.08
Sophos	226.30	-5.77	-2.49

Based on the constituents of the FTSE 350 index

Downs (EURO MARKETS)	Close price	Day's change	Day's chng%
Grifols Sa	14.99	-14.40	-48.99
Bayerische Motoren Werke Ag	64.40	-4.15	-6.05
Industrivarden Ab	16.14	-0.82	-4.81
Svenska Handelsbanken Ab	11.40	-0.50	-4.18
Vonovia Se	29.34	-0.93	-3.08

Based on the constituents of the FTSEurofirst 300 Eurozone index

Downs (TOKYO)	Close price	Day's change	Day's chng%
Dainippon Screen Mfg.co.,	1125.00	-107.00	-8.69
Toho Z Co.,	328.00	-26.00	-7.34
Mitsubishi Materials	270.00	-14.00	-4.93
Obayashi	956.00	-49.00	-4.88
Mitsui Eng & Shipbuilding Co.,	140.00	-4.00	-2.78

Based on the constituents of the Nikkei 225 index

CURRENCIES

Aug 9	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	14.8300	0.0200	16.4791	0.0778	19.2665	-0.0435
Australia	Australian Dollar	1.3019	-0.0037	1.4467	0.0007	1.6914	-0.0110
Bahrain	Bahrainin Dinar	0.3771	-0.0001	0.4190	0.0014	0.4898	-0.0018
Bolivia	Bolivian Boliviano	6.9300	-0.0050	7.7006	0.0205	9.0032	-0.0390
Brazil	Brazilian Real	3.1446	-0.0381	3.4943	-0.0304	4.0853	-0.0645
Canada	Canadian Dollar	1.3119	-0.0051	1.4577	-0.0008	1.7043	-0.0129
Chile	Chilean Peso	653.0700	-1.6900	725.6898	0.5796	848.4404	-5.2678
China	Chinese Yuan	6.6621	-0.0002	7.4029	0.0248	8.6551	-0.0315
Colombia	Colombian Peso	2970.4400	-20.7400	3300.7462	-11.8196	3859.0684	-40.9796
Costa Rica	Costa Rican Colon	548.2200	-0.0900	609.1807	1.9580	712.2238	-2.6897
Czech Republic	Czech Koruna	24.3174	-0.0847	27.0214	-0.0025	31.5921	-0.2245
Denmark	Danish Krone	6.6934	-0.0212	7.4377	0.0016	8.6958	-0.0590
Egypt	Egyptian Pound	8.8801	0.0243	9.8675	0.0602	11.5366	-0.0100
Hong Kong	Hong Kong Dollar	7.7566	0.0004	8.6191	0.0296	10.0770	-0.0359
Hungary	Hungarian Forint	279.7967	-1.2229	310.9093	-0.3041	363.4997	-2.9072
India	Indian Rupee	66.8738	0.0450	74.3099	0.3008	86.8795	-0.2551
Indonesia	Indonesian Rupiah	13132.5000	2.5000	14592.8095	52.0503	17061.1780	-58.3868
Israel	Israeli Shekel	3.8192	-0.0075	4.2439	0.0060	4.9617	-0.0278
Japan	Japanese Yen	101.8950	-0.6400	113.2255	-0.3263	132.3776	-1.3126
..One Month		101.8949	-0.6402	113.2255	-0.3263	132.3775	-1.3127
..Three Month		101.8946	-0.6408	113.2255	-0.3263	132.3773	-1.3131
..One Year		101.8934	-0.6432	113.2254	-0.3265	132.3775	-1.3140
Kenya	Kenyan Shilling	101.5500	0.0500	112.8421	0.4365	131.9294	-0.4113
Kuwait	Kuwaiti Dinar	0.3022	-0.0001	0.3357	0.0010	0.3925	-0.0015
Malaysia	Malaysian Ringgit	4.0300	-0.0075	4.4781	0.0068	5.2356	-0.0287
Mexico	Mexican Peson	18.4037	-0.1630	20.4501	-0.1114	23.9092	-0.2989
New Zealand	New Zealand Dollar	1.3946	-0.0069	1.5497	-0.0025	1.8118	-0.0156
Nigeria	Nigerian Naira	322.2500	5.2500	358.0834	7.0236	418.6533	5.3332
Norway	Norwegian Krone	8.4067	-0.0818	9.3414	-0.0590	10.9216	-0.1461
Pakistan	Pakistani Rupee	104.5350	-0.0900	116.1590	0.2927	135.8074	-0.6078
Peru	Peruvian Nuevo Sol	3.2993	-0.0216	3.6661	-0.0115	4.2862	-0.0436
Philippines	Philippine Peso	46.8800	0.0500	52.0929	0.2313	60.9045	-0.1548
Poland	Polish Zloty	3.8340	-0.0211	4.2603	-0.0090	4.9810	-0.0456
Romania	Romanian Leu	4.0139	-0.0105	4.4602	0.0035	5.2147	-0.0325
Russia	Russian Ruble	64.7025	0.0513	71.8973	0.2996	84.0587	-0.2368
Saudi Arabia	Saudi Riyal	3.7504	-	4.1674	0.0141	4.8724	-0.0176
Singapore	Singapore Dollar	1.3451	-0.0032	1.4946	0.0014	1.7474	-0.0105
South Africa	South African Rand	13.4315	-0.1938	14.9250	-0.1642	17.4496	-0.3157
South Korea	South Korean Won	1105.9000	-2.3500	1228.8734	1.5482	1436.7376	-8.2530
Sweden	Swedish Krona	8.5248	-0.0647	9.4727	-0.0397	11.0751	-0.1244
Switzerland	Swiss Franc	0.9822	-0.0013	1.0914	0.0023	1.2760	-0.0062
Taiwan	New Taiwan Dollar	31.4415	-0.0690	34.9377	0.0416	40.8474	-0.2375
Thailand	Thai Baht	34.9700	-0.0045	38.8586	0.1263	45.4315	-0.1700
Tunisia	Tunisian Dinar	2.2148	-0.0048	2.4611	0.0030	2.8774	-0.0167
Turkey	Turkish Lira	2.9677	-0.0164	3.2977	-0.0071	3.8555	-0.0354
United Arab Emirates	UAE Dirham	3.6731	0.0001	4.0815	0.0139	4.7719	-0.0171
United Kingdom	Pound Sterling	0.7697	0.0028	0.8553	0.0060	-	-
..One Month		0.7698	0.0028	0.8553	0.0060	-	-
..Three Month		0.7700	0.0028	0.8551	0.0060	-	-
..One Year		0.7705	0.0028	0.8545	0.0060	-	-
United States	United States Dollar	-	-	1.1112	0.0038	1.2992	-0.0047
..One Month		-	-	1.1111	-0.1926	1.2992	-0.0047
..Three Month		-	-	1.1107	-0.1927	1.2994	-0.0047
..One Year		-	-	1.1095	-0.1927	1.2999	-0.0047
Venezuela	Venezuelan Bolivar Fuerte	9.9900	0.0100	11.1009	0.0486	12.9786	-0.0338
Vietnam	Vietnamese Dong	22302.5000	1.0000	24782.5333	84.8331	28974.5053	-103.2923
European Union	Euro	0.8999	-0.0031	-	-	1.1692	-0.0082
..One Month		0.8998	-0.0030	-	-	1.1691	-0.0082
..Three Month		0.8995	-0.0031	-	-	1.1690	-0.0082
..One Year		0.8982	-0.0031	-	-	1.1683	-0.0082

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 Aug 09	Day's chge%	Euro Index	£ Strlg Aug 08	£ Strlg Aug 05	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	6851.30	0.62	6249.47	6809.13	6793.47	6736.22	3.65	0.71	38.72	153.47	5503.65
FTSE 250 (250)	17687.40	0.74	16133.70	17557.74	17465.35	17760.88	2.61	1.94	19.74	285.03	12522.24
FTSE 250 ex Inv Co (209)	19014.47	0.78	17344.19	18867.32	18757.78	19329.92	2.65	2.07	18.25	309.74	13727.49
FTSE 350 (350)	3783.88	0.64	3451.49	3759.86	3749.38	3733.36	3.48	0.86	33.43	80.81	6118.10
FTSE 350 ex Investment Trusts (309)	3756.77	0.64	3426.76	3732.78	3722.31	3711.65	3.50	0.86	33.32	80.81	3128.10

FT 30 INDEX

	Aug 09	Aug 08	Aug 05	Aug 04	Aug 03	Yr Ago	High	Low
FT 30	2986.70	2959.10	2950.40	2938.40	2906.20	0.00	2967.20	2508.90
FT 30 Div Yield	1.55	1.57	1.56	1.57	1.59	0.00	3.93	2.74
P/E Ratio net	28.75	28.50	28.59	28.47	28.08	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
2959.1	2973.8	2971.2	2972.8	2974.8	2976.6	2976.7	2983	2989.2	2991.3	2959.1

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

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Industrial Metals & Mining	133.01	NON FINANCIALS Index	12.38	Support Services	2.49
	63.04	Beverages	11.95	Food & Drug Retailer	1.46
Tech Hardware & Eq	54.56	Chemicals	11.38	FTSE 250 Index	0.20
Basic Materials	52.85	Nonlife Insurance	10.97	Household Goods & Ho	-0.31
Technology	37.47	Gas Water & Multi	10.90	Automobiles & Parts	-2.95
Industrial Eng	28.88	Utilities	9.17	Telecommunications	-3.03
Oil & Gas Producers	25.17	FTSE 100 Index	8.83	Financial Services	-3.96

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	632.00	-2.00	Legal & General Group PLC	206.00	-12.10
Admiral Group PLC	2243	23.00	Lloyds Banking Group PLC	55.04	0.49
Anglo American PLC	879.00	3.70	London Stock Exchange Group PLC	2819	44.00
Antofagasta PLC	525.50	-5.50	Marks And Spencer Group PLC	338.40	8.00
Arm Holdings PLC	1685	-	Mediclinic International PLC	1094	18.00
Ashtead Group PLC	1204	3.00	Merlin Entertainments PLC	475.50	6.90

UK MARKET WINNERS AND LOSERS

Losers (FTSE 100)	Aug 09 price(p)	%Chg week	%Chg ytd	Losers (FTSE 250)	Aug 09 price(p)	%Chg week	%Chg ytd	Losers (FTSE SmallCap)	Aug 09 price(p)	%Chg week	%Chg ytd	Losers (Industry Sectors)	Aug 09 price(p)	%Chg week	%Chg ytd
Randgold Resources Ltd	8495.00	-5.7	105.4	Ascential	245.40	-4.2	-	Devro	236.00	-15.5	-18.6	Gas Water & Multiutilities	6624.42	-0.1	11.6
Direct Line Insurance	392.30	-1.8	-3.7	Drax	315.00	-3.8	29.4	Nanoco	66.75	-9.9	16.0	Fixed Line Telecommunication	4616.11	0.5	-13.1
United Utilities	989.50	-1.5	5.8	Cobham	161.80	-3.5	-43.1	On The Beach	218.00	-6.0	-9.2	Beverages	17282.61	0.5	12.1
Sabmiller	4373.00	-1.1	7.3	Jrp	98.95	-2.9	-40.0	Lsl Property Services	229.00	-5.1	-19.6	Nonlife Insurance	2752.59	0.5	11.8
Severn Trent	2410.00	-0.6	10.7	Domino's Pizza	378.80	-2.4	8.0	Sepura	53.25	-4.9	-70.9	Aerospace & Defense	4537.82	0.5	9.4
British American Tobacco	4800.00	-0.5	27.2	Vectura	144.20	-2.3	-18.1	Petropavlovsk	7.25	-4.9	11.2	Real Estate & Investment Servic	2407.26	0.5	-21.6
Glaxosmithkline	1685.00	-0.3	22.7	Kaz Minerals	159.40	-1.9	55.3	Sthree	252.25	-4.4	-22.6	Real Estate Investment Trusts	2963.74	0.8	-9.1
Imperial Brands	4045.00	-0.3	12.5	Great Portland Estates	655.00	-1.8	-20.9	Medicx Fund	90.00	-4.1	3.5	Pharmaceuticals & Biotech.	14928.10	1.0	15.7
Dcc	6850.00	-0.1	20.0	Rank	211.00	-1.8	-24.8	Artemis Alpha Trust	219.50	-4.0	-11.9	Household Goods	16445.90	1.1	-0.3
Bae Systems	525.00	0.1	5.4	Millennium & Copthorne Hotels	414.50	-1.8	-10.7	Oxford Instruments	715.00	-3.9	-6.2	Technology Hardware & Equip.	2014.73	1.2	58.0
Fresnillo	1957.00	0.1	176.4	Sophos	226.30	-1.7	-13.6	Carpetright	224.00	-3.8	-53.7	Personal Goods	30822.98	1.2	19.2

