

FINANCIAL TIMES

TUESDAY 24 AUGUST 2021

WORLD BUSINESS NEWSPAPER

USA \$2.50 Canada C\$3.00

Loud and clear

Powell's Jackson Hole speech must be brave — MOHAMED EL-ERIAN, PAGE 9

Broken down

UK truck driver shortages carry a global lesson — SARAH O'CONNOR, PAGE 15



Ups and downs

San Francisco's cable cars embody city's slow revival — NOTEBOOK, PAGE 14

Smoke alarm Green protest targets London

Climate change protesters from the Extinction Rebellion movement gather in central London yesterday before blocking a junction in Covent Garden with a 4 metre-tall pink table.

The group said it intended to keep the structure in place during a fortnight of disruption. The action is intended to ensure climate change tops the political agenda in the run-up to the UK's hosting of the COP26 summit in Glasgow this year.

The international scope of the protest was underlined as more than 150 demonstrators blocked access to Norway's energy ministry, with one demonstrator saying "peaceful civil disobedience" was the only option. "We are desperate."

The finance problem page 15



Den Kitchwood/Getty Images

Biden squeezed between allies and Taliban over evacuation deadline

UK and France to push for extension at G7 New regime in Kabul likely to refuse

GEORGE PARKER AND ANDREW ENGLAND — LONDON AIME WILLIAMS — WASHINGTON

Joe Biden will come under pressure today from western allies who want the US-led evacuation from Afghanistan extended beyond August 31, while facing the humiliating prospect that the Taliban may veto the idea.

At an emergency G7 meeting the US president will hear calls from allies including Boris Johnson, UK prime minister, and Emmanuel Macron, French president, to negotiate with the Taliban for an extension.

But the move exposes the fragility of the west's position in Afghanistan, as the leading democracies in effect plead with the Taliban to allow them to carry on their evacuation for a few more days.

Suhail Shaheen, a Taliban spokesman, told the Financial Times that US and other foreign troops at Kabul airport must withdraw in line with the timeline set by the Biden administration.

"Otherwise, it will be a violation," he said. "Our leadership will take a decision [on how] to react to the violation."

James Heappey, UK defence minister, admitted the Taliban had "a vote" on whether to allow the evacuation to carry on from Kabul airport into September.

He said forcing a confrontation with the new regime in Kabul could be hugely counter-productive and that carrying out an evacuation from "a war zone" would make the west's task even harder.

"Even if the political will in London, Washington, Paris, Berlin is for an extension, the Taliban may say no," he

told the UK's LBC Radio. Biden is currently sticking to the original August 31 deadline — thus avoiding the potential humiliation of a Taliban "veto" on an extension — but has left open the door for requesting more time.

Pentagon spokesman John Kirby said that Lloyd Austin, defence secretary, was working to that deadline and had not asked the president for it to be extended, but he did not rule it out.

Johnson, current G7 chair, will argue at a virtual meeting that the more time the west has to evacuate civilians — including Afghans who backed the Nato mission — the more it can get out.

Jean-Yves Le Drian, France's foreign minister, said: "We are concerned about the August 31 deadline set by the United States. More time is needed..." But the



west is still rushing against the deadline. The US military reported its biggest day of airlifts by far yesterday, with 28 US flights taking out more than 10,000 people out in 24 hours.

Johnson will urge G7 leaders to increase their offer of aid to ease the refugee crisis, with Britain committing up to £286m of humanitarian assistance. The money will be spent in the region — including third countries that will be asked to process Afghan refugees seeking to travel to the west under resettlement programmes. The UK has promised to take 20,000 over five years, accepting many people will have to leave via countries like Pakistan.

News & analysis page 2 FT View page 14 Lex page 16

Briefing

US gig workers set to lose pandemic aid Millions of US gig workers will be left struggling financially when relief programmes to help them through the pandemic expire at the beginning of next month. — PAGE 4

China tech groups feel rising pressure Beijing has intensified an anti-corruption drive, warning officials in Hangzhou, where tech groups including Alibaba are based, to address "conflicts of interest" in ties with local businesses. — PAGE 4

Chemicals trader sued over Beirut blast A UK-registered chemicals company is being sued at the High Court in London over its alleged role in the huge explosion at Beirut's port last year that killed more than 200 people. — PAGE 4

Lukashenko becomes a risk to Putin The growing reliance of Belarus leader Alexander Lukashenko on Vladimir Putin in the face of western sanctions is both an opportunity and a risk for the Russian president. — PAGE 2



BioNTech/Pfizer jab given full approval The BioNTech/Pfizer vaccine has become the first Covid-19 jab to receive full approval from the US Food and Drug Administration, having been given emergency-use authorisation in December. — PAGE 5

Boeing boosts Virgin satellite company Boeing is to invest in Richard Branson's Virgin Orbit satellite launch group when it lists in a merger with a special purpose acquisition company at a value of more than \$3bn. — PAGE 5

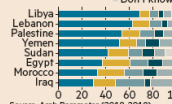
Air taxi investment soars to fresh high Investors put a record \$4.3bn into electric air taxi start-ups in the first eight months of this year as funding for air mobility technology, including drones, has soared 85 per cent in five years. — PAGE 6

Datawatch

Views on aid from the US

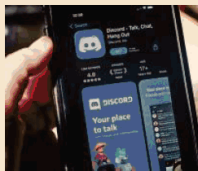
% of respondents

- Gaining influence
- Economic development
- Internal stability
- Empowering civil society
- Improving citizens' lives
- Don't know



Sources: Arab Barometer (2018-2019)

Since 1946, the US has sent about \$546bn in aid to the Middle East and north Africa for military, humanitarian and developmental purposes. But only 18 per cent of citizens believe the main motive was economic development.



