

CITY A.M.



BUSINESS WITH PERSONALITY

FLAGGING? TOP TIPS ON HOW TO STICK WITH YOUR FITNESS AMBITIONS **P18**

RATE OF CHANGE WHAT SHOULD THE BANK DO TOMORROW? **P15**



WEDNESDAY 29 JANUARY 2020 | ISSUE 3,544

CITYAM.COM

FREE

MIXED RECEPTION

US LEADERS AND TORY BACKBENCHERS ROUND ON JOHNSON AFTER GOVERNMENT GREEN LIGHTS 'HIGH RISK' FIRM

Apple defies expectations in profit rise

EMILY NICOLLE

@emilyjnicolle

APPLE reported earnings and revenue above Wall Street estimates late last night, proving its streak of success continued to rise during the crucial Christmas trading period and defying fears over the impact of coronavirus.

The iPhone maker reported a profit of \$22.2bn (£17bn) for the three months to the end of December 2019, reaching a new all-time high.

Revenue came in at \$91.8bn compared to analyst estimates of \$88.5bn, a rise on nine per cent year on year and trouncing Apple's own guidance for the quarter.

New iPhone models powered much of its sales increase, as well as soaring demand for products such as its Apple Watch and AirPods.

The tech giant said for the upcoming quarter it expected revenue of between \$63bn and \$67bn, compared to analyst estimates of \$62.45bn.

The beat cheered investors who had been seeking to evaluate how the Chinese epidemic could affect Apple's production in the region. Shares jumped more than 2.7 per cent in extended trading.

However the range of Apple's guidance had widened, which boss Tim Cook said was down to the unpredictable nature of the virus' rapid global spread.

CATHERINE NEILAN AND JAMES WARRINGTON

@CatNeilan @j_a_warrington

DOWNING Street was last night riding out a storm over its decision to greenlight Huawei's involvement in building the UK's 5G network, as it was attacked by politicians on both sides of the Atlantic.

Following a National Security Council (NSC) agreement, the government will allow the Chinese tech giant limited access to the infrastructure as a "high risk vendor". Huawei will be blocked

from the core part of the system, while its market share will be capped at 35 per cent of "non-sensitive parts of the network".

Huawei will also be excluded from sensitive geographic locations, such as nuclear sites and military bases.

CityA.M. understands there are a very small number of locations currently using Huawei equipment, but this will be stripped out in order to safe-guard future security as the firm's technology becomes more sophisticated.

The controversial move had been on a "knife edge", one NSC-attending

minister told CityA.M. — however Downing Street stressed the final verdict was the best way to deal with the "market failure" that left it without alternatives. The only other option would have been to delay the rollout of 5G until other players were in a position to take up the mantle, estimated to be at least a year away.

It is understood UK officials had been having hourly conversations with their US counterparts in the run-up to the announcement. Whitehall is not expecting any retaliation from Washington, either through looming

trade talks or by being ejected from the multinational Five Eyes intelligence alliance, which officials have stressed would come under no risk.

US President Donald Trump was uncharacteristically tightlipped yesterday, but US senator Mitt Romney branded the move "disconcerting".

He added: "By prioritising costs, the UK is sacrificing national security and inviting the CCP's surveillance state in. I implore our British allies to reverse their decision."

CONTINUES ON P5

'Flash crash' trader sentenced to one year of house arrest after US court battle

ANGHARAD CARRICK

@angharadcarrick

THE BRITISH trader responsible for the so-called flash crash in 2010 has been sentenced to one year home incarceration.

Navinder Sarao was arrested in 2015 and pleaded guilty to illegally manipulating the stock markets.

The sentence, which was handed down by a Chicago court yesterday, was thrown into doubt after lawyers said it would be unenforceable outside the US, according to the Guardian.

Following recess, Judge Virginia Kendall said she was satisfied Sarao would only be allowed to leave his west London home in a handful

of circumstances.

Sarao said: "I made more money than I could ever have imagined and it didn't make me happy. My guilt is heavy. I humbly ask your mercy and can assure you I will never do anything illegal again."

In a sentencing memo earlier this month, the US Department of Justice (DoJ) said Sarao should not

serve more jail time due to his "extraordinary cooperation".

Sarao had faced between six and a half and eight years imprisonment, but US prosecutors called for leniency in sentencing. They cited his previous cooperation, his autism diagnosis and that he had lost over £40m to fraudsters.

Prosecutor Michael O'Neill said

yesterday: "The defendant was clearly not motivated by money, greed, or any desire for a lavish lifestyle. His only significant purchase was a £5,000 car."

Following his guilty plea, the Brit testified against his former partner Jitesh Thakkar, who was charged with conspiring to spoof the market. Thakkar was acquitted.

FTSE 100 ▲ 7,480.69 +68.64 FTSE 250 ▲ 21,433.06 +129.39 DOW ▲ 28,722.85 +187.05 NASDAQ ▲ 9,269.68 +130.37 £/\$ ▼ 1.300 -0.006 £/€ ▼ 1.180 -0.004 €//\$ ▼ 1.101 -0.001

CITY A.M.

THE CITY VIEW

Johnson's Huawei 5G gamble is exactly that

SO, THEY'RE in. After all the hullabaloo of recent weeks, the actual announcement that Huawei will be granted access to the UK's 5G infrastructure was something of a damp squib, slipped out in a press release that didn't even dare mention the name of the Chinese company. This is Boris Johnson's first major decision, and it may come to be seen as his most impactful. Most people think of 3G and 4G as networks offering speedier data access and downloads on mobiles, but 5G is a rather more dramatic step up. It is revolutionary technology that can, in theory, support self-driving cars, power connected smart cities and deliver the so-called internet of things. It can provide reliable real-time updates on transport, on production statistics, on logistics tracking. All well and good – as long as the wiring underpinning it is sound. Johnson evidently feels that our future relationship with China, and therefore its state-linked telecoms outfit, will not put that wiring at risk. That this is a decision that has come from the National Security Council, that there are caps on Huawei's market access, and that the firm has been designated a "high risk vendor" suggests that the government is not blind to the possibilities that this deal carries great risks. It is also true that some of the caps are slightly bizarre; Huawei, for instance, will not be allowed access to 5G infrastructure around nuclear sites, but at least one of those nuclear sites is being built by the China General Nuclear Power Group, a state-owned outfit accused of stealing nuclear secrets from the US. But to govern is to choose. Johnson's government, on the advice of security officials, has decided that the risks of Chinese interference in the UK's technological infrastructure are lesser than the economic risks which come from failing to keep up in the global race for fully functioning 5G connectivity. The National Cyber Security Centre yesterday was at pains to make clear that it understands the risks and has strategies in place to manage them. At the heart of this is a broken market. Even the government's own cyber wonks describe the fact that only Nokia, Ericsson and Huawei can run 5G in the UK as "crazy", and have proposed a host of fixes to encourage real competition. China distorts the market, of course, having ploughed billions into the development of Huawei's technology. Downing Street insists it's smoothed things over with its US counterparts, and there is no risk to intelligence sharing. But Congress now plays host to plenty of furious US politicians, and when it comes to a future trade deal, the UK will need all the friends there it can muster. Johnson has rolled the dice. Time will tell where it lands.

Follow us on Twitter @cityam

OBITUARY

NICHOLAS PARSONS Beloved broadcasting legend and host of BBC Radio 4's Just a Minute dies aged 96 following a short illness



NICHOLAS Parsons, star of BBC Radio 4's Just a Minute, has died aged 96 following a brief illness. Parsons had hosted the show, in which guests have to speak on a subject for a whole minute without hesitation, since its inception in 1967. Outgoing BBC director general Tony Hall said: "No one deserves to be called a broadcasting legend more than Nicholas Parsons."

Cut minimum salaries for work visas, report urges

CATHERINE NEILAN

@CatNeilan

LONDON is expected to see the biggest impact from the proposed shakeup to the UK's immigration system, a government-commissioned report warned yesterday.

The Migration Advisory Committee (MAC) set out a two-pronged approach for the government to build its post-Brexit framework for work visas.

It recommended deploying a combination of a points-based system along with cutting the salary threshold for jobs to £26,500.

The MAC recommended that the threshold for skills be broadened out to include "medium" level skills, such as those relied upon by the construction sector, but not so low to include skills such as waiting tables.

The report said its recommendations would reduce levels of immigration

and the country's total GDP, although there would be a "very slight" increase to GDP per capita and productivity.

Outgoing MAC chair professor Alan Manning said it would be a more "relaxed" system for most migrants although it would be more restrictive than the freedom of movement currently enjoyed by EU migrants.

Given the number of EU migrants living in London, the capital will bear the brunt of the impact, he said.

"The estimated impacts of our recommendations also vary across the regions... with the largest predicted impacts in London."

If the proposals in it had been implemented in 2004, when Poland and other eastern European countries joined the EU, it would have led to a 3.3 per cent drop in London's GDP over that period.

While giving the report a cautious welcome, business groups said they

needed more clarity and urged the government to work with them before drawing up a bill, expected to be brought forward in March.

Matthew Fell, from the CBI, said: "A new immigration system that is fair and sustainable is as important for many firms as our future trading relationships. Reducing the headline salary threshold will be welcomed by businesses, which argued that a £30,000 cap would be damaging."

Miles Celic, chief executive of The City UK, said: "Britain's success is built on openness. Being able to attract and retain the most talented people is a critical part of that."

Jasmine Whitbread, chief executive of London First, added: "It is positive that the MAC has met business halfway on the salary threshold recognising that £30,000 would decimate key sectors such as construction, hospitality and social care."

FINANCIAL TIMES

TRUMP ANNOUNCES HIS MIDDLE EAST PEACE PLAN

US President Donald Trump said yesterday that his long-delayed Arab-Israeli peace plan would lay the foundations for "a realistic two-state solution," but it appeared to require the Palestinians to give up key negotiating positions they have fought for over the past three decades. Setting the tone for a plan weighted in favour of Israel, the US President said Jerusalem, the holy city, would be the undivided capital of the Israeli state.

RENAULT NAMES NEW CHIEF EXECUTIVE LUCA DE MEO

Renault has named former Volkswagen and Fiat executive Luca de Meo as its

WHAT THE OTHER PAPERS SAY THIS MORNING

chief executive as the French car maker seeks to stabilise the company, following the chaos that engulfed the group after the ousting of former boss Carlos Ghosn more than a year ago.

THE TIMES

SWISS OPERATOR SECURES A MAJOR UK TRAIN DEAL

Days before Britain leaves the European Union, the Department for Transport has spent £357m of taxpayers' money for new trains for the Tyne and Wear Metro to be built overseas. Rather than have the rolling stock made nearby at Newton Aycliffe, the British home of Hitachi Rail, it will be built 900 miles away by Stadler, the Swiss train maker.

GRENFELL CONTRACTORS KNEW ABOUT CLADDING

Contractors in charge of the refurbishment of Grenfell Tower knew that cladding wrapped around the building would fail in the event of a fire, the inquiry into the tragedy was told.

THE DAILY TELEGRAPH

PRINCE ANDREW SAYS HE RECEIVED NO FBI REQUEST

The Duke of York last night hit back at the FBI, claiming he had received no request to speak to them about Jeffrey Epstein as victims urged him to "stop playing games" and assist the investigation. He was said to be "angry and bewildered" at claims that he had refused to cooperate.

TODAY PROGRAMME TOO COMBATIVE, SAYS TONY HALL

The BBC's political interviews have been too combative and contributed to a toxic political discourse designed to "catch out" ministers live on air, director general Tony Hall has said, as he prepared to cut hundreds of news jobs.

THE WALL STREET JOURNAL

US NATIONAL DEBT TO RISE TO 98 PER CENT OF GDP

Sustained federal budget deficits and debt will hit the highest levels since World War II over the next decade in the US, the Congressional Budget Office projected, following multiple rounds of tax cuts and continued increases in federal spending.

MATCH GROUP CHIEF MANDY GINSBERG STEPS DOWN

Match Group chief executive Mandy Ginsberg is stepping down as she faces challenges in her personal life, according to an internal memo, marking a leadership change at the dating app-company months before its planned spinoff.

Beales collapse leaves auditors under spotlight

EXCLUSIVE
JESS CLARK
AND JAMES BOOTH

@jclarkjourno @Jamesdbooth1

THE FIRM responsible for auditing Beales department store's financial accounts is expected to face scrutiny after it emerged the retailer collapsed just over four months after being given a clean bill of health.

City A.M. understands that the Institute of Chartered Accountants in England and Wales (ICAEW) has made early-stage enquiries into Nexia Smith and Williamson's audit of Beales' financial figures.

The audit firm signed the retailer off as a going concern in September, however the company had launched a strategic review to assess a potential sale by December before it fell into administration earlier this month.

More than 1,000 jobs are at risk after KPMG was appointed as administrator on 20 January, as the retailer was

unable to secure a deal to stave off the collapse. Concerns have been raised over how the department store was given the all clear a short amount of time before it failed.

John Lord, a partner at law firm Knights, told City A.M.: "Claims against auditors are not easy to bring, it may well be that there is an investigation to see whether they have got everything... or whether they were kept in the dark."

He added: "Because of the proximity of time between the sign off and something going badly wrong I would have thought there will be some scrutiny in relation to this – not least because it's a big established name. There will be a significant number of angry creditors who are not going to get paid."

Prem Sikka, emeritus professor of accounting at Essex Business School, said: "How did the auditors corroborate management claims? The accounts provide no clues."

'ABJECT FAILURE' Charges against five Extinction Rebellion protesters dismissed

A CITY judge said he had to dismiss charges against five activists yesterday, who had glued themselves to the London City Airport concourse, after an "abject failure" by the CPS. A police officer, who was a key witness, had booked time off during the trial and so failed to give evidence.



Foreign Office warns against travel to China

ANGHARAD CARRICK

@angharadcarrick

THE FOREIGN Office yesterday warned against "all but essential travel" to mainland China amid the coronavirus outbreak which has spread across the globe.

Foreign secretary Dominic Raab added: "We are working urgently to finalise arrangements for an assisted departure from Hubei for British nationals this week."

Hong Kong leader Carrie Lam announced yesterday that travel between the territory and China will be suspended from tomorrow in a bid to halt the spread of infection. Hong Kong Airlines and Cathay Pacific have said they would halve the number of mainland flights to operate in line with the government's new directives.

The death toll rose to over 100 yesterday, with the number of confirmed coronavirus cases doubling to nearly 5,000.

Germany also confirmed that its first case was the result of human-to-human transmission.

The Department of Health and Social Care said 73 people had been tested for the virus in the UK, but all were confirmed negative.

Just Eat takes a bite out of Uber Eats in McDonald's delivery deal

POPPY WOOD

@poppyeh

JUST Eat yesterday became the second UK delivery firm to partner with McDonald's after signing a multi-million-pound deal with the fast food chain.

The delivery giant, which is set to enter a £6bn merger with Dutch firm

Takeaway.com, said the partnership will hit the road later this year. It comes as a blow to rival Uber Eats, who until now was locked in an exclusive delivery partnership with McDonald's in the UK.

Just Eat sales jumped eight per cent in 2019 after the firm secured partnerships with high-profile chains such as KFC and Burger King.

By the side of business in London

Working with the business, we supported Jude's Ice Cream with the finance to build a new dairy and increase their expected annual turnover by 50%.

By the side of business

LLOYDS BANK

O'Leary mounts tax war against Javid over Flybe

ALEX DANIEL

@alexmdaniel

RYANAIR boss Michael O'Leary has issued another sharp rebuke to chancellor Sajid Javid in the wake of the government's rescue of Flybe, this time saying the UK's business strategy is "doomed to fail".

In a letter bound to further escalate the row between the two, O'Leary called the struggling regional airline a "loss-making turkey".

He said the decision to defer Flybe's air passenger duty (APD) tax was a result of being "blindsided" by the regional airline's billionaire owners. "If the first critical business decision of your new government is to bail out a loss-making turkey like Flybe, for the sole benefit of billionaires like Richard

Branson, Delta Airlines, and Cyrus Capital, then your business strategy is doomed to fail," he said.

O'Leary was responding to a letter from Javid, who last week dismissed claims that Flybe received unfair state aid. Javid had said that the decision to defer APD for Flybe was a "standard Time to Pay arrangement... because of their short-term difficulties".

The chancellor's letter came after O'Leary threatened to sue the government over the matter. Yesterday, O'Leary called the letter "both inaccurate and seriously misleading".