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

FX: EFFECTIVE INDICES

FTSE GLOBAL EQUITY INDEX SERIES

UK STOCK MARKET TRADING DATA

All data provided by Morningstar unless otherwise noted. All elements listed are indicative and believed accurate at the time of publication. No offer is made by Morningstar or the FT. The FT does not warrant nor guarantee that the information is reliable or complete. The FT does not accept responsibility and will not be liable for any loss arising from the reliance on or use of the listed information.
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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$)							
ANZ	26.44	0.74	30.80	21.86	8.85	13.14	59449.77
BHPBilltn	20.59	0.11	26.83	14.06	9.24	29.32	50793.63
CmwBkAu	78.41	1.21	85.85	69.79	6.37	17.89	103297.7
CSL	113.99	-1.17	121.25	87.11	1.20	32.92	39967.9
NatAusBk	26.82	0.58	33.40	23.82	9.55	12.62	54733.2
Telstra	5.65	0.04	6.39	4.98	6.44	19.56	53056.66
Wesfarmers	42.48	-0.06	44.12	36.65	5.62	23.24	36744.51
Westpc	30.99	0.55	33.74	27.57	7.78	14.10	79650.45
Woolworths	23.20	-0.20	28.10	20.30	7.15	-326.90	22787.44
Belgium (€)							
AnBshInBv	110.90	-	124.20	87.73	3.13	53.50	198186.59
KBC Grp	47.81	0.62	64.42	39.35	3.88	14.65	22211.44
Brazil (R$)							
Ambev	19.24	-0.01	20.46	15.99	2.13	27.26	96167.13
Bradesco	29.69	-0.06	32.00	16.27	2.80	12.21	26217.39
Cielo	35.39	0.19	37.78	23.36	1.27	22.60	25479.67
ItauHldFin	30.49	0.15	30.75	21.49	2.30	7.35	29544.07
Petrobras	13.53	-0.22	14.20	5.67	-	-5.88	32021.98
Vale	19.05	0.07	22.19	8.60	1.56	-4.12	19489.73
Canada (C$)							
BCE	63.07	0.23	63.41	51.56	4.15	20.33	41802.86
BkMontrl♦	83.91	0.42	85.50	64.01	3.67	13.59	41219.84
BkNvaS	66.92	0.25	67.40	51.17	3.89	12.96	61367.52
Brookfield	46.16	0.40	46.52	37.11	1.26	22.12	34738.31
CanadPcR	190.59	0.48	210.16	140.02	0.80	19.83	21959.63
CanImp	100.31	0.51	104.65	82.19	4.20	11.84	30184.13
CanNatRs	41.13	-0.04	41.85	21.27	2.20	-107.43	34430.61
CanNatRy	82.72	0.67	85.43	66.62	1.63	18.60	48844.7
Enbridge	54.93	-0.28	57.84	40.03	3.56	39.97	38908.78
GtWesLif	31.69	0.12	37.10	30.42	4.16	11.93	23984.32
ImpOil	40.68	0.22	49.40	37.25	1.37	118.40	26283.74
Manulife	17.47	0.07	23.42	15.32	3.99	14.12	26272.06
Potash	21.60	0.04	35.38	19.93	8.21	20.91	13818.31
RylBkC♦	80.27	0.40	80.97	64.52	3.66	13.00	90923.7
Suncor En	35.76	0.12	40.35	27.32	3.18	-18.68	45369.72
ThmReut	54.71	0.36	57.66	47.56	3.15	26.01	31220.73
TntoDom	57.31	0.27	58.13	47.75	3.37	14.06	80993.61
TrnCan	62.14	0.40	62.29	40.58	3.43	-31.34	37875.44
ValeantPh	35.00	5.49	333.44	24.32	-	-13.30	9152.01
China (HK$)							
AgricBkCh	2.95	0.01	3.56	2.50	6.79	5.04	11690.59
Bk China	3.31	-	4.31	2.83	6.32	5.55	35684.13
BkofComm	5.50	0.02	6.99	4.24	5.40	5.64	24825.86
BOE Tech	1.84	0.04	2.90	1.55	0.96	35.32	47.20
Ch Coms Cons♦	9.37	0.02	11.78	5.77	1.99	8.91	5348.42
Ch Evrbrght	3.53	0.03	4.33	3.07	5.80	5.17	3125.96
Ch Rail Cons	10.10	0.12	12.64	6.72	1.63	9.51	2703.59
Ch Rail Gp♦	6.31	0.23	8.40	4.21	1.36	11.04	3422.71
ChConstBk	5.47	0.03	6.48	4.31	6.06	5.55	169544.7
China Vanke	19.50	0.32	24.10	14.56	2.81	10.86	3305.78
ChinaCitic	5.03	0.03	5.64	4.00	-	5.27	9650.79
ChinaLife	18.06	-0.08	31.15	16.00	2.40	17.17	17325.59
ChinaMBank♦	17.44	-0.06	22.20	12.72	4.23	6.88	10322.23
ChinaMob	96.50	-1.20	103.80	79.00	2.57	17.29	254735.89
ChinaPcIns♦	28.25	0.05	34.25	23.70	1.86	13.69	10107.81
ChMinsheng	8.30	0.03	9.26	6.13	2.44	5.98	7419.35
ChMrchSecs RMB	16.77	0.03	24.95	13.45	4.27	11.29	12090.46
Chna Utd Coms RMB	4.25	-	8.11	3.75	1.47	37.66	13522.16
ChShenEgy	14.94	-	15.96	10.12	5.37	18.40	6546.01
ChShpbldng RMB	6.68	-	17.20	5.66	0.53	-46.63	18006.16
ChStConEng RMB	6.14	0.23	7.90	4.88	2.61	7.76	27599.12
ChUncHK	8.33	-0.02	11.36	7.70	2.64	23.43	25717.25
CNNC Intl RMB	6.75	0.03	12.72	6.58	-	29.71	4297.19
CSR♦	7.36	-0.07	10.76	6.45	1.77	15.79	4147.57
Daqin RMB	6.26	0.13	11.28	5.98	7.14	9.08	13969.43
Gree Elec Apl	0.19	0.01	0.30	0.16	-	-4.22	290.83
GuosenSec RMB	16.36	0.03	23.41	13.28	1.14	12.55	5390.36
HaitongSecs	13.18	0.10	15.50	10.00	2.09	10.13	5793.54
Hngzh HikVDT RMB	25.65	0.24	32.06	19.77	2.66	25.64	18120.55
Hunng Pwr♦	4.76	0.07	9.89	4.43	11.20	5.78	2884.48
IM Baotou Stl RMB	2.87	0.01	5.15	2.66	-	-19.74	6781.66
In&CmBkCh♦	4.58	0.02	5.49	3.72	6.15	5.49	51248.41
IndstrlBk RMB	15.63	0.06	17.63	11.90	3.40	6.28	44698.88
Kweichow RMB	315.75	7.65	326.80	166.20	1.29	26.58	59537.47
Midea	1.73	-0.01	2.16	1.64	5.10	11.45	47.96
New Ch Life Ins♦	28.50	-0.30	37.50	22.00	0.79	9.81	3799.61
PetroChina	5.33	0.02	7.50	4.16	3.25	61.43	14498.32
PingAnIns	37.50	-0.05	46.70	30.50	1.99	11.34	36005.98
PngAnBnk RMB	9.15	0.04	11.15	7.75	1.48	7.46	20095.05
Pwr Cons Corp RMB	5.98	0.17	11.45	5.40	1.56	16.71	8617.06
SaicMtr RMB	23.40	-0.13	24.36	14.00	5.17	9.16	38726.31
ShenwanHong	0.18	0.00	0.27	0.12	-	-0.27	124.17
ShgPdgBk RMB	15.79	0.05	18.29	10.83	4.06	6.76	48632.06
Sinopec Corp	5.59	0.03	5.93	3.86	3.90	16.79	18387.03
Sinopec Oil RMB	3.88	0.02	11.58	3.60	-	-40.28	1038.61
Denmark (kr)							
DanskeBk	184.90	3.30	218.00	161.80	4.20	14.21	27174.1
MollerMrsk	9135	75.00	12940	7355	-	-59.80	13730.22
NovoB	324.70	6.70	402.90	305.10	1.82	26.11	97629.7
Finland (€)							
Nokia	5.02	0.08	7.11	4.48	3.10	-137.53	32551.85
SampoA	38.93	0.60	47.67	34.42	4.64	14.86	24173.08
France (€)							
Airbus Grpe	51.10	0.76	68.50	48.07	2.47	14.06	43874.38
AirLiquide	95.78	2.29	123.65	88.25	2.64	19.79	36779.44
AXA	18.27	0.16	26.02	16.11	5.85	7.75	49215.68
BNP Parib	44.82	0.43	60.63	35.27	5.01	8.62	62067.89
ChristianDior	161.80	0.30	195.35	133.75	1.70	21.97	32673.03
Cred Agr	8.21	0.07	13.20	6.79	7.10	6.64	25638.35
Danone	68.82	0.67	69.89	51.73	1.88	38.03	50157.77
EDF	11.92	0.02	22.11	9.13	13.29	204.48	26666.46
Engie SA	14.65	0.02	18.00	12.34	6.63	-7.77	39644.1
EssIr Intl	115.30	1.30	125.15	95.01	0.94	32.78	27942.76
Hermes Intl	388.10	1.30	388.95	281.20	0.65	48.67	45527.42
LOreal	174.10	3.00	178.70	140.40	1.73	35.00	108294.92
LVMH	153.60	1.60	174.80	130.55	2.25	21.54	86660.18
Orange	13.93	0.18	16.98	12.21	3.71	21.55	41160.2
PernodRic	103.70	1.55	111.00	88.00	1.50	33.34	30584.84
Renault	77.14	0.60	98.14	59.59	2.12	8.70	25348.66
Safran	61.68	0.76	72.45	48.87	1.73	-70.18	28582.65
Sanofi	73.05	0.80	99.87	62.50	3.90	23.68	104624.64
Sant Gbn	39.05	0.71	44.27	31.47	1.37	68.66	24078.31
Schneider	60.16	0.86	65.05	45.32	2.75	28.38	39556.54
SFR Group	22.90	1.97	50.43	19.51	-	-32.69	11214.3
SocGen	31.86	0.55	48.40	25.00	3.49	7.55	28593.06
Total	43.40	0.40	47.40	35.21	5.12	31.94	120701.94
UnibailR	245.95	0.90	257.85	212.05	3.83	9.89	27143.26
Vinci	67.68	0.41	68.30	51.11	2.64	18.11	44765.64
Vivendi	17.99	0.33	24.33	14.87	15.46	16.73	25720.02
Germany (€)							
Allianz	133.80	3.55	170.00	118.35	4.41	10.67	67945.95
BASF	72.25	1.99	82.51	56.01	3.59	17.09	73739.16
Bayer	98.82	2.82	135.40	83.45	2.46	19.12	90805.93
BMW	80.29	2.66	104.85	63.38	3.35	8.77	53708.84
Continental	193.15	4.25	231.90	162.05	1.89	13.63	42926.84
Daimler	62.87	1.70	85.50	50.83	5.02	8.69	74739.9
Deut Bank	12.38	0.22	30.92	11.06	-	-2.16	18966.48
Deut Tlkm	15.76	0.25	17.57	13.39	2.94	13.94	81904.11
DeutsPost	28.25	0.52	28.29	19.55	2.92	19.25	38069.95
E.ON	9.43	0.13	12.14	7.08	1.38	-2.87	20972.12
Fresenius Med	85.65	2.45	85.65	63.10	0.91	27.13	29153.16
Fresenius SE	69.10	2.30	70.00	52.39	0.59	29.17	41903.92
HenkelKgaA	97.61	1.56	98.50	75.76	1.23	23.14	28178.5
Linde	139.10	2.90	178.50	113.50	2.10	24.13	28708.33
MuenchRkv	161.30	8.70	193.65	140.90	4.45	10.44	28866.68
SAP	78.84	1.41	79.15	53.91	1.42	27.23	107625.34
Siemens	106.25	2.45	106.25	77.91	2.68	19.58	100355.03
Volkswgn	133.85	2.70	194.15	95.00	3.32	-33.12	43889.83
Hong Kong (HK$)							
AIA	49.30	-0.30	50.30	36.85	0.92	33.47	76585.14
BOC Hold	26.10	0.05	31.90	18.82	3.79	13.05	35576.14
Ch OSLnd&Inv	26.90	0.25	28.25	20.45	1.80	8.45	34196.59
ChngKng	56.90	0.40	65.85	38.20	0.54	14.55	28209.38
Citic Ltd	12.44	0.42	15.28	10.02	2.13	8.98	46654.96
Citic Secs♦	17.08	0.08	22.55	12.82	1.82	10.53	5016.88
CK Hutchison	94.25	0.10	116.80	80.60	3.48	9.02	46898.73
CNOOC	9.35	0.09	10.38	6.41	5.20	19.60	53819.38
HangSeng	134.40	-0.90	161.00	121.10	4.12	17.46	33126.84
HK Exc&Clr	194.00	-0.90	224.00	160.10	2.38	33.12	30448.32
MTR	43.50	-0.30	44.50	33.10	2.13	22.22	33077.75
SandsCh	30.85	0.25	37.55	20.75	5.69	24.96	32097.02
SHK Props	111.60	-0.30	117.70	79.00	1.90	12.13	41654.36
Tencent	188.20	-0.60	189.80	124.00	0.17	52.74	229683.21
India (Rs)							
Bhartiartl	349.45	-2.10	415.45	282.30	0.61	38.11	20888.49
HDFC Bk	1247.2	-2.40	1258.95	928.00	0.73	26.77	47342.28
Hind Unilevr	934.25	4.75	951.45	766.40	1.51	54.27	30235.27
HsngDevFin	1343	-24.45	1410	1011.45	1.15	20.73	31771.75
ICICI Bk	245.35	0.10	314.00	180.75	1.86	15.44	21342.77
Infosys	1083.4	4.70	1279.3	1011.25	2.18	18.32	37212.07
ITC	247.65	-2.30	262.00	178.67	1.54	33.14	44773.89
L&T	1500.95	-6.20	1844.2	1016.05	0.89	31.28	20918.48
OilNatGas	229.00	2.90	284.70	187.75	3.78	11.43	29297.08
RelianceIn	1030.7	1.45	1089.75	818.00	0.86	12.79	49982.36
SBI NewA	235.15	1.90	289.45	148.25	1.33	12.82	27296.49
SunPhrmInds	829.35	-3.45	966.00	704.00	0.32	57.58	29847.17
Tata Cons	2650.2	0.70	2770	2115	1.58	21.81	78087.86
Indonesia (Rp)							
Bk Cent Asia	15000	-	15300	11000	1.03	20.09	28160.95
Israel (ILS)							
TevaPha	208.20	0.40	270.70	189.40	2.43	37.23	54975.06
Italy (€)							
Enel	4.06	-0.01	4.41	3.33	3.19	18.26	45889.14
ENI	13.55	-0.02	16.27	10.93	5.74	-5.15	54718.95
Generali	12.10	0.14	18.14	9.76	5.78	10.55	20973.4
IntSPaolo	1.93	0.01	3.51	1.52	3.36	13.64	34065.42
Luxottica	43.63	0.05	67.45	41.90	1.98	27.89	23459.47
Unicred	2.03	0.02	6.40	1.70	5.47	7.78	13962.98
Japan (¥)							
AstellasPh	1694	7.00	1977	1358	1.82	17.45	35807.22
Bridgestne	3616	-12.00	4687.5	3089	2.95	12.83	28854.98
Canon	2923.5	-	4076	2780	4.20	18.18	38267.41
CntJpRwy	17785	-50.00	22935	16840	0.58	12.66	35955.74
Denso	4097	-30.00	6181	3317	2.40	16.28	35546.69
EastJpRwy	8821	-34.00	12630	8659	1.42	14.54	33710.85
Fanuc	17420	195.00	22790	15300	2.72	25.30	34888.33
FastRetail	37500	-380.00	57320	25305	0.79	95.94	39037.85
Fuji Hvy Ind	3858	6.00	5223	3252	3.06	8.41	29641.27
Hitachi	491.20	8.30	792.70	400.00	2.36	10.75	23300.44
HondaMtr	2992	-10.00	4472	2417	2.84	16.77	53189.99
JapanTob	3996	-12.00	4850	3551	3.09	17.09	78433.68
KDDI	3244	-2.00	3446	2519	1.64	20.04	83427.86
Keyence	73860	-280.00	75820	50500	0.15	-	44073.11
MitsbCp	2053	50.50	2468.5	1565	2.35	-27.85	32037.17
MitsubEst	2000.5	-0.50	2968	1724	0.66	40.61	27297.61
MitsubishiEle	1287.5	38.50	1409.5	947.00	2.02	12.72	27131.09
MitsuiFud	2290	1.00	3879	2031.5	1.00	23.47	22281.4
MitUFJFin	536.00	4.60	903.40	425.80	2.75	11.37	74532.71
Mizuho Fin	167.70	-0.20	270.60	142.00	4.32	5.35	41344.19
Murata Mfg	12620	30.00	19820	10365	1.18	16.83	27899.57
NipponTT	4854	83.00	5419	4005	2.19	13.38	99866.51
Nissan Mt	1012.5	18.50	1321.5	893.10	4.00	8.62	43629.22
Nomura	475.40	6.00	890.80	338.80	2.64	16.65	17834.51
Nppn Stl	2034.5	51.50	2974	1773.5	2.14	33.67	18974.72
NTTDCMo	2661	41.00	2946	1961	2.54	18.03	103377.83
Panasonic	1008	20.50	1492.5	799.00	1.48	15.69	24266.93
Seven & I	4440	76.00	5914	4051	1.42	29.61	38626.06
ShnEtsuCh	7191	113.00	7643	5160	1.25	25.11	30494.91
Softbank	6201	201.00	7800	4133	0.53	19.06	73068.3
Sony	3374	77.00	3568	2199	0.49	35.04	41808.48
SumitomoF	3409	31.00	5770	2766.5	4.25	6.36	47308.66
Takeda Ph	4765	71.00	6609	4098	3.10	57.17	36959.46
TokioMarine	3897	25.00	5504	3063	2.31	14.12	28971.71
Toyota	6011	-44.00	8203	4917	3.37	8.78	196915.48
Mexico (Mex$)							
AmerMvl	11.07	0.21	15.91	10.40	2.28	26.55	25274.59
FEMSA UBD	170.77	0.98	180.47	133.52	1.25	40.24	-
WalMrtMex	44.43	0.27	47.44	35.50	1.22	30.17	42155.32
Netherlands (€)							
Altice	15.00	1.95	31.76	9.98	-	-13.95	13687.9
ASML Hld	99.05	0.23	100.50	70.25	0.66	39.00	47694.35
Heineken♦	80.17	-0.03	86.95	64.54	1.27	28.19	51313.03
ING♦	10.58	0.13	14.92	8.30	2.93	8.90	45586.52
Unilever♦	41.41	0.61	42.84	32.86	2.88	24.64	78902.66
Norway (Kr)							
DNB	96.25	0.95	132.00	90.10	4.56	7.14	18648.56
Statoil	136.60	0.80	150.20	97.25	5.14	-202.98	52109.79
Telenor	143.80	2.90	178.50	116.80	5.09	151.85	25683.21
Qatar (QR)							
QatarNtBk	158.50	3.50	163.17	122.50	2.00	12.83	36555.26
Russia (RUB)							
Gzprm neft	137.98	0.51	170.43	122.75	4.08	5.15	50484.48
Lukoil	2811.5	-31.00	2910	2040.1	4.95	10.03	36959.3
MmcNrlskNckl	9872	42.00	11284	7840	14.33	14.21	24144.34
Novatek	656.20	8.10	683.70	535.10	2.03	12.33	30793.61
Rosneft	328.80	-0.20	356.95	224.10	1.95	12.57	53856.97
Sberbank	139.44	-0.01	142.00	66.75	0.27	17.76	46521.82
Surgutneftegas	30.75	0.16	41.16	30.02	-	3.09	16978.78
Saudi Arabia (SR)							
AlRajhiBnk	57.75	0.25	64.25	44.70	2.36	13.55	25022.34
NatnlcombnK	37.50	0.10	62.50	36.60	4.03	8.36	19997.86
SaudiBasic	81.50	0.25	93.50	59.50	6.12	14.75	65193.06
SaudiTelec♦	60.25	-0.25	69.75	52.75	6.02	14.53	32129.9
Singapore (S$)							
DBS	15.04	0.21	20.25	13.01	3.62	9.20	28130.85
JardnMt US$	57.76	0.14	61.03	45.00	2.45	10.69	41079.93
JardnStr US$	31.16	0.31	32.20	25.24	0.89	8.03	34540.5
OCBC	8.49	0.18	10.35	7.41	4.14	10.07	26341.98
SingTel♦	4.20	0.13	4.36	3.38	3.78	19.06	49664.72
UOB	18.06	0.13	21.57	16.80	3.79	9.53	21529.13
South Africa (R)							
Firstrand	50.07	1.17	57.80	34.08	3.26	16.14	20613.63
MTN Grp	127.46	-2.36	208.20	109.56	9.33	90.62	17250.45
Naspers N	2137.47	16.37	2334.11	1521.98	0.19	80.61	68716.95
South Korea (KRW)							
HyundMobis	260000	3500	272000	190500	1.18	15.84	22885.8
KoreaElePwr	61200	-	63700	45600	4.43	3.16	35526
SK Hynix	35050	100.00	38100	25650	1.25	9.02	22375.77
SmsungEl	1567000	-2000.00	1580000	1033000	1.05	14.11	200737.73
Spain (€)							
BBVA	5.22	0.10	9.39	4.50	6.57	16.18	37603.38
BcoSantdr	3.81	0.04	6.33	3.15	5.10	10.11	61110.73
CaixaBnk	2.34	0.04	4.05	1.82	4.98	18.99	15374.37
Iberdrola	6.03	0.01	6.71	4.80	0.48	16.51	42622.18
Inditex	32.12	0.49	35.38	26.00	1.26	37.63	111221.19
Repsol	11.74	0.11	15.39	7.95	6.28	-10.61	19111.85
Telefonica	9.00	0.15	14.15	7.45	8.04	-57.90	49766.92
Sweden (SKr)							
AtlasCpcoB	221.30	4.10	222.40	162.60	2.72	25.32	10129.91
Ericsson	62.25	-0.15	91.80	59.60	5.81	15.27	22413.4
H & M	260.30	4.60	362.00	234.50	3.41	25.25	44600.8
Investor	296.80	5.10	340.00	256.80	3.29	-16.06	15858.17
Nordea Bk	78.15	1.30	109.30	66.30	7.19	10.72	37127.41
SEB	76.50	1.55	104.70	67.75	5.41	10.94	19473.36
SvnskaHn	108.30	2.10	131.70	90.25	4.06	13.19	24156.41
Swedbank	186.90	3.50	204.00	150.80	5.60	11.61	24818.4
Telia Co	39.28	0.48	52.60	35.56	3.73	16.46	19951.86
Volvo	90.10	1.85	106.00	72.20	3.16	13.22	17153.09
Switzerland (SFr)							
ABB	21.25	0.20	21.30	15.94	-	28.16	47916.19
CredSuisse	11.29	0.19	28.58	9.76	5.65	-4.87	24022.53
Nestle	77.95	0.45	78.15	65.70	2.44	31.18	246989.3
Novartis	81.35	0.50	101.80	67.00	2.96	32.96	217588.87
Richemont	57.65	0.30	86.75	55.75	2.57	19.10	30638.67
Roche	248.80	1.60	281.40	229.90	2.78	27.98	177965.38
Swiss Re	84.50	1.05	99.75	76.85	5.38	7.78	30977.53
Swisscom	485.20	5.20	568.50	445.00	4.20	19.72	25589.8
Syngent	388.50	-0.60	420.00	288.50	2.80	31.67	36618.42
UBS	13.43	0.06	22.47	12.44	-	11.05	52646.36
Zurich Fin	241.80	4.00	293.70	194.70	-	27.19	37057.91
Taiwan (NT$)							
Chunghwa Telecom♦	116.50	-	125.50	93.10	3.68	23.69	28743.59
Formosa PetChem	94.70	3.60	97.30	63.90	4.00	16.49	28691.62
HonHaiPrc	89.90	-0.10	92.50	72.50	3.55	11.16	44714.24
MediaTek♦	250.00	1.50	307.00	192.00	7.77	19.19	12496.09
TaiwanSem	178.50	0.50	182.00	112.50	2.23	18.16	147212.22
Thailand (THB)							
PTT Explor	338.00	1.00	342.00	197.00	2.66	53.21	27607.36
United Arab Emirates (Dhs)							
Emirtestele♦	19.80	-0.10	20.20	11.40	3.97	19.68	46882.81
United Kingdom (p)							
AscBrFd	2945	42.00	3606	1910	1.15	41.27	30289.59
AstraZen	5177	-13.00	5505	3680	3.90	39.55	85066.89
Aviva	418.50	-4.50	530.00	290.00	4.97	34.88	22064.23
Barclays	161.20	3.80	282.85	121.10	4.03	-80.60	35424.32
BP♦	425.20	3.05	464.40	249.44	7.07	-19.91	103758.44
BrAmTob	4800	40.50	5135	3231.5	3.21	20.73	116259.29
BSkyB	898.00	-10.00	1134	560.00	3.65	24.94	20054.59
BT	405.00	0.95	502.60	359.60	3.19	13.73	52234.25
Compass	1467	23.00	1479	963.00	2.00	26.67	31312.31
Diageo	2182	11.50	2218	1592.5	2.58	22.22	71377.19
GlaxoSmh	1685	7.00	1716.5	1227.5	4.75	144.02	106713.06
Glencore	195.95	0.70	206.40	66.67	6.23	-7.81	36644.69
HSBC	540.80	3.80	594.40	392.37	7.14	15.06	139969.57
Imperial Brands	4045	34.00	4146	2926	3.49	34.29	50381.11
LlydsBkg	55.04	0.49	82.50	47.10	4.09	26.21	51036.5
Natl Grid♦	1077	4.00	1148	806.40	4.01	15.68	52458.75
Prudential	1392	-1.50	1587	1045.99	2.73	13.80	46640.14
RBS	192.30	7.60	370.00	148.40	-	-4.46	29368.52
ReckittB	7460	70.00	7786	5403	1.86	34.41	68192.05
RELX	1447	28.00	1461	631.02	2.05	27.88	37806.61
RioTinto	2525	-0.50	2640.5	1557	6.19	865.62	45094.76
RollsRoyce	763.50	7.00	875.50	497.00	2.14	-6.83	18238.55
RylDShlA	1918.5	-0.50	2127.4	1256	7.33	-31.66	107820.11
SABMill♦	4373	13.00	4590.8	2773	1.83	37.86	92265.67
Shire	5105	75.00	5562.83	2707.19	0.36	32.63	59703.04
StandCh	668.20	18.80	933.74	373.40	1.54	-7.06	28500.97
Tesco	158.10	3.50	216.95	137.00	-	57.28	16789.65
Vodafone	234.20	1.00	244.50	197.70	4.82	-15.53	80963.58
WPP	1752	18.00	1754	1204	2.43	19.82	29235.65
United States of America ($)							
21stC Fox A	25.51	0.10	31.40	22.66	1.06	23.32	27946.49
3M	178.81	0.23	182.27	134.00	2.32	23.47	108072.82
AbbottLb♦	45.10	0.08	51.17	36.00	2.16	35.97	66289.44
Abbvie♦	66.97	0.63	69.82	45.45	2.83	22.25	109063.64
Accenture	113.58	-0.10	120.78	88.43	1.73	21.50	92565.91
Adobe	99.15	0.66	100.56	71.27	-	62.76	49405.54
AEP	67.43	0.28	71.32	52.29	2.92	22.25	33155.92
Aetna	119.09	0.77	125.47	92.42	0.82	17.97	41776.77
Aflac	72.94	-0.14	74.14	51.41	1.98	13.27	29874.42
AirProd	148.83	0.07	152.69	114.64	2.18	22.96	32229.09
Alexion	135.21	-0.87	193.91	110.56	-	463.76	30321.2
Allegran	250.71	2.40	325.27	195.50	-	-46.07	99170.07
Allstate	69.43	0.26	70.38	54.12	1.76	18.18	25788.67
Alphabet	812.60	7.37	813.18	593.09	-	32.38	238638.96
Altria	66.82	0.33	70.15	47.41	3.00	26.69	130548.36
Amazon	771.61	5.05	772.60	451.00	-	197.50	365799.89
AmerAir	34.71	0.36	47.09	24.85	1.12	3.51	18393.29
AmerExpr♦	65.68	-0.16	81.66	50.27	1.60	14.52	60669.31
AmerIntGrp	59.25	-0.14	64.71	48.41	1.97	609.63	63436.6
AmerTower	115.97	0.24	118.26	83.07	1.67	74.12	49343.98
Amgen	172.41	0.07	176.50	130.09	2.02	18.16	129024.9
Anadarko	53.05	-	78.59	28.16	1.17	-5.33	27079.77
Anthem	128.11	0.37	154.50	115.63	1.93	15.15	33714.84
Aon Cp♦	110.31	-0.13	111.60	83.83	1.08	21.50	29297.01
Apple♦	108.37	-	123.82	89.47	1.73	13.29	583945.57
ArcherDan	44.45	-0.07	48.17	29.86	2.54	18.59	25859.37
AT&T	43.00	0.07	43.89	30.97	4.32	19.07	264677.22
AutomData	90.32	0.88	96.00	64.29	2.24	28.60	41201.9
Avago Tech	171.55	3.20	171.61	100.00	0.90	1758.52	67851.21
BakerHu♦	48.00	0.01	59.01	37.58	1.38	-7.04	20539.27
BankAm	15.13	-	18.09	10.99	1.19	13.18	154398.61
Baxter	48.18	0.20	48.76	32.18	0.96	5.72	26608.02
BB & T	38.04	0.04	41.08	29.95	2.79	15.11	30979.52
BectonDick	174.73	1.21	177.78	128.87	1.43	34.31	37078.06
BerkshHat	220150	1850	221985	186900	-	16.33	173675.01
Biogen	315.01	1.36	333.65	223.02	-	21.41	69025.23
BkNYMeln♦	40.40	-0.19	45.45	32.20	1.52	16.16	43514.14
BlackRock	369.57	-2.12	375.95	275.00	2.35	20.27	60375.45
Boeing	132.74	0.55	150.59	102.10	2.93	24.88	82806.65
BrisMySq	61.66	1.36	77.12	51.82	2.38	37.10	103016.78
CapOne♦	67.97	-0.20	82.67	58.03	2.13	10.95	34398.02
CardinalHlth	83.76	-0.02	91.23	73.25	1.67	22.22	27290.29
Carnival	45.39	-1.09	55.77	40.52	2.36	20.46	25004.96
Caterpillar♦	83.32	-0.13	84.29	56.36	3.59	54.95	48675.22
CBS	51.95	-0.06	58.22	38.51	1.04	18.48	21137.15
Celgene	114.11	0.48	132.60	92.98	-	49.33	88448.34
CharlesSch	30.10	0.04	35.59	21.51	0.81	26.70	39822.42
Charter Communications	258.60	21.78	260.39	156.13	-	-76.53	69924.09
ChevrnTx	101.75	0.55	107.58	69.58	4.09	-268.46	191768.47
Chubb	126.98	-0.11	131.00	96.00	2.07	20.94	59055.79
Cigna	128.08	-0.31	149.86	121.87	0.03	17.09	32861.5
Cisco	30.90	-0.12	31.25	22.46	2.55	17.25	155392.95
Citigroup	45.90	-0.07	58.84	34.52	0.42	9.92	133342.14
CME Grp	103.71	-0.47	104.60	81.87	2.06	26.95	35120.34
Coca-Cola	43.57	0.13	47.13	36.56	3.03	25.77	188049.4
Cognizant	58.06	-0.25	69.80	51.22	-	23.40	35239.1
ColgtPlm♦	74.91	0.48	75.34	50.84	1.83	54.52	66781.75
Comcast	67.31	0.24	68.36	50.01	1.38	22.57	161704.29
ConocPhil	41.56	-0.01	57.24	31.05	4.63	-7.51	51466.08
Corning	22.97	0.17	23.00	15.42	1.95	72.61	23817.07
Costco	168.22	0.82	169.73	117.03	0.88	35.63	73689.2
CrownCstl	96.01	0.11	102.82	75.71	3.52	98.79	32409.11
CSX	28.46	-0.03	30.53	21.33	2.29	16.40	26918.17
CVS	97.50	0.32	109.35	81.37	1.54	23.17	103955.96
Danaher	81.50	0.22	82.19	61.58	0.70	21.34	56280.61
Deere	78.51	-0.41	97.49	70.16	2.71	17.74	24673.09
Delphi♦	66.16	0.48	88.89	55.59	1.42	17.02	18044.75
Delta	37.36	-0.08	52.77	32.60	1.40	6.26	27979.19
Devon Energy	40.21	0.01	48.68	18.07	1.89	-1.42	21053.96
DiscFinServ♦	57.80	-0.16	58.20	42.86	1.75	12.30	23329.65
Disney	96.46	0.71	120.65	86.25	1.28	19.65	156492.52
DominRes	74.60	-0.39	78.97	64.54	3.51	23.91	46681.92
DowChem	53.61	0.01	57.10	35.11	2.97	11.58	60409.37
DukeEner	84.88	0.14	87.31	65.50	3.78	22.98	58474.15
DuPont	69.24	-0.06	75.72	47.11	2.13	28.84	60538.26
Eaton	66.29	0.46	66.54	46.19	3.28	16.84	30142.06
eBay	31.10	-0.05	31.79	21.52	-	20.98	35112.49
Ecolab	123.00	0.75	123.44	98.62	1.09	39.67	36076.54
EMC	28.52	0.07	28.77	22.66	1.57	27.42	55737.33
Emerson	54.28	-0.03	56.82	41.25	3.39	19.81	34931.21
EOG Res	90.55	-0.11	92.00	57.15	0.72	-9.92	49827.54
EquityResTP	68.63	0.33	82.39	61.90	2.99	6.17	25084.41
Exelon	36.27	0.16	37.70	25.09	3.09	20.79	32182.88
ExpScripts	76.55	0.64	91.37	65.55	-	22.46	48243.26
ExxonMb	88.50	-0.09	95.55	66.55	3.23	36.14	366978.53
Facebook	125.91	0.65	128.33	72.00	-	85.46	292483.73
Fedex	165.15	1.45	171.08	119.71	0.54	49.07	43851.34
FordMtr♦	12.37	0.19	15.84	10.44	4.72	6.00	48258.89
Franklin	35.85	-0.58	44.94	30.56	1.66	14.32	20653.95
GenDyn	148.61	0.50	153.76	121.61	2.14	17.72	45367.49
GenElectric	31.28	0.01	33.00	19.37	2.66	54.07	280311.85
GenMills	71.01	0.38	72.95	47.43	2.24	28.72	42394.45
GenMotors	31.25	0.37	36.88	24.62	4.22	5.22	48806.93
GileadSci	79.10	-0.64	117.70	77.92	2.16	7.18	104384.99
GoldmSchs	163.94	1.11	206.57	138.20	1.43	20.42	68099.7
Halliburton	44.25	-0.01	46.69	27.64	1.47	-17.18	38103.79
HCA Hold	76.48	0.23	92.99	43.91	-	13.59	29907.8
Hew-Pack	14.27	0.01	14.82	8.91	3.73	6.65	24410.36
HiltonWwde	23.85	0.03	26.27	16.16	1.14	14.78	23601.22
HomeDep	137.03	0.82	139.00	92.17	1.59	27.16	170466.32
Honywell	116.48	0.44	120.02	87.00	1.92	18.96	88771.21
HumanaInc	177.55	-0.10	192.49	150.00	0.63	28.02	26466.91
IBM♦	162.16	0.12	163.60	116.90	2.90	13.54	154999.79
IllinoisTool	117.93	0.47	117.99	78.79	1.81	22.60	41860.47
Illumina	166.36	-0.11	213.27	127.10	-	66.20	24387.64
Intcntl Exch	276.56	-0.24	283.25	220.28	1.12	23.48	32947.65
Intel♦	34.98	-0.07	35.93	24.87	2.53	16.54	165466.73
Intuit	112.60	0.58	116.97	79.63	0.91	46.12	28809.82
John&John	123.45	-0.20	126.07	81.79	2.20	24.88	337744
JohnsonCn	44.97	-0.36	47.70	33.62	2.44	96.40	28679.43
JPMrgnCh	65.97	-0.13	69.03	50.07	2.65	11.51	238282.48
Kimb-Clark	130.33	0.77	138.87	103.04	2.68	24.88	46871.37
KinderM	20.65	-0.13	34.81	11.20	5.88	1062.49	46081.63
Kraft Heinz	89.70	0.95	90.49	61.42	2.29	708.89	109224.99
Kroger	32.72	0.41	42.75	27.32	1.10	17.24	31046.28
L Brands	72.71	-1.25	101.11	60.00	2.56	20.98	20904.3
LasVegasSd	51.66	0.70	57.38	34.88	4.67	25.63	41056.97
LibertyGbl	31.53	0.31	52.78	26.16	-	-107.78	8335.56
Lilly (E)	81.80	0.20	92.85	67.88	2.40	36.28	90294.39
Lockheed	260.13	-0.06	263.37	181.91	2.19	25.47	78794.88
Lowes	81.96	0.34	83.65	62.62	1.21	30.84	72625.14
Lyondell	74.90	-0.53	98.25	69.10	4.14	8.28	31135.49
Marathon Ptl	41.33	-0.60	59.99	29.24	3.01	11.72	21853.64
Marsh&M♦	67.17	0.10	68.69	50.81	2.05	24.77	34810.01
MasterCard	96.90	0.12	101.76	74.61	0.73	29.24	104404.97
McDonald's	118.86	0.57	131.96	87.50	2.88	23.43	101430.61
McKesson	196.76	1.66	219.00	148.29	0.55	19.81	44409.12
Medtronic	87.91	0.95	89.27	55.54	1.53	39.97	122610.88
Merck	62.67	-0.19	64.00	45.69	2.62	42.54	173472.15
Metlife	41.32	-0.14	56.57	35.00	3.59	11.16	45405.41
Microsoft	58.30	0.24	58.50	39.72	2.32	28.56	454272.49
Mnstr Bvrg	160.52	1.56	166.50	113.08	-	49.33	30556.06
MondelezInt	43.56	0.14	47.42	35.88	1.52	9.66	67759.11
Monsanto	106.61	-0.14	114.26	81.22	1.80	36.30	46649.93
MorganStly	29.47	0.35	39.16	21.16	1.98	13.91	56331.45
MylanNV	50.10	1.57	57.81	37.59	-	34.64	25469.22
Netflix	94.61	-0.50	133.27	79.95	-	304.23	40562.82
NextEraE	126.27	0.28	131.98	93.74	2.52	23.24	58333.32
Nike	56.08	0.10	68.20	47.25	0.99	29.09	75616.41
NorfolkS	89.75	0.23	98.75	64.51	2.56	17.29	26346.09
Northrop	216.54	0.47	224.12	152.31	1.34	21.76	38668.56
NXP	86.46	0.54	99.47	61.61	-	21.65	29915.41
Occid Pet	74.19	-0.17	78.31	58.22	3.93	-6.79	56675.69
Oracle	41.25	0.09	42.00	33.13	1.30	22.33	170062.61
Pepsico	108.60	0.46	110.94	76.48	2.34	34.33	156292.54
Perrigo	93.79	0.35	198.42	84.85	0.44	112.74	13432.85
Pfizer♦	35.16	0.23	37.39	28.25	2.93	31.88	213240.1
Phillips66	77.16	-1.42	94.12	69.79	2.91	13.81	40345.04
PhilMorris	99.10	0.55	104.20	76.54	4.00	24.39	153729.68
PNCFin	86.25	-0.24	99.91	77.40	2.30	12.24	42384.04
PPG Inds♦	105.00	0.52	117.00	82.93	1.37	19.97	27936.66
Praxair	116.70	-0.11	120.04	95.60	2.44	21.87	33286.53
Priceline	1408.25	3.25	1476.52	954.02	-	30.81	69605.26
ProctGmbl♦	86.26	0.50	87.15	65.02	2.78	30.10	229598.03
Prudntl	77.33	0.03	91.92	57.19	3.37	8.17	33793.21
PublStor	230.92	0.42	277.60	196.61	2.66	41.01	40041.85
Qualcomm	62.20	0.62	63.33	42.24	3.08	18.66	91662.4
Raytheon	140.15	0.19	142.15	96.68	1.95	20.25	41357.56
Regen Pharm	420.25	-0.80	592.59	329.09	-	67.46	43446.21
ReynoldsAm	49.60	0.42	54.48	35.70	3.06	14.50	70796.13
S&P Global	120.43	0.27	122.75	78.55	1.01	31.65	31889.86
Salesforce	81.53	0.36	84.48	52.60	-	-4597.52	55236.58
Schlmbrg	82.31	-0.19	85.12	59.60	2.36	-66.17	114467.98
Sempra Energy	106.57	-0.41	114.66	86.72	2.65	28.93	26621.34
Shrwin-Will	296.49	-1.08	312.48	218.27	0.99	25.75	27342.81
SimonProp	220.59	0.62	229.10	173.09	2.80	40.32	68250.95
SouthCpr	26.14	0.21	31.31	21.55	0.93	35.27	20225.02
Starbucks♦	55.53	0.17	64.00	42.05	1.33	32.10	81440.3
StateSt	67.92	-0.26	79.80	50.60	1.81	17.19	26489.83
Stryker	115.63	0.81	123.55	86.68	1.25	28.06	43243.43
Sychrony Fin	27.85	-0.19	35.50	23.25	-	10.94	23224.82
Target	72.63	-2.37	84.62	65.50	2.69	15.57	43285.22
TE Connect	59.33	0.19	67.99	51.70	2.23	13.97	21217.37
Tesla Mtrs	229.93	3.77	271.57	141.05	-	-27.93	34189.04
TexasInstr♦	70.49	0.35	72.58	43.49	2.04	24.50	70716.26
TheTrvelers	118.38	0.23	119.30	95.21	2.05	11.77	34126.74
ThrmoFshr	156.89	0.37	160.68	117.10	0.35	34.86	61856.57
TimeWrnr	79.81	1.07	82.56	55.53	1.64	17.87	62081.53
TJX Cos♦	81.45	0.13	82.28	63.53	0.91	26.94	53845.25
T-MobileUS	47.59	-0.02	48.11	33.23	-	35.82	39158.15
UnionPac	93.65	-0.21	98.28	67.06	2.12	19.37	78002.38
UPS B	109.97	1.01	111.83	87.30	2.44	22.12	76019.14
USBancorp	42.91	-0.03	46.02	37.07	2.31	13.84	73441.91
UtdHlthcre	142.40	0.27	144.48	95.00	1.45	22.93	135620.54
UtdTech	108.31	0.52	108.49	83.39	2.31	24.71	90647.56
ValeroEngy♦	52.99	-0.60	73.88	46.88	3.85	8.72	24446.45
Verizon	53.62	0.03	56.95	38.06	4.10	15.59	218571.3
VertexPharm	103.04	0.57	143.45	75.90	-	-93.83	25531.12
VF Cp	61.77	-0.65	76.97	52.21	2.02	24.47	25618.35
Viacom	42.75	0.23	53.35	30.11	3.64	8.51	14843.89
Visa Inc	80.19	0.24	81.73	60.00	0.59	31.46	151273.13
Walgreen	80.92	0.29	95.74	71.50	1.59	31.92	87581.13
WalMartSto	73.60	0.26	74.35	56.30	1.78	18.36	229385.2
WellsFargo	48.96	0.05	57.98	44.50	2.77	13.31	247029.99
Williams Cos	26.02	0.09	55.42	10.22	8.72	-30.62	19531.51
Yahoo	39.24	-	39.42	26.15	-	-7.75	37274.83
Yum!Brnds	89.78	0.69	90.60	64.58	1.94	27.82	35002.11
Venezuela (VEF)							
Bco de Vnzla	106.00	1.00	137.00	85.00	-	-	600.03
Bco Provncl	2500	-100.00	4400	2200	-	0.37	418.65
Mrcntl Srvcs	4800	-	6200	4300	0.28	16.16	442.81