Discord seeks harmony around a \$15bn valuation

Discord, the gaming focused chat platform, has rebuffed multibillion-dollar takeover offers from tech groups including Microsoft, Twitter and Amazon, and is reportedly putting together a funding round valuing the business at \$15bn. As founder Jason Citron seeks to expand its appeal to a mass audience and eyes a potential listing, he must also contend with the challenge of malicious content and growing attention from regulators.

Analysis — PAGE 7

Brisk expansion in business activity shows eurozone 'firing on all cylinders'

VALENTINA ROMEO — LONDON

Eurozone business activity recorded a second consecutive month of strong expansion in August, suggesting that the bloc is on course for healthy third-quarter growth, according to economists.

The IHS Markit flash composite purchasing managers' index reached 59.5, down slightly from its 15-year high of 60.2 in July. A reading above the 50 mark indicates a majority of businesses reported an expansion in activity compared with the previous month.

Rising vaccination rates boosted optimism, which was near its highest level since the survey began in 2012. The survey also recorded strong hiring activity and rapid increases in input costs as manufacturing continues to grapple with supply chain disruption.

Chris Williamson, chief business economist at IHS Markit, said the eurozone economy had enjoyed "impressive momentum".

Bert Colijn, senior economist at ING bank, said it was "firing on all cylinders" and forecast quarterly growth of about 2 per cent in the three months to September — the same strong pace as the second quarter.

"Concerns about the impact of the Delta [coronavirus] variant and input shortages remain but have not derailed the rebound thus far," he said. Services activity remained "exceptionally strong" and "employment is booming as the reopening of the economy means demand for workers," he added.

Employment growth remained at a 21-year high for the second month in a row as businesses increased staffing to meet expanding order books. Manuf-

acturing businesses logged some labour shortages but hiring accelerated in the services sector.

Businesses' costs and prices rose at some of the fastest rates for 20 years, driven by input shortages and booming demand. Despite the supply-side pressures, Williamson said there were "welcome signs that these inflationary pressures may have peaked for now".

Jack Allen-Reynolds, senior Europe economist at Capital Economics, forecast that inflation would "jump in August and remain above [the European Central Bank's] target in the second half of the year".

Eurozone optimism contrasted with more downbeat sentiment in the UK, where the flash PMI figure dropped to 55.3 in August from 59.2 in July, under-shooting analysts' expectations and sinking to a six-month low.

World Markets

STOCK MARKETS				CURRENCIES				INTEREST RATES				
	Aug 23	prev	%chg		Aug 23	prev			price	yield	chg	
S&P 500	4485.31	4441.67	0.98	\$ per €	1.174	1.168	€ per \$	0.729	1.25	0.01		
Nasdaq Composite	14935.02	14714.66	1.50	\$ per £	1.372	1.362	£ per €	1.169	1.166	0.54	0.01	
Dow Jones Ind	35380.45	35120.08	0.74	€ per ¥	0.856	0.858	¥ per €	128.940	128.242	-0.49	0.02	
FTSE100	1819.47	1807.45	0.67	¥ per \$	109.245	109.905	£ index	81.405	81.649	117.29	0.01	
Euro Stoxx 50	4182.42	4147.50	0.84	\$ per €	1.072	1.072	SFR per €	1.263	1.260	116.28	1.87	0.00
FTSE 100	7193.02	7097.90	0.30	€ per \$	1.072	1.072	SFR per €	1.072	1.072	106.60	-0.75	0.01
FTSE All-Share	4092.12	4062.53	0.23	€ per \$	0.852	0.856						

LIVE WELL. LIVE STRONG. LIVE YOUR LIFE REBALANCED.

The new collection of Clinique La Prairie supplements is the result of a 90-year legacy of transformative wellness and science. Formulated in Switzerland and fueled with the highest standard ingredients to achieve optimum efficiency and make you feel your absolute best, inside and out.

Francisco, Tokyo, Hong Kong, Singapore, Seoul,
Dubai



LAG 40	9953.10	9926.11	0.86
Xetra Dax	15852.79	15800.04	0.28
Nikkei	27494.24	27013.25	1.78
Hang Seng	25109.59	24849.72	1.05
MSCI World \$	3080.02	3063.22	0.55
MSCI EM \$	1220.78	1232.41	-0.94
MSCI ACWI \$	722.58	719.88	0.38

COMMODITIES

	Aug 23	prev	%chg
Oil WTI \$	65.68	62.14	5.70
Oil Brent \$	68.70	65.18	5.40
Gold \$	1779.05	1762.05	-0.17

	price	prev	chg
Fed Funds Eff	0.10	0.08	0.02
US 3m Bills	0.05	0.06	-0.01
Euro Libor 3m	-0.56	-0.56	0.00
UK 3m	0.07	0.07	0.00

Prices are latest for edition Data provided by Morningstar

AGE-DEFY BALANCE PURITY ENERGY

Available during your next stay at Clinique La Prairie or online at cliniquelaprairie-hh.com

Contact us: hollistic.health@laprairie.ch | +41 21 989 34 81

A Nikkei Company