"If these billionaire shareholders are not willing to put their hands in their own deep pockets to bail out the loss-making Flybe, then why is your government giving them a bail out?" he added.



Ryanair boss Michael O'Leary

GONE TO POT Co-op plots several deals to offload parts of its £8bn pension scheme



THE CO-OP Group is said to be close to signing deals to offload around £2bn of its £8bn in pension liabilities. Sky News last night reported that the group is on the brink of separate deals with Aviva and Pension Insurance Corporation (PIC), worth roughly £1bn each.

UK recruitment confidence ups after election

HARRY ROBERTSON

@harrygrobertson

UK BUSINESSES' confidence in their hiring decisions grew in December, according to new survey data, in another sign that firms have been buoyed by the General Election outcome.

Confidence among employers in the economy rose to minus 31 on the Recruitment and Employment Confederation's (REC) scale in the October to December period from minus 33 in three months to November.

Over the same period, confidence in hiring rose to a score of minus three from a three-year low of minus eight. The REC highlighted that December saw a notable pick-up, with confidence in the economy rising to 26 on the scale and hiring confidence hitting nine.

The survey results match other data releases that show that businesses grew in confidence after the Conservatives' General Election victory in the middle of December.

REC chief Neil Carberry said: "Greater clarity about the future means that businesses are less likely to sit on their hands when it comes to hiring in early 2020."

LVMH 'cautiously confident' on 2020 despite uncertain market

JESS CLARK

@jclarkjourn

LUXURY goods giant LVMH said it was "cautiously confident" about the year ahead despite the "uncertain geopolitical context", as it reported a jump in profit and revenue for 2019.

Revenue soared 15 per cent to €53.7bn (£45.5bn) in 2019.

Profit from recurring operations also jumped 15 per cent to €11.5bn, despite disruption caused by protests in Hong Kong, one of the group's key markets.

The group's fashion and leather goods division, which includes designer brands Louis Vuitton and Christian Dior, reported a profit jump of 24 per cent during the year.

Upfront cost may apply. Annual price changes apply. Join/upgrade to a 24 month pay monthly plan with a Huawei Nova 5T to get a pair of free Huawei FreeLace earphones while stocks last. Information correct as at 06.01.2020.

Woodford fund payouts start for trapped clients

ANNA MENIN

@annamenin

HUNDREDS of thousands of investors trapped in the flagship fund of disgraced stockpicker Neil Woodford are facing steep losses, as details have emerged of the first payout since the fund was gated in June.

Initial payments of between 46.3p and 58.9p per share will be made to investors by 30 January, administrator Link Fund Solutions said in an update yesterday. This represents 74 per cent of the current fund value, and is the result of the offloading of the most liquid – and therefore easiest to sell – holdings.

The fund was suspended in June after it became overwhelmed by investor withdrawal requests.

**Disgraced stockpicker
Neil Woodford**



sparking the investment industry's biggest crisis in years.

The scandal eventually led Woodford to shutter his business in October, after Link decided to fire him as the fund's manager and liquidate its holdings.

The fund's value had declined steadily in the months leading up to its suspension on 3 June, and its value has dropped 19.8 per cent since it was gated. By contrast, the FTSE All-Share benchmark gained 7.2 per cent in the same period.

AJ Bell's Ryan Hughes said the repayment was "the start of closure for investors", but added that they "remain in the dark as to how long they will have to wait for the remainder of their money, and importantly, how much they are actually likely to get back."



A number of the firm's lenders are said to have agreed to finance £100m of loans

Addison Lee secures rescue deal as banks take over minicab firm

ANGHARAD CARRICK

@angharadcarrick

ADDISON Lee has secured a rescue deal, as its banks struck an agreement to take control of the firm late on Monday evening.

The struggling cab firm's lenders agreed to inject £45m of cash into the business, according to the Telegraph. It wipes out US private

equity firm Carlyle, which bought the taxi operator for £300m in 2013.

The Telegraph reported yesterday that the terms of the rescue deal were agreed in meetings this week.

Several of the firm's lenders are reported to have agreed to refinance £100m of loans.

Carlyle put Addison Lee up for sale last year, but there had been little progress in a sale because of debts.

Johnson urges sector diversity in call to Trump

CONTINUED FROM FRONT PAGE

A Downing Street spokesperson said Johnson underlined the importance of creating supplier diversity in the market in a call with Trump yesterday morning.

The pressure from Washington is expected to continue this week, with US secretary of state Mike Pompeo arriving in London for meetings with foreign secretary Dominic Raab and Johnson.

In the Commons yesterday, Raab faced a barrage of questions from Conservative critics including Tom Tugendhat, Bob Seely, Iain Duncan Smith, David Davis and Penny Mordaunt. However former culture secretary Jeremy Wright and prominent backbenchers including Bernard Jenkin and Crispin Blunt lent qualified support to the move.

The telecoms industry, which had urged the government that a blanket ban would slow down the rollout of 5G and hamper economic growth, breathed a sigh of relief.

A BT spokesperson hailed an "important clarification for the industry", adding: "The security of our networks is an absolute priority for BT, and we already have a long-standing principle not to use Huawei in our core networks."

Consumer optimism rises to five-year high as political uncertainty dwindles

JESS CLARK

@jclarkjourn

CONSUMER optimism for the coming year has jumped to a five-year high due to increased political certainty, according to the latest research.

More UK consumers believe they will be financially better off over the next 12 months than worse off, as net sentiment has jumped from minus seven to three for the first time in five years.

The latest consumer sentiment survey from professional services firm PwC found that optimism levels were higher among young people and Londoners.

Meanwhile, the 55 to 64 age group showed a slight uptick in sentiment, although the group remained the most pessimistic overall.

Consumers are planning to splash the cash on holidays and home improvements, the survey of 2,000 adults found.

However retailers could continue to feel the pinch, as 30 per cent of respondents said they will waste less and 29 per cent said they will shop around more. Meanwhile, 33 per cent said they would buy less from fashion retailers and 24 per cent said they would buy clothes less often.

PwC consumer markets leader Lisa Hooker said: "It seems that the recent political certainty has seen consumer sentiment get a much needed boost."

UK retail sales flatline after bruising Christmas period

HARRY ROBERTSON

@harryrobertson

UK RETAIL sales flatlined for the third month in a row in January, survey data showed yesterday, as Britain's high street braces itself for "another tough year for the sector".

The distributive trends survey said sales were also expected to be flat next month, marking a weak start to the year for the UK's retailers.

CBI deputy chief economist Anna Leach said: "A challenging Christmas

has extended into the New Year, with little expectation of any improvement soon."

The survey came just two days ahead of Threadneedle Street's interest rates decision. Traders think there is roughly a 50-50 chance of a cut, reflecting recent mixed economic data.

Cormac Nevin, investment analyst at Beaufort Investment, said a cut "would be highly premature". He said retail weakness was mostly "down to disruption surrounding high street business models," he said.

Countdown to Brexit: Best FTSE forward?

Take advantage of market volatility with **competitive pricing** on the UK 100, **expert market analysis** and **award-winning tech**.

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. **72% of retail investor accounts lose money when trading CFDs** with this provider. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.

CITYINDEX
BY GAIN CAPITAL

Airbus settles allegations of bribery and corruption for £3bn after probes

JOE CURTIS
AND JAMES BOOTH

@joe_r_curtis@Jamesdbooth1

AIRBUS last night said it had agreed a settlement with French, British and US authorities for €3.6bn (£3bn) following investigations into allegations of bribery and corruption.

The Serious Fraud Office (SFO) confirmed that a Deferred Prosecution Agreement (DPA) had been reached "in principle" between

itself and the company.

Airbus declined to comment on the details of the agreements reached.

DPAs were introduced in 2014 as a way for the prosecution of companies to be suspended for a certain period if the organisation meets specific goals.

The agreement between the SFO and Airbus is subject to the approval of the court. A public hearing will be held on 31 January.

Last year Rolls-Royce agreed a £497m DPA with the SFO and also

came to agreements with US and Brazilian prosecutors, taking the total cost of the settlement to £617m.

The investigation of individual Airbus executives remains ongoing and could lead to prosecutions. The allegations of bribery and corruption concern the use of middlemen in the sales of planes.

In May, *City A.M.* reported that Airbus could come to a global corruption settlement by the end of 2019 at the earliest.

SELL OFF Ebay shares take a tumble after forecasting quarterly sales below estimates



EBAY forecast first-quarter revenue below Wall Street targets last night, as the online giant faces fierce competition, sending its shares down three per cent after the bell. It expects sales of up to \$2.60bn (£2bn), compared to analyst estimates of \$2.64bn.

Virgin Money UK raises consumer lending figures

HARRY ROBERTSON

@harryrobertson

THE UK's sixth-largest lender Virgin Money oversaw a solid expansion of its personal and business loan books in the three months to December despite a "difficult market", it said in a trading update yesterday.

Virgin Money – which was bought by CYBG for £1.7bn in 2018 – also confirmed the worst is over in terms of mis-sold insurance payouts to customers. It flagged "uncertainty over the final Brexit settlement" as a headwind, however.

Its statement yesterday said that personal lending grew 3.7 per cent quarter on quarter in the final three months of the year, while business lending expanded 2.5 per cent.

Yet the lender suffered a 0.8 per cent slip in mortgages, which it said was "as expected" in the "seasonally competitive period".

UK banks had a torrid time in 2019 as a cocktail of Brexit uncertainty, slowing growth and an insurance mis-selling scandal dented balance sheets.

Virgin Money yesterday said that

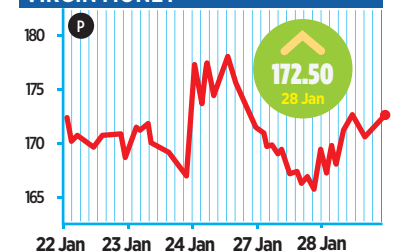
complaints relating to the mis-selling of payment protection insurance (PPI) were "trending in line with our assumptions".

It said it "assesses its remaining provision as sufficient to complete the programme".

On the outlook for 2020, chief executive David Duffy said: "While sentiment improved following December's election result, the UK banking market continues to face competitive pressures and uncertainty over the final Brexit settlement."

Virgin Money's share price finished 4.3 per cent higher at 172.5p on the news yesterday.

VIRGIN MONEY



City watchdog demands banks explain flat-rate overdraft prices

HARRY ROBERTSON

@harryrobertson

THE CITY watchdog yesterday demanded that high street lenders explain why they have responded to a rule change by aligning their overdraft rates at around 40 per cent.

The Financial Conduct Authority (FCA) will from April ban banks from charging more for unarranged overdrafts. But the rule left some consumer irate when banks unveiled their flat-rate fees, which are nearly all around the 40 per cent mark.

The FCA yesterday sent a letter to the UK's big banks demanding to know "how you arrived at your new overdraft rates".

It also requested "a summary of your approach to dealing with customers who will be worse off following your pricing changes and the measures you are taking to support them".

Defending its rule change, the FCA said: "Confusing fees and charges have been banned, and the cost of overdrafts has been made more transparent."

sky
mobile
SALE

Amazing iPhone 7
Save over £200



£27
£21
per month

No upfront costs. 3GB data.
(price of data may vary)

iPhone 7

HURRY, OFFER ENDS THURSDAY

0800 759 1300 | Sky Mobile | Visit Sky Retail 

Subject to status and credit check.

Advertised prices based on Swap 24 plans. 36-month interest-free loan required for handset. Data Plan required for duration of Swap plan, subject to 12-month minimum term. Option to buy phone without a loan. See sky.com/swaphelp for details. Phone subject to availability. 18+. Direct Debit. Prices include half price data plan - 3GB for £6 (usually £12) and Unlimited Calls & Texts. You'll lose your half price data if you leave the plan. Phone subject to availability. Unlimited Calls and Texts: Inclusive calls to standard UK landlines (01, 02, & 03) and inclusive texts to standard UK mobile numbers (07). Subject to our acceptable use policy at sky.com/mobileterms. Save over £200. Applicable when taking the 3GB data plan with a phone (£6, usually £12) over 36 months. Offer ends 11.59pm 30 January 2020. Correct at 24 January 2020.

Barclays relied on Qatari cash, Old Bailey hears

JAMES BOOTH

@Jamesbooth1

BARCLAYS would have been left in a dire position if it had failed to get Qatar to commit to two multi-billion-pound financial crisis fundraisings, the Old Bailey heard yesterday.

A barrister for the Serious Fraud Office (SFO) yesterday began the closing argument for the prosecution in the landmark trial of three senior former Barclays bankers accused of fraud for their role in the bank's emergency crisis cash calls.

Roger Jenkins, Thomas Kalaris and Richard Boath have been charged with conspiracy to commit fraud by false representation and fraud by false representation in connection with the 2008 fundraisings — which they deny.

Edward Brown QC, for the SFO, said that if the market knew the true level of commission Barclays was paying to Qatar for more than £4bn in emergency cash it could have seriously dented confidence in the bank.

"The true position... was that one core investor was being paid more

to invest," he said.

Brown said the extra payment to Qatar was crucial in the defendant's push to "prop up the bank".

In the first fundraising, Barclays declared commission of 1.5 per cent in its prospectus, but had agreed a fee of 3.25 per cent with Qatar.

The SFO alleged that the trio cooked up a phoney advisory services agreement (ASA) to pay Qatar the extra fees it demanded for its participation.

Brown said if the real rate of commission had been disclosed to the market or the fundraising had failed, confidence in Barclays would have nosedived as the financial crisis raged.

"The pack of cards would have started to tumble," Brown said. He added that the bankers knew that "they had to get the Qataris home" to salvage the bank and their jobs within it.

"The continued existence and success of the bank was crucial" to the defendants keeping "their jobs, their pay and their salaries", Brown said.

Closing arguments in the case started yesterday and are expected to last eight to 10 days. The trial continues.

FCA fails to bring prosecutions using new anti-money laundering power

JAMES BOOTH

@Jamesbooth1

THE FINANCIAL Conduct Authority (FCA) has not brought a single prosecution under new tougher criminal powers to combat money laundering that were introduced in 2017, a Freedom of Information (FOI) request has shown.

The FCA has the power under the Money Laundering Regulations 2017

act to criminally prosecute a person or organisation it suspects of not putting in place sufficient safeguards against money laundering. Anyone found guilty is liable to receive a fine and up to two years' imprisonment.

However, an FOI by law firm Hickman & Rose showed the FCA has not brought a single criminal prosecution against a firm or individual for breaching the money

laundering regulations.

"There is probably action behind the scenes, but it is just so slow," Andrew Katzen, head of regulatory at Hickman & Rose, said. "If there is meant to be a deterrent effect in those powers, how is that impacted by the delays?"

The lack of action comes despite bullish pronouncements by the FCA on its work to combat money laundering.

BITTER TASTE Starbucks expects hit from coronavirus as it shuts half of China stores



STARBUCKS last night became the first major US company to signal a hit from the coronavirus outbreak in China, as it closed more than 2,000 outlets — more than half of its stores in China — and adjusted its operating hours. The world's largest coffee chain said it would update its 2020 forecast when it is able to reasonably estimate the impact of the outbreak.

Irn-Bru maker AG Barr fizzes up on strong profit forecast for 2020

JAMES BOOTH

@Jamesbooth1

SHARES in Irn-Bru maker AG Barr jumped yesterday after it told the market it expected profit before tax for its full year to be in the upper end of expectations.

The soft drink maker said adjusted profit before tax is expected to exceed £37m in the financial year ended 25 January. The soft drink maker said adjusted profit before tax is expected to exceed £37m in the financial year ended 25 January.

15.86%

Shares jumped 15.9 per cent to 630.29p yesterday.

AG Barr warned on profit in July, predicting that full-year income would come in 20 per cent below expectations.

The company said yesterday: "We faced a combination of challenging trading conditions during the year, particularly across the summer period."

It readjusted pricing in 2019 "to align more closely with the market", and said this had dented volume but had increased average realised price.