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 %
MitsbCp	2053.00	2002.50	50.50	2.52	287.50	16.3	16.89
Altice	15.00	13.05	1.95	14.94	1.92	14.7	17.69
SFR Group	22.90	20.93	1.97	9.41	2.78	13.8	12.56
EOG Res	90.55	90.66	-0.11	-0.12	10.66	13.3	9.68
StandCh	668.20	649.40	18.80	2.89	78.60	13.3	10.70
ING	10.58	10.45	0.13	1.24	1.18	12.5	16.00
HSBC	540.80	537.00	3.80	0.71	58.00	12.0	14.86
SocGen	31.86	31.31	0.55	1.76	3.35	11.7	13.79
[illegible]							

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 %
BrisMySq	61.66	60.30	1.36	2.25	-13.40	-17.8	-17.99
NovoB	318.00	318.00	0.00	0.00	-62.90	-16.5	-11.60
MTN Grp	127.46	129.82	-2.36	-1.82	-10.77	-7.8	-9.42
GtWesLif	31.57	31.57	0.00	0.00	-2.08	-6.2	-5.55
CntJpRwy	17785.00	17835.00	-50.00	-0.28	-1165.00	-6.1	-1.55
EastJpRwy	8821.00	8855.00	-34.00	-0.38	-516.00	-5.5	-5.55
NTTDCMo	2661.00	2620.00	41.00	1.56	-133.00	-4.8	-4.79
AstellasPh	1694.00	1687.00	7.00	0.41	-84.50	-4.8	5.14
[illegible]							

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Aug 09	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$										
Navient Corporation	06/18	8.45	BB-	Ba3	BB	108.50	3.67	0.00	-1.29	2.93
High Yield Euro										
Kazkommerts Intl BV	02/17	6.88	B	Caa1	B	97.50	-	0.00	0.00	-
Emerging US$										
Mexico	09/16	11.40	BBB+	A3	BBB+	106.80	1.49	0.03	0.01	0.44
[illegible]										

BONDS: GLOBAL INVESTMENT GRADE

Aug 09	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$										
Korea Electric Power Corporation	08/27	6.75	AA	Aa2	AA-	106.13	6.07	-0.01	-0.07	4.50
Archer Daniels Midland Company	12/27	6.75	A	A2	A	126.57	3.87	-0.01	-0.08	2.31
SouthTrust Bank	12/27	6.57	A	Aa3	A+	128.04	3.57	-0.01	0.01	2.00
E.I. du Pont de Nemours and Company	01/28	6.50	A-	A3	A	126.51	3.68	-0.01	0.49	-
FleetBoston Financial Corp.	01/28	6.88	BBB	Baa3	A-	125.38	4.12	-0.01	0.13	-
SunTrust Banks, Inc.	01/28	6.00	BBB+	Baa1	A-	120.07	3.85	-0.01	0.02	-
[illegible]										

INTEREST RATES: OFFICIAL

[illegible]

INTEREST RATES: MARKET

[illegible]

COMMODITIES

[illegible]

BOND INDICES

[illegible]

BONDS: INDEX-LINKED

[illegible]

BONDS: TEN YEAR GOVT SPREADS

[illegible]

VOLATILITY INDICES

[illegible]

BONDS: BENCHMARK GOVERNMENT

[illegible]

GILTS: UK CASH MARKET

[illegible]

GILTS: UK FTSE ACTUARIES INDICES

[illegible]

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

MORNINGSTAR®

MANAGED FUNDS SERVICE

ACPI Global UCITS Funds Plc (IRL)
www.acpishard.com
Regulated

Fund	Bid	Offer	D+/-	Yield
ACPI Emerging Mkts FI UCITS Fund USD A	$ 120.76	-	0.65	0.00
ACPI Global Credit UCITS Funds USD A	$ 14.75	-	0.02	0.00
ACPI Global Fixed Income UCITS Fund USD A	$ 158.81	-	0.09	0.00
Q ACPI India Fixed Income UCITS Fund USD A	$ 10.57	-	-0.01	0.00
ACPI India Fixed Income UCITS Fund USD A3	$ 90.24	-	-0.06	0.00
ACPI International Bond UCITS Fund USD A	$ 18.72	-	0.00	0.00

ACPI Select UCITS Funds PLC (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
ACPI Balanced UCITS Fund USD Retail	$ 14.51	-	0.04	0.00
ACPI Balanced UCITS Fund EUR Retail	€ 10.84	-	0.03	0.00
ACPI Balanced UCITS Fund GBP Retail	£ 11.01	-	0.03	0.00
ACPI Balanced UCITS Fund USD Institutional	$ 10.00	-	-	-
ACPI Balanced UCITS Fund EUR Institutional	€ 10.00	-	-	-
ACPI Balanced UCITS Fund GBP Institutional	£ 10.00	-	-	-
ACPI Horizon UCITS Fund	$ 13.18	-	0.02	0.00

Algebris INVESTMENTS

Algebris Investments (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Algebris Financial Credit Fund - Class I EUR	€ 137.90	-	0.38	0.00
Algebris Financial Income Fund - Class I EUR	€ 113.26	-	0.69	0.00
Algebris Financial Equity Fund - Class B EUR	€ 89.52	-	1.50	0.00
Algebris Asset Allocation Fund - Class B EUR	€ 97.34	-	0.09	0.00

Amundi Funds (LUX)
5 Allee Scheffer L-2520 Luxembourg + 44 (0)20 7074 9332
www.amundi-funds.com
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Bd. Euro Corporate AE Class - R - EUR	€ 19.44	-	0.03	0.00
Bd. Global AU Class - R - USD	$ 27.68	-	0.03	0.00
Eq. Emerging Europe AE Class - R - EUR	€ 26.83	-	-0.24	0.00
Eq. Emerging World AU Class - R - USD	$ 89.49	-	0.87	0.00
Eq. Greater China AU Class - R - USD	$ 585.40	-	4.64	0.00
Eq. Latin America AU Class - R - USD	$ 386.99	-	2.18	-
Gl. Macro Bds & Curr Low Vol AHG - GBP	£ 98.97	-	0.08	0.00

The Antares European Fund Limited
Other International

Fund	Bid	Offer	D+/-	Yield
AEF Ltd Usd (Est)	$ 582.90	-	-2.93	-
AEF Ltd Eur (Est)	€ 584.23	-	-3.04	0.00

Arisaig Partners
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Arisaig Africa Consumer Fund Limited	$ 12.51	-	0.01	-
Arisaig Asia Consumer Fund Limited	$ 66.54	-	0.13	0.00
Arisaig Global Emerging Markets Consumer Fund	$ 10.38	-	0.01	0.00
Arisaig Global Emerging Markets Consumer UCITS	€ 12.12	-	0.08	0.00
Arisaig Global Emerging Markets Consumer UCITS STG	£ 13.00	-	0.07	0.00
Arisaig Latin America Consumer Fund	$ 24.70	-	0.27	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

Fund	Bid	Offer	D+/-	Yield
Artisan Global Equity Fund Class I USD Acc	$ 14.79	-	-0.06	0.00
Artisan Global Opportunities I USD Acc	$ 13.26	-	-0.01	0.00
Artisan Global Value Fund Class I USD Acc	$ 16.52	-	0.03	0.00
Artisan US Value Equity Fund Class I USD Acc	$ 12.22	-	0.07	0.00
Artisan Global Opportunities Class I EUR Acc	€ 17.98	-	-0.01	0.00

Ashmore Sicav (LUX)
2 rue Albert Borschette L-1246 Luxembourg
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Ashmore SICAV Emerging Market Debt Fund	$ 100.61	-	0.36	-
Ashmore SICAV Emerging Market Frontier Equity Fund	$ 149.38	-	1.50	1.12
Ashmore SICAV Emerging Market Total Return Fund	$ 87.22	-	0.41	6.31
Ashmore SICAV Global Small Cap Equity Fund	$ 135.38	-	0.76	0.00
EM Mkts Corp.Debt USD F	$ 89.96	-	0.19	8.12
EM Mkts Loc.Ccy Bd USD F	$ 84.31	-	0.47	3.79

aspect capital

Aspect Capital Ltd (UK)
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Aspect Diversified USD	$ 419.07	-	-6.89	0.00
Aspect Diversified EUR	€ 250.40	-	-4.14	0.00
Aspect Diversified GBP	£ 129.94	-	-2.14	0.00
Aspect Diversified CHF	SFr 118.96	-	-2.00	0.00
Aspect Diversified Trends USD	$ 126.45	-	0.38	0.00
Aspect Diversified Trends EUR	€ 125.99	-	0.42	0.00
Aspect Diversified Trends GBP	£ 132.09	-	0.39	0.00

Atlantas Sicav (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
American Dynamic	$ 3639.29	-	5.99	0.00
American One	$ 3453.45	-	10.15	0.00
Bond Global	€ 1441.39	-	10.19	0.00
Eurocroissance	€ 888.67	-	-1.20	0.00
Far East	$ 721.19	-	10.30	0.00

Bank of America Cap Mgmt (Ireland) Ltd (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
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

Fund	Bid	Offer	D+/-	Yield
Sterling Bond F	£ 0.51	-	0.00	2.96

Barings (Luxembourg) (LUX)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Russia A GBP Inc F	£ 36.08	-	0.45	-

BlackRock (JER)
Regulated

Fund	Bid	Offer	D+/-	Yield
BlackRock UK Property	£ 41.10	-	-0.98	3.41
Blackrock UK Long Lease	£ 1077.05	-	-1.88	0.00
BLK Intl Gold & General	$ 7.73	8.14	0.01	0.00

BLI - Banque de Luxembourg Investments S.A.
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
BL-Equities Europe B	€ 6053.03	-	-22.04	0.00
BL-Equities America B	$ 5893.92	-	-7.27	-
BL-Equities Japan B	¥ 14976.00	-	102.00	0.00
BL-Emerging Markets B	€ 168.68	-	1.49	0.00
BL-Global Equities B	€ 771.45	-	-0.32	0.00
BL-Global 30 B	€ 1435.86	-	-1.05	0.00
BL-Global 50 B	€ 1723.83	-	-2.34	0.00
BL-Global 75 B	€ 2339.20	-	-4.48	0.00
BL-Global Flexible EUR B	€ 156.51	-	-0.05	-

BONHOTE
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Bonhôte Alternative - Multi-Arbitrage (USD) Classe (EUR)	€ 6403.00	-	-54.00	1.97
Bonhôte Alternative - Multi-Performance (USD) Classe (EUR)	€ 9545.00	-	-1.00	0.84

CG Asset Management Limited (IRL)
Northern Trust, George's Court, 54-62 Townsend Street, Dublin 2, Rep of Ireland
00 353 1 434 5098
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Capital Gearing Portfolio Fund Plc	£ 29270.79	29270.79	214.13	-
CG Portfolio Fund Plc				
Real Return Cls A	£ 200.42	200.42	1.98	1.48
Dollar Fund Cls D	£ 156.27	156.27	0.30	1.39
Capital Value Fund Cls V	£ 142.24	142.24	1.04	0.25

Cedar Rock Capital Limited (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Cedar Rock Capital Fd Plc	$ 395.12	-	3.09	0.00
Cedar Rock Capital Fd Plc	€ 467.24	-	5.29	0.00
Cedar Rock Capital Fd Plc	£ 367.84	-	0.31	0.00

Charles Schwab Worldwide Funds Plc (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Schwab USD Liquid Assets Fd	$ 1.00	-	0.00	-

Chartered Asset Management Pte Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
CAM-GTF Limited	$ 287970.11	287970.11	-578.41	0.00
CAM GTi Limited	$ 752.80	-	79.40	-
Raffles-Asia Investment Company	$ 1.60	1.60	0.06	5.38

Cheyne Capital

Cheyne Capital Management (UK) LLP (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Cheyne Convertibles Absolute Return Fund	€ 1350.71	-	1.09	0.00
Cheyne Global Credit Fund	€ 122.33	-	0.12	0.00
Cheyne European Mid Cap Fund	€ 1088.63	-	13.23	0.00

Cheyne Capital Management (UK) LLP
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Cheyne European Event Driven Fund	€ 126.80	-	-4.23	0.00
Cheyne Real Estate Credit Holdings Fund	£ 168.02	-	0.48	0.00
Cheyne Real Estate Credit Holdings Fund III	£ 110.98	-	0.60	0.00
Cheyne Real Estate Debt Fund Class A1	£ 130.05	-	-2.14	0.00
Cheyne Total Return Credit Fund - December 2017 Class	£ 192.37	-	5.63	0.00
Cheyne Total Return Credit Fund 2020	$ 104.83	-	0.58	-

Cohen & Steers SICAV (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
European Real Estate Securities	€ 23.2309	-	-0.1423	1.71
Europ.RealEstate Sec. IX	€ 31.6571	-	-0.1940	0.00
Gbl Listed Infrastructure I	$ 10.9287	-	0.0206	-
Gbl Listed Infrastructure IX	$ 11.0565	-	0.0208	-
Gbl RealEstate Sec. I	$ 11.7973	-	0.0654	1.85
Gbl RealEstate Sec. IX	$ 14.2312	-	0.0789	0.00

Crèdit Andorrà Asset Management

Crèdit Andorrà Asset Management (LUX)
www.creditandorra.com
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Creditinvest SICAV Money Market Eur I	€ 11.21	-	0.00	0.00
Creditinvest SICAV Money Market Usd A	$ 10.07	-	0.00	-
Creditinvest SICAV Fixed Income Eur I	€ 10.91	-	0.00	0.00
Creditinvest SICAV Fixed Income Usd	$ 10.75	-	0.00	0.00
Creditinvest SICAV Spanish Value	€ 252.70	-	0.52	-
Creditinvest SICAV International Value	€ 240.51	-	-0.20	-
Creditinvest SICAV Big Cap Value	€ 15.44	-	0.05	0.00
Creditinvest SICAV US American Value	$ 18.82	-	-0.02	-
Creditinvest SICAV Sustainability	€ 15.62	-	0.14	0.00

DAVIS Funds SICAV (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
Davis Value A	$ 41.51	-	0.11	-
Davis Global A	$ 29.76	-	0.14	-

DODGE & COX WORLDWIDE FUNDS

Dodge & Cox Worldwide Funds (IRL)
6 Duke Street,St.James,London SW1Y 6BN
www.dodgeandcox.worldwide.com 020 3713 7664
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Dodge & Cox Worldwide Funds plc - Global Bond Fund				
EUR Accumulating Class	€ 12.39	-	0.04	0.00
EUR Accumulating Class (H)	€ 9.75	-	0.03	0.00
EUR Distributing Class	€ 11.51	-	0.04	4.05
EUR Distributing Class (H)	€ 9.04	-	0.02	4.06
GBP Distributing Class	£ 11.90	-	0.06	3.66
GBP Distributing Class (H)	£ 9.17	-	0.03	4.11
USD Accumulating Class	$ 9.90	-	0.03	0.00
Dodge & Cox Worldwide Funds plc-Global Stock Fund				
USD Accumulating Share Class	$ 16.53	-	0.07	0.00
GBP Accumulating Share Class	£ 20.86	-	0.14	0.00
GBP Distributing Share class	£ 15.10	-	0.10	0.82
EUR Accumulating Share Class	€ 22.41	-	0.11	0.00
Dodge & Cox Worldwide Funds plc-International Stock Fund				
USD Accumulating Share Class	$ 13.55	-	0.13	0.00
EUR Accumulating Share Class	€ 14.39	-	0.14	0.00
Dodge & Cox Worldwide Funds plc-U.S. Stock Fund				
USD Accumulating Share Class	$ 19.18	-	0.01	0.00
GBP Accumulating Share Class	£ 22.89	-	0.08	0.00
GBP Distributing Share Class	£ 14.49	-	0.05	0.63
EUR Accumulating Share Class	€ 22.45	-	0.02	0.00

DRAGON CAPITAL

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

Fund	Bid	Offer	D+/-	Yield
Vietnam Property Fund (VPF) NAV	$ 0.80	-	-0.11	0.00
Vietnam Enterprise Inv. (VEIL) NAV	$ 4.14	-	0.03	0.00

DSM Capital Partners Funds (LUX)
www.dsmsicav.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Global Growth I2 Acc	€ 139.22	-	-0.46	-
Global Growth I1 Eur	€ 104.02	-	-0.35	0.00
DSM US Large Cap Growth	$ 102.90	-	-0.58	-

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

Fund	Bid	Offer	D+/-	Yield
Emerging Opportunities I USD $	$ 1.19	-	0.01	0.88
European Opportunities I EUR	€ 2.25	-	0.01	1.63
European Opportunities I GBP	£ 1.91	-	0.02	1.59
European Opportunities I USD	$ 2.50	-	0.02	1.74
European Opportunities A EUR	€ 2.21	-	0.02	1.05
Global Opportunities I USD	$ 1.60	-	0.01	1.22
Global Opportunities I GBP	£ 1.23	-	0.02	1.29
Global Opportunities A GBP	£ 1.15	-	0.01	0.77
Pan European Opportunities I EUR	€ 1.35	-	0.01	-

EFG HERMES

EFG Hermes
DIFC, The Gate Building, West Wing Level 6, PO BOX 30727, Dubai UAE
Contact: Telephone + 971 4 363 4029 Email AMsales@EFG-HERMES.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
The EFG-Hermes Egypt Fund	$ 29.93	-	-	0.00
EFG-Hermes Frontier Equity UCITS Fund Class I	$ 1037.84	-	10.43	-
EFG-Hermes MENA Equity UCITS Fund Class A	$ 980.14	-	-17.53	-
Middle East & Developing Africa Fund (Final)	$ 19.81	-	-	-
Saudi Arabia Equity Fund	SR 11.38	-	-0.09	0.00

Ennismore Smaller Cos Plc (IRL)
5 Kensington Church St, London W8 4LD 020 7368 4220
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Ennismore European Smlr Cos NAV	€ 112.25	-	0.16	0.00
Ennismore European Smlr Cos NAV	€ 132.15	-	-0.08	0.00

Ennismore European Smlr Cos Hedge Fd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
NAV	€ 478.29	-	-2.54	0.00

EnTrustPermal

EnTrustPermal Ltd.
www.entrustpermal.com
Other International Funds
Offshore Fund Class A US $ Shares

Fund	Bid	Offer	D+/-	Yield
Investment Holdings N.V.	$ 4890.95	-	-184.01	0.00
Macro Holdings Ltd	$ 4156.68	-	62.08	0.00
Fixed Income Holdings N.V.	$ 329.87	-	-9.39	-
EnTrustPermal Absolute Return Fund	$ 153.10	-	-0.04	0.00

Equinox Fund Mgmt (Guernsey) Limited (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Equinox Russian Opportunities Fund Limited	$ 116.66	-	5.99	0.00

Euronova Asset Management UK LLP (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
Smaller Cos Cls One Shares	€ 35.69	-	0.26	0.00
Smaller Cos Cls Two Shares	€ 24.84	-	0.16	0.00
Smaller Cos Cls Three Shares	£ 12.47	-	0.10	0.00
Smaller Cos Cls Four Shares	€ 16.08	-	0.11	0.00

Eurobank FMC-LUX

Eurobank Fund Management Company (Luxembourg) S.A.
Regulated

Fund	Bid	Offer	D+/-	Yield
(LF) Absolute Return	€ 1.32	-	0.01	0.00
(LF) Eq Emerging Europe	€ 0.77	-	0.02	-
(LF) Eq Flexi Style Greece	€ 0.94	-	-0.05	0.00
(LF) Eq Mena Fund	€ 13.15	-	0.08	0.00
(LF) Greek Government Bond	€ 19.09	-	0.01	-
(LF) Greek Corporate Bond	€ 12.52	-	0.01	-
(LF) FOF Dynamic Fixed Inc	€ 12.26	-	0.08	0.00
(LF) FOF Real Estate	€ 18.01	-	0.13	-

FIL Investment Services (UK) Limited (1200)F (UK)
130, Tonbridge Rd, Tonbridge TN11 9DZ
Callfree: Private Clients 0800 414161
Broker Dealings: 0800 414 181

Fund	Bid	Offer	D+/-	Yield
OEIC Funds				
Target 2020 A-ACC-GBP	£ 0.62	-	0.00	0.48
Target 2025 A-ACC-GBP	£ 1.47	-	0.01	0.30
Target 2030 A-ACC-GBP	£ 1.60	-	0.01	0.37
Institutional OEIC Funds				
Europe (ex-UK) Fund ACC-GBP	£ 4.45	-	0.05	1.32
Reduced Duration UK Corp Bond Gross	£ 11.19	-	0.01	3.31
Reduced Duration UK Corp Bond Inc	£ 10.08	-	0.01	3.31
Reduced Dur UK Corp Bond Gross Inc	£ 10.09	-	0.02	3.31
UK Gilt Fund Inc	£ 1.43	-	0.00	-
UK Long Corporate Bond - Gross Inc	£ 12.76	-	0.07	-

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

Fund	Bid	Offer	D+/-	Yield
American Fund USD Class	$ 86.62	-	-0.16	-
American Fund GBP Hedged	£ 47.02	-	-0.08	0.00
American Fund GBP Unhedged	£ 66.64	-	0.13	0.00
Latin American Fund USD Class	$ 14.78	-	0.01	-
Latin American Fund GBP Unhedged	£ 11.53	-	0.05	0.00

The First Investor QSCC
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

Fund	Bid	Offer	D+/-	Yield
TFI GCC Equity Opportunities Fund (QIGAR	1245.70	-	11.19	0.00

Foord Asset Management
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Foord International Trust	$ 35.45	-	0.17	0.00
Foord Global Equity Fund_Class B	$ 12.73	-	0.13	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

Fund	Bid	Offer	D+/-	Yield
Franklin Emg Mkts Debt Opp CHF	SFr 17.49	-	0.28	8.75
Franklin Emg Mkts Debt Opp EUR	€ 12.38	-	0.21	6.72
Franklin Emg Mkts Debt Opp GBP	£ 10.78	-	0.23	6.58
Franklin Emg Mkts Debt Opp SGD	S$ 22.85	-	0.41	5.26
Franklin Emg Mkts Debt Opp USD	$ 17.64	-	0.33	6.73

Frontier Capital (Bermuda) Limited
Other International

Fund	Bid	Offer	D+/-	Yield
Commercial Property-GBP Class	£ 71.42	-	-0.53	-
Global Real Estate-GBP C Class	£ 45.26	-	-0.50	-

GYS Investment Management Ltd (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Taurus Emerging Fund Ltd	$ 173.14	176.67	4.23	0.00

Generali Worldwide
PO Box 613, Generali House, Hirzel Street, St Peter Port, Guernsey, GY1 4PA 01481 714108
International Insurances

Fund	Bid	Offer	D+/-	Yield
Global Multi-Strategy Managed	$ 4.79	5.16	-0.04	0.00
UK Multi-Strategy Managed	£ 4.98	5.36	-0.04	0.00
EU Multi-Strategy Managed	€ 2.91	3.14	-0.03	0.00
Global Bond USD	$ 3.57	3.85	0.00	0.00

Genesis Asset Managers LLP
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Emerging Mkts NAV	£ 6.71	-	0.06	0.00

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

Fund	Bid	Offer	D+/-	Yield
Holiday Property Bond Ser 1	£ 0.53	-	0.02	0.00
Holiday Property Bond Ser 2	£ 0.63	-	0.02	0.00

Haussmann
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Haussmann Cls A	$ 2585.52	-	25.82	0.00
Haussmann Cls C	€ 2242.92	-	21.10	0.00
Haussmann Cls D	SFr 1181.76	-	10.83	0.00

Heartwood Wealth Management Limited (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Heartwood Caut Multi Asset B Acc	139.55	-	0.30	0.00

HERMES INVESTMENT MANAGEMENT

Hermes Investment Funds Plc (IRL)
Hermes Investment Management Limited, 1 Portsoken Street, London E1 8HZ +44 (0) 207 680 2121
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Hermes Abs Return Credit Fund Class F Acc £	€ 1.19	1.19	0.01	0.00
Hermes Abs Return Credit Fund Class R Acc €	€ 1.99	1.99	0.00	0.00
Hermes Asia Ex-Japan Equity Fund Class F Acc £	€ 1.98	1.98	0.02	0.00
Hermes Asia Ex-Japan Equity Fund Class R Acc €	€ 3.67	3.67	0.03	0.00
Hermes Global Emerging Markets Fund Class F Acc	€ 1.48	1.48	0.01	0.00
Hermes Global Emerging Markets Fund Class R Acc	€ 3.19	3.19	0.00	0.00
Hermes Global Equity Fund Class F Acc £	€ 1.83	1.83	0.02	0.00
Hermes Global Equity Fund Class R Acc	€ 4.10	4.10	0.01	0.00
Hermes Global ESG Equity Fund Class F Acc £	€ 1.38	1.38	0.01	0.00
Hermes Global High Yield Bond Fund Class F Acc	€ 1.32	1.32	0.01	-
Hermes Global High Yield Bond Fund Class R Acc	€ 2.94	2.94	0.01	-
Hermes Global Small Cap Equity Fund Class F Acc £	€ 1.20	1.20	0.01	0.00
Hermes Global Small Cap Fund Class F Acc £	€ 2.02	2.02	0.00	0.00
Hermes Multi Asset Inflation Fund Class F GBP Acc	£ 1.02	1.02	0.00	0.00
Hermes Multi Strategy Credit Fund Class F Acc Hed	€ 1.08	1.08	0.00	0.00
Hermes Sourcecap EU Alpha Fund Class F Acc	€ 1.49	1.49	0.02	-
Hermes Sourcecap EU Alpha Fund Class F Dis	€ 1.42	1.42	0.01	1.32
Hermes Sourcecap EU Alpha Fund Class R Acc	€ 3.07	3.07	0.01	-
Hermes Sourcecap EX UK Fund Class F Acc	€ 1.59	1.59	0.01	0.00
Hermes Sourcecap EX UK Fund Class R Acc	€ 3.19	3.19	0.01	0.00
Hermes US All Cap Equity Class F Stg £ Acc	£ 1.24	1.24	0.00	0.00
Hermes US All Cap Equity Fund Class R € Acc	€ 2.08	2.08	0.00	0.00
Hermes US SMID Equity Fund Class F Acc	£ 2.08	2.08	0.00	0.00
Hermes US SMID Equity Fund Class R Acc	€ 3.79	3.79	-0.01	0.00

INDIA VALUE INVESTMENTS LIMITED (INVIL)
www.invil.mu
Other International Funds

Fund	Bid	Offer	D+/-	Yield
NAV	£ 9.27	-	0.11	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

Fund	Bid	Offer	D+/-	Yield
IVI European Fund EUR	€ 18.62	-	0.06	0.00
IVI European Fund GBP	£ 21.31	-	0.12	0.56

Invesco

Invesco (LUX)
Dublin 00 353 1 439 8100 Hong Kong 00852 3191 8282
FCA Recognised
Invesco Management SA

Fund	Bid	Offer	D+/-	Yield
Invesco Active Multi-Sector Credit Fund A	€ 3.03	-	0.00	-
Invesco Asia Balanced A dist	$ 14.56	-	0.00	3.56
Invesco Asia Consumer Demand Fund A income	$ 13.17	-	0.02	0.23
Invesco Asia Infrastructure (A)	$ 13.38	-	-0.01	0.73
Invesco Asia Opportunities Equity A	$ 111.24	-	0.35	0.00
Invesco Balanced Risk Allocation Fund A	€ 16.10	-	0.03	-
Invesco Emerging Europe Equity Fund A	$ 8.57	-	0.05	0.00
Invesco Emerging Local Currencies Debt A Inc	$ 7.21	-	0.03	6.08
Invesco Emerging Mkt Quant.Eq A	$ 10.47	-	0.05	0.00
Invesco Energy A	$ 17.99	-	0.29	0.00
Invesco Euro Corporate Bond Fund (A)	€ 17.72	-	0.02	0.00
Invesco Euro Inflation-Linked Bond A	€ 16.05	-	0.02	0.00
Invesco Euro Reserve A	€ 322.17	-	0.00	0.00
Invesco Euro Bond A	€ 7.48	-	0.01	0.00
Invesco European Growth Equity A	€ 23.72	-	0.02	-
Invesco Global Absolute Return Fund A Class	€ 11.02	-	-0.02	0.00
Invesco Global Bond A Inc	$ 5.58	-	0.01	0.59
Invesco Global Conservative Fund 90 (EUR) A	€ 11.72	-	0.00	0.00
Invesco Global Equity Income Fund A	$ 57.97	-	-0.02	0.00
Invesco Global Inc Real Estate Sec A dist	$ 9.80	-	-0.01	2.18
Invesco Global Inv Grd Corp Bond A Dist	$ 12.40	-	0.01	2.98
Invesco Global Leisure A	$ 39.54	-	0.11	0.00
Invesco Global Smaller Comp Eq Fd A	$ 59.18	-	0.10	-
Invesco Global Structured Equity A	$ 46.59	-	0.02	1.13
Invesco Global Total Ret.(EUR) Bond Fund A	€ 13.46	-	0.02	-
Invesco Gold & Precious Metals A	$ 6.96	-	0.05	0.00
Invesco Greater China Equity A	$ 48.63	-	0.16	-
Invesco India Equity A	$ 57.81	-	-0.36	-
Invesco Japanese Equity Adv Fd A	¥ 3448.00	-	36.00	-
Invesco Japanese Value Eq Fd A	¥ 1122.00	-	8.00	0.00
Invesco Latin American Equity A	$ 7.00	-	0.04	-
Invesco Nippon Small/Mid Cap Equity A	¥ 1091.00	-	12.00	-
Invesco Pan European Equity A EUR Cap NAV	€ 16.74	-	0.00	-
Invesco Pan European High Income Fd A	€ 13.95	-	0.03	2.74
Invesco Pan European Small Cap Equity A	€ 20.55	-	0.06	0.00
Invesco Pan European Structured Equity A	€ 16.90	-	0.05	0.00
Invesco UK Eqty Income A	£ 32.36	-	-0.04	0.00
Invesco UK Investment Grade Bond A	£ 1.10	-	0.00	2.40
Invesco US Structured Equity A	$ 23.06	-	0.02	-
Invesco US Value Eq Fd A	$ 31.95	-	0.07	0.00
Invesco USD Reserve A	$ 87.10	-	0.00	0.00

Invesco Global Asset Management Ltd (IRL)
Dublin 00 353 1 439 8100 Hong Kong 00 852 2842 7200
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Invesco Stlg Bd A QD F	£ 2.73	-	0.01	3.50
Invesco Asian Equity A	$ 6.85	-	-0.01	0.00
Invesco ASEAN Equity A	$ 99.50	-	0.34	0.26
Invesco Bond A	$ 28.45	-	0.05	1.95
Invesco Continental Europ Small Cap Eqty A	$ 200.78	-	0.68	-
Invesco Emerging Markets Equity A	$ 38.62	-	0.15	0.00
Invesco Emerging Markets Bond A	$ 22.07	-	0.08	-
Invesco Continental European Equity A	€ 7.88	-	0.02	1.23
Invesco Gilt A	£ 17.07	-	0.06	1.16
Invesco Global Small Cap Equity A NAV	$ 123.06	-	0.09	0.00
Invesco Global High Income A NAV	$ 12.32	-	0.02	6.29
Invesco Gbl R/Est Secs A GBP F F	£ 9.94	-	0.07	0.78
Invesco Global Health Care A	$ 122.74	-	-1.02	0.00
Invesco Global Select Equity A	$ 12.57	-	0.01	0.07
Invesco Jap Eqty Core A	$ 1.82	-	0.00	-
Invesco Japanese Equity A	$ 19.49	-	0.17	-
Invesco Korean Equity A	$ 30.69	-	0.14	0.00
Invesco PRC Equity A	$ 53.31	-	0.19	-
Invesco Pacific Equity A	$ 50.11	-	0.02	0.07
Invesco Global Technology A	$ 15.89	-	-0.03	0.00
Invesco UK Eqty A	£ 7.95	-	0.01	-