Limited time offer

sky
broadband
SALE

Save over 30%
Superfast Broadband
&
Anytime Calls

£37
£25
PER MONTH FOR 18 MONTHS
Prices may change during this period. Set-up fee £19.95.

sky broadband

Join or recontract today

0800 759 1300 | sky.com | Visit Sky Retail

Selected fibre areas only. Speeds vary by location. Offer ends 06/02/2020. New and existing customers. Setup: router delivery; £9.95; connection fee: £10. New 18 months minimum terms. £25 per month (pm) for Sky Broadband Superfast (including line rental) and Sky Talk Anytime Extra (E0). Save over 30% off standard in-contract pricing (Sky Broadband Superfast: £27pm; Sky Talk Anytime Extra: £10pm). Standard prices apply after 18 months (currently Sky Broadband Superfast: £32pm and Sky Talk Anytime Extra: £10pm). Offer not available with any other offers. Sky Broadband Superfast: Average speeds: 59Mbps (download) and 16Mbps (upload). Sky Talk Anytime Extra: Sky network areas only. General: Subject to status. Upfront payment may be required. General: Compatible line required, otherwise £20 connection charge may apply. Non-standard set-up may cost extra. Prices may vary if you live in a flat. You must get any consents required (e.g. landlord's), UK residential customers only. Correct as at 17/01/20. Further terms apply.

South Western passengers fed up with prices

ALEX DANIEL

@alexmdaniel

BARELY a third of South Western Railway passengers feel they are getting value for money, after months of strikes and delays caused misery across the network.

According to the National Rail passenger survey, just 34 per cent of customers were satisfied with fares, the lowest score of any franchise.

Passenger satisfaction with the operator remained at a 10-year low of 74 per cent.

It comes after a 28-day strike among South Western Railway staff in December, the longest in UK history.

South Western Railway was also hit by the news that the government has started proceedings to potentially take it back into public control last

week. Guards voted for yet more industrial action last week, in a move which could spell further misery for passengers.

However, the results of the survey did not even take the latest troubles into account, as it was completed in autumn last year.

Anthony Smith, boss of watchdog Transport Focus, said: "South Western Railway passengers have

South Western Railway passengers have had a miserable winter

suffered for a long time now. Enough is enough... we want to hear from the operator how it will get services back on track."

Fare prices rose 2.7 per cent on average across the country this year, above inflation measured at the consumer price index.



E-scooter hire schemes are already available in cities such as Paris

Electric avenue: E-scooters set to get green light for road use

JAMES WARRINGTON

@j_a_warrington

ECO-CONSCIOUS commuters are set for a welcome boost to their journey under plans to legalise electric scooters on roads and cycle lanes.

The government is expected to launch a consultation next month on how to regulate the speedy scooters

and ensure safety, the Times reported. This will be followed with trials in cities ahead of a potential nationwide rollout.

The e-scooters would likely be equipped with so-called speed inhibitors that would limit their speed to 15.5mph.

Electric scooters are currently banned on roads and pavements.

Silicon Valley turns its gaze to Citymapper

EDWARD THICKESSE

@edthickesse

PUBLIC transport app Citymapper has tapped advisers from US bank Raine after receiving overtures from several global tech firms.

Sources told Sky News yesterday that the tech startup, which is available in 41 cities, brought Raine on board last week to guide it through discussions with several suitors. The expressions of interest, which were unsolicited, relate to licensing deals and a full takeover.

Although specifics as to whom had made approaches to Citymapper were not available, industry analysts said that Apple, Microsoft and Google parent firm Alphabet were likely candidates.

Founded in 2010 by former Google employee Azmat Yusuf, Citymapper has expanded from its London starting point to cover cities around the world.

Despite the expressions of interest, sources cautioned there was no guarantee of a sale going ahead, especially if the firm's expectations regarding the value of its business are not met.

Citymapper and Raine did not respond to requests for comment.

Next level fibre. Next level gaming.

Stadia Premiere Edition worth £119.
Yours with Superfast Fibre 2.

Superfast Fibre 2

£39.⁹⁹/month

24 months, £9.99 delivery. CPI changes apply.
6x faster than the average speed of standard UK broadband.

Offer ends **tomorrow**

bt.com | 0800 432 0738 | in-store



Each year from March the price of your broadband will increase by the rate of inflation (the Consumer Price Index rate published in January of that year). See bt.com/prices.

New customers. Superfast fibre 2: 80% UK coverage. Average speed of 67 Mbps based on speed available to at least 50% of customers at peak time (8-10pm). Your actual speed will depend on line, location and time of day. Check your speed at bt.com/speed. To verify 6x faster e-mail superfast.fibre@bt.com. Compatible line required otherwise £49.99 connection charge may apply. Payment by Direct Debit. BT Smart Hub remains the property of BT. £47.99 a month from month 25. Terms apply. 3 months free Stadia Pro included, then £8.99 a month unless cancelled. We'll send you a code following broadband connection, redeem within 30 days. Google terms apply.

Crest Nicholson blames sliding profit on Brexit

JOE CURTIS

@joe_r_curtis

CREST Nicholson's profit plunged 39 per cent to miss revised forecasts in a terrible year for the housebuilder, it said yesterday.

Profit before tax sank from £168.7m in 2018 to £102.7m for the year ending in October. That missed guidance of between £120m and £130m, the result of last October's profit warning.

Profit margins were also squeezed to 12.2 per cent, a four per cent year-on-year decline. Home sales slipped two per cent from £1.122bn in 2018 to £1.095bn.

Meanwhile net cash more than doubled to £37.2m and Crest Nicholson managed to maintain its 33p total dividend per share.

Crest Nicholson said it was particularly exposed to last year's Brexit uncertainty, which it blamed for its poor profit. The housebuilder mainly operates in London and the south east, where house prices have fallen since the 2016 EU referendum.

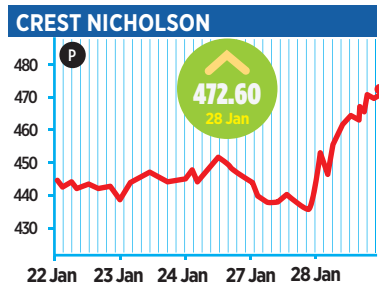
Parliament's prolonged Brexit

debates only hurt customer appetite for homes, Crest said.

"During the second half of the year, there was increased volatility in the number of site visits, reservations and completions, and elevated cancellation rates as customers continued to cite concerns over political and economic uncertainty stemming from Brexit," it said.

"In our geographies and at our price points, the resulting uncertainty has led consumers to refrain from buying until... landscape is clearer."

Shares rose 7.4 per cent to 472.6p despite the trading update.



IN BRIEF

INTU SELLS SPANISH CENTRE FOR £245M TO EASE DEBT

Retail landlord Intu has sold a shopping centre in Spain for €290m (£245.3m), as the company seeks to fix its balance sheet and repay debt. Intu, and its joint venture partner Canada Pension Plan Investment Board, has sold the Asturias shopping centre to ECE European Prime Shopping Centre Fund II, with Intu's share of the proceeds amounting to €145m. The deal will see the company pocket net proceeds of €85m, after the repayment of asset-level debt, working capital adjustments and taxation. The proceeds will be used to repay debt, and the transaction will reduce loan value by around one per cent. Intu did not specify the target amount, however reports suggested it could be up to £1bn. The company offloaded another Spanish shopping centre last month for €238m.

STOCKPICKER APOLOGISES FOR 'TOO MUCH' WIRECARD

Former Jupiter fund manager Alexander Darwall has apologised to investors for making too large a bet on fintech Wirecard, which is facing scrutiny over its accounting practices. At one point Darwall, who left Jupiter in July to establish his own fund management business, had over 17 per cent of his £1bn investment trust in the German payments company. Darwall retained the management of the European Opportunities Trust after leaving Jupiter. He apologised for holding such a large stake in Wirecard, adding: "We won't have such a big holding in an individual stock again". The German fintech has lost around a fifth of its market value since January last year after the Financial Times called some of its accounting practices into question.

BARCLAYS TAKES MINORITY STAKE IN RECEIPTS STARTUP

Barclays will today take its relationship with digital receipts startup Flux one step further by acquiring a minority stake in the London tech firm. The startup said Barclays will also soon begin an expansion of its ongoing partnership with Flux to reach its entire UK mobile banking customer base, after a successful trial period on Barclays' beta programme Launchpad. Flux connects banks with merchants to provide users with a digital version of their receipt, and recently signed deals with Papa John's, Just Eat and KFC. In 2019, Flux grew from 30,000 receipts to surpassing 1.2m transactions. Boss Matty Cusden-Ross told City A.M. the startup is not actively fundraising for its next round, but is having conversations with new investors in the UK and the US.

LOGGING OFF Eileen Burbidge steps down as chairman of industry body Tech Nation



GOVERNMENT-FUNDED industry body Tech Nation has begun a hunt for a new chair after tech investor Eileen Burbidge stepped down after almost five years. Chief executive Gerard Grech thanked her for her "passion, commitment, and leadership".

Think tank calls for National Gig Wage for gig economy workers

ANGHARAD CARRICK

@angharadcarrick

THE GIG economy offers flexibility and freedom for some but it has left some workers on the fringes, according to new research.

A report by think tank Doteveryone concluded that gig work strips some workers of financial security and dignity in their work.

It has urged a rethink of the gig economy to create ideas for new social safety nets, and called for gig platforms to pay a "minimum gig wage"

to account for the unavoidable costs of doing freelance work.

Martha Lane Fox, executive chair and founder, said: "We have seen many gains as a society from the fantastic pace of technological change and the flexible and independent nature of work today. But... there are many perils. We underestimate them at our very grave risk."

The report spoke to gig workers who described the work "like quicksand." Doteveryone said people have "no option but to work gigs, and no way out once they've begun".

IF YOU WANT THIS YEAR TO BE EXTRAORDINARY DON'T JOIN AN ORDINARY GYM.

THIRD SPACE

THIRDSPACE.LONDON

ISLINGTON | CANARY WHARF | CITY | TOWER BRIDGE | MARYLEBONE | SOHO

Saga takes £4m hit from Thomas Cook's collapse

JOE CURTIS

@joe_r_curtis

OVER-50s insurer Saga has said underlying profit before tax will meet expectations despite the company taking a £4m hit from the administration of Thomas Cook.

However, it warned home and motor insurance policies will pull in revenue three per cent lower than the previous year.

Margins will still hit the higher end of Saga's £71 to £74 guidance range.

Saga said it was operating against a "challenging" backdrop in its last half-year between August and January. It has set full-year underlying profit before tax guidance at between £105m and £120m.

The company yesterday also warned of a future hit to its underwriting business from higher inflation on third-party damage and theft costs.

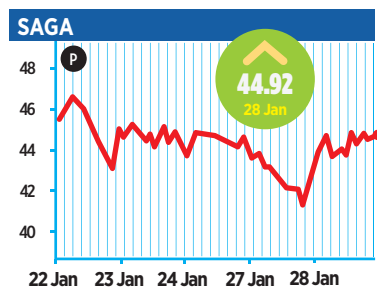
Overall inflation stands at seven per cent, up on longer-term predictions

of five per cent.

"This trend is not expected to have a significant impact on the current year but will have a modest adverse impact on future year margins if retail pricing conditions remain competitive," Saga said.

The company revealed it is "fully on track" to hit £40 in earnings before interest, tax, depreciation and amortisation per new ship by 2020/21.

Shares rose 7.6 per cent yesterday to close at 44.92p.



WHISKY BUSINESS Trade bodies call on UK and US governments to cease tariffs



WHISKY trade bodies from both sides of the Atlantic have called on UK and US governments to end what they described as "punitive" transatlantic tariffs on the alcohol, which they said were "harming investment, productivity, jobs and growth".

Retirement specialist McCarthy & Stone suffers 2019 profit slide

HARRY ROBERTSON

@harryrobertson

PROFIT at UK retirement home-builder McCarthy & Stone dropped sharply last year against the backdrop of "a challenging market" and costs related to a new strategy, the firm announced yesterday.

Shares in the company finished 1.2 per cent higher at 155.7p, however,

indicating that investors were anticipating weaker results.

Profit before tax fell 25 per cent to £43.4m in the 14 months to 31 October 2019, down from £58.1m in the 12 months to 31 August 2018.

McCarthy & Stone said the sharp drop in profit was largely due to around £17m of exceptional costs to do with land that will no longer be developed.

Original Source owner reports drop in income

JESS CLARK

@jclarkjourno

CONSUMER products giant PZ Cussons, which owns brands including Imperial Leather and Original Source, reported a dip in revenue and profit in its half-year results due to "challenging market conditions".

The company said yesterday that adjusted revenue from continuing operations fell 4.3 per cent to £293.3m in the six months to 30 November.

Adjusted operating profit from continuing operations fell 13 per cent to £30.3m due to losses in Nigeria and poor performance in the UK and Australia.

However, PZ Cussons said reported profit before tax jumped 34.5 per cent to £34.7m due to the sale of its Greek business.

The firm said it expected trading to improve when its UK business launches an environmentally-friendly hand wash range.

Increased marketing investment in its US beauty business and Focus Brands in Africa is expected to boost revenue. Investors greeted these global plans, with shares rising 1.23 per cent to 197p.

1.23%

House sales set to improve as buyer confidence welcomes political clarity

JESSICA CLARK

@jclarkjourno

HOUSE sales in UK cities are expected to jump this year as buyer confidence improves due to greater political certainty, according to the latest research.

Buyer demand across cities in the first few weeks of 2020 was 26 per cent higher than in the same four-week period last year and in 2018.

London is expected to benefit

from the boost to buyer confidence, however house prices are likely to remain subdued, according to the latest house price index by property platform Zoopla.

The average house price in the capital was up 1.9 per cent annually in December, rising to £480,800. London is ranked 16th out of all UK cities for growth prospects this year.

Zoopla research and insight director Richard Donnell said: "Whilst the first few weeks of the

year always see a return of home buyers... demand for housing at the start of 2020 is 26 per cent higher than over the last two years. This is partially due to fading political uncertainty; households who were holding off moving are now starting to return to the market and this momentum has been supported by low mortgage rates."

House price growth across UK cities hit a two-year high of 3.9 per cent in December.

Boeing suffers disastrous month as reputation dips

ALEX DANIEL

@alexmdaniel

BOEING's reputation has hit a record low this month, as the troubled plane maker gears up to announce its annual results this afternoon.

The manufacturer is still reeling from two crashes involving its 737 Max jet in 2018 and 2019.

They killed a combined 346 people, and led to the best-selling jet being

grounded worldwide.

The incidents have since been blamed on faulty software installed by Boeing, sparking the worst crisis in its 103-year history.

Media intelligence firm Alva said the crisis hit a new low this month, as the manufacturer's reputation score for January fell to minus 71.

That is even lower than after the second crash in March last year, when it was measured to have a monthly score of minus 56.



fed
by Abel & Cole

**FEED YOUR TEAM
- fuel the change -**

Switch to sustainable office food,
less plastic and zero-emission delivery

20% off your 1st month with **CITY20**

fedteam.co.uk

Minimum order of £20. Offer valid on new accounts until 29th February 2020. Full terms and conditions online.



Better buzz is not enough to put Northern Rail back on track

FOLLOWING a year of cancellations and chaos across the network Northern Rail looks set to lose its franchise this week. With the least satisfied customers in the UK, the railway had a terrible 2019 – and its improved buzz scores (a net measure of whether consumers have heard anything good or bad about a brand in the past two weeks) will be little consolation for the operator.

YouGov Brand Index shows that Northern Rail's public perception rose more than any other brand's over the last year. But the operator's increasing buzz isn't necessarily a sign of a wider rehabilitation with the British public: its scores rose from minus 13.6 to minus 5.5 – an improvement of plus eight that still leaves it with firmly negative buzz.

From a PR perspective, 2018 was so bad that even a clearly troubled 2019

Stephan Shakespeare



represented an improvement. As the chart to the right shows, Northern Rail hasn't had a dramatic reversal of opinion among its current customers. Positive buzz has been consistently low between June 2018 and January 2020, and its improved scores had more to do with a significant increase in neutral buzz and slight dips in negative buzz.

YouGov data reveals that just one in five would recommend Northern Rail to a friend or colleague, while three in 10 would advise them to stay clear.

While 13 per cent say its services are

good quality, two-fifths say they're of a low standard.

Almost the same proportion (38 per cent) say the brand represents poor value for money.

Northern Rail is certainly not the only underperforming operator; the transport secretary has also suggested that South Western Railway could be nationalised in the near future.

The rival has also bettered a rock-bottom 2018, where driver shortages and disrupted services brought tensions between the operator and its passengers to a head.