Invest AD
Client services: +971 2 692 6101 clientservices@InvestAD.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Invest AD - Emerging Africa Fund	$ 866.10	-	0.50	0.00
Invest AD - GCC Focus Fund	$ 1409.17	-	10.61	0.00

Julius Bär Funds

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

Fund	Bid	Offer	D+/-	Yield
Ms EF Special Val. EUR/A	€ 146.00	-	0.22	1.08
Strategy Balanced-CHF/B	SFr 153.15	-	0.02	0.00
Strategy Balanced-EUR	€ 158.38	-	-0.07	0.00
Strategy Balanced-USD/B	$ 133.67	-	-0.09	0.00
Strategy Growth-CHF/B	SFr 94.40	-	0.04	0.00
Strategy Growth-EUR	€ 118.52	-	-0.02	0.00
Strategy Inc-CHF/B	SFr 121.33	-	-0.01	-
Strategy Inc-EUR/B	€ 162.87	-	-0.03	0.00
Strategy Inc-USD/B	$ 150.96	-	-0.05	-

KAMES CAPITAL

Kames Capital VCIC (IRL)
1 North Wall Quay, Dublin 1, Ireland +35 3162 24493
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Absolute Return Bond B GBP Acc	1095.28	-	6.45	1.64
Eq Market Neutral B Acc	989.47	-	-1.32	-
Eq Market Neutral Plus B Acc	957.72	-	-3.41	-
High Yield Global Bond A GBP Inc	529.09	-	0.91	4.05
High Yield Global Bond B GBP Inc	1102.89	-	1.86	4.59
Investment Grade Global Bd A GBP Inc	584.37	-	0.80	2.37
Kames Global Equity Income B GBP Acc	1398.07	-	6.42	-
Kames Global Equity Income B GBP Inc	1297.61	-	5.95	-
Strategic Global Bond A GBP Inc	1122.00	-	0.65	0.60
Strategic Global Bond B GBP Inc	636.64	-	0.34	1.07

Lloyds Investment Fund Managers Limited (1000)F (JER)
PO Box 311, 11-12 Esplanade, St Helier, Jersey, JE4 8ZU 01534 845555
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Lloydstrust Gilt	£ 13.5300xd	-	0.0500	1.97
Lloyds Investment Funds Limited				
Euro High Income	€ 1.6830xd	-	0.0010	2.64
European	£ 8.5710	-	0.0420	1.11
High Income	£ 0.9351xd	-	0.0028	4.57
International	£ 4.9060	-	0.0120	0.53
North American	£ 19.0700	-	0.0300	0.00
Sterling Bond	£ 1.6210xd	-	0.0060	3.17
UK	£ 7.2500	-	0.0160	1.30
Lloyds Gilt Fund Limited				
Lloyds Gilt Fund Quarterly Share	£ 1.4120xd	-	0.0050	1.49
Monthly Share	£ 1.3560xd	-	0.0050	1.49
Lloyds Money Fund Limited				
Sterling Class	£ 52.6550	-	0.0010	0.11
Lloyds Multi Strategy Fund Limited				
Conservative Strategy	£ 1.2000	-	0.0050	1.67
Growth Strategy	£ 1.6420	-	0.0070	1.22
Aggressive Strategy	£ 2.0650	-	0.0090	0.00
Global USD Growth Strategy	$ 1.4260	-	0.0030	0.00

Dealing Daily

M & G Securities (1200)F (UK)
PO Box 9039, Chelmsford, CM99 2XG
www.mandg.co.uk Enq: 0800 390 390, Dealing: 0800 328 3196
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
M&G Episode Growth A Inc	52.04	-	0.12	2.34
M&G Global High Yield Bond A Inc	50.46	-	0.12	4.05
M&G Global High Yield Bond A Acc	122.34	-	0.30	4.04
M&G Managed Growth A Inc	90.70	-	0.71	0.34

M & G (Guernsey) Ltd (GSY)
Regulated
The M&G Offshore Fund Range

Fund	Bid	Offer	D+/-	Yield
Corporate Bond A	1431.46	1475.73	2.67	3.92
Global Basics X	2907.34	2997.26	34.53	0.18
Global Dividend A	138.13	143.89	0.88	2.83
Global Leaders A	3951.17	4115.80	27.04	0.93
Global High Yield Bond X	992.26	1022.95	2.35	4.07
Global Macro Bond A	13278.39	13689.06	97.14	1.03
North American Dividend A	193.57	201.63	1.87	2.08
Optimal Income A	146.61	151.14	0.19	2.13
Recovery A	10477.95	10914.53	42.29	0.78
Strategic Corproate Bond A	141.67	147.58	0.29	2.46
UK Inf Lkd Corp Bd A Inc	108.29	111.64	0.53	0.92
UK Select A	1484.42	1546.28	-0.17	1.14

MFS Investment Funds (LUX)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Blend.Research Gb.Eq.Fd.	€ 105.10	-	0.10	0.00
Blend.Research Gb.Eq.Fd.	£ 119.93	-	0.34	0.00
Blend.Research Gb.Eq.Fd.	$ 102.75	-	0.14	0.00
Blend.Research U.S.Core Eq.Fd.	€ 109.14	-	-0.12	-
Blend.Research U.S.Core Eq.Fd.	£ 118.69	-	0.10	-
Blend.Research U.S.Core Eq.Fd.	¥ 9242.00	-	53.00	0.00
Blend.Research U.S.Core Eq.Fd.	$ 106.81	-	-0.08	-
Em.Mk.Eq.Fund Euro	€ 119.09	-	1.09	0.00
Em.Mk.Eq.Fund Sterling	£ 118.92	-	1.31	0.00
Em.Mk.Eq.Fd.US Dollar	$ 100.72	-	0.95	0.00
Gb.Conc.Eq.Fd.Euro	€ 296.91	-	-0.82	0.00
Gb.Conc.Eq.Fd.Sterl.UK T	£ 211.01	-	-0.18	0.00
Gb.Conc.Eq.Fd.Sterling	£ 319.32	-	-0.26	0.00
Gb.Conc.Eq.Fd.US	$ 208.18	-	-0.50	0.00
Gb.Eq.Hdg Fd.Euro IRE T	€ 193.34	-	-0.34	0.00
Gb.Eq.Euro Hdg Fd.	€ 273.92	-	-0.48	0.00
Gb.Eq.Fund Euro	€ 296.93	-	-0.65	-
Gb.Eq. Fd Euro IRE T	€ 187.90	-	-0.41	0.00
Gb.Eq.Fd.Sterling UK T	£ 255.22	-	-0.06	-
Gb.Eq.Fd.US Dollar	$ 328.68	-	-0.60	-
Gb.Eq.Fund Sterling	£ 252.26	-	-0.06	-
Gb.Val.Ex-Jap.Fd.USD	$ 127.17	-	-0.18	0.00
Gb.Val.Ex-Japan Fd.Yen	¥ 12822.00	-	65.00	0.00
Gb.Val.Fd. Euro	€ 142.19	-	-0.33	0.00
Gb.Val.Fd.Sterling	£ 146.79	-	-0.07	0.00
Gb.Val.Fd.USD	$ 113.28	-	-0.23	0.00
Low Volatility Gb.Eq.Fd.Euro	€ 113.30	-	-0.03	0.00
Low Volatility Gb.Eq.Fd.Sterl	£ 129.35	-	0.22	0.00
Low Volatility Gb.Eq.Fd.USD	$ 110.84	-	0.01	0.00
Low Volatility Gb.Eq.Fd.Yen	¥ 8864.00	-	59.00	0.00

MMIP Investment Management Limited (GSY)
Regulated
Multi-Manager Investment Programmes PCC Limited

Fund	Bid	Offer	D+/-	Yield
UK Equity Fd Cl A Series 01	£ 2263.07	2289.04	-80.26	0.00
Diversified Absolute Rtn Fd USD Cl AF2	$ 1495.98	-	-47.16	0.00
Diversified Absolute Return Stlg Cell AF2	£ 1509.55	-	-51.81	0.00
Global Equity Fund A Lead Series	£ 1127.80	1131.76	73.01	-

Marlborough International Management Limited (GSY)
Tudor House, Le Bordage, St Peter Port, Guernsey, CI, GY1 1DB +44 1481 71520
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Marlborough North American Fund Ltd	£ 39.13	41.69	-0.21	0.00
Marlborough Tiger Fund Ltd F	£ 28.30	30.15	-0.27	0.00

Marwyn Asset Management Limited (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
Marwyn Value Investors	£ 409.28	-	-27.96	0.00

Meridian Fund Managers Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Global Gold & Resources Fund	$ 224.00	-	-10.18	-
Global Energy & Resources Fund	$ 31.95	-	0.00	-

Mirabaud Asset Management (LUX)
www.mirabaud.com, marketing@mirabaud.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Mir. - Conv. Bds Eur A EUR	€ 133.04	-	0.03	0.00
Mir. - Conv. Bds Glb A USD	$ 112.61	-	0.22	0.00
Mir. - Eq Asia ex Jap A	$ 182.61	-	0.12	0.00
Mir.- EqEurope ExUK Sm&Mid	€ 124.48	-	0.26	-
Mir. - Eq Glb Emrg Mkt A USD	$ 96.70	-	0.42	0.00
Mir. - Eq Global Focus A USD	$ 97.16	-	-0.14	0.00
Mir. - EqPanEuropeSm&Mid	€ 116.16	-	0.43	0.00
Mir. - Eq Spain A	€ 24.96	-	0.04	0.00
Mir. - Eq Swiss Sm/Mid A	SFr 356.51	-	1.90	0.00
Mir. - Glb High Yield Bds A	$ 113.13	-	0.29	-
Mir. - Glb Eq High Income A USD	$ 99.12	-	-0.07	0.00
Mir. - Glb Strat. Bd A USD	$ 108.72	-	0.13	0.00
Mir. - US Shrt Term Credit Fd	$ 102.48	-	0.06	-

MW Japan Fund Plc (IRL)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
MW Japan Fund PLC A	$ 25.12	-	0.19	0.00
MW Japan Fund PLC B	$ 25.24	-	0.19	0.00
MW Japan Fund PLC C	$ 81.70	-	0.52	0.00

Morant Wright Funds (Ireland) PLC (IRL)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Morant Wright Fuji Yield EUR Acc Hedged	€ 10.09	-	0.10	-
Morant Wright Fuji Yield EUR Dist Hedged	€ 9.08	-	0.09	2.78
Morant Wright Fuji Yield GBP Acc Hedged	£ 9.50	-	0.09	0.00
Morant Wright Fuji Yield GBP Dist Hedged	£ 8.73	-	0.09	7.00
Morant Wright Fuji Yield USD Acc Hedged	$ 9.33	-	0.08	0.00
Morant Wright Fuji Yield USD Dist Hedged	$ 9.23	-	0.09	2.73
Morant Wright Fuji Yield YEN Acc	¥ 972.85	-	8.98	0.00
Morant Wright Fuji Yield B YEN Acc	¥ 859.65	-	7.94	0.00
Morant Wright Fuji Yield YEN Dist	¥ 938.49	-	8.67	2.75
Morant Wright Sakura Fund Sterling Acc Hedged	£ 11.49	-	0.09	0.00
Morant Wright Sakura Fund Euro Acc Hedged	€ 11.58	-	0.09	0.00
Morant Wright Sakura Fund Yen Acc Unhedged	¥ 1199.54	-	8.84	0.00
Morant Wright Sakura Fund Dollar Acc Hedged	$ 11.52	-	0.08	0.00
Morant Wright Sakura Fund Swiss Franc Acc Hedged	SFr 11.40	-	0.08	0.00

Morgan Stanley

Morgan Stanley Investment Funds (LUX)
6b Route de Trèves L-2633 Senningerberg Luxembourg (352) 34 64 61
www.morganstanleyinvestmentfunds.com
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
US Advantage A F	$ 61.30	-	-0.09	0.00
Asian Equity A F	$ 44.11	-	0.43	0.00
Asian Property A F	$ 19.33	-	0.23	-
Diversified Alpha Plus A F	€ 27.40	27.40	0.07	0.00
Emerg Europ, Mid-East & Africa Eq A F	€ 70.85	-	0.78	0.00
Emerging Markets Debt A F	$ 83.85	-	0.28	0.00
Emerging Markets Domestic Debt AX F	£ 12.88	12.88	0.09	4.25
Emerging Markets Equity A F	$ 36.66	36.66	0.41	0.00
Euro Bond A F	€ 16.51	16.51	-0.01	0.00
Euro Corporate Bond AX F	£ 26.30	26.30	0.05	-
Euro Strategic Bond A F	€ 45.82	45.82	0.04	-
European Currencies High Yield Bd A F	€ 22.78	22.78	0.06	0.00
European Equity Alpha A F	€ 40.22	-	-0.08	0.00
European Property A F	€ 34.16	34.16	-0.15	0.00
Eurozone Equity Alpha A F	€ 10.92	10.92	0.05	0.00
Global Bond A F	$ 41.28	41.28	-0.04	0.00
Global Brands A F	$ 103.86	-	-0.58	-
Global Convertible Bond A F	$ 41.88	-	0.11	0.00
Global Property A F	$ 29.64	-	0.13	0.00
Indian Equity A F	$ 38.78	-	0.18	-
Latin American Equity A F	$ 47.99	-	0.82	-
Short Maturity Euro Bond A F	€ 20.42	20.42	0.00	0.00
US Dollar Liquidity A F	$ 13.03	-	0.00	-
US Growth A F	$ 70.87	-	-0.07	0.00
US Growth AH F	€ 48.76	48.76	-0.05	0.00
US Growth AX F	£ 54.29	54.29	-0.11	0.00
US Property A F	$ 77.62	-	0.21	0.00

MANAGED FUNDS SERVICE

Morgens Waterfall Vintiadis.co Inc
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Phaeton Intl (BVI) Ltd (Est)	$368.28	-	1.39	0.00

Natixis International Funds (Lux) I SICAV (LUX)
Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA 0044 20 3216 9000
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Harris Global Equity R/A (USD)	$241.36	241.36	1.85	0.00
Harris US Equity Fund R/A (USD)	$217.71	217.71	0.36	-
Harris Concentrated US Equity R/A (USD)	$164.82	164.82	0.28	0.00
Loomis Sayles Strategic Alpha R/A (USD)	$112.90	112.90	0.18	0.00

Natixis International Funds (Dublin) I plc (IRL)
Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA +44 (0)20 3216 9000
Regulated

Fund	Bid	Offer	D+/-	Yield
Loomis Sayles Global Opportunistic Bond R/D (USD)	$13.31	13.31	0.00	1.27
Loomis Sayles High Income R/D (USD)	$8.64	8.64	0.04	-
Loomis Sayles Multisector Income R/D (GBP)	$12.52	12.52	0.02	5.43

New Capital Fund Management Ltd (IRL)
Leconfield House, Curzon Street, London, W1J 5JB
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
New Capital UCITS Funds				
Asia Pac Bd USD Inst Inc	$96.00	-	-0.15	3.28
Asia Pac Bd USD Ord Inc	$98.06	-	-0.16	2.60
Asia Pac Eq EUR Ord Inc	€92.09	-	1.02	2.76
Asia Pac Eq GBP Ord Inc	£95.38	-	1.08	3.40
Asia Pac Eq USD Ord Inc	$97.17	-	1.10	2.72
Asia Pac Eq USD Inst Acc	$106.79	-	1.21	0.00
Asia Pac Eq USD Inst Inc	$108.35	-	1.22	3.29
Dyn Europ Eq EUR Ord Inc	€165.90	-	-0.04	1.09
Dyn Europ Eq GBP Ord Inc	£174.44	-	-0.01	1.58
Dyn Europ Eq USD Ord Inc	$168.61	-	-0.05	1.03
China Equity EUR Ord Acc	€126.71	-	1.81	0.00
China Equity GBP Ord Acc	£132.51	-	1.92	0.00
China Equity USD Ord Acc	$129.96	-	1.88	0.00
China Equity USD Inst Acc	$134.34	-	1.95	0.00
Europ. Equity Fd EUR	€100.36	-	-0.01	-
Europ. Equity Fd GBP	£98.16	-	0.00	-
Europ. Equity Fd USD	$99.69	-	-0.02	-
Global Val.Cr.Fd GBP Ord Inc	£112.63	-	0.05	3.61
Global Val.Cr.Fd USD Inst Acc	$129.47	-	0.07	0.00
Global Val.Cr.Fd GBP Ord Acc	£186.06	-	0.08	0.00
Global Val.Cr.Fd USD Ord Acc	$174.70	-	0.08	0.00
Global Val.Cr.Fd EUR Ord Acc	€161.38	-	0.04	0.00
Swiss Select Equity Inst Acc	SFr121.06	-	0.46	0.00
Swiss Select Equity Ord Acc	SFr119.18	-	0.44	0.00
US Growth USD Ord Acc	$205.77	-	-0.72	0.00
US Growth EUR Ord Acc	€195.15	-	-0.71	0.00
US Growth GBP Ord Acc	£205.55	-	-0.72	0.00
US Growth USD Inst Acc	$191.00	-	-0.66	0.00
Wealthy Nat Bd EUR Inst Inc	€114.30	-	-0.05	3.28
Wealthy Nat Bd GBP Inst Inc	£119.27	-	-0.04	3.41
Wealthy Nat Bd EUR Ord Inc	€113.59	-	-0.06	3.01
Wealthy Nat Bd GBP Ord Inc	£120.09	-	-0.04	3.16
Wealthy Nat Bd USD Ord Inc	$117.43	-	-0.03	2.97
New Capital Alternative Strategies				
All Weather Fd USD Cls	$114.06	-	-1.24	0.00
All Weather Fd EUR Cls	€101.95	-	-1.24	0.00
All Weather Fd GBP Cls	£110.01	-	-1.27	0.00
Tactical Opps USD Cls	$141.27	-	0.97	0.00
Tactical Opps EUR Cls	€117.90	-	0.79	0.00
Tactical Opps GBP Cls	£132.10	-	0.93	0.00

Northwest Investment Management (HK) Ltd
11th Floor, Kinwick Centre, 32, Hollywood Road, Central Hong Kong +852 3929 4073
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Northwest $ class	$2326.27	-	87.41	0.00

Oasis Crescent Management Company Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Oasis Crescent Equity Fund	R 10.03	-	0.00	0.00

Oasis Global Mgmt Co (Ireland) Ltd (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Oasis Global Investment (Ireland) Plc				
Oasis Crescent Global Short Term Income Fund	$0.99	-	0.00	1.14
Oasis Global Equity	$28.00	-	-0.04	0.33
Oasis Crescent Global Investment Fund (Ireland) plc				
Oasis Crescent Global Equity Fund	$28.88	-	-0.05	0.11
Oasis Crescent Variable Balanced Fund	£10.64	-	0.00	1.39
OasisCresGl Income Class A	$10.80	-	0.02	2.52
OasisCresGl LowBal D ($) Dist	$12.00	-	-0.01	0.00
OasisCresGl Med Eq Bal A ($) Dist	$12.26	-	-0.01	0.60
Oasis Crescent Gbl Property Eqty	$10.05	-	0.02	1.60

Odey Asset Management LLP (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
OEI Mac Inc GBP A	£256.20	-	2.83	0.00
OEI Mac Inc GBP B	£152.16	-	2.22	0.00
OEI MAC Inc USD	$1342.71	-	14.85	0.00
Odyssey Inc EUR	€592.63	-	6.55	0.00
Odey European Inc GBP A	£233.60	-	2.72	0.00
Odey European Inc GBP B	£132.52	-	1.54	0.00
Odey European Inc USD	$275.18	-	3.22	0.00
Giano Capital EUR Inc	€4398.20	-	4.97	0.00

Odey Asset Management LLP (IRL)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Odey Pan European EUR R	€292.62	-	1.24	-
Odey Absolute Return Focus Fund	$95.67	-	-1.76	-
Odey Allegra European EUR O	€252.34	-	-1.61	0.00
Odey Allegra International EUR O	€158.05	-	0.85	0.00
Odey Allegra Developed Markets USD I	$133.10	-	0.82	0.00
Odey European Focus Fund	£16.65	-	0.00	0.00
Odey Giano European Fund EUR R	€112.64	-	-0.96	0.00
Odey Naver Fund EUR I	€114.74	-	0.14	0.00
Odey Odyssey USD I	$123.00	-	-0.30	0.00
Odey Swan Fund EUR I	€66.32	-	-0.83	0.00
Odey European Absolute Return GBP S	£91.41	-	-0.63	0.00

Odey Wealth Management (CI) Ltd (IRL)
www.odey.com/prices
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Odey Opportunity EUR I	€218.87	-	0.12	0.00

Omnia Fund Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Estimated NAV	$875.65	-	16.02	0.00

Optima Fund Management
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Cuttyhunk Fund II Limited	$1384.32	-	6.49	0.00
JENOP Global Healthcare Fund Ltd	$12.31	-	0.04	0.00
OPTIKA Fund Limited - Cl A	$93.05	-	1.42	0.00
Optima Fd NAV (Est)	$84.30	-	0.07	0.00
Optima Discretionary Macro Fund Limited	$84.94	-	-0.23	0.00
The Dorset Energy Fd Ltd NAV (Est)	$33.58	-	-0.06	0.00
Platinum Fd Ltd (Est)	$84.92	-	0.65	0.00
Platinum Fd Ltd EUR (Est)	$16.26	-	0.10	0.00
Platinum Japan Fd Ltd (Est)	$55.18	-	0.72	0.00
Optima Partners Global Fd	$13.80	-	0.06	0.00
Optima Partners Focus Fund A	$14.84	-	-0.02	0.00

Oryx International Growth Fund Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
NAV (Fully Diluted)	£6.92	-	-0.25	0.00

Pictet Asset Management (Europe) SA (LUX)
15, Avenue J.F. Kennedy L-1855 Luxembourg
Tel: 0041 58 323 3000
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Pictet-Abs Rtn Fix Inc-HI EUR	€108.78	-	0.20	0.00
Pictet-Agriculture-I EUR F	€188.67	-	1.08	0.00
Pictet-Asian Equities Ex Japan-I USD F	$224.53	-	0.38	0.00
Pictet-Asian Local Currency Debt-I USD F	$165.52	-	0.08	-
Pictet-Biotech-I USD F	$719.11	-	-9.89	0.00
Pictet-CHF Bonds-I CHF	SFr514.05	-	-0.15	0.00
Pictet-China Index-I USD	$106.00	-	1.51	0.00
Pictet-Clean Energy-I USD F	$79.65	-	0.10	0.00
Pictet-Digital Communication-I USD F	$290.37	-	0.43	0.00
Pictet-Em Lcl Ccy Dbt-I USD F	$173.47	-	0.94	0.00
Pictet-Emerging Europe-I EUR F	€296.95	-	3.54	0.00
Pictet-Emerging Markets-I USD F	$536.77	-	2.59	0.00
Pictet-Emerging Markets Index-I USD F	$235.91	-	2.62	0.00
Pictet-Emerging Corporate Bonds I USD	$119.59	-	0.27	0.00
Pictet-Emerging Markets High Dividend I USD	$104.42	-	0.49	0.00
Pictet-Emerging Markets Sust Eq I USD	$94.74	-	0.98	0.00
Pictet-EUR Bonds-I F	€592.85	-	0.26	-
Pictet-EUR Corporate Bonds Ex Fin I EUR	€151.96	-	0.05	0.00
Pictet-EUR Corporate Bonds-I F	€210.11	-	0.09	0.00
Pictet-EUR Government Bonds-I EUR	€167.93	-	0.06	0.00
Pictet-EUR High Yield-I F	€253.34	-	0.48	0.00
Pictet-EUR Short Mid-Term Bonds-I F	€137.57	-	0.03	0.00
Pictet-EUR Short Term HY I EUR	€124.06	-	0.12	0.00
Pictet-EUR Sov.Sht.Mon.Mkt EUR I	€102.67	-	0.00	0.00
Pictet-Euroland Index IS EUR	€125.85	-	0.40	-
Pictet-Europe Index-I EUR F	€162.89	-	0.07	-
Pictet-European Equity Selection-I EUR F	€608.23	-	-0.16	-
Pictet-European Sust Eq-I EUR F	€238.03	-	-0.46	0.00
Pictet-Global Bds Fundamental I USD	$126.63	-	0.36	0.00
Pictet-Global Bonds-I EUR	€179.97	-	-0.12	0.00
Pictet-Global Emerging Currencies-I USD F	$101.44	-	-0.02	0.00
Pictet-Global Emerging Debt-I USD F	$395.94	-	-0.69	0.00
Pictet-Global Env.Opport-I EUR	€169.93	-	-0.34	-
Pictet-Global Megatrend Selection-I USD F	$230.21	-	-0.18	-
Pictet-Greater China-I USD F	$462.00	-	0.28	0.00
Pictet-Health-I USD	$270.67	-	-2.70	0.00
Pictet-High Dividend Sel I EUR F	€165.23	-	-0.21	0.00
Pictet-India Index I USD	$104.05	-	0.39	0.00
Pictet-Indian Equities-I USD F	$491.57	-	-2.53	-
Pictet-Japan Index-I JPY F	¥13976.83	-	119.63	-
Pictet-Japanese Equities Opp-I JPY F	¥8438.40	-	89.34	-
Pictet-Japanese Equity Selection-I JPY F	¥12199.95	-	134.77	-
Pictet-LATAM Lc Ccy Dbt-I USD F	$127.61	-	1.11	0.00
Pictet-Multi Asset Global Opportunities-I EUR	€119.13	-	0.12	0.00
Pictet-Pacific Ex Japan Index-I USD F	$363.68	-	5.19	0.00
Pictet-Premium Brands-I EUR F	€144.20	-	-0.54	0.00
Pictet-Quality Global Equities I USD	$146.04	-	-0.24	0.00
Pictet-Russia Index I USD	$57.42	-	1.03	-
Pictet-Russian Equities-I USD F	$54.35	-	0.74	-
Pictet-Security-I USD F	$209.09	-	-0.93	-
Pictet-Select-Callisto-I EUR	€103.26	-	0.02	0.00
Pictet-Small Cap Europe-I EUR F	€1081.11	-	1.96	0.00
Pictet-ST.MoneyMkt-I	€140.27	-	0.00	0.00
Pictet-ST.MoneyMkt JPY I USD	¥101425.78	-	-3.28	0.00
Pictet-ST.MoneyMkt-ICHF	SFr123.61	-	0.00	0.00
Pictet-ST.MoneyMkt-IUSD	$135.92	-	0.00	0.00
Pictet-Timber-I USD F	$149.04	-	0.28	-
Pictet Total Ret-Agora I EUR	€115.63	-	-0.26	0.00
Pictet Total Ret-Corto Europe I EUR	€136.42	-	-0.14	0.00
Pictet Total Ret-Divers Alpha I EUR	€105.61	-	-0.01	0.00
Pictet Total Ret-Kosmos I EUR	€110.26	-	-0.03	0.00
Pictet Total Ret-Mandarin I USD	$117.94	-	0.70	0.00
Pictet-US Equity Selection-I USD	$194.39	-	-0.45	0.00
Pictet-US High Yield-I USD F	$150.61	-	0.43	0.00
Pictet-USA Index-I USD F	$194.23	-	-0.16	-
Pictet-USD Government Bonds-I F	$668.03	-	0.46	0.00
Pictet-USD Short Mid-Term Bonds-I F	$131.52	-	0.01	0.00
Pictet-USD Sov.ST.Mon.Mkt-I	$102.97	-	0.00	0.00
Pictet-Water-I EUR F	€300.70	-	-0.78	0.00

Pimco Fds: Global Investors Series Plc (IRL)
PIMCO Europe Ltd,11 Baker Street,London W1U 3AH
http://gisnav.pimco-funds.com/
Dealing: +44 20 3640 1000
PIMCO Funds: +44 (0)20 3640 1407
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Capital Securities Inst Acc	$15.39	-	0.04	0.00
Commodity Real Return Fund Inst Acc	$6.27	-	0.04	0.00
Credit Absolute Return Fund Inst Acc	$11.47	-	0.00	0.00
Diversified Income - Inst Acc	$21.25	-	0.04	0.00
Diversified Income Duration Hedged Fund Inst Acc	$11.90	-	0.03	0.00
Emerging Asia Bond Fund Inst Acc	$10.52	-	-0.01	0.00
Emerging Local Bond - Inst Acc	$12.15	-	0.08	0.00
Emerging Markets Bond - Inst Acc	$42.96	-	0.16	-
Emerging Markets Corp Bd Fund Inst Acc F	$13.77	-	0.03	0.00
Emerging Markets Short Term Local Currency Fund	$12.59	-	0.05	0.00
Euro Bond - Inst Acc	€23.93	-	0.02	0.00
Euro Credit - Inst Acc	€15.59	-	0.01	-
Euro Income Bond - Inst Acc F	€13.73	-	0.02	0.00
Euro Long Average Duration - Inst Acc	€25.72	-	-0.05	0.00
Euro Low Duration Fund Inst Acc	€11.38	-	0.00	0.00
Euro Real Return - Inst Acc	€14.03	-	0.03	0.00
Euro Short-Term Inst Acc	€12.26	-	0.00	-
Euro Ultra Long Duration - Inst Acc	€34.91	-	-0.03	0.00
Global Advantage - Inst Acc	$12.97	-	0.02	0.00
Global Advantage Real Return Fund Inst Acc	$9.07	-	0.06	0.00
Global Bond - Inst Acc	$29.65	-	0.00	0.00
Global Bond Ex-US - Inst Acc	$20.94	-	0.00	0.00
Global High Yield Bond - Inst Acc	$21.41	-	0.04	0.00
Global Investment Grade Credit - Inst Income	$12.70	-	0.01	3.86
Global Investment Grade Credit Fund Inst Acc €	€14.68	-	0.00	0.00
Global Investment Grade Credit Fund Inst Acc $	$17.90	-	0.02	-
Global Multi-Asset - Inst Acc	$14.81	-	0.04	0.00
Global Real Return - Inst Acc	$19.55	-	0.06	0.00
Income Fund Inst Acc	$12.99	-	0.01	0.00
Inflation Strategy Fund Inst Acc	$9.50	-	0.05	0.00
Low Average Duration - Inst Acc	$15.01	-	0.00	0.00
PIMCO RAE Fundam PLUS Em Mkts Inst Acc	$10.09	-	0.10	-
PIMCO RAE Fundam PLUS Gl Dev.Inst Acc	$11.36	-	0.07	0.00
PIMCO RAE Fundam PLUS US Inst Acc	$13.28	-	0.02	0.00
Socially Resp Emerg.Mkts Bd Fd Inst Acc F	$14.12	-	0.04	-
StocksPLUS(TM) - Inst Acc	$25.03	-	-0.01	-
Total Return Bond - Inst Acc	$28.40	-	0.01	0.00
UK Corporate Bond - Inst Acc	£19.57	-	0.10	0.00
UK Long Term Corp. Bnd Inst Acc	£23.03	-	0.16	-
UK Low Duration - Inst Acc	£14.38	-	0.01	0.00
UK Real Return - Inst Acc	£22.94	-	-0.04	0.00
UK Sterling Long Average Duration - Inst Acc	£23.19	-	0.00	-
Unconstrained Bond - Inst Acc	$12.23	-	0.01	0.00
US High Yield Bond Fund Inst Acc	$29.79	-	0.06	-

Platinum Capital Management Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Platinum All Star Fund - A (Est)	$117.78	-	-	-
Platinum Global Dividend Fund - A (Est)	$49.89	-	-	-
Platinum Maverick Enhanced Fund Limited (Est)	$92.91	-	-	0.00

Polar Capital Funds Plc (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Asian Financials I USD	$318.29	318.29	-0.13	-
Biotechnology I USD	$16.92	16.92	-0.19	0.00
European Income Acc EUR	€11.01	11.01	0.00	0.00
European Ex UK Inc EUR Acc	€9.60	9.60	0.01	-
Financial Opps I USD	$10.97	-	0.09	1.80
GEM Growth I USD	$9.41	-	0.11	0.00
GEM Income I USD	$10.37	-	0.11	0.00
Global Alpha I USD	$13.06	13.06	0.06	0.00
Global Convertible I USD	$11.51	11.51	-0.01	0.00
Global Insurance I GBP	£5.00	-	0.02	0.00
Global Technology I USD	$26.21	-	0.01	0.00
Healthcare Blue Chip Fund I USD Acc	$11.03	11.03	-0.09	0.00
Healthcare Opps I USD	$37.04	-	-0.31	0.00
Income Opportunities B2 I GBP Acc	£1.80	1.80	0.01	0.00
Japan Alpha I JPY	¥168.88	168.88	2.23	0.00
Japan I JPY	¥1634.11	-	11.36	1.25
North American I USD	$18.24	18.24	-0.02	0.00
UK Absolute Equity I GBP	£14.77	14.77	0.05	0.00

Polar Capital LLP (CYM)

Fund	Bid	Offer	D+/-	Yield
ALVA Convertible A USD	$130.31	-	1.64	0.00
European Conviction A EUR	€142.38	-	3.03	0.00
European Forager A EUR	€160.78	-	2.31	0.00

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Monument Growth 02/08/2016	£491.15	496.35	-2.58	1.22

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

Fund	Bid	Offer	D+/-	Yield
Prusik Asian Equity Income B Dist	$176.48	-	-0.40	-
Prusik Asia A	$201.72	-	0.64	0.00
Prusik Asian Smaller Cos A	$157.29	-	0.29	0.00

Purisima Investment Fds (CI) Ltd (JER)
Regulated

Fund	Bid	Offer	D+/-	Yield
PCG B *	170.49	-	2.43	0.00
PCG C *	167.93	-	2.39	0.00

Putnam Investments (Ireland) Ltd (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Putnam New Flag Euro High Yield Plc - E	€1013.41	-	1.64	3.72

Ram Active Investments SA
Tel. +41 22 816 87 30
www.ram-ai.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
RAM Systematic Emerg Markets Core Eq	$87.14	-	0.98	-
RAM Systematic Emerg Markets Eq	$158.44	-	1.66	-
RAM Systematic European Eq	€382.37	-	0.38	-
RAM Systematic Global Shareholder Yield Eq	$104.77	-	0.28	0.00
RAM Systematic Long/Short Emerging Markets Eq	$119.84	-	0.12	-
RAM Systematic Long/Short European Eq	€146.87	-	-0.24	-
RAM Systematic North American Eq	$250.88	-	0.30	-
RAM Tactical Convertibles Europe	€142.88	-	0.21	-
RAM Tactical Global Bond Total Return	€144.34	-	0.07	-
RAM Tactical II Asia Bond Total Return	$135.26	-	-0.03	-

Robeco Asset Management (LUX)
Weena 850, 3014 DA Rotterdam, The Netherlands
www.robeco.com/contact
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Asia-Pacific Equities (EUR)	€137.56	-	0.63	0.00
Chinese Equities (EUR)	€75.13	-	0.26	-
Em Stars Equities (EUR)	€182.41	-	1.62	0.00
Emerging Markets Equities (EUR)	€157.01	-	1.18	0.00
Flex-o-Rente (EUR)	€109.06	-	0.06	0.00
Glob.Consumer Trends Equities (EUR)	€153.48	-	-0.44	0.00
High Yield Bonds (EUR)	€136.46	-	1.11	-
Lux -O- Rente (EUR)	€148.66	-	-0.23	-
New World Financials (EUR)	€49.70	-	0.27	0.00
US Premium Equities (EUR)	€191.32	-	-0.32	0.00
US Premium Equities (USD)	$215.34	-	-0.32	0.00

S W Mitchell Capital LLP (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
S W Mitchell European Fund Class A EUR	€237.47	-	-46.61	-
SW Mitchell Small Cap European Fund Class A EUR	€201.02	-	-17.42	-
The Charlemagne Fund EUR	€254.81	-	4.13	-

S W Mitchell Capital LLP (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
SWMC European Fund B EUR	€13128.54	-	43.49	0.00
SWMC UK Fund B	£11321.27	-	-23.83	0.00
SWMC Small Cap European Fund B EUR	€12205.20	-	-1.35	0.00
SWMC Emerging European Fund B EUR	€9878.41	-	218.03	0.00

RobecoSAM (LUX)
Tel. +41 44 653 10 10 http://www.robecosam.com/
Regulated

Fund	Bid	Offer	D+/-	Yield
RobecoSAM Sm.Energy/A	€13.43	-	0.05	1.44
RobecoSAM Sm.Energy/N	€12.04	-	0.03	0.00
RobecoSAM Sm.Materials/A	€149.64	-	1.01	1.21
RobecoSAM Sm.Materials/N	€152.49	-	0.74	0.00
RobecoSAM Sm.Materials/Na	€105.26	-	0.51	0.00
RobecoSAM Gl.Small Cap Eq/A	€92.37	-	0.34	1.12
RobecoSAM Gl.Small Cap Eq/N	€162.98	-	0.30	0.00
RobecoSAM Sustainable Gl.Eq/B	€183.51	-	0.27	0.00
RobecoSAM Sustainable Gl.Eq/N	€159.09	-	0.24	0.00
RobecoSAM S.HealthyLiv/B	€185.50	-	-0.80	-
RobecoSAM S.HealthyLiv/N	€173.70	-	-0.74	0.00
RobecoSAM S.HealthyLiv/Na	€128.69	-	-0.30	-
RobecoSAM S.Water/A	€211.51	-	0.42	0.98
RobecoSAM S.Water/N	€180.10	-	0.02	0.00

Schroder Property Managers (Jersey) Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Indirect Real Estate SIRE	£124.85	136.44	-0.57	3.00

SIA (SIA Funds AG) (CH)
Other International Fds

Fund	Bid	Offer	D+/-	Yield
LTIF Stability Growth	SFr181.80	-	-5.70	-
LTIF Stability Inc Plus	SFr156.00	-	-4.90	0.56

Standard Life Wealth (JER)
PO Box 189, St Helier, Jersey, JE4 9RU 01534 709130
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Standard Life Offshore Strategy Fund Limited				
Bridge Fund	£1.7789	-	0.0071	2.01
Diversified Assets Fund	£1.2361	-	0.0013	3.32
Global Equity Fund	£2.1474	-	0.0105	1.38
Global Balanced Fund - Income Units	£1.5202	-	0.0067	2.37
Global Balanced Fund - Accumulation Units	£1.8104	-	0.0080	2.33
Global Fixed Interest Fund	£1.0329	-	0.0022	4.43
Sterling Fixed Interest Fund	£0.9268	-	0.0028	3.60
UK Equity Fund	£1.9777	-	0.0031	2.88

Stenham Asset Management Inc
www.stenhamassetmanagement.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Stenham Asia USD	$119.94	-	-2.88	0.00
Stenham Credit Opportunities A Class USD	$100.36	-	-0.97	0.00
Stenham Equity UCITS USD	$139.07	-	0.46	0.00
Stenham Growth USD	$197.69	-	-4.68	-
Stenham Healthcare USD	$164.97	-	-3.57	0.00
Stenham Managed Fund USD	$106.81	-	-1.81	0.00
Stenham Macro UCITS USD	$97.09	-	-0.51	0.00
Stenham Multi Strategy USD	$107.79	-	-1.69	-
Stenham Quadrant USD A	$399.12	-	-0.39	-
Stenham Trading Inc USD	$115.57	-	-0.11	-
Stenham Universal USD	$406.71	-	-6.46	-
Stenham Universal II USD	$150.23	-	-2.45	0.00

Stratton Street Capital (CI) Limited (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Japan Synthetic Warrant Yen Class	¥942.37	-	-413.68	0.00
Japan Synthetic Warrant GBP Hedged Class	£98.05	-	-45.95	0.00
Japan Synthetic Warrant USD Class	$16.47	-	1.79	0.00
Japan Synthetic Warrant USD Hedged Class	$99.12	-	-45.07	0.00
Renminbi Bond Fund AUD Cls A	A$128.02	-	0.71	3.21
Renminbi Bond Fund AUD Cls B	A$130.00	-	0.72	3.00
Renminbi Bond Fund CHF Cls A	SFr122.16	-	0.68	3.34
Renminbi Bond Fund CHF Cls B	SFr121.98	-	0.67	3.10
Renminbi Bond Fund CNH Cls A	CNH137.87	-	0.87	3.09
Renminbi Bond Fund CNH Cls B	CNH137.60	-	0.86	2.87
Renminbi Bond Fund Euro Cls B	€124.40	-	0.69	3.02
Renminbi Bond Fund GBP Cls B	£127.40	-	0.72	3.07
Renminbi Bond Fund SGD Cls B	S$127.09	-	0.71	2.99
Renminbi Bond Fund USD Cls B	$127.22	-	0.71	2.86
Renminbi Bond Fund YEN Cls B	¥14324.46	-	79.10	0.00
Renminbi Bond Fund USD Cls A	$175.33	-	0.98	3.10
Renminbi Bond Fund GBP Cls A	£169.74	-	0.96	3.31
Renminbi Bond Fund SGD Cls A	S$168.27	-	0.94	3.23
Renminbi Bond Fund YEN Cls A	¥21202.00	-	118.00	0.00
Renminbi Bond Fund EUR Cls A	€114.36	-	0.63	3.26

E.I. Sturdza Strategic Management Limited (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Nippon Growth Fund Limited	¥77977.00	-	-1920.00	-
Strat Evarich Japan Fd Ltd JPY	¥64955.00	-	-3097.00	0.00
Strat Evarich Japan Fd Ltd USD	$634.03	-	-31.42	0.00

E.I. Sturdza Funds PLC (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Nippon Growth (UCITS) Fund Euro Hedged Class EUR)	€852.78	-	25.29	0.00
Nippon Growth (UCITS) Fund Euro Hedged Institutional Class EUR)	€1007.17	-	29.91	0.00
Nippon Growth (UCITS) Fund JPY Class A shares	¥80408.00	-	2400.00	0.00
Nippon Growth (UCITS) Fund JPY Class B Acc shares	¥67459.00	-	2014.00	0.00
Nippon Growth (UCITS) Fund JPY Class C Dis shares	¥82212.00	-	968.00	0.00
Nippon Growth (UCITS) Fund Class D Institutional JPY)	¥43845.00	-	1311.00	0.00
Strategic China Panda Fund USD	$2191.69	-	21.23	-
Strategic China Panda Fund Hedged EURO	€2115.87	-	20.35	0.00
Strategic China Panda Fund Hedged Sterling	£2149.61	-	20.86	0.00
Strategic Euro Bond Accumulating Class CHF	SFr990.81	-	0.33	0.00
Strategic Euro Bond Institutional Class EUR	€1026.01	-	0.44	0.00
Strategic Euro Bond Fund Accumulating Class Shares	€1148.12	-	0.48	0.00
Strategic Euro Bond Fund Distributing Class Shares	€1036.80	-	0.43	0.00
Strategic European Smaller Companies Fund EUR Class	€1020.29	-	-3.96	0.00
Strategic Global Bond RMB Acc	$1078.29	-	0.38	0.00
Strategic Global Bond USD Acc	$1077.01	-	0.38	0.00
Strategic US Momentum and Value Fund	$741.61	-	-4.07	0.00
Strategic US Momentum & Value Fund USD I Class	$494.25	-	-2.69	0.00
Strategic US Momentum and Value EUR Hedged Class EUR	€514.26	-	-2.36	0.00
Strategic US Momentum and Value CHF Hedged Class CHF	SFr509.13	-	-2.86	0.00

The Hartford International Funds (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Gbl Govt Bond (Ex Japan) Index (GBP)	£1939.58	-	4.60	0.00
UK Corporate Bond	£1777.58	-	6.13	0.00
Gilt	£1802.09	-	5.79	-
Global Eq (Ex Japan) Index Fund	¥1.44	-	0.00	0.00
Global Eq (ex Japan) Class HJ4	¥1.50	-	0.00	0.00
Global Eq (ex Japan) Class JP5	¥1.37	-	0.01	0.00
Global Eq Ex Japan Index Fund (Hedge)	¥1.26	-	0.01	0.00
Gbl Govt Bond (Ex Japan) Index	¥1.19	-	0.01	-
Gbl Govt Bond (ex Japan) Class JP4	¥1.17	-	0.01	-
Japan Equity Index Fund	¥0.92	-	0.01	0.00
Japan Equity Class JP3	¥1.11	-	0.01	0.00