But the railway's public perception and its reputation among customers

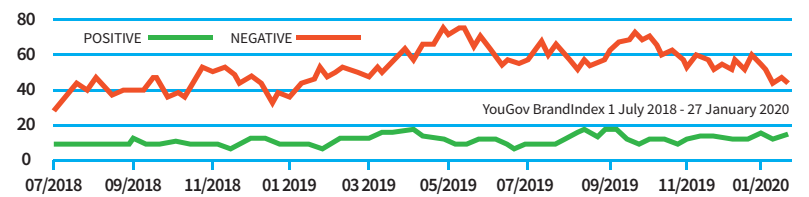
has been consistently negative. In the face of a government that's taking an increasingly hard line on underperforming travel companies such as Thomas Cook, it's ultimately no sur-

prise that Northern Rail may have reached its final stop.

.....
 ● Stephan Shakespeare is chief executive of YouGov

NORTHERN RAIL'S BRAND BUZZ: JULY 2018-PRESENT

Over the past two weeks, which of the following transport providers have you heard something POSITIVE about (whether through the news, through advertising, or talking to friends and family). Now which of the following have you heard something NEGATIVE about over the past two weeks (Northern Rail - Recent Customers)



Major oil firms are scrimping on renewable funds

EDWARD THICKNESSE

@edthicknesse

OIL MAJORS responsible for half of global output are investing a mere three per cent of their capital expenditure on renewable energy sources.

According to a report by law firm CMS, 15 of the world's largest oil companies, including Shell, BP, Exxon Mobil, and Saudi Aramco spent approximately \$6.6bn (£5.08bn) of a combined \$228bn into renewables in 2018. European companies led the way in terms of investment, spending an average of 6.2 per cent per company, compared to 0.8 per cent from the rest of the world.

Spain's Repsol, which in December announced that it would aim to reduce its emissions to net zero by 2050, came out on top, investing 16.7 per cent into renewables in 2018.

The rest of the top five biggest

investors are European oil companies, with Malaysia's Petronas sixth on the list with investments of 3.3 per cent.

The highest ranked US major is Chevron, which sits in ninth place with an investment of 1.5 per cent.

Wind and solar are by far the most common forms of renewables in which companies invest, accounting for 96 per cent of all investment.

Only the US' Conoco Phillips has failed to invest in either.

CMS' report, which was conducted in partnership with Capital Economics, identifies that a total \$209bn could be invested by oil and gas majors by 2030 if commitments to the energy transition ramp up.

Munir Hassan, head of CMS energy group, said: "Whether it is decarbonising their own operations or investing in alternative energy, the transition will happen. It will take time, but time is in short supply."

RACE TO THE TOP City A.M. Club hosts panel discussion on diversity in workplace



THE CITYA.M. Club yesterday hosted the latest event in its Decodes series – a panel on race in the workplace. Joining Diversity podcast host Julia Streets on the panel were (L-R): Raphael Mokades, Miranda Brawn, Bev Shah and Hephzi Pemberton.

IF YOU WANT
THIS YEAR TO
BE EXTRAORDINARY
DON'T JOIN AN
ORDINARY GYM.



THIRD SPACE

THIRDSPACE.LONDON

ISLINGTON | CANARY WHARF | CITY | TOWER BRIDGE | MARYLEBONE | SOHO

CITY DASHBOARD

YOUR ONE-STOP SHOP FOR BROKER VIEWS AND MARKET REPORTS

LONDON REPORT

UK shares recover after sell-off amid coronavirus fears

BRITAIN'S benchmark stock indexes rebounded yesterday after shedding more than two per cent in the previous session on fears over China's coronavirus outbreak, with shares of blue-chip exporters firming as the pound slid to a one-week low.

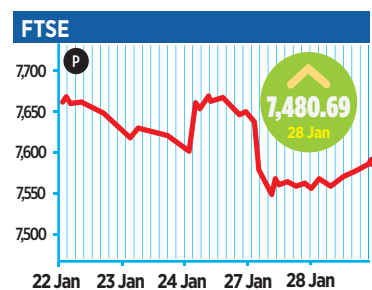
After suffering its worst day since early October 2019, the FTSE 100 added 0.9 per cent. The FTSE 250 rebounded from its biggest one-day fall in more than a year to gain 0.6 per cent.

An index of leisure and airline stocks clawed back some losses from its worst day in more than three-and-a-half years to rise 1.4 per cent. **Intercontinental Hotels** gained 3.1 per cent.

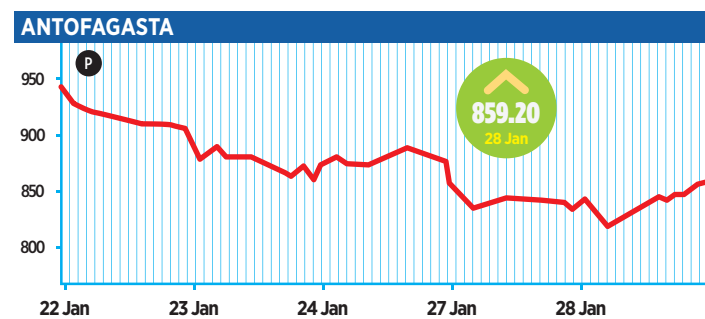
Midcap Iron-Bru maker **AG Barr** soared 15.4 per cent on its best day since October 2005 after it forecast annual

profit to be at the top end of the current market view.

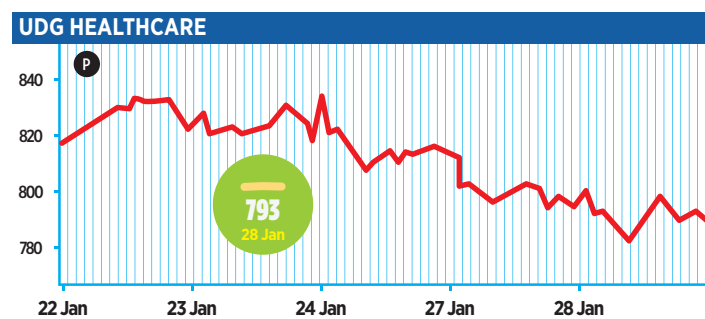
Crest Nicholson rallied seven per cent to its highest since May 2018 and spurred on its peers after saying British Prime Minister Boris Johnson's victory in the general election would support the sector in the near term.



BEST OF THE BROKERS

To appear in Best of the Brokers, email your research to notes@cityam.com

Antofagasta said more metal was produced and sold at a marginally lower unit cost in 2019. Peel Hunt increased its earnings before interest, tax, depreciation and amortisation forecasts but reduced its earnings per share expectations. Peel Hunt issued a "hold" recommendation and a target price of 940p.



In a trading update for the first quarter, UDG Healthcare said all divisions were trading ahead of last year and in-line with management expectations. Liberum analysts predicted scope for the company to beat or raise guidance through the year and issued a "buy" recommendation and a target price of 970p.

NEW YORK REPORT

Apple sparks a Wall St bounce

US STOCKS rebounded yesterday, as the S&P 500 bounced back from its worst day in nearly four months, led by a climb in **Apple** and other names hit by exposure concerns to the coronavirus outbreak in China that sparked a recent sell-off.

Markets across the world stabilized as the head of the World Health Organization (WHO) said he was confident in China's ability to stem the virus outbreak, which has killed 106 people in the country, prompted businesses to close operations and curbed travel.

Apple shares led each of the three major indexes higher, up 2.83 per cent ahead of its fourth-quarter results expected after markets closed.

Industrial giant **3M** sliding 5.73 per cent after it forecast 2020 profit below expectations as weak demand from China dents overall growth.

Pfizer dropped 5.13 per cent after the drug maker reported a lower-than-expected quarterly profit and said it would no longer rely on share repurchases to help drive growth.

Xerox jumped 4.94 per cent after the company's profit beat estimates.

CITY MOVES WHO'S SWITCHING JOBS

TALKTALK

Talktalk has hired the former BBC journalist and campaign strategist, Lucy Thomas, as director of corporate affairs. Lucy joins from the communications agency, Edelman, where she was senior director, leading campaigns and advising major brands like Uber, Sainsbury's and Coca Cola on corporate reputation, PR, political campaigning and crisis management. Tristia Harrison, chief executive of Talktalk said: "I'm thrilled that Talktalk is gaining Lucy's



media and campaigning expertise. She joins an excellent communications and public affairs team at a really important time for the business, as the government and Ofcom consider major changes to the industry and the debate about full fibre networks is at the top of the political agenda."

COUNTRYSIDE

UK mixed-tenure developer Countryside has promoted Daniel King to managing director of its successful Partnerships West London region. Daniel joined Countryside's graduate programme in 2008 and worked in both the partnerships and housebuilding divisions. Since 2016, he has led developments at Acton Gardens, South Oxhey, Hounslow, Maidenhead

and Kingston upon Thames and, together with the West London Board, has helped build a strong and growing business. Mike Woolliscroft, chief executive of the firm's Partnerships South division, said: "We are delighted to have appointed Daniel to lead the further growth of the division. His track record will significantly strengthen the reach of our highly successful Partnerships West London team."

SDL

Content management and language translation software SDL has announced the appointment of Gordon Stuart as an independent non-executive director. Gordon currently serves as the chief financial officer of Unit4 NV, a global provider of enterprise

resource planning systems and business software to people-centric enterprises. He has previously served as chief financial officer of both TMF Group, the international expansion experts, and Alexander Mann Solutions, the talent acquisition managers. He has held senior positions with a number of UK listed businesses including group finance director of Xansa and group finance director of London Bridge Software Holdings. His early career was as a management consultant with McKinsey & Co. He has also held non-executive roles at Sepura and Intec Telecom Systems. Gordon will become a member of the Audit, Nomination and Remuneration Committees in addition to his appointment to the board.

To appear in **CITYMOVES** please email your career updates and pictures to citymoves@cityam.com

NEWS

Lockheed Martin raises forecast as weapons supplier beats estimates

ASHWINI RAJ

LOCKHEED Martin forecast 2020 revenue above analysts' estimates yesterday, as the Pentagon's number one weapons supplier's late 2019 results benefitted from better jet and missile sales and heightened geopolitical tensions in the Middle East.

Shares of Lockheed rose 1.11 per cent yesterday after the company posted a better-than-expected quarterly profit and raised its 2020 sales outlook to a range of \$62.75bn (£48.3bn) to \$64.25bn, beating analysts' estimate of about \$62.61bn.

Net earnings rose to \$1.5bn, or \$5.29 per share, in the fourth quarter ending 31 December, from \$1.25bn, or \$4.39 per share, a year earlier.

US-Iran tensions over the past few months have helped build momentum for defence purchases, benefitting Lockheed and other weapons makers, analysts have said.

The firm's missiles and fire control unit saw sales up 14 per cent in the quarter on higher volume for higher tactical and strike missiles.

Shares of the company rose about 4.5 per cent to a record high on 3 January after a US drone strike killed Iranian military commander

Qasem Soleimani.

Defense contractors General Dynamics, Lockheed and Northrop Grumman are expected to outperform this year, in line with the sector's general pattern during presidential election years.

During the quarter the Pentagon announced pricing details for its agreement with Lockheed that lowers the cost of the F-35A jets it plans to purchase through 2022 by 12.7 per cent.

Lockheed's Aeronautics division, which makes the F-35, saw quarterly sales up nine per cent in the quarter to \$6.3bn.

Yu Group shares jump as firm's 'reset' pays off

EDWARD THICKNESSE

@edthicknesse

BUSINESS utility supplier Yu Group's shares jumped over 17 per cent yesterday as the firm announced that its 2019 revenue would be 35 per cent ahead of expectations.

Revenue for the financial year is expected to hit £110m, up from £80.6m in 2018. The group did not give an estimate for profit but said that earnings would be "at least" in line with market expectations.

The improvement was attributed to the group's strategy beginning to take

effect. Last year Yu was forced to "reset" after discovering accounting errors cost it £10m last year.

In December Yu announced an energy supply arrangement with Smartest Energy, which will provide the firm with an initial credit line up to £13m. The firm will exclusively purchase energy from Smartest at market competitive and transparent prices to meet its customers' requirements over a five-year term.

Bobby Kalar, chief executive of Yu, said: "I'm confident we have weathered the storm and while we remain cognisant of lessons learned, we are now a forward-facing business."



FTSE 100 7480.69 68.64

FTSE 250 21433.06 129.39

FTSE ALL SHARE 4154.59 35.60

DOW JONES 28722.85 187.05

NASDAQ 9269.68 130.37

S&P 500 3276.23 32.60

Exchange rates: £/\$ 1.1804, £/€ 1.008, £/¥ 141.84, etc.

GILTS table with columns: Price, Chg, High, Low

AEROSPACE & DEFENCE table with columns: Name, Price, Chg, High, Low

BANKS table with columns: Name, Price, Chg, High, Low

CHEMICALS table with columns: Name, Price, Chg, High, Low

CONSTRUCTION & MATERIALS table with columns: Name, Price, Chg, High, Low

DIVERSIFIED INDUSTRIALS table with columns: Name, Price, Chg, High, Low

ELECTRICITY table with columns: Name, Price, Chg, High, Low

ELECTRONIC & ELECTRICAL EQUIPMENT table with columns: Name, Price, Chg, High, Low

EQUITY INVESTMENT INSTRUMENTS table with columns: Name, Price, Chg, High, Low

FORESTRY & PAPER table with columns: Name, Price, Chg, High, Low

GENERAL FINANCIAL table with columns: Name, Price, Chg, High, Low

GENERAL RETAILERS table with columns: Name, Price, Chg, High, Low

INDUSTRIAL ENGINEERING table with columns: Name, Price, Chg, High, Low

INDUSTRIAL METALS table with columns: Name, Price, Chg, High, Low

INDUSTRIAL TRANSPORTATION table with columns: Name, Price, Chg, High, Low

INDUSTRIAL TRANSPORTATION table with columns: Name, Price, Chg, High, Low

FIXED LINE TELECOMMUNICATIONS table with columns: Name, Price, Chg, High, Low

FOOD & DRUG RETAILERS table with columns: Name, Price, Chg, High, Low

FOOD PRODUCERS table with columns: Name, Price, Chg, High, Low

GENERAL FINANCIAL table with columns: Name, Price, Chg, High, Low

GENERAL RETAILERS table with columns: Name, Price, Chg, High, Low

INDUSTRIAL ENGINEERING table with columns: Name, Price, Chg, High, Low

INDUSTRIAL METALS table with columns: Name, Price, Chg, High, Low

INDUSTRIAL TRANSPORTATION table with columns: Name, Price, Chg, High, Low

INDUSTRIAL TRANSPORTATION table with columns: Name, Price, Chg, High, Low

INDUSTRIAL TRANSPORTATION table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LIFE INSURANCE table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

LEISURE GOODS table with columns: Name, Price, Chg, High, Low

OIL & GAS PRODUCERS table with columns: Name, Price, Chg, High, Low

OIL EQUIPMENT & SERVICES table with columns: Name, Price, Chg, High, Low

PERSONAL GOODS table with columns: Name, Price, Chg, High, Low

PHARMACEUTICALS & BIOTECHNOLOGY table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

REAL ESTATE table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

TECHNOLOGY HARDWARE & EQUIPMENT table with columns: Name, Price, Chg, High, Low

EU SHARES table with columns: Name, Price, Chg, High, Low

CRYPTO A.M. DAILY POWERED BY BEQUANT. CRYPTOCURRENCIES table with columns: Name, Price (USD), %Chg (24h). Includes Bitcoin, Ethereum, Ripple, etc.

COMMODITIES table with columns: Name, Price, Chg, %Chg. Includes Gold, Silver, Copper, etc.

TOURIST RATES table with columns: Country, Price, Chg, %Chg. Includes Canada, Croatia, Poland, etc.

US SHARES table with columns: Name, Price, Chg, High, Low. Includes 3M, Abbott Laboratories, Adobe Inc, etc.

WORLD INDICIES table with columns: Index Name, Price, Chg, %Chg. Includes FTSE 100, S&P 500, Dow Jones, etc.

FORUM

EDITED BY RACHEL CUNLIFFE



Friday marks the end of the beginning of the Brexit battle

ONE OF Winston Churchill's many gifts was his ability to summon the force of his rhetoric as a means of divining the feeling of the British nation.

His passionate invocations in the dark days of the summer of 1940, when the UK stood alone against the Nazi menace, were masterpieces of fighting spirit, helping to reignite the spark of national resistance that many felt had been lost in the 1930s.

But perhaps his cleverest intervention occurred two years later, at the Lord Mayor's Luncheon in Mansion House, on 10 November 1942.