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

Fund	Bid	Offer	D+/-	Yield
Aptus Global Financials B Acc	£2.98	-	0.05	-
Aptus Global Financials B Inc	£2.51	-	0.04	-

Toscafund Asset Management LLP
www.toscafund.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Tosca A USD	$241.71	-	-41.64	-
Tosca Mid Cap GBP	£257.15	-	-10.41	0.00
Tosca Opportunity B USD	$355.38	-	-12.94	0.00
Pegasus Fund Ltd A-1 GBP	£60.78	-	1.92	0.00

TreeTop Asset Management S.A. (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
TreeTop Convertible Sicav				
International A	€277.43	-	0.89	0.00
International B	$360.00	-	1.14	0.00
International C	£118.42	-	0.43	3.36
International D	€249.51	-	0.81	3.18
TreeTop Global Sicav				
Global Opp.A	€140.45	-	0.38	0.00
Global Opp.B	$141.49	-	0.35	0.00
Global Opp.C	£200.02	-	0.69	2.78
Sequoia Equity A	€137.92	-	0.21	0.00
Sequoia Equity B	$144.16	-	0.22	0.00
Sequoia Equity C	£183.14	-	0.50	-

UBS Asset Management (UK)
21 Lombard Street, London, EC3V 9AH
Client Services 0800 358 3012, Client Dealing 0800 358 3012
www.ubs.com/retailfunds
Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
OEIC				
UBS Global Emerging Markets Equity C Acc	£0.60	-	0.00	1.39
UBS Global Optimal C Acc	£0.80	-	0.00	1.04
UBS UK Opportunities C Acc	£0.69	-	0.00	-
UBS US Equity C Acc	£0.98	-	0.01	0.47
UBS S&P 500 Index C Acc	£0.67	-	0.00	1.58
UBS Targeted Return C Acc	£12.31	-	0.01	1.71
UBS Sterling Corporate Bond Indexed C Acc	£0.63	-	0.00	2.93
UBS Multi Asset Income C Inc Net	£0.50	-	0.00	-
UBS UK Equity Income C Inc Net	£0.60	-	0.01	4.43
UBS Corporate Bond UK Plus C Inc Net	£0.56	-	0.00	3.75
UBS Global Allocation (UK) C Acc	£0.70	-	0.01	2.24
UBS Global Enhanced Equity Income C Inc	£0.46	-	0.00	10.75
UBS US Growth C Acc	£1.00	-	0.00	0.00
UBS Emerging Markets Equity Income C Inc	£0.46	-	0.01	4.89
UBS FTSE RAFI Dev 1000 Index J Acc	£118.10	-	0.84	1.65
UBS MSCI World Min Vol Index J Acc	£137.91	-	-0.06	-

Unicapital Investments (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
Investments III	€5.03	-	-22.38	-
Investments IV - European Private Eq.	€210.25	220.76	-4.08	-
Investments IV - Global Private Eq.	€311.03	326.58	-10.79	-

Value Partners Hong Kong Limited (IRL)
www.valuepartners.net, fis@vp.com.hk
Regulated

Fund	Bid	Offer	D+/-	Yield
Value Partners Asia Dividend Stocks Fund	$9.21	-	0.09	0.00
Value Partners Classic Equity Fund USD Z Unhedged	$11.25	-	0.06	0.00
Value Partners Classic Equity Fund CHF Hedged	SFr11.59	-	0.06	0.00
Value Partners Classic Equity Fund EUR Hedged	€11.76	-	0.06	0.00
Value Partners Classic Equity Fund GBP Hedged	£12.08	-	0.06	0.00
Value Partners Classic Equity Fund GBP Unhedged	£14.20	-	0.18	0.00
Value Partners Classic Equity USD Hedged	$13.79	-	0.07	0.00
Value Partners Greater China Equity Fund	$8.63	-	0.11	0.00
Value Partners Health Care Fund RMB Class Z Unhedged	CNH10.30	-	0.06	0.00
Value Partners Health Care Fund HKD Class A Unhedged	HK$9.53	-	0.05	0.00
Value Partners Health Care Fund USD Class A Unhedged	$9.56	-	0.05	0.00

Waverton Investment Funds Plc (1600)F (IRL)
waverton.investments@citi.com
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Waverton Asia Pacific A USD	$19.18	-	0.03	5.45
Waverton Global Equity Fund A GBP	£16.61	-	0.15	0.45
Waverton Global Strategic Bond Fund A USD	$8.61	-	0.02	5.06
Waverton UK Fund A GBP	£13.84	-	-0.02	1.70
Waverton Equity Fund A GBP	£16.30	-	0.14	0.33
Waverton Sterling Bond Fund A GBP	£9.72	-	0.03	5.06

WA Fixed Income Fund Plc (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
European Multi-Sector	€123.40	-	0.18	0.00

Yapi Kredi Asset Management (TUR)
Yapi Kredi Plaza A Blok Kat:13 Levent 34330 Istanbul / Turkey
Email: info@ykportfoy.com.tr; Tel: + 90 (212) 385 48 48
www.yapikrediassetmanagement.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Private Sector Bonds and Bills Fund	TRY 0.014710	-	0.000010	-
Eurobond (Dollar) Bonds and Bills Fund	TRY 0.081920	-	0.000630	-
Fourth Variable Fund	TRY 0.011610	-	0.000010	-
Koc Affiliate and Eq. Fund (Eq. Intense Fund)	TRY 0.768320	-	0.005320	-
Istanbul Hedge Fund	TRY 0.021280	-	-	-

Yuki International Limited (IRL)
Tel +44-20-7269-0207 www.yukifunds.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Yuki Mizuho Umbrella Fund				
Yuki Mizuho Japan Dynamic Growth	¥6704.00	-	41.00	0.00
Yuki Japan Low Price	¥25571.00	-	402.00	0.00
Yuki Japan Value Select	¥12891.00	-	81.00	-
YMR Umbrella Fund				
YMR N Growth	¥10931.83	-	-2753.17	-
Yuki Asia Umbrella Fund				
Yuki Japan Rebounding Growth Fund JPY Class	¥22428.00	-	250.00	0.00
Yuki Japan Rebounding Growth Fund USD Hedged Class	$864.50	-	9.62	-

Zadig Gestion (Memnon Fund) (LUX)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Memnon European Fund I GBP	£132.59	-	0.55	0.00

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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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Currencies

Pound falls below $1.30 on dovish hint

Closely watched mark is breached after MPC hawk says more stimulus likely

FT REPORTERS

Sterling fell to its lowest level in a month yesterday after a Bank of England policymaker signalled that further quantitative easing may beckon for the UK.

The pound fell 0.4 per cent to $1.2982, breaking below the $1.30 threshold for the first time in 19 trading sessions. Since the UK's Brexit vote, the currency has closed under the $1.30 mark only four times.

Ian McCafferty, a member of the Monetary Policy Committee, wrote in The Times newspaper yesterday that more QE was likely to be needed and the base rate could approach zero if the UK economy continued to slow, although he outlined a gradual approach to the process.

The currency's fall has left sterling on course for its fifth successive session of declines. The dollar was also stronger on the wider currencies market — helped by last week's robust US jobs data that kept alive the prospect of a Federal Reserve rate rise in 2016 — but the $1.30 mark could still have extra significance for the pound.

"Typically, these round crosses for the pound, especially when perched at previous major lows, are market levels that corporate treasurers follow closely," said Koon Chow, macroeconomic and FX strategist at UBP.

"A move under $1.30 for the pound could cause more pressure as the same corporates aggressively hedge against deeper weakness, triggering even further depreciation."

There were indications that the Bank of England was looking at a potential deeper rate cut and further stimulus spending after August's meeting of the MPC voted unanimously to cut rates by a quarter point to a record low of 0.25 per cent. It also increased its QE stimulus package.

Mr McCafferty voted against the MPC's decision to increase QE spending at its August meeting, and is seen as one of the more hawkish members of the nine-strong committee, giving his more dovish words some extra significance.

Meanwhile, data published yesterday showed the UK's trade deficit hit £12.5bn for June, the month of the Brexit vote, the worst-ever figures for the month.

Separate data showed Britain's manufacturing sector continued to shrink in the month leading up to, and including, the EU's membership referendum, although declines in output moderated slightly.

Official data will confirm the economic impact of the Brexit vote later this year, with current numbers taken from the run-up to the vote.

Dominic Konstam at Deutsche Bank said: "Given the BoE has suggested it is unlikely to pursue negative interest rate policies like other developed market peers, the central bank will probably be forced to buy up more government bonds."

On the wider market, South Africa's rand touched a 10-month high after election results in the country, where opposition parties made notable gains, received a positive reception from investors.

Michael Hunter, Nathalie Thomas and Mehreen Khan

$1.2982
Pound against the dollar, its first drop below $1.30 in 19 trading sessions

4
Number of times sterling has closed below $1.30 since the EU referendum

Monetary policy

Easing pressure likely to wane in Asia's emerging economies

Investors are betting two of Asia's big central banks — the Bank of Japan and Reserve Bank of Australia — will still need to ease monetary policy over the coming year, if not sooner.

That is in growing contrast to emerging economies, where waning deflationary pressures are trimming the odds of policymakers cutting interest rates this year.

Should the US economy's recovery remain on track, a rate rise from the Federal Reserve by the end of this year and an expected strengthening in the dollar could afford Asian central banks some monetary policy breathing space.

Simply on the basis of interest-rate levels, Indonesia has the most room to ease, with a benchmark borrowing rate of 6.5 per cent even after cutting in June.

Malaysia's key lending rate is 3 per cent, even after the central bank surprised markets in July with a 25 basis-point cut. South Korea and Taiwan most recently cut rates in June.

Analysts think that, with some signs of recovery in domestic economic data, as well as renewed expectations for a US rate rise and an expected strengthening in the dollar, policymakers in Asia might feel less pressure in having to ease policy again so soon.

For example, the Bank of Korea is expected to keep interest rates on hold this week as it takes its time to assess the impact of their most recent cut, as well as for recently announced fiscal stimulus measures to work their way through the economy.

There are still risks to Korea's outlook in the second half of this year, says DBS, pointing to the government's push for corporate restructuring in certain industries, as well as the persistent, external uncertainties.

"But the BoK has taken into account these risks when cutting rates preemptively in June. Unless the upcoming data deteriorate more than expected and/or new risks emerge, the BoK may not rush to further ease policy," DBS says.

A recovery in energy costs is eroding the threat of deflation. Oil prices, which slumped to a 12-year low in January below $28 a barrel, represent a significant portion of the CPI baskets for many Asian nations, particularly as a production — and transportation — cost for items such as clothing and food. Prices have recovered to about $45.

Analysts at ANZ Banking Group forecast oil to end the year at $54 a barrel, a development they say "will see the end of deflation in Asia".

The bank adds inflation rates of most Asian economies have gone up over the past six months, and says that its analysis "suggests that CPI inflation rates of most Asian economies would be invariant even if crude prices drop back to $30 or surge to $70, allowing their central banks to stay focused on addressing growth and other domestic issues".

The most recent readings on manufacturing activity have also been encouraging. China's manufacturing sector moved into expansionary territory in July for the first time in 17 months.

HSBC notes readings across Asia "looked a little better, with improving new export orders in Taiwan and Korea supporting those headline indices, although we saw a weak month of data in Indonesia".

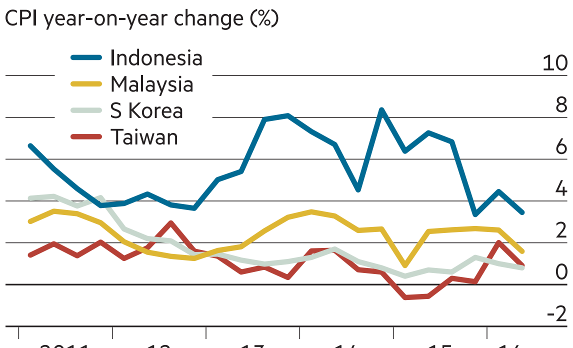
Gross domestic product growth has held up. The Indonesian and Korean economies both grew at more than a 3 per cent year-on-year pace in the June quarter, while Malaysia grew at more than 4 per cent in the March quarter, the most recent data available.

Taiwan, meanwhile, grew 0.69 per cent year-on-year in the June quarter, ending nine months of contraction.

Peter Wells

3%
Malaysia's key lending rate even after the central bank made a surprise cut in July

Inflation
CPI year-on-year change (%)



Source: Bloomberg

Analysis. Equities

Tips for returns in a world of modest growth

Amundi investment chief says traditional asset allocations are less prudent than 'risky' picks

DAN MCCRUM

One of only a handful of Frenchmen ever to take responsibility for $1tn of other people's money, Pascal Blanqué offers a sort of downbeat optimism about the world economy. Expansion, yes, just less than we are used to.

"Global growth is in the region of 3 per cent, fine. But the structure of global growth has changed, meaning that the contribution of manufacturing and global trade is down," says the chief investment officer for Amundi, a combination of Crédit Agricole's and Société Générale's fund businesses which became Europe's largest asset manager when it listed in Paris last year.

So investors conditioned to expect globalisation need to brush up on history, when growth was more modest. "We are back to a long-term framework, think before the inflationary years of the seventies," says the economist.

Yet some of his conclusions about this tepid world might be considered radical: the very lack of growth means stock market valuations are justified; investors should return to emerging markets; US bond yields may not rise even if the Federal Reserve wants them to.

"Many investors behave as if they didn't believe that interest rates would stay low for the foreseeable future. Or to say differently, they behave as if they were believing that rapid normalisation is around the corner," says Mr Blanqué, who disagrees.

"Interest rates will remain extremely low. In that case, if you look at most strategic asset allocations today, across the globe and in Europe specifically, they are suboptimal," he says.

Portfolios found in pension funds and asset managers are constructed by holding a combination of safe government bonds and risky stocks. "It was a comfortable framework [and] actually, it's gone. It's gone", says Mr Blanqué. "Those asset allocations are seen as prudent, but they are less prudent than an allocation that would include more so-called risky assets."

He advocates returning to emerging markets, one of the greatest sources of disappointment in recent years. "People have been trapped in the marketing bubble, with simplistic stories about the emerging markets' growth potential, currencies that can only go up," he says.

Radical rethink: Pascal Blanqué urges a return to emerging markets, one of the greatest sources of disappointment in recent years
Magali Delport

He says investors should consider internal dynamics, such as diversification of the economy in Malaysia, or rebalancing in China. "My problem is not to get an exposure to an exporter, necessarily, but to get an exposure to services. Or infrastructure in Thailand, these kinds of things," he says.

In developed markets, low growth and low interest rates mean scarce profits are valuable. "What is seen as extremely expensive today, it's probably less expensive than we think," says Mr Blanqué, with one caveat, that an extensive bout of deflation is avoided.

Instead, it is the policies employed by central banks to avoid the damage of deflation that matter, and continue to be underestimated eight years after the crisis forced authorities to adopt extraordinary stimulus measures.

Every large asset manager must persuade clients of some insight to the way ahead, particularly when cheap passive investment products continue to attract money from those charging higher fees.

With a collective failure by hedge funds over the past decade to generate "alpha", Mr Blanqué suggests an alternative more suited to a world of passive investment in stock and bond indices.

Pension funds and others will be persuaded to seek exposure to forces such as momentum or liquidity, rather than individual skill. "I'll take a bet that in three years' time we will be defining alpha as what is coming on top of a systematic exposure to some factors. This is what the factor investing revolution is about," says Mr Blanqué.

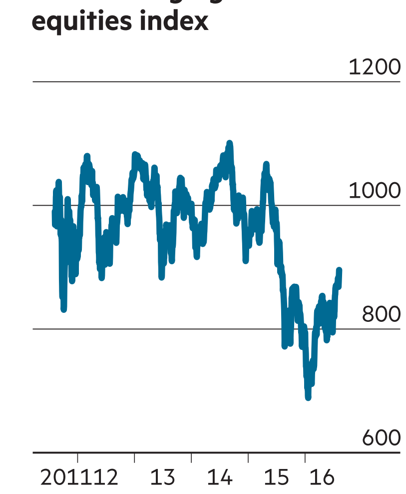
For now though, he says too many institutions still cling to familiar assumptions. For instance, he argues one of the biggest investment mistakes of the past three years was to prepare for higher bond yields, which would push down prices for securities where the interest rate is fixed at issue. "It creates a sort of feeling of comfort, we will go back to the old framework."

Yet it was also because many bond managers were stuck in a Fed-centric view, he says. It used to be enough to read the minutes of the central bank to work out what would happen to the yield curve, the arrangement of short and long-term interest rates that determines the shape of bond markets.

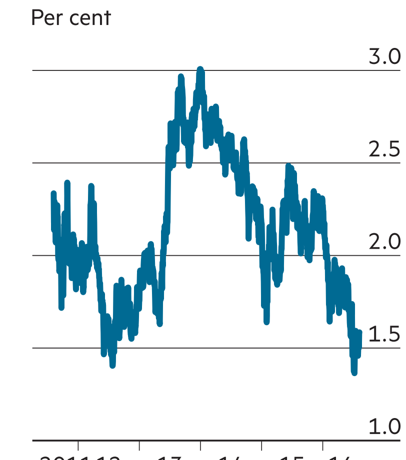
In the past, when base rates started to rise in response to growth, long-term interest rates would rise faster, reflecting expectations about future inflation. The yield curve would steepen.

"Now you've got a change in the DNA of most big central banks, outside the US, which means that you've got liquidity from Japan, Europe, etc," he says. Suppression of interest rates around the world, and the ease of investing in different currencies, means US bond yields are attractive and any rise "will be taken as an opportunity by European-based or Japanese-based investors which means, basically, that the Fed will struggle trying to steepen the curve".

MSCI Emerging Markets equities index



US 10-year Treasury yield
Per cent



Source: Thomson Reuters Datastream

Capital markets

Libor rise bumps up company borrowing costs

JOE RENNISON — LONDON
ERIC PLATT — NEW YORK

Companies face their first increase in borrowing costs since the financial crisis as incoming rules for prime money market funds spur higher short-term interest rates.

Payments on floating-rate loans issued by dozens of companies are set to rise as US dollar Libor (London interbank offered rate) has for a period of three months climbed above 0.75 per cent.

This level, alongside interest rate floors set at 1 per cent, is used on more than nine in 10 of the loans that comprise the $880bn S&P/LSTA Leveraged Loan index.

Analysts and investors expect Libor to continue rising as new rules governing prime money market funds are fully implemented in October.

That has reduced participation in commercial paper, pushing up short-term borrowing rates including Libor.

"As Libor crosses these floors, the amount of interest the companies have to pay is going to creep up," said Meredith Coffey at LSTA, an industry association.

The increase in Libor past 0.75 per cent will affect loans issued by Valeant Pharmaceuticals, office-supply retailer Staples and fragrance and cosmetics group Coty. These loans will reset higher when quarterly interest payments are due in the coming months.

The payments include a floating-rate component — in this case Libor — and a spread to compensate investors for the underlying credit risk.

"[Rates] will start floating after a very long time and it will be interesting to see how it shakes out," said Neha Khoda, a credit strategist with Bank of America Merrill Lynch. "For some companies it won't matter . . . but for some with limited cash flows, it will be significant."

The rise will also affect the vast universe of collateralised loan obligations — bonds backed by leveraged loans. For CLO investors in the lowest tranches, known as the "equity" slice, the impact can be significant.

Equity investors typically receive all income left over after more senior holders in the CLO have been paid. In exchange for the potential upside, these holders must tolerate the greatest risk of loss should underlying loans default.

As Libor has slowly crept higher, the income that CLO portfolios have collected on corporate loans with floors has stagnated. That has left less to pass on to equity holders, as the Libor paid to senior tranche holders has increased.

Trading room

BATS to target block trades ahead of Mifid II

PHILIP STAFFORD

BATS Europe is to introduce a new service to help asset managers trade large blocks of shares, in its final weapon for investors to comply with tough new European market rules.

The exchange is targeting so-called buy-side investors such as asset managers, hedge funds and pension funds who want to sell their big equity shareholdings without alerting the market they are willing to trade.

Such trading is commonly done off-exchange but new rules in Mifid II legislation from January 2018 are expected to reshape large investors' interactions with the market.

The rules limit the volume of business that can be done away from exchanges but BATS wants to take advantage of caveats that exempt orders above certain sizes and liquidity thresholds. They will prevent asset managers' deals being shown to the rest of the market.

BATS will license trading technology from Bids Trading, the US's largest block-trading venue by volume.

"It's the missing element in our trading strategy in response to Mifid II," said Mark Hemsley, chief executive of BATS Europe.

He said the difference was that people could make indications of interest, not firm orders, on Bids' systems.

Those indications firmed up into deals would be reported to the market by BATS' reporting service, the region's largest trade-reporting facility.

"This one is for large but infrequent trades," said Mr Hemsley, adding: "It doesn't go through the order book. It takes place off-exchange but is brought back on-exchange."

BATS, the largest pan-European exchange, is following rivals such as the London Stock Exchange Group-controlled Turquoise and Deutsche Börse in introducing new ways for large orders to be legally traded off-exchange.

The move also marks the first foray into the European market by New York-based Bids, which is owned by a consortium of broker-dealers, market makers and exchanges that comprise Bids' investors.

The service will be introduced by the end of the year and sit alongside BATS' existing on-and-off exchange order books, where traders place orders they intend to execute.

In addition, the exchange has a platform for continuous auctions of shares, allowing investors to trade large blocks of shares without worrying about being fastest to market.

TRADING POST

Jamie Chisholm

What could possibly go wrong? As we have noted before, the sight of US stocks at record highs and the CBOE Vix index below 12 gets some market watchers concerned.

The Vix — a measure of expected equity volatility — is known as Wall Street's fear gauge because it moves inversely to investors' risk appetite.