Here, after the magnificent victory at El Alamein where Montgomery's "Desert Rats" had routed Rommel's Afrika Korps thereby turning the tide of the North African campaign, Churchill recognised that one triumph – important as it was – would not define the remainder of a war whose script was yet to be written.

He summed it up thus: "Now this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning."

A sense of Churchillian understanding may well therefore explain why, as we approach one of the most pivotal moments of this country's history this Friday with the cessation of the UK's membership of the European Union, the celebrations will be rather muted.

Big Ben will not bong, and while celebrants in Parliament Square may be able to hoist aloft a new shiny Brexit 50 pence piece amidst a sea of festooned Union Jacks, very little else

Alan Mendoza



appears to be happening to mark a moment of such significance.

Boris Johnson himself – so consequential to the victory of 2016 given his decision to swing behind the Leave campaign – has been uncharacteristically subdued in his own declarations. Where once he would be expected to be the life and soul of Brexit celebrations, he has largely allowed others to define the passage of Brexit Day.

Perhaps this is because the Prime Minister is content with the knowl-

edge that it was his election gamble that finally broke the Brexit deadlock. When the history of Brexit comes to be written, his name will flicker largest on its pages on account of his outsize role.

Boris has, however, never been knowingly undersold. It is more likely therefore that two other factors have somewhat stayed his hand.

The first and obvious one is that Brexit continues to divide the country. A core of the 48 per cent who voted for Remain in the 2016 Referendum will doubtless choose to spend their Friday night donning sackcloth and ashes while playing "Ode to Joy" on endless loop. But even those who have made their peace with the idea of leaving are unlikely to be found affixing bunting to their nearest streetlights.

The Prime Minister has made all the right noises since his election success in trying to smooth over the national divide. He has expressed a desire to soothe the wounds caused by the Brexit debate by promising to govern in a One Nation spirit.

While this may not be enough for persistent Brexit critics like Lord Heseltine – who are liable to see any expression of interest in marking Brexit Day as "rubbing our noses in it" – it shows that Boris is alive to the idea that rhetoric can make a difference. Assuming, of course, that it is followed up by action.

Which brings us to the second factor weighing on the mind of the Prime Minister. Much like Churchill in 1942, Boris has realised that one skirmish won does not yet equate to overall victory in the battle of Brexit. The UK may have success-

fully weaned itself from the EU teat, but it remains quite unclear what fare we will be supping come 31 December.

Already, familiar prophets of doom are circling.

Ireland's Taoiseach Leo Varadkar, with more than half an eye towards his own re-election campaign, popped up this week to troll the Prime Minister by suggesting that the EU will have the stronger team in the forthcoming post-withdrawal negotiations.

Michael Barnier, the EU's chief negotiator, has poured scorn on the idea that frictionless trade will be possible, stating Brexit can only be a "matter of damage limitation".

And Ursula von der Leyen, the European Commission president, has said it will be virtually impossible to agree a comprehensive deal within the timeframe demanded by the UK.

With obstacles like these blocking the way to 31 December, there is little surprise that the Prime Minister might feel it unwise to celebrate too vociferously 11 months earlier.

Friday does indeed mark the end of the beginning of the Brexit saga. But it is now up to Boris and the UK's negotiating team to secure the beginning of the end in the form of a comprehensive trade deal that avoids breaching UK red lines.

Whatever one thinks of Brexit Day, this is a goal worthy of national unity and support. If that means foregoing some triumphalism this Friday, then it is a price worth paying.

Alan Mendoza is executive director of the Henry Jackson Society.



With obstacles blocking the way to 31 December, the Prime Minister might feel it unwise to celebrate too vociferously 11 months earlier

Want to level up the UK? Look at disparity within the regions, not just between them

IT IS a truth which has rapidly become universally acknowledged (to borrow Jane Austen's famous phrase) that the government must deliver for its new supporters in the regions.

This is a massive challenge. The gap in income per head, for example, between London and other areas of the country is obviously large. But the firm trend has been for this difference to widen, rather than narrow.

Between 1997 and 2017, income per head, after allowing for inflation, rose by around 17 per cent in both the north east and the north west – just under one per cent a year. In Wales, another area where the Conservatives made big gains, the overall increase was a mere 11 per cent. In contrast, in London it rose by 42 per cent over these two decades. In inner London, the increase was no less than 56 per cent.

But that's only half the picture. To fully understand what is going on,

Paul Ormerod



we need to look within the regions themselves. Manchester provides a perfect illustration.

In the mid-1990s, within half a mile of the city's main rail stations was a bomb site. Not a site created by a contemporary IRA outrage, but by the Germans in the Second World War. In the subsequent 50 years, no one had thought it worthwhile to develop a piece of land in the centre of a major English city.

How times have changed. The total resident population of the city centre is now 80,000. Manchester has been totally transformed. The skyline has altered just as dramati-

cally as that of central London.

The economic structure of central Manchester has come to resemble those of the inner London boroughs.

The Office for National Statistics provides detailed data on the numbers employed in each industry for every UK local authority. Turning these into percentages, I used some fairly straightforward maths to work out which local authorities have an industrial structure most similar to that of Manchester.

The answer is urban areas like Camden and Islington in London, and other major regional cities such as Bristol and Leeds. None of the nine other boroughs which make up the Greater Manchester region look remotely like the city centre itself.

The same is true of other English cities such as Newcastle and Leeds. The types of jobs on offer are quite different from those in the surrounding hinterlands.

The cities voted for Labour with massive majorities. It was in their

satellite areas where the Conservatives triumphed.

The story looks the same from whichever level of geographic aggregation we look. Comparing the regions of the UK, London is much richer than the rest. Within individual regions, the main city is much richer than the rest.

It is easy to see why this happens. Once an area starts to become more attractive for business, other firms increasingly see it as a place to locate. Skilled people want to both work and live there. A virtuous circle is created, and the area pulls away from its surroundings.

If the government really wants to level up the country, it will need to be really imaginative to avoid falling into this trap.

Paul Ormerod is an economist at Volterra Partners LLP, a visiting professor in the Department of Computer Science at UCL, and author of *Against the Grain: Insights of an Economic Contrarian*.

LETTERS

TO THE EDITOR

Data with destiny

[Re: You could be sitting on a data goldmine]

Data privacy has evolved from something that felt like a "nice to have" to something that businesses now cannot afford to ignore. People have come to view how their personal data is used as an important part of a company's identity – just look at the troubles with Cambridge Analytica and Facebook.

"Getting privacy right" not only means retaining customers and their trust, it means fewer and less costly data breaches, shorter sales delays (due to customers asking less questions about where their data is going), and higher investment returns.

This should serve as a strong reminder to business leaders that adhering to GDPR is of course the bare minimum, but also that data privacy can be what helps separate them for the rest of the competition within increasingly crowded marketplaces. It has become a business imperative.

Lorena Marciano, EMEAR data protection & privacy officer, Cisco



BEST OF TWITTER

By allowing Huawei into their 5G network, @BorisJohnson has chosen the surveillance state over the special relationship. Tragic to see our closest ally, a nation Ronald Reagan once called "incandescent with courage," turn away from our alliance and the cause of freedom.

@Liz_Cheney

The #Huawei 5G debate feels pretty sinophobic to me. The whole "we can't trust the Chinese" argument when you have companies like Facebook, Google etc. harvesting our personal data makes no sense.

@TSHarvey91

The steps being taken to limit Huawei's involvement in the UK's 5G network only serve to highlight how much of a risk it is having them involved in the first place

@JGForsyth

My son asked me why people are so suspicious of the Huawei 5G network? I said that many people think that it allows the Chinese govt to store our data and listen in on our conversations. He laughed, I laughed, his Huawei tablet laughed.

@MarcherLord1

Congratulations to #Huawei and their workers on gaining entry to the UK with just 5 points and a grade G on Priti Patel's new Australian points based immigration system.

@MrKennethClarke

Having filled in my latest tax return, I am reminded how complex our current system of personal tax has become. Time for some serious tax reform!

@asentance

Did they have to make Brexit day the same day as self assessment tax payment day?

@willbott4

WE WANT TO HEAR YOUR VIEWS > E: theforum@cityam.com COMMENT AT: cityam.com/forum

[@cityam](https://twitter.com/cityam)

Has the business world found its purpose? Trust, but verify

LAST week's Davos carnival was an orgy of virtue signalling. A group of senior executives flew in on private jets to talk about how to tackle climate change.

Leaders of companies that have been highly active in lobbying for corporate tax breaks signed a letter calling for higher taxes on the rich if we are to avoid the proletariat marching onto the streets with pitchforks.

Blackrock boss Larry Fink issued another letter calling for a massive shift to a stakeholder economy, even as an executive from a major company let slip that, in meetings with the investment management firm, they were never once asked about ESG issues.

Goldman Sachs, which has a worse record than its peers on board diversity, announced that it would no longer participate in IPOs where there was not at least one woman on the board – except in Asia, where such a stance might lead to far too much loss of business. Nor did organisers step back from the usual bacchanalia of celebration and consumption – even as they wrapped it all in sustainable, recycled packaging.

It is so easy to be cynical about the latest Davos parade. But it is also easy to be cynical about initiatives like Extinction Rebellion – a group that makes extreme “demands” safe in the knowledge that they don't have to take responsibility for turning those demands into practicable action.

In fact, compared to the climate protesters, the efforts from those in Davos have a far greater chance of actually making a difference. So instead of being cynical, should we instead be optimistic that the issue of the wider

Joe Zammit-Lucia



purpose of business is now high on the agenda? Is this the start of a major turning point in business culture? Does the corporate world now understand that radical change is essential?

My suggestion is that we should be cynically optimistic.

Optimistic, because it is positive to see a major focus on issues other than pure economic growth, to the exclusion of all else. There has been a real shift in popular culture, and the business community is responding, if not out of altruism then out of enlightened self-interest.

Cynical, because we have seen it all before. The greenwashing and social impact trends began decades ago. Yet CSR initiatives rarely became much more than window dressing, while en-

vironmentally-friendly initiatives were evaluated primarily on their ability to be converted into marketing platforms to sell more product and boost the bottom line, rather than on their actual environmental impact.

Is this time any different? The cynical optimist would buy into the old mantra “trust, but verify”. Yes, let us welcome the change in tone. But let us not simply trust that it will automatically translate into meaningful action. Corporations are still primarily evaluated on their financial performance, and internal incentives are geared to delivering earnings.

There may well be willingness in the business world to change, but without public policy initiatives, such change will be slow at best – at worst, it will not happen at all. Within the current public policy framework, companies that stick their neck out and move fast will put themselves at a competitive disadvantage.

We therefore need public policy change that favours those at the forefront of responsible change and puts the laggards at a disadvantage. Only then can we hope to make progress. The rest is just lip service.

Standing out in the general virtue signalling fest at Davos was President Donald Trump. His focus was on economic growth, American superiority, and casual dismissal of the climate change “prophets of doom”.

We shall see over the coming years whether Trump was simply a reactionary outlier, or the only honest person in the room.

Dr Joe Zammit-Lucia is founder of RADIX, the think tank for the radical centre.

“
We should be optimistic, but cynical – because we have seen it all before

DEBATE

Should the Bank of England cut interest rates this week?

The Monetary Policy Committee (MPC) keeps making mistakes because it ignores monetary trends. It hiked rates in August 2018 even though 12-month broad money growth (as measured by non-financial M4) had slumped from 6.5 per cent in late 2016 to three per cent. This fall signalled that economic growth and inflation would slow in 2019, but instead of acting as a stabiliser, the MPC exacerbated weakness.

Money growth recovered slightly during 2019 but was still below four per cent in November – too low to achieve the two per cent inflation target over the medium term. The MPC should have followed the Federal Reserve and ECB and lowered rates during 2019 – broad money is now growing

YES



SIMON WARD

significantly faster in the US and Eurozone than in the UK.

The post-election bounce in surveys is hopeful, but likely to prove short-lived unless accompanied by monetary acceleration. The MPC has access to December monetary figures, released to mortals on Friday. It should cut unless these show significant improvement.

Simon Ward is economic adviser at Janus Henderson Investors.

It is difficult to fathom an economic rationale for cutting rates. The economy is bouncing back from pre-election fourth quarter weakness, sterling and markets have recovered, January's PMI was 52.4 (a 16-month high), while employment, consumer spending and household borrowing are increasing. So where is the weakness?

Interest rates are still at emergency levels, but the 2008 crisis has passed. The Bank of England's Monetary Policy (“Money-Tree Policy”) Committee's quantitative easing programme is risking asset price bubbles – if anything, rates need to rise, not fall.

With record house prices, even cheaper mortgages are not unalloyed good news, as new purchasers must borrow more to get on the housing ladder, while low-earners and younger

NO



ROS ALTMANN

groups struggle with rising rents. Around 80 per cent of households have savings mostly in cash, not equities or bonds, so low interest rates reduce the real value of their savings.

Despite the low bank rate, credit card interest rates reached a record high last month, and arranged overdraft costs are soaring. Reducing rates now will just borrow consumption from tomorrow. It doesn't create sustainable growth.

Baroness Altmann is former minister of state for pensions.

CITYA.M.

Fountain House,
3rd Floor, 130 Fenchurch Street,
London, EC3M 5DJ
Tel: 020 3201 8900
Email: news@cityam.com



Certified Distribution
from 25/11/2019 till
29/12/2019 is 85,406

Editorial Editor **Christian May** | Deputy Editor **Andy Silvester**
News Editor **Josh Martin** | Comment & Features Editor **Rachel Cunliffe**
Lifestyle Editor **Steve Dinneen** | Sports Editor **Frank Dalleres**
Creative Director **Billy Breton**

Commercial Sales Director **Jeremy Slattery** | Head of Distribution **Gianni Cavalli**

Distribution helpline

If you have any comments about the distribution of City A.M. please ring 0203 201 8955, or email distribution@cityam.com

Our terms and conditions for external contributors can be viewed at cityam.com/terms-conditions

Printed by West Ferry Printers Ltd, Kimpton Rd, Luton LU2 0SX

CITYA.M. NEWSLETTERS

The biggest stories direct to your inbox

GET THE MORNING UPDATE, CITY A.M.'S DAILY EMAIL

CITYAM.COM/NEWSLETTER

PERSONAL FINANCE

THE TAXMAN COMETH

The clock is ticking to file your self-assessment tax return. **Luke Graham** shares some top tips to beat the deadline

THIS Friday marks the end of a process that many have found divisive, emotionally draining, expensive, and time-consuming.

No, I'm not talking about Brexit. Friday 31 January is the deadline for completing your self-assessment tax return – the bane of existence for freelancers, the self-employed, and anyone who earns extra income outside their basic salary.

If you've left it to the very last minute and are yet to submit your form and pay off your tax bill, don't worry – these tips from the experts may prove helpful.

WHAT TAX RETURN?

Before you work yourself into a frenzy, check if you actually need to complete a self-assessment at all.

"It is not always necessary to complete a tax return to pay tax on untaxed income," says Gill Philpott, tax and trust specialist at Ascot Lloyd.

"You can check if you need to file a self-assessment return online. If a tax return is not required, HMRC will still need to be told about any tax due, and you will need to arrange for this to be collected or paid."

According to Philpott, it's possible to receive up to £10,000 of dividend and investment income without needing to file a tax return. Instead, you could contact HMRC directly and ask them to change your PAYE code, so that any tax you owe is collected through your salary or pension over several months.

"However, any gains over the capital gains tax annual exemption of £11,700 or proceeds over £46,800 will need to be reported on your tax return," she adds. "If you have not been issued with a tax return, but have reportable gains or proceeds, you will need to let HMRC know."

PREPARE YOURSELF

Once you're sure that you do have to file, gather all the information that you can before you sit down to complete your tax return. This should include a copy of the one you filed last year, and your login details, suggests Tom Evennett, private client services partner at EY.

"If you are going to use the HMRC online system to submit your tax return, make sure that you can and you have the necessary password to the portal," he says. "Then look at your prior year tax return as it may jog your memory in relation to any bank accounts and investments that you may have forgotten about."

"Also, make sure that you have claimed all the reliefs available, including where you have made charitable donations in the current tax year (2019/20) – you can accelerate the tax relief by including it in your



2018/19 tax return.

"Finally, make sure that you pay your liability by 31 January, as otherwise interest will apply and surcharges kick in from 28 February."

LEAVE PLENTY OF TIME

The time it takes to complete the self-assessment will vary for everyone, but give yourself at least a couple of hours. According to software company GoSimpleTax, the average time its users spent filing their return was 63 minutes and 21 seconds.

That's equivalent to running a 10k race, driving from Manchester to Leeds, or listening to Queen's Bohemian Rhapsody 11.4 times.

"You need to get started as soon as possible," says Mike Parkes, technical director at GoSimpleTax.

"The reason our users are able to make light work of their tax return is due to our helpful notifications to stop you making mistakes. HMRC frowns upon deliberate errors and lateness. When it comes to submitting your self-assessment tax return, it's crucial that you are prepared, organised, and fully understand what HMRC is looking for."

MORE HASTE, LESS SPEED

While the deadline is fast approaching, there's no point in rushing your tax return and being too hasty – you'll be more likely to make mistakes and waste time correcting them, warns Viktor Stensson, founder of artificial intelligence accountancy tool Bokio.

"With the self-assessment deadline looming, it can be easy to imagine that this is an all-or-nothing situation," he says.



People often rush their tax return on deadline day, just to ensure that they submit on time

"But don't be preoccupied with visions of last minute filings, and dramatic mouse-clicking before the clock strikes midnight. I feel it is best to make sure that your return is submitted accurately, with all the workings and documentation stored safely."

"People often rush their tax return on deadline day, without having all the correct documentation, just to ensure that they submit on time. The consequences of an incorrect return can end up much bigger than submitting a day or two late."

DAFT ERRORS

The advice of James Kipping, tax partner at MHA MacIntyre Hudson, is to refer to last year's form and complete your tax return in one go so that you're less likely to miss something. He also shares some common mistakes that people tend to make.

"Common errors include people forgetting that they need to know their spouse's National Insurance (NI) number and date of marriage for a successful marriage allowance transfer, and that they can claim tax relief for capital items, like new com-

puters," he says.

"Finally, be aware that Class 2 NI is administered via self-assessment if you're making a voluntary election – this can be a bit unclear on the form."

POCKET YOUR ALLOWANCE

There are a range of expenses, reliefs and allowances you can claim which will reduce your overall income, and therefore how much tax you owe.

"When looking at your tax position, don't forget to claim reliefs and allowances that are available," says Gill Philpott. "These include personal pension contributions paid by higher-rate taxpayers, charity donations, and the marriage allowance if one of a couple earns below the personal allowance and the other spouse/civil partner is a basic rate taxpayer."

Other expenses could include travel costs such as train tickets, your bills if you work from home, or even the cost of washing your clothes if you have to wear a specific uniform for work.

Hopefully, these tips will help you to complete your self-assessment. As HMRC likes to claim in its marketing: tax doesn't have to be taxing.

OFFICE POLITICS

My data prophecy? More rules will come

GDPR shook up how we deal with personal information, but regulation won't stop there

IN 2018, a new elephant entered the room. A giant EU elephant called the General Data Protection Regulation (GDPR). GDPR and data privacy became, slightly bizarrely, a subject that was talked about in offices and in pubs. Even my proverbial aunty knew what it was.



Adrian Barrett

In corporate land, there was a frenzy of preparation ahead of D-Day (or should that be G-Day?) on 25 May 2018 – the deadline for implementing the new rules. In fact, it had a whiff of Y2K paranoia about it.

This was a new type of far-reaching regulation that demanded a huge change of culture and control, with terrifying fines promised for those caught napping.

AN ELEGANT IDEA

The root of GDPR is utterly sound and elegantly simple. All that personal data that your business is processing? It's not yours anymore, it's theirs, that of the individual users. Treat that data as you would want your own data to be treated. Know what data you're holding, why you're holding it, and bin it when you don't need it anymore. Delete it if requested. And tell people if you've lost it (but please don't lose it).

But almost two years on from D-Day, what will happen next? As West Berkshire's resident Nostradamus, I hereby prophesise that the trend for more data regulation will continue.

If it doesn't, find me on LinkedIn in 2025 and I'll buy you a pint as compensation for all that technology you're going to need in this new "Generation Privacy".

Here's why I'm so confident about this prophecy.

Track any great innovation wave – railways, aviation, telephony, to name but a few. All started with great hope and rapid innovation. The consequences for society were profound. But inevitably, with the fearlessness that the pioneers brought, came an appetite for risk that exposed users to harm – whether physical or financial.

Therefore, as sure as night follows



As West Berkshire's resident Nostradamus, I prophesise that the trend for more data regulation will continue

day, more regulation will come. Perhaps we will look back at the wave of innovations surrounding the data age as the most profound of all. What is clear is that we are still at the beginning of this journey, and GDPR is the first regulation to get companies to take the subject seriously.

So, what can we learn from those businesses which are doing it the right way?

First, make data governance easy. Have a simple, memorable set of data protection and governance principles that become ingrained into your



OUR SURVEY SAYS...

Google Opinion Rewards
Free

Need some spare cash to spend on silly apps and daft mobile games? You can earn credits to Google's Play store by answering simple surveys after you download this app. You'll only be asked a few questions at a time, and you should receive a new survey every few days.

workplace culture.

Next, treating data protection as a box-ticking exercise won't cut it. If you are, ask your staff about it – they simply won't know if they are securing, storing, and sending data properly. You need to help your employees do the right thing, and products that help businesses follow the rules will save you a huge amount of uncertainty.

THE NEXT PHASE

As Elizabeth Denham, the UK information commissioner, said in early 2019: "For me, the crucial, crucial change the law brought was around accountability. The next phase of GDPR requires a refocus on comprehensive data protection – embedding sound data governance in all of your business processes."

Really though, this process doesn't need to be all worthy regulation and tiresome policies. Done properly, data protection and governance have a happy side effect. Several companies that we work with are seeing enormous benefits in having a comprehensive, searchable index of all the information they hold.

Think about it this way: if data is the new oil, being able to mine it will seem like a sure-fire way to get your board signed up to taking its protection more seriously.

Adrian Barrett is founder and chief executive at Exonair.

COFFEE BREAK

Copyright Puzzle Press Ltd. www.puzzlepress.co.uk

SUDOKU

Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

	5							2
4	8				6	3		
			8	6				
7				3		2		
	4		7	5				
6			4					1
		7					6	
	8	6			7			
2		9						5

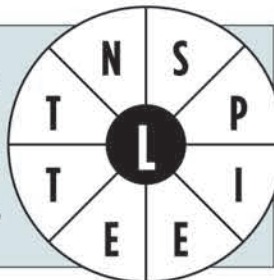
KAKURO

Fill the grid so that each block adds up to the total in the box above or to the left of it. You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

9	32		22	8		24	17	33
4			5			24		
33			7			15		
	13					11		
45	4					34		
6			16			11		
			38			21		
17	18						16	13
23				11			12	
45				13			22	
10						8		10
13						35		
12				15				7

WORDWHEEL

Using only the letters in the Wordwheel, you have ten minutes to find as many words as possible, none of which may be plurals, foreign words or proper nouns. Each word must be of three letters or more, all must contain the central letter and letters can only be used once in every word. There is at least one nine-letter word in the wheel.



QUICK CROSSWORD

1	2	3	4	5	6
7			8		
9	10	11	12		
13	14			15	16
17			18	19	20
21					22
23					
24					

ACROSS

- 3 Cover with insulation to prevent heat loss (3)
- 7 Organ of a flower (5)
- 8 Battleground (5)
- 9 Most outstanding work of a creative artist (11)
- 13 Description of how something is to be done (11)
- 17 Showing little interest or enthusiasm (4-7)
- 22 Oval fruit with a very large seed (5)
- 23 Rise rapidly, rush (5)
- 24 Food in a pastry shell (3)

DOWN

- 1 Sonnet, for example (4)
- 2 Divisions of a week (4)
- 3 Ancient Greek harp (4)
- 4 Sudden intake of breath (4)
- 5 Native of Sana'a, for example (6)
- 6 Inn (6)
- 10 Stiff bristle on an ear of barley (3)
- 11 Toddler (3)
- 12 Agitate, waken (5)
- 13 Place in a grave or tomb (6)
- 14 Salty (6)
- 15 Rocky hill (3)
- 16 Be in the red (3)
- 18 Rigid circular band (4)
- 19 Domed recess (4)
- 20 Conservative (4)
- 21 Action (4)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

R	E	M	A	R	K	G	B
O	L	N	O	B	O	D	Y
C	A	S	I	N	O	V	E
K	U	E	X	C	R	E	T
S	I	R	E	S	O	R	S
F	T	A	R	N			
A	B	L	P	L	E	A	T
B	O	O	T	E	E	S	E
U	A	L	E	S	S	E	R
S	H	R	U	B	S	A	S
E	D	E	N	T	I	C	E

KAKURO

1	7	5	1	2	1			
8	9	4	7	2	6	9	4	
		3	8	1	4	3	2	
		6	1	3	4	2	8	5
8	9	9	8	9	7	4		
9	5	3	6	1	4	7	8	2
7	2	1	2	3	4	1		
4	2	7	3	1	8	6		
8	7	5	9	7	9			
9	3	8	3	2	6	1	7	
4	1		9	6	3	4		

SUDOKU

3	4	1	7	6	2	8	5	9
5	6	8	4	1	9	7	3	2
9	2	7	8	5	3	6	1	4
7	5	4	2	8	1	3	9	6
8	3	6	5	9	4	1	2	7
2	1	9	3	7	6	4	8	5
6	9	5	1	3	7	2	4	8
4	8	3	6	2	5	9	7	1
1	7	2	9	4	8	5	6	3

WORDWHEEL

The nine-letter word was WHETSTONE

HEALTH



HOW TO CHEAT YOURSELF FIT

Everyone has ways of avoiding their health goals: here's how to force yourself to stay on the right path, by **Harry Thomas**

Getting fit isn't a one-size-fits-all deal. There are at least as many strategies as there are people, and what works for me might be a disaster for you. The key is pinpointing the weak links in your quest to get healthy and finding solutions. I've worked with thousands of clients over the years and I've almost always been able to find solutions to their problems that allow them to make a healthy lifestyle stick. Here are five problems faced by some of my clients and the solutions we worked out.

THE ENTERTAINER

I worked with a guy who had a big job in finance, and a big part of his role was to entertain clients to bring in more business. During a typical week he would be out at least three nights, with all the attendant food and alcohol. He came to me wanting to lose 10kg because he was fed up with the weight he had put on.

Giving up booze and going to bed early wasn't an option, so the key was to work out other ways of lowering his

calorie intake.

We introduced sporadic fasting, which turned out to be the ideal solution. First of all he ditched breakfast, which he only ate because of the fallacy that it's the "most important meal of the day". That saved 500 calories before he'd even got to work. Next he committed to four sessions in the gym a week, which was crucial for burning off the calorie surplus. After a year he had lost 12kg and completed two triathlons, all without giving up a single night out.

THE EARLY RISER

Another client struggled with overindulgence. She worked in an office and would find herself snacking, even if she'd brought in her own lunch. She had a weight loss goal and despite working out four or five times a week, never seemed to move closer to it. We looked at her calendar and saw that she always went to the gym before work, which she said set her up for the day. But it was also making her very hungry.

I moved her sessions to just before lunch, so that she could eat her afternoon meal as soon as she left the gym, and voila, the snacking stopped. Not only did she lose weight, she also saved money. Finding out the training times that work for you and your lifestyle is a crucial part of setting yourself up to win.

THE BUSINESS TRAVELLER

Loads of my City clients travel regularly, which is a sure-fire spanner in the works for your fitness regime. After all, staying healthy is about making good habits. We had a guy

who was away for two weeks out of every month, sometimes with no access to a gym. Our solution was to make him a personalised training routine that would allow him to work out from anywhere in the world. We got him to invest in a TRX suspension trainer, which is one of our favourite bits of kit and can be used anywhere, including a hotel room (and it's compact enough to fit easily into a weekend bag). Suddenly he had no excuses for missing a session, and could keep his momentum even after long trips away, instead of having to "start again" every time.

THE FIBBER

Personal training is about more than what happens in the gym – sometimes the most important gains are made outside of face-to-face sessions. Some clients find it hard to stay disciplined and need someone to check up on them throughout the week.

Having someone to keep you accountable really helps you stay on track. One example of this kind of micro-management was a client who admitted to 'sneakily' overeating, serving themselves huge portions of 'healthy' food and ending up with a calorie surplus as a result.

He agreed to send a photo of every meal to his trainer, and within weeks he started to lose weight. Other clients fill in a shared Google sheet to record their training sessions, nutritional intake and activity levels, giving their trainer an accurate window into their lives.

Involving someone else in these processes helps keep you account-

able. It's not for everyone, of course, but it might be for you.

THE SHORT-TERMIST

Making a dozen changes to your life in one go is almost impossible to sustain. Training five days a week, removing alcohol, eating healthily and going out less is achievable for a month or two, but you should also have an eye on the long game. I've seen too many clients go hell for leather for a few weeks, just to go

back to their old routines when the initial excitement wears off.

Sustainable solutions might be removing one or two foods from your diet: chocolate or alcohol are popular candidates. Or you could agree to limit your nights out to two or three a week. Setting a small number of solid rules will help you sustain your fitness plans over the long-term.

.....
 ● To book a session with No1 Fitness, visit no1fitness.co.uk or call 0207 403 6660



CITY A.M. CLUB RESTAURANTS LIFESTYLE EVENTS

The City A.M. Club is a new and exclusive membership programme designed specifically for you—London's professionals. We have curated a program that matches your shared lifestyles with London's favourite restaurants & brands each providing a totally unique experience for City A.M. Club members. From discounts, to added value, experiences and events—the City A.M. Club is here to take you through your day, morning till night. Are you in?

£240 per year

JOIN THE CLUB TODAY VISIT CITYAMCLUB.COM

FOOD&DRINK



WINES OF THE WEEK

Stefano Barbarino, head sommelier at The Chucs Restaurant & Café Collection, picks two bottles to buy



1. 2017 MÂCON MILLY LAMARTINE, LES HÉRITIERS DU COMTE LAFON, BURGUNDY, MÂCONNAIS
Mâcon is 100 per cent Chardonnay, boasting an abundance of ripe peach and delicate floral notes. On the palate it has hints of ripe green fruit followed by a touch of yeasty character. A great match for seafood dishes, for example Cornish crab linguine with chilli, lemon and pangrattato.

● £17.95, bbr.com

2. 2015 ROSSO DI MONTEFALCO, ADANTI, UMBRIA, ITALY

A beautiful blend of Sangiovese and Sagrantino grapes, with an intense ruby red colour. A rich and full bodied wine with well-balanced tannins, it has a powerful aroma of dark fruit including blackberry and plum, with a background of pungent spices, black pepper and tobacco. Elegant in structure, it pairs beautifully with rich winter warmers, such as duck ragu pappardelle or lamb with black olive and coco blanc.

● £16.30, tannico.co.uk

To reserve a table at one of Chucs' collection of Italian inspired restaurants go to chucsrestaurants.com



WEEKLY GRILL

Head chef of Barboun **Fez Ozalgn** on vomiting chicken hearts and cooking steak properly

WHO ARE YOU AND WHAT DO YOU DO?

My name is Fez Ozalgn. I'm the head chef of Barboun on Great Eastern Street in Shoreditch.

TELL US ABOUT BARBOUN

It's an Eastern Mediterranean grill restaurant, specialising in dishes cooked over open fire. The menu features a lot of fish and vegetables but, in my opinion, a barbecue wouldn't be complete without my beloved meat, so there's stuff for carnivores on the menu too. Many of the dishes are inspired by my heritage and the meals my grandparents cooked.

TELL US ABOUT THE BEST MEAL YOU EVER HAD

It would have to be one of the meat feasts from back in my Barbouco days. Chicken liver paté, beef tartare and delicious dry-aged steak.

WHAT FOOD MAKES YOU HAPPY AND WHY?

Meat, meat and more meat. On a more serious note, there isn't a single ingredient that I actively avoid. I love cooking with seafood and offal too. My real love is cooking over open flames – the intense

smokiness lends even the simplest of ingredients an incredible flavour. I really admire the 'caveman' style of cooking and the skill it takes to understand the fire and how to use it.

YOU COME HOME DRUNK – WHAT DO YOU COOK?

Well, I don't drink. But whether I'm drunk or not, I always make sure I have a steak in the fridge for those late arrivals home. If I'm being completely honest, I also stock packet noodles from the Chinese supermarket for emergencies, they're delicious!