So when it falls to current levels, we usually see an outbreak of fretting that traders are so relaxed that the market has left itself too vulnerable to disappointment.

Bulls may counter that all this is fine because it allows investors to stay long the stock market and buy cheap protection via low option premiums.

However, it is the more flighty, speculative types that can tip the balance in a market and signs are that they are not adhering to this "protection" strategy.

US data show speculators in E-mini S&P 500 futures are long 111,000 contracts, compared with short about 250,000 nearly a year ago, according to Reuters.

But at the same time traders are net short 115,000 Vix futures contracts, meaning, in simple terms, they have been betting on the Vix going down.

The short Vix figure is a fraction shy of the record seen in 2013. And fresh short positions are being added at a greater level than longs.

The CBOE says the put/call ratio for Vix options hit 1.77 on July 29 and 1.87 on August 1.

They are the fourth and third highest daily put/call ratio readings since January 2013.

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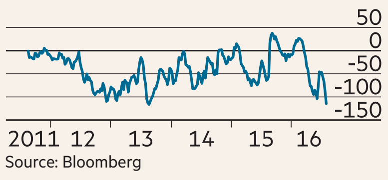
Vix futures net positioning
'000 contracts



Source: Bloomberg

Global overview

European stocks charge ahead as bulls focus on stimulus prospects

Hopes of further central bank easing help FTSE 100 to 14-month high while earnings reports add impetus in Germany

DAVE SHELLOCK

US FTSE equity indices inched up to fresh record highs and their European counterparts put in strong performances as market bulls focused on the prospect of continued central bank policy accommodation.

Benchmark UK government bond yields fell to record lows and sterling spent much of the session below the $1.30 mark after Ian McCafferty, a member of the Monetary Policy Committee, reiterated that the Bank of England could expand its package of easing measures.

The remarks chimed with the view that the Federal Reserve would be in no hurry to raise interest rates again and that other central banks would retain an easing bias. Spanish and Irish sovereign yields also traded at record lows.

"Following comments by the Fed's [Jerome] Powell, warning that the US was at risk of being trapped in low growth, the BoE's McCafferty warned that the cash rate could be cut further closer to zero and quantitative easing could be stepped up," said Hans Redeker, head of global FX strategy at Morgan Stanley.

"The release of weak Australian consumer and business confidence data has pushed more private forecasters into our camp suggesting the Reserve Bank of Australia cutting rates next year. We expect the Reserve Bank of New Zealand to cut rates when it meets on Thursday."

Sterling hit a one-month low against the dollar of $1.2957 in the wake of Mr McCafferty's remarks, before pulling back to $1.3010, still down 0.2 per cent on the day. The pound was down 0.4 per cent against the euro at €1.1708.

The 10-year gilt yield touched 0.563 per cent before ending the day at 0.58 per cent, down 3 basis points.

Esther Reichelt, currency analyst at Commerzbank, highlighted that the BoE had already communicated that further policy easing could be required in the statement accompanying last week's policy decision.

"The repetition of well-known information therefore does not seem a suitable explanation for today's [currency] move," she said. "Instead, the move seems to be due to technical factors, as an important psychological mark — $1.30 — was also broken in sterling/dollar."

Nevertheless, the pound's weakness helped bolster the FTSE 100 **equity** index as it climbed 0.6 per cent to a fresh 14-month high.

But it was German stocks that caught the eye in Europe as the Xetra Dax leapt 2.5 per cent — helped by some well-received earnings reports — leaving it more than 20 per cent up from a 2016 low hit in February, the usual definition of a bull market.

On Wall Street, the S&P 500 hit an all-time intraday peak of 2,187.66 in early trade and was up 0.3 per cent at 2,186 by midday in New York — surpassing the record close set on Friday.

The technology-heavy Nasdaq Composite index was 0.5 per cent higher and trading above its own record intraday high set high last July. The CBOE Vix volatility index, watched as broad gauge of risk aversion, was down 2.4 per cent at 11.23, the lowest in two years.

Stock markets on both sides of the Atlantic failed to find any support from volatile trading in the **oil** markets.

Brent crude, the international energy benchmark, was flat at $45.38 a barrel after swinging between $44.80 and $45.77. US West Texas Intermediate was down 0.2 per cent at $42.95.

Both measures rose sharply on Monday after news that Opec had called an informal meeting for next month raised the possibility of an output freeze. Analysts, however, remained sceptical that any such move could be agreed.

Meanwhile, the shift lower in UK gilt yields was mirrored in other **government bond** markets. The 10-year Spanish yield touched 0.97 per cent, while Ireland's hit 0.37 per cent.

The yield on the 10-year US Treasury was down 2bp at 1.56 per cent, 24bp above a record low struck a month ago. The 10-year German bond yield slipped 2bp to minus 0.06 per cent.

Meanwhile, the dollar's post-payrolls report ascent ran out of steam with the US **currency** falling 0.3 per cent against a weighted basket of peers. The euro was up 0.1 per cent at $1.1106 and dollar/yen was 0.5 per cent weaker at ¥101.89.

"The US currency largely shrugged off [Monday's] news of Republican presidential nominee [Donald] Trump's tax reform proposals," said Chris Turner, strategist at ING.

"While some of the proposals may be seen as dollar positive, the ongoing questions remain in terms of trade policies and the risk of protectionism. Should concerns rise about the latter in the run-up to the elections, this is likely to be dollar/yen negative and further weigh on the cross."

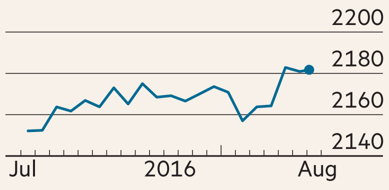
Gold was up $4 at $1,339 an ounce.

EPA/Andy Rain

Pension fund problems, long-dated debt: FT.com/video
BlueBay's Mark Dowding looks at the difficulties facing the sector, which is suffering due to easing and regulatory rules

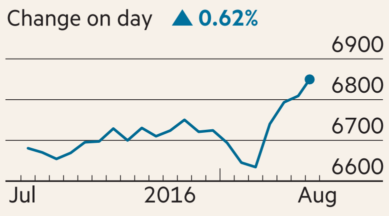
Markets update

S&P 500 index
Change on day ▲ 0.07%



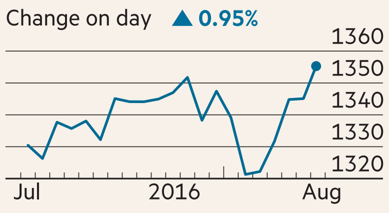
US equities The S&P 500 and the Nasdaq Composite both reached fresh intraday record highs in early trade, although a pullback for oil prices helped to limit further gains

FTSE 100 index
Change on day ▲ 0.62%



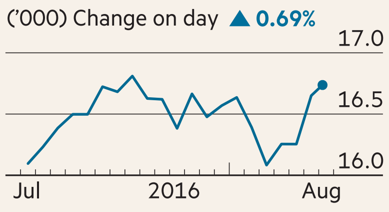
UK equities Standard Life jumped 6.8 per cent after reporting a rise in assets under management, helping the FTSE 100 hit a 14-month high. The index has risen nearly 10 per cent so far this year

Eurofirst 300 index
Change on day ▲ 0.95%

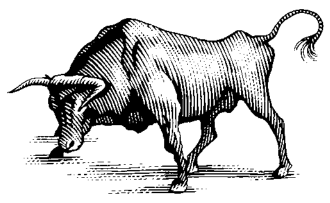


European equities Frankfurt stood out as the Xetra Dax jumped 2.5 per cent to its highest level this year, taking its gain since hitting a low in February to more than 20 per cent

Nikkei 225 index
('000) Change on day ▲ 0.69%



Japanese equities The Nikkei touched a two-week high after recovering from an early dip, although trading volume was seasonally light



Wall Street

Gap takes a tumble as sales slide fuels concern over turnround strategy

Mamta Badkar and Pan Kwan Yuk

Gap was the biggest decliner on the S&P 500 yesterday after the retailer's latest sales figures showed that the turnround at the company has yet to take hold.

Shares in Gap fell 6 per cent to $24.06, taking its decline so far this year to 2.4 per cent, after the retailer behind Old Navy, Banana Republic and its eponymous brand, said like-for-like sales dropped 2 per cent globally in the second quarter and were down 4 per cent in July.

Gap previously attributed weak sales at Banana Republic to a string of fashion misses and had said that there would be a turnround by spring when the company brought out its latest designs.

But the retailer faced "challenging" traffic in May and July and was "maintaining a cautious view of the retail environment in the second half".

The group said same-store sales, a key industry metric, fell 9 per cent at Banana Republic in the second quarter. Things did not improve in July, with sales falling 14 per cent from a year ago, wider than analysts' estimates of a 6 per cent drop.

At Old Navy, same-store sales were flat in the second quarter and July, missing expectations for a 1 per cent gain last month. At its Gap brand, comparable sales fell 3 per cent in the quarter and were down 4 per cent in July from a year ago.

However, the company expected adjusted earnings in the range of 58 to 59 cents a share in the second quarter, ahead of analysts' estimates.

The sell-off in Gap shares arrived as the S&P 500 and Nasdaq rose to all-time intraday highs. By midday, the S&P 500 climbed 0.3 per cent to 2,187.01 and the Dow Jones Industrial Average rose 0.3 per cent to 18,580.10. The Nasdaq Composite gained 0.5 per cent to 5,237.89.

The tough retail environment was highlighted by US handbags and accessories company **Coach**. The retailer, which is trying to reverse two years of falling sales, saw its shares fall 1.5 per cent to $40.82 after it issued a tepid outlook for fiscal 2017.

Elsewhere, cruise line stocks were facing rough seas. Shares in **Norwegian Cruise Line** dropped by the most in three months after it chopped its earnings forecast for this year and abandoned its financial targets for 2017.

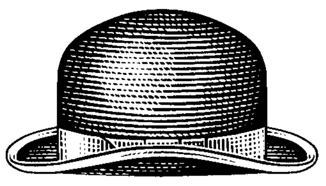
The Miami-based company said recent terror attacks in Paris, Brussels and Turkey had caused a sharp drop-off in demand from North American travellers for Mediterranean cruises, while the weak pound had taken a bite out of the value of its overseas sales.

Norwegian shares, down nearly 27 per cent so far this year, dropped another 9.3 per cent to $39.14. Shares in rival cruise operators **Carnival** and **Royal Caribbean Cruises** also took a knock, falling 2.3 per cent to $45.39 and 5.3 per cent to $70.09 respectively.

Gap
Share price ($)

Source: Thomson Reuters Datastream

Indices	Close	Day's change
S & P 500	2186.12	5.23
DJ Industrials	18572.12	42.83
Nasdaq Comp	5235.42	22.28
Russell 2000	1204.70	-8.35
VIX	11.27	-0.23
US 10 yr Treas Bd	1.57	-0.02
US 2 yr Treas Bd	0.74	0.02



London

Carnival dips on worries over a potential drop in US tourist numbers

Bryce Elder

Cruise operator **Carnival** was a faller yesterday after a profit warning from a rival deepened concerns about US tourists avoiding Europe.

Norwegian Cruise Line, the industry's number-three operator, cut its 2016 and 2017 earnings guidance to reflect poor demand for European sailings from North America. A weaker pound following the Brexit vote amplified the effect, as did weak pricing for Caribbean berths sailing from Miami.

Norwegian had cautioned at an investor meeting three weeks earlier that terrorism in Europe and the Middle East had affected US demand for Mediterranean cruises, its core market, so downgrades had been expected. The depth of the cuts surprised, however.

Carnival, down 2.4 per cent to £35.89, said with quarterly results in June that it would cut Med capacity by 10 per cent next year with ships moving to the more profitable Caribbean and Alaskan markets. North American customers made up just over half of Carnival's sales last year with close to 30 per cent of capacity deployed in Europe.

A wider market rally lifted the FTSE 100 to a new 14-month high, up 0.6 per cent or 42.17 points to 6,851.30 as sterling hit a four-week low.

EasyJet — lately the subject of speculation about potential interest from financial buyers — took on 3.6 per cent to £10.76. Cantor Fitzgerald added easyJet to its "buy" list, arguing that the airline has been oversold on concerns about trading, disruption to operations and Brexit.

"We believe that travel spend across Europe will be more resilient than some investors fear. Moreover, easyJet can use its financial strength to discount aggressively and build share," said Cantor, which set a £13 target.

Film and TV studio **Entertainment One** jumped 9.9 per cent to 217.5p amid a revival of talk that it could be a target for peers including ITV, which was rumoured in June to have been working on a 240p per share offer. People familiar with the companies once again played down the speculation.

Dealers also noted a mention for Entertainment One in Livermore Partners' latest letter to investors.

The activist hedge fund, which in May called for Entertainment One to strengthen its board or start returning cash, said in the letter that the company "seems to be listening to our ideas".

Legal & General dropped 5.5 per cent to 206p after the insurer cut guidance for future cash growth, due to the need to hold more cash after the Brexit referendum vote.

Sector peer **Aviva** faded 1.1 per cent to 418.5p after Macquarie downgraded to "neutral". Among the broker's concerns was that Aviva's property portfolio might be subject to further charges after the group reduced assumed values by 10 per cent with its recent half-year results.

Markets & Investing
FINANCIAL TIMES

INSIGHT

Michael Mackenzie

Fed's summer lull sees investors 'whistling past the graveyard'

Periods of calm across markets rarely last long and August has a history of turning decidedly ugly for investors.

This summer has been distinguished by very supportive central banks, with the Bank of England's kitchen sink effort in the wake of the Brexit vote just the latest example of the "central bank put" pumping up asset prices. With many central banks still looking to ease policy, one stands apart and holds the key to whether global equities can keep climbing, led by US share prices setting a record pace.

In the wake of last week's robust employment data, the shadow of tighter US Federal Reserve policy and, by extension, that of a firmer dollar remains faint with little prospect of a sharper outline emerging over the coming weeks.

For now, complacency reigns, with the US bond market and many investors convinced the Fed will stick to the policy sidelines and keep interest rates low for a long time.

Two solid months of job gains in June and July fall into the camp of constituting the best of both worlds for markets. US equities are rising on the idea that second-half activity might gather pace and hopefully ignite earnings growth, while the bond market shrugs off a strong jobs print and continues to expect no action from the Fed.

Market expectations of a US interest rate tightening only rise above 50 per cent by March of 2017. The current two-year Treasury note yield of 0.72 per cent remains below last December's level of 1 per cent, when the Fed finally began tightening policy.

Such a belief in the mantra of "lower for forever" against the backdrop of aggressive bond purchases by other central banks has compressed global bond yields and spurred a stampede into emerging market sovereign debt that sport higher fixed returns because they also reflect a greater degree of risk.

> Investors largely view the world through the lens of secular stagnation

As measures of market volatility compress ever tighter and the search for yield embraces risqué areas of bond land, investors are largely viewing the world through the lens of secular stagnation.

The idea that the US economy will shift into a higher gear and trigger a reappraisal of the dollar with dangerous consequences for elevated emerging market prices, let alone US assets, notably expensive looking bond proxies — the shares of high dividend paying companies — appears a dim prospect to investors. One can't blame them for whistling past the graveyard at this juncture, however.

Playing a role is the calendar, with the Fed not meeting until well into next month. As Lou Crandall at Wrightson Icap notes: "There is still plenty of time for events to undermine the case for a rate hike, as they have done repeatedly in recent quarters. It is much too early to say with confidence that the data will line up in favour of a rate hike on September 21."

The annual gathering of central bankers at Jackson Hole in late August, with a speech from Janet Yellen, will probably offer little new information about the policy outlook.

Not until we see the tone of the August jobs data early next month, does the potential beckon for a stronger reaction from investors and the dollar. This is when things might become interesting. Based on employment and inflation considerations, a tightening of US policy from a meagre 0.25 to 0.5 per cent range is warranted.

Longview Economics makes the point that two forces — growing wages via a tightening jobs market and accelerating credit and money supply growth — support higher US service sector inflation.

"The risks to the consensus view are therefore skewed to the upside, with the growing likelihood that the Fed is forced, at some stage, to once again begin taking up the prospect of rate hikes," says Chris Watling at Longview.

Such talk, however, raises the prospect of a stronger dollar, and as we have often heard, Fed officials do worry about financial market turmoil stemming from a rejuvenated reserve currency tightening financial conditions.

At some point and perhaps sooner than the market thinks, US policy officials need to break this impasse. The longer the Fed stays on the sidelines, the more distorted markets become, storing up a much more painful outcome for investors.

michael.mackenzie@ft.com

Analysis. Currencies

Beijing masters lessons of renminbi shock

China's central bank has learnt that communication can foster a calmer market

JENNIFER HUGHES — HONG KONG
YUAN YANG — BEIJING

This time last year, the biggest early-day news about the renminbi appeared to be an announcement of a new, improved Rmb100 note to fight counterfeiting. It was until the central bank fixed the renminbi 1.9 per cent weaker than it had the previous day.

That change in the daily fix, around which the onshore renminbi trades 2 per cent either side, was five times the size of any fix move by the People's Bank of China before then.

One year on, and the renminbi market is more or less calm once more as those speculating on further falls have either given up or found more profitable bets elsewhere.

The events last August forced the PBoC to communicate better, and taught investors that alongside the maxim "don't fight the Fed" they should perhaps add "don't push the PBoC".

"The motive [for currency reform] was right but they fumbled the process [last August], and they've learnt a lot since," said David Mahon, chairman of Mahon Beijing Investment Management Advisors. "Western observers make too much of what they see as currency manipulation."

The PBoC's increased willingness to communicate is the biggest change. On August 11, the momentous fixing was accompanied by a very brief statement that talked only of a "one-time adjustment" and a shift — with no details — to a market-focused regime.

That limited information prompted fears the depreciation was really a sign China's economy was in far a worse state than realised and that the PBoC's control over capital flows could be cracking.

Communications have developed in several steps. In December the PBoC began publishing the composition of the basket of currencies against which it tracks the renminbi. Analysts have concluded that the central bank does follow market pricing in setting the renminbi fix — at least, to a far greater degree than before, and so long as it suits it to.

Source: Thomson Reuters Datastream

> Renminbi's five-year low was not met with anything like the fevered reaction seen last August

Talking publicly was a bigger challenge: Zhou Xiaochuan, PBoC governor, only broke silence in February, in a magazine interview.

"PBoC officials have stepped up their communication game," said Frederic Neumann, head of Asian economic research at HSBC. "They [have] let investors understand that [currency reform] is about flexibility, not an opening shot in the global currency wars."

The central bank has also demonstrated it is prepared to play hard ball. In January, intervention in the offshore market hurt short-sellers and capped the renminbi's fall. Meanwhile, new reserve requirements, imposed on offshore deposits for the first time, sent short-term renminbi borrowing rates in Hong Kong negative for a day. The renminbi ended the quarter stronger.

Bearish bets appear to have been rethought to the extent that last month, as the renminbi slipped to five-year lows, it was not met with anything like the fevered reaction seen last August.

The PBoC's actions have also made it clear that China maintains a strong grip on its capital account.

After its FX reserves fell by more than $100bn in both December and January subsequent outflows slowed sharply amid reports China was tightening its controls in several ways.

Some of these enforced existing rules. While approval had always been needed from the State Administration of Foreign Exchange for big overseas acquisitions, there was now a sense that "you really had to have a deal worth prioritising above other outbound investments", according to one source.

From February, the PBoC started capping the transactions of mainlanders buying life insurance in Hong Kong to stop them from exploiting a loophole to move funds offshore.

SAFE stopped allocating quotas allowing domestic investors to invest abroad, and stopped its launch of the second Qualified Domestic Institutional Investor scheme which allows domestic investors to buy equity abroad.

Officials also began encouraging big banks and would-be acquirers of foreign companies to borrow in dollars to create cash pools offshore rather than move renminbi. The final reason for the lack of recent upsets may simply be that other crises have emerged elsewhere.

Capital markets

BoE stimulus helps yields hit record lows

ELAINE MOORE
AND MEHREEN KHAN

UK gilt yields and bond benchmarks in Spain and Ireland plumbed all-time lows yesterday, as the tailwind from the Bank of England's restoration of quantitative easing gathered pace.

Global equity and bond markets have been buoyed by the UK's decision last week to cut interest rates to 0.25 per cent — the lowest level in the BoE's history — and launch a £70bn quantitative easing programme that will include government and corporate bond purchases.

With the BoE joining central banks in Japan and the eurozone in buying large amounts of sovereign bonds, global benchmark yields continue declining to new lows, exacerbating the matching of future long-term liabilities for pension plans and insurance companies.

Long-dated bonds have generated double-digit gains for investors so far this year with a gilts index up nearly 16 per cent for 2016, according to Barclays indices.

"Central banks in Europe, Japan and now the UK are aggressively combating the problem of low inflation," said David Zahn, head of European fixed income at Franklin Templeton.

"I expect European bond markets to be supported by central bank QE programmes over the long term."

Yesterday, UK 10-year bond yields hit a record 0.56 per cent as the BoE began buying gilts with maturities of more than 15 years. The yield on 30-year gilts fell to an all-time low of 1.36 per cent.

Spain's 10-year bond yield fell below 1 per cent for the first time this week as the prospect of long-term central bank easing outweighed investor concerns about Spain's inability to form a proper government since inconclusive elections in December.

Benchmark 10-year Irish bond yields also set a record low of 0.37 per cent yesterday, while demand for Italian government bonds was firm in spite of ongoing banking problems that threaten to derail the reforms of prime minister Matteo Renzi.

Italy's benchmark 10-year yield dipped to 1.11 per cent, approaching its 2015 nadir, as investors also shrugged off a decision by rating agency DBRS to place the country on credit watch last week.

Francis Diamond, gilts strategist JPMorgan, said the usually quiet trading month of August had amplified the effect of the BoE's new plan.

"We are now in the full flow of QE and because the UK's programme has begun in August, when markets are relatively illiquid, yields could keep grinding down."

Ian McCafferty, a BoE rate-setter and traditionally one of its most hawkish members, said he would join his fellow eight members in voting for another rate cut should the economy show further signs of deterioration.

"If the economy proves to have turned down in line with the initial survey signals, I believe that more easing is likely to be required, but that can easily be delivered in coming months," Mr McCafferty wrote in The Times yesterday.

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