YOU'RE MAYOR FOR A DAY – WHAT FOOD LAW WOULD YOU INTRODUCE?

A law that all restaurants go plastic free. Being environmentally conscious is on the up in London, but we've still a long way to go.

WHAT'S YOUR EARLIEST FOOD MEMORY?

I was very young and still in a highchair. My grandmother was visiting London from Cyprus and made aubergine dolma. Being young, I found the flavours very strange, I'd only just started eating solid

food. I vaguely remember finding it odd, not sure whether I actually liked it or not. But I ate it all nonetheless and it's now one of my favourite dishes (it appears on the menu at Barboun, of course).

WHAT'S YOUR FAVOURITE DISH?

My desert island dish would have to be molohiya, especially if it is made by my mum. It's a traditional Cypriot dish, basically a leaf originating from Ancient Egypt that's stewed for several hours. I tend to make it with diced lamb.

WHAT'S THE WORST THING YOU'VE PUT IN YOUR MOUTH?

When I was about eight years old, we went to a local Turkish restaurant and my dad gave me what he said was 'chicken'. As I ate my father laughed hysterically before telling me it was actually chicken hearts. I vomited. Now I'm a huge offal fan, however, so maybe it stirred something inside me.

WHAT DO MOST PEOPLE GET WRONG WHEN COOKING?

Cooking temperatures and resting time for steak. My advice is to never underestimate the time your meat needs

to rest! Whatever cooking temperature you're going for, remove the meat from the flames (assuming the meat is being grilled) around eight degrees below your desired temperature and give it a good rest. The heat from within will continue to cook the meat so you want it to slowly get to the ideal temperature by itself, then give it a quick flash and it will be perfectly cooked to your liking.

WHAT SHOULD EVERYONE HAVE IN THEIR CUPBOARD?

Olive oil, lemons, chilli, garlic, sea salt and black pepper. With these basic ingredients, you can make anything super tasty. I'm a bit of a chilli head so I always have dried Carolina Reaper chilli in my cupboard.

WHAT'S THE MOST OUTRAGEOUS THING YOU'VE SEEN A CHEF DO?

I've seen a chef send lamb to a customer and swear blind it was beef, because they'd run out of the correct meat.

● Barboun is on 61-67 Great Eastern Street, EC2A 3HU; To book go to barboun.com or email reservations@barboun.com

THIS WEEK'S RECIPE:

Everybody loves asparagus, but our green-fingered chef has something else growing right now...

A lot of people associate sprouting broccoli with summer but it actually grows well throughout the year. I have a

MARK HIX

Chef and restaurateur



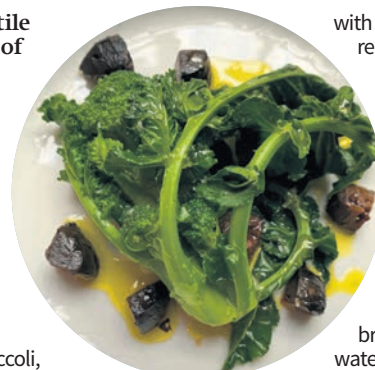
few different varieties in the garden, which gives me a great yield as the more you cut and trim, the more sprouting flowers it produces.

It's such a versatile vegetable and one of my favourites, up there with asparagus, which is lofty company indeed.

BROCCOLI WITH PICKLED WALNUTS SERVES 4-6

INGREDIENTS

● 400g sprouting broccoli,



with any woody ends removed

- 4-5tbsp extra virgin olive or rapeseed oil
- 4-5 pickled walnuts and a little of the juice
- Salt and freshly ground black pepper

METHOD

● Cook the sprouting broccoli in boiling salted water for 4-5 minutes,

depending on the thickness of the stems then drain.

- Cut the walnuts into eight pieces, or more if they are particularly large.
- Mix the oil with the pickled walnut liquid and season.
- Serve on warmed serving dishes and scatter the walnuts over and spoon the dressing on top.

The Pig Hotels' James Golding & Mark Hix, 17th April
Mark's Kitchen Library
www.hixrestaurants.co.uk

THE PUNTER

Wally Pyrah previews Wednesday's card from Happy Valley

HONG KONG RACING TRADER

Rev can ensure Hall's night ends on a High

CHINA'S population is enduring a very tough time at present as a result of the deadly virus which is causing grief around the world.

The outbreak has meant that there is a partial lockdown for all visitors to both Sha Tin and Happy Valley for the foreseeable future.

Only key personnel, horse connections, media and existing customers are allowed onto the courses and if that wasn't enough, all betting shops are also closed throughout the territory.

It wasn't all bad news, though, especially for the thousands betting online at Sha Tin last Sunday. The traditional Chinese New Year meeting saw several well-fancied horses go in, including seven market leaders at the 11-race meeting.

With Zac Purton riding a treble and Joao Moreira a double, you can guarantee the gambling-mad fraternity will have plenty of dollars to play with when racing resumes at Happy Valley today.

Trainer Francis Lui is in the form of his life at present. If training the one-two with Golden Sixty and More Than This in the £1m HK Classic Mile on Sunday wasn't enough, the highly popular trainer has recently saddled 10 winners and seven places from his last 50 runners.

With 32 victories to his name already this season, only two behind present leading trainer Ricky Yiu, he sends four



High Rev can win for the third time this season

contenders to the inner-city track and has a good chance of cutting back the deficit.

He renews his successful partnership with Moreira with Dionysus Collin in the Volunteers' Challenge Cup (12.45pm) and probably his best chance, **VICTORIAM**, who lines-up in the compet-

itive Class 3 Queen's Road East Handicap (1.45pm) over six furlongs.

This highly-regarded Australian import made an instant impact in Hong Kong last summer, winning two of his three races in impressive style.

It hasn't quite gone according to plan this season with double figure draws

stopping him adding to those wins.

He dashed too late when trying to catch track specialist Gentle Breeze over five furlongs in November and then found himself caught wide for most of the journey when a close-up seventh at the beginning of the month.

This time fortune has smiled on him,

with an all-important low draw allowing him a dream journey along the rail and up with the early pace from the off.

With the likes of Hardly Swears, seeking a four-timer, the talented Prance Dragon and Aurora Pegasus in opposition, this promises to be a good betting race, but Victoriham can prove too strong for his rivals in the closing stages.

Another horse seeking to resume winning form is **HIGH REV** in the Tin Lok Handicap (2.50pm) over the extended mile.

Trainer David Hall experimented by trying his three-time course and distance winner over longer trips last month.

He was given too much to do when a strong finishing third to the much improved Glorious Dragon over nine furlongs, but then found a mile and a quarter too far when fourth to the same horse at Sha Tin.

Back over his favoured trip and after a recent encouraging trial suggesting he is back in top form, he should prove too strong for the classy top-weight Not Usual Talent and the consistent Reliable Team.

POINTERS

Victoriham	1.45pm
Happy Valley	
High Rev	2.50pm
Happy Valley	

Acclaimed and Callan to Light up Happy Valley handicap again

THIS afternoon's Oi Kwan Handicap (12.45pm) is going to divide opinion, especially with Hong Kong's two leading jockeys Zac Purton and Joao Moreira aboard the market leaders in the betting.

Purton renews his successful association with Cheerful Star, while Moreira stays loyal to consistent Dionysus Collin.

Cheerful Star and Purton just got

the better of subsequent winner God Of Dragon earlier this month, but a 7lb penalty means they are now closely matched with Dionysus Collin on their track and trip form back in November.

However, both horses are racing from career high marks and there is a chance this contest could throw up a surprise result.

With front-running California

Legend guaranteed to lead at a good pace from the off, this presents **ACCLAIMED LIGHT** with strong claims of getting back on the winning trail.

Paul O'Sullivan's gutsy handicapper has won three times over the extended mile, but nowadays has looked in need of a longer trip, judged on recent performances.

Jockey Matthew Chadwick has

ridden him in his last half dozen races, but O'Sullivan has benched him in favour of Neil Callan, who has a good record on the son of Acclamation.

Callan has won twice on the eight-year-old and was in the saddle when they last saluted the judge last May from a similar mark in the handicap.

After a couple of outside draws

recently, he finally gets an inside number which will allow him to race closer to the pace on this occasion and then prove too strong for his rivals in the closing stages.

POINTERS

Acclaimed Light e/w	12.45pm
Happy Valley	

Shops

BETFRED

CORAL

Ladbrokes

Online

B CORAL totepool

BetPoint BLACKTYPE

Watch

sky sports racing

LIVE

HONG KONG

RACING TODAY

LIVE FROM HAPPY VALLEY, 9 RACES 10:45AM - 2:50PM

HAPPY VALLEY

Going: Turf - GOOD

10.45 KENNEDY HANDICAP (DIV I) (CLASS 4) (3YO+) (COURSE B) (TURF) 6f 3yo plus 12 dec.

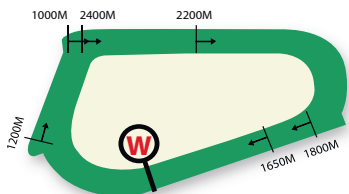
Race 10.45 table with columns for horse number, name, jockey, and trainer. Includes horses like FAIRY TWINS, FORTUNE HAPPINESS, SHOUSON, MELBOURNE HALL, BABY STORM, GALAXY EMPEROR, SUPER LUCKY, SUPER WINNER, DESTINE JEWELLERY, EVER STRONG, SHANGHAI POWER, KING PRINT.

BETTING: 11/4 Shouson, 4 U W Brother, 6 Super Winner, 7 Destine Jewellery, Speedy Missile, 8 Ever Strong, 12 Fortune Happiness, 14 Super Lucky, 20 Others

11.15 MORRISON HILL HANDICAP (CLASS 5) (3YO+) (COURSE B) (TURF) 1m 3yo plus 12 dec.

Race 11.15 table with columns for horse number, name, jockey, and trainer. Includes horses like BLOOMING SPIRIT, BREAK RECORD, THE FULL BLOOM, ASSOCIATION FANS, KEEP WINNING, WONDERFUL TIGER, HIDDEN SPIRIT, MONEY WINNER, LITTLE ISLAND, VIRTUS STAR, FORTUNE WAY, LUCKY STORM, SPEEDY WALLY, DIVINE POWER.

BETTING: 7/4 Blooming Spirit, 4 Keep Winning, 6 Hidden Spirit, Virtus Star, 12 The Full Bloom, Wonderful Tiger, 14 Money Winner, 20 Others



11.45 KENNEDY HANDICAP (DIV II) (CLASS 4) (3YO+) (COURSE B) (TURF) 6f 3yo plus 12 dec.

Race 11.45 table with columns for horse number, name, jockey, and trainer. Includes horses like LADY FIRST, BRAVE BABY, FANTASTIC FABIO, SWOT TROOPERS WIND, MR DARTHVEGAR, PLAY TO WIN, TREASURE CHEST, E GENERATION, MASTER ALBERT, THE SHOW, THE ONE, SIMPLY FLUKE, SHANGHAI POWER, ONE HAPPY STAR.

BETTING: 5/2 Master Albert, 3 Lady First, 6 The Show, 7 Simply Fluke, The One, 14 Brave Baby, Fantastic Fabio, Mr Dartthvegar, 20 Others

12.15 KENNEDY HANDICAP (DIV III) (HANDICAP) (CLASS 4) (3YO+) (COURSE B) (TURF) 6f 3yo plus 12 dec.

Race 12.15 table with columns for horse number, name, jockey, and trainer. Includes horses like PRECIOUS SWEETIE, GUNNAR, WONDER BRAHMA, MENAGGIO, SUPER ALLIANCES, GOLDEN GLORY, LOOK ERAS, DRAGON BOLT, VICTORY VISION, GRAND HARBOUR, ONE STEP AHEAD, ALL BEST FRIENDS, ONE HAPPY STAR, SHANGHAI POWER.

BETTING: 7/4 Super Alliances, 7/2 Golden Glory, 5 Precious Sweetie, 6 Others

12.45 OI KWAN HANDICAP (CLASS 4) (3YO+) (COURSE B) (TURF) 1m1f 3yo plus 12 dec.

Race 12.45 table with columns for horse number, name, jockey, and trainer. Includes horses like KING'S MAN, YOU HAVE MY WORD, ACCLAIMED LIGHT, PRETTY BAUHINIA.

Race 1.15 table with columns for horse number, name, jockey, and trainer. Includes horses like TANGMERE, HAPPY WIN WIN, CHEERFUL STAR, CALIFORNIA LEGEND, GOOD DAYS I, DIONYSUS COLLIN, DYNASTA, GALA NIGHT, HAPPY ROCKY.

BETTING: 3 Cheerful Star, 4 Dionysus Collin, 6 Good Days I, 7 Happy Win Win, 8 Acclaimed Light, 10 King's Man, 12 California Legend, Tangmere, 14 Others

1.15 VOLUNTEERS' CHALLENGE CUP (HANDICAP) (CLASS 3) (3YO+) (COURSE B) (TURF) 1m 3yo plus 12 dec.

Race 1.15 table with columns for horse number, name, jockey, and trainer. Includes horses like BRAVE LEGEND, WINNING DELIGHT, BEAUTY HAPPY, SURREALISM, CINQUANTE CINQ, DIVINE UNICORN, PICKEN, LONDON LUCKYSTAR, TOP SCORE, WINNING ENDEAVOUR, HOME WIN, CHUNG WAH SPIRIT, NAMJONG PLUS, TAILOR MADE.

BETTING: 5/2 Cinquante Cinq, 3 Surrealism, 5 Winning Endeavour, 10 Others

1.45 QUEEN'S ROAD EAST HANDICAP (CLASS 3) (3YO+) (COURSE B) (TURF) 6f 3yo plus 12 dec.

Race 1.45 table with columns for horse number, name, jockey, and trainer. Includes horses like ETHIOPIAN YARN, PRANCE DRAGON, MOST BEAUTIFUL, VICTORIAM, CALIFORNIADEEPSHOT, HARDLY SWEARS, AURORA PEGASUS, HOME MADE, SUPERB DADDY, SALTO OLIMPICO.

Race 2.15 table with columns for horse number, name, jockey, and trainer. Includes horses like DIAMOND KING, HAPPY WARRIOR, BLOTTING PAPER, SMILING CITY.

BETTING: 5/2 Aurora Pegasus, 11/2 Hardly Swears, 6 Victoriam, 8 California Deepshot, Happy Warrior, Superb Daddy, 12 Prance Dragon, 14 Most Beautiful, 20 Others

2.15 STUBBS HANDICAP (CLASS 2) (3YO+) (COURSE B) (TURF) 6f 3yo plus 12 dec.

Race 2.15 table with columns for horse number, name, jockey, and trainer. Includes horses like GUNNISON, GENTLE BREEZE, MR CROSSANT, GRACEANDMERCY, WALDORF, JOYFUL UNION, CUE THE MUSIC, LOVING A BOOM, AMAZING STAR, MR RO AND SO, AMAZING STAR, BEAUTY AMIGO, SUNSET WATCH, MONTREAL, STAR SHINE.

BETTING: 6/4 Amazing Star, 13/2 Cue The Music, 15/2 Joyful Union, 9 Gentle Breeze, Mr Croissant, 12 Gunnison, Waldorf, 14 Beauty Amigo, 16 Others

2.50 TIN LOK HANDICAP (CLASS 2) (3YO+) (COURSE B) (TURF) 1m 3yo plus 12 dec.

Race 2.50 table with columns for horse number, name, jockey, and trainer. Includes horses like NOT USUAL TALENT, GREEN LUCK, HAPPY DRAGON, CIRCUIT GLORY, DANCES WITH DRAGON, GENEROUS CHARITY, EASY GO EASY WIN, RELIABLE TEAM, HELLO DADDY, HIGH REV, RED DESERT, HARMONY HERO, HELENE CHARISMA.

BETTING: 5/2 Reliable Team, 5 Happy Dragon, 7 High Rev, 9 Red Desert, 10 Harmony Hero, 12 Not Usual Talent, 14 Green Luck, 16 Circuit Glory, 20 Others

Cards provided by RACING POST

SPORT

Meet the man hoping to take the world of stats to the mainstream.

By **Felix Keith**

DAN ALTMAN has been many things. Economist. Best-selling author. British government advisor. Columnist. Consultant. Teacher.

All of those occupations revolved around the use of data, and “after about 15 years” Altman, in his own words, “got a bit bored and decided to try something a bit different.”

That boredom has seen the 46-year-old American turn his attention and expertise with data to sport, and in particular football. Altman founded North Yard Analytics, a consulting firm that applies so-called Moneyball techniques to football, and set about his new venture.

“I bought some data from [statistics gatherers] Opta – a whole season of event data from the Premier League – and I started playing around with it,” he tells *City A.M.* “When I got some interesting results I reached out to a few clubs and fortunately I was able to start working with some of them.”

Altman worked with Manchester City’s parent organisation City Football Group before joining Kaplan-Levien Sports Group as head of strategy, a role which saw him work with Swansea City and DC United.

Despite a frustrating near two-year stint with Kaplan-Levien, Altman was not put off when he stepped away from the American ownership group.

“I realised that, even though they didn’t take much of my advice, the platform that I had created for evaluating players was very powerful, so I wanted to exploit the power of the platform and also give access to it to as many people as possible,” he says.

“I really felt that football analytics needed to be liberated and I know I’m not the only one who feels that way. So I decided to expose a lot of what I had been doing over the past five or six years to a broad audience.”

The way to open up his wealth of data to the public is through his web-

site *smarterscout.com*, which Altman describes as an “instantaneous, easy and objective way to evaluate players from 45 leagues around the world”.

Altman’s algorithms and mathematical models crunch the numbers and allow the user to assess different aspects of players’ performances and styles. It ad-

Altman worked for City Football Group and Swansea City

justs to compare players competing in leagues of various quality levels, to make it possible to predict how a player from the Belgian Jupiler League would perform in the Premier League.

More detailed options are sold to professional clients, like clubs, scouts and agents, who are “essentially subsidising” *smarterscout*, allowing it to be free for fans. The platform was launched in March 2019 and Altman says there are “thousands of users” with hundreds joining every day.

“These stats can help any fan interpret the game,” Altman adds. “They can offer an extra layer of insight to fans that are curious, but also for those who take it a bit more seriously by playing fantasy leagues or player trading platforms.”

MAKING THE PIE BIGGER

Altman has an optimistic view. In the long run he hopes *smarterscout* can become “part of the lingua franca of football”, but in the shorter term there are encouraging signs.

Games like *Football Manager*, *Fantasy Football* and the growing popularity of platforms such as *Football Index* have made fans more in tune with statistics.

Meanwhile, the incorporation of metrics like expected goals into the wider conversation – it is now two and half years since *Match of the Day* began using xG – means becoming mainstream is not an altogether lofty goal.

“I think that making the pie bigger for everyone is the most important thing that we can do right now, and the best way to make the pie bigger is to get football analytics into the mainstream,” Altman says.

“I think that the arc of adoption is very positive. There will always be backlash – some of it is really sensationalised, everybody loves to see a fight – but overall the trend is being set by the clubs, who are taking these analytics

very seriously, and I think that the fans will follow.”

BIG DATA FC

There is another more ambitious way in which Altman hopes to spread the gospel of football stats.

“It’s very frustrating to be working for a club or clubs and not have anyone heed your advice,” he says of his two-year spell at Swansea, which ended in October 2018.

“The solution to that is to own the club, so my investment group has been looking to take control of a lower division club so that we can show how powerful these tools are when they’re implemented in an intelligent way.”

Altman is looking at European football for his pet project, so you never know: Big Data FC could be coming to a league near you.



FOOTBALL'S DATA LIBERATOR



Altman worked for City Football Group and Swansea City

Why English game needs to overhaul cup competitions

ONCE upon a time cup ties, like any extra games, meant significant extra income for English football clubs. The FA Cup final, meanwhile, represented a unique chance to be watched around the world.

The brutal truth is that, for Premier League teams, neither of the above are true any more: top-flight status ensures financial security and weekly global television exposure.

So if the FA Cup and EFL Cup are largely meaningless for top teams – and there is no Champions League place on offer – it should be no surprise that it is not a priority for them.

Liverpool manager Jurgen Klopp and Manchester City boss Pep Guardiola have made that clear lately, in their attitude to FA Cup

FOOTBALL COMMENT

Trevor Steven



replays and calling for the EFL Cup to be scrapped.

You could try to address this by offering the FA Cup winner Champions League qualification. But it would mean taking a spot away from the Premier League and could mean, say, a Wigan – who won the FA Cup but were also relegated in 2013 – in Europe’s top club competition, so I can see the arguments against that.

I’m in favour of a broader, more

radical overhaul of the domestic calendar that would mean doing away with the EFL Cup and FA Cup replays to make room for a proper winter break.

HOOKED ON TRADITION

January is a month where little happens in business and I believe it should be the same in football – otherwise players get fated, they become more susceptible to injury and the overall product suffers.

It is the perfect opportunity to give players three weeks off – 10 days’ holiday plus 10 days’ preparation for resuming – while still retaining the traditional festive and new year programme.

Clubs who are struggling can focus on reviving their fortunes in the second half of the season, while those in the market can give the

winter transfer window greater attention.

All of the major European leagues have a break like this yet in England we are trialling a shorter break which equates to just one free weekend. It simply isn’t enough.

We are so hooked on tradition that we can’t see the benefits of doing the same as Europe. We soldier on because we think it would be weakness when it would actually be a show of strength.

Scrapping the EFL Cup and reshuffling the calendar would make this possible. And I’m with Pep – I don’t see the point of the competition any more. The game has evolved so much.

Teams from lower divisions can still get a plum draw in the FA Cup. But I’d streamline that, too. No replays, no VAR, and all decided on

the day with penalties if necessary. Create a different mindset around it.

Smaller clubs would need to be compensated for the loss of lucrative replays, like the one Shrewsbury have earned against Liverpool. These are not that frequent, though.

To offset this, Premier League clubs could create a fund so that lower division teams are better rewarded. It might need some invention but should be achievable.

I’m not saying it’s a miracle cure but I do think it would be beneficial for English football as a whole.

And no EFL Cup might mean top sides taking the FA Cup more seriously again.

Trevor Steven is a former England footballer who played at two World Cups and two European Championships.
@TrevorSteven63

LAST GASP Villa strike in injury time to reach the Carabao Cup final



TREZEGUET scored in injury-time as Aston Villa beat Leicester City 2-1 to seal a place in the Carabao Cup final last night. The game appeared to be heading to penalties when the Egyptian volleyed in Ahmed Elmohamady's cross to win it for Villa. The two sides came into the semi-final second leg level at 1-1 and it was the hosts who struck first at Villa Park, with Matt Targett firing them ahead. Kelechi Iheanacho tapped in to equalise and Villa goalkeeper Orjan Nyland made a string of brilliant saves before Trezeguet struck after 93 minutes to send them to Wembley. They will face the winner of tonight's semi-final between Manchester City and Manchester United, in which City hold a 3-1 lead.

ERIKSEN JOINS INTER AS SPURS SNAP UP LO CELSO

Christian Eriksen finally completed his £16.9m move from Tottenham to Inter Milan yesterday. Eriksen, who was in the last six months of his Spurs deal, has agreed a contract until 30 June 2024 with the Italian club. The 27-year-old midfielder's exit after six and a half years was followed by Spurs making the signing of Real Betis loanee Giovanni Lo Celso permanent for £27.2m. Tottenham have also agreed a deal to sign PSV Eindhoven winger Steven Bergwijn for £27m.

LEEDS HIT BACK TO GO TOP OF THE CHAMPIONSHIP

Leeds came from 2-0 down to beat Millwall 3-2 and go top of the Championship last night. Two goals from Patrick Bamford and one from Pablo Hernandez completed the second-half turnaround, which sent them past West Brom, who lost 2-1 at Cardiff. Elsewhere, Nottingham Forest beat Brentford 1-0 to move up to third, Blackburn overcame QPR 2-1 and bottom side Luton beat Derby 3-2.

SARACENS HIT BY ANOTHER PENALTY AS CEO RESIGNS

Saracens interim chief executive Edward Griffiths resigned yesterday after just 26 days in charge as the Premiership handed the club a further 70-point penalty for salary cap breaches. Griffiths, who had been

SPORT DIGEST

Sarries chief executive between 2008 and 2015, returned on 2 January, but leaves having been unable to prevent the club's relegation. Premiership Rugby issued the further points deduction yesterday "in order to provide clarity for clubs and supporters" and ensure that the defending champions finish bottom.

SUPER LEAGUE UNABLE TO STOP FOLAU SIGNING

Rugby league side Catalans Dragons faced an angry backlash after announcing the signing of former Australian rugby union international Israel Folau yesterday. Folau was sacked by Australia Rugby in December for writing homophobic social media posts. The 30-year-old has signed a one-year deal with the French side after the Super League said it "does not have the authority to veto the registration of players".

BROAD FINED FOLLOWING DU PLESSIS ALTERCATION

England bowler Stuart Broad has been fined 15 per cent of his match fee for using "inappropriate language" during the fourth Test win over South Africa. Broad swore at Proteas captain Faf du Plessis and has picked up a second demerit point. If he gets four points in a two-year period then he will be suspended for one game.

Federer defies age and logic as he reaches Australian Open semi, writes **Michael Searles**

WHEN Roger Federer steps out onto the court at the Rod Laver Arena tomorrow, even he may be surprised to have made it to the Australian Open semi-finals again. The six-time winner has twice looked certain to be heading for an early exit at this year's competition before coming back from the brink of defeat to progress.

The 38-year-old has looked increasingly likely to fall short as he ages and, prior to arriving in Melbourne, had lost his last three successive five-set matches.

And yet, his performances thus far have defied all logic – not to mention the human ageing process.

He will now play in his 15th Australian Open semi-final against the only player to have won this Grand Slam more times than himself: Novak Djokovic. The pair have claimed 13 of the last 16 tournaments between them.

UNFAZED BY ADVERSITY

It is typical of Federer to be unfazed by adversity, but even by his lofty standards, saving seven match points in his quarter-final with Tenny Sandgren yesterday was unfathomable.

It's a feat he had only achieved once before, in the early stages of his career, 17 years ago in Cincinnati against Australian Scott Draper.

On this occasion the Swiss master won 6-3, 2-6, 2-6, 7-6 (10-8), 6-3 but American Sandgren had three match points while leading the fourth set 5-4, albeit on Federer's serve.

After several unforced errors Sandgren ceded the game, only to then engineer a further four match points in the tie-break, including a 6-3 lead, before failing to capitalise.

What adds to this remarkable comeback is that Federer was struggling midway through the match with a

BACK FROM THE BRINK



“
He maintained his record of never having retired from any of his 1,511 matches

tight groin and begrudgingly took an off-court medical time-out.

“I don't like calling the trainer – sign of weakness and all that,” he said following the win, which maintained his staggering record of having never retired from any of his 1,511 tennis matches.

What's more is that he was forced to go all five sets against John Millman just two rounds earlier, winning 10-8 in a final-set tiebreak, which he had been losing 8-4.

GRACIOUS IN VICTORY

Whether it is the vast experience and level-headedness of Federer that al-

lows him to return from the edge of defeat or the apprehension of his opponents as they close in on beating the greatest tennis player of all time is difficult to determine.

Either way, it only seems to increase with age. And while Federer is ever gracious in victory – “I didn't deserve this one,” he conceded – he remains astonishingly composed after adrenaline-charged occasions that threatened to nudge him closer to retirement.

“The wheels have come off, no doubt about that,” John McEnroe declared as Federer lost his grip on the third set. Except they haven't – not yet. But

world No2 Djokovic will pose an entirely tougher test, as both he and Rafael Nadal look to close in on Federer's record 20 Grand Slam titles.

If there is one thing Federer has on his side now it is that, for once, he is the underdog.

The expectation is that he is too old to compete at this level, that he can't come back from the brink. Yet that may be when he is at his most dangerous.

“The draws are not getting easier, but you never know,” Federer said. “You play without expectations because you know you should probably already be skiing in Switzerland.”

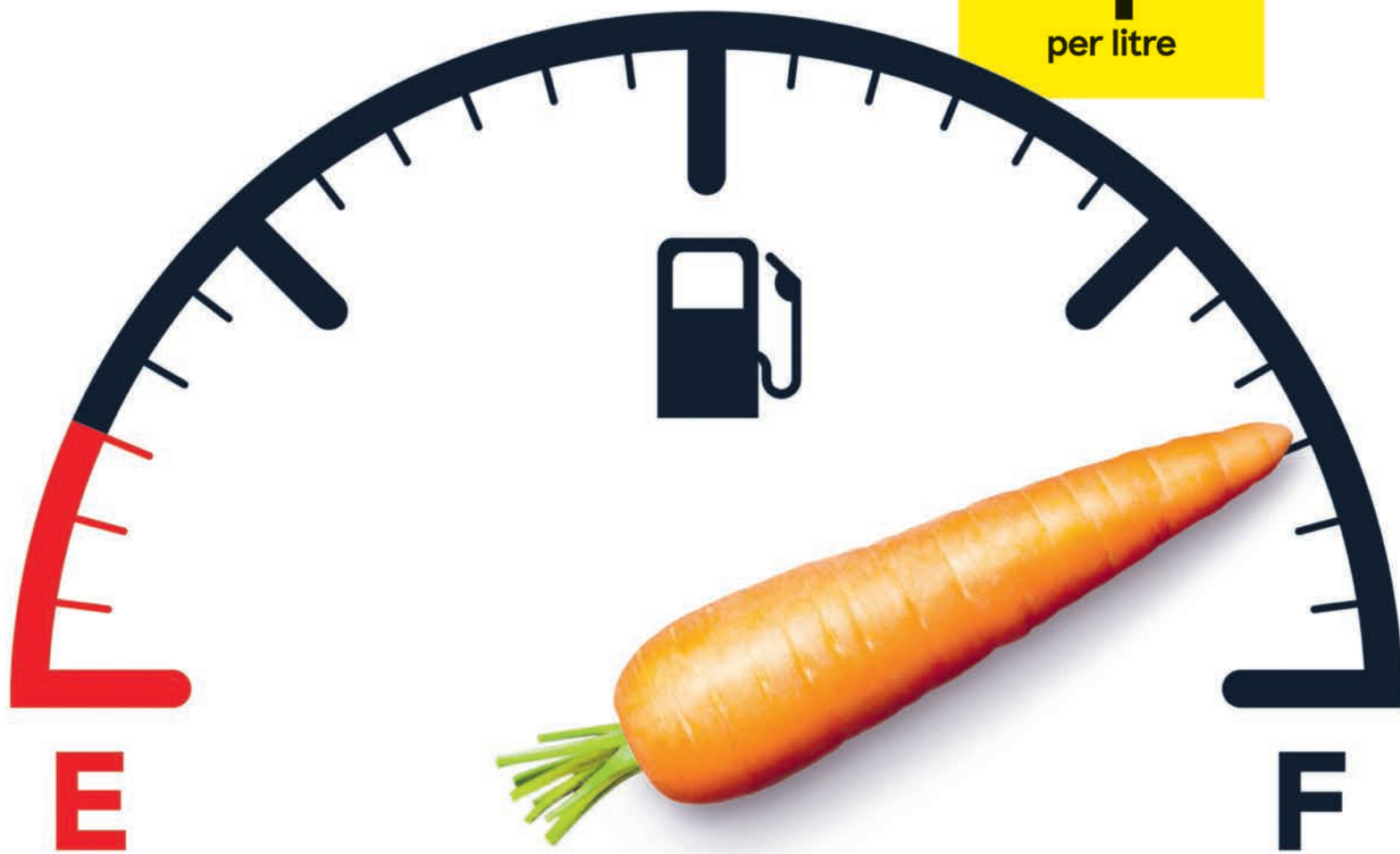
Weekly Little Helps

Fill up for less when you fill your basket.

Save 5p per litre of fuel when you spend £50 in-store or online by 9 February.



Save
5p
per litre



Qualifying spend of £50 in one transaction after discounts and promotions are applied, exclusions apply. Offer applies to purchases made or delivered between 23/01 and 09/02. Coupons issued at till valid for 2 weeks from date of issue. Coupons issued online valid until 23/02. Tesco petrol filling stations only. Coupons not issued at Express stores selling Esso fuel, Kirkwall & Lerwick Superstores, ROI & IOM and cannot be redeemed at Express stores selling Esso fuel, Pay at Pump stations, ROI & IOM. See [tesco.com/fuel-promo](https://www.tesco.com/fuel-promo) for full terms and conditions.