



## Are energy's price-fixing ways about to end?

GILLIAN TETT, PAGE 21

## No one knows how far AI will boost growth

SOU MAYA KEYNES, PAGE 20

## Rates vista Bailey hints at summer cut

The Bank of England has signalled that interest rate cuts are on the agenda this summer, despite its decision yesterday to keep borrowing costs at a 16-year high of 5.25 per cent.

Governor Andrew Bailey said a rate cut in June was neither "ruled out" nor a "fait accompli".

He added that there had been "encouraging news" on inflation, which should fall close to the BoE's 2 per cent target in the next couple of months.

Seven members of the Monetary Policy Committee voted to keep rates at their present level, while two members voted for an immediate cut.

Bailey sought to combat market perceptions that the BoE might delay its first rate cut if the US was slower to cut borrowing costs. "There is no law that says that the Fed moves first," he said.

[BoE holds rates page 2](#)

[Day in the markets page 12](#)



Carlos Jasso/Reuters

### Briefing

#### ► BBVA's hostile approach unsettles corporate Spain

The Spanish lender has drawn a rebuke from Madrid after launching a hostile takeover for domestic rival Banco Sabadell, setting up a multibillion-euro battle in a country unfamiliar with aggressive approaches. — [PAGE 7](#)

#### ► Arm outlook disappoints

Shares in the British chip designer have dropped as much as 10 per cent after it issued lacklustre revenue forecasts, raising concern that tech companies' spending might be slowing down. — [PAGE 10](#)

#### ► Putin stirs nuclear fears

Russia's president has used a Victory Day speech on Red Square to raise the spectre of nuclear conflagration in what he said would be Moscow's response to risks posed by the west. — [PAGE 4](#)

#### ► Right note for Hipgnosis

Blackstone has taken pole position in the takeover battle for the UK-listed music rights owner after rival Concord said it would not match the US private equity group's \$1.6bn offer. — [PAGE 10](#)

#### ► Netanyahu told to defy US

The Israeli PM's coalition allies have told him that the Jewish state must invade Rafah, despite President Joe Biden's warning that the US would cut off its supply of large weapons if it did. — [PAGE 6](#)

#### ► Trump's team on attack

The former president's lawyers have accused porn actor Stormy Daniels of bragging of landing him in legal trouble as they sought to destroy her credibility at his "hush money" trial. — [PAGE 5](#)

#### ► TikTok leads fakes fight

The video app owned by China's ByteDance will become the first social media platform to label some artificial intelligence-generated content automatically. — [PAGE 8](#); [INSIDE BUSINESS, PAGE 7](#)

#### ► Bridgewater boss upbeat

The hedge fund's new chief Nir Bar Dea says he has overhauled the firm after just a year in charge, in a drive to restore its investment performance and mark a break from founder Ray Dalio. — [PAGE 8](#)

# Anglo's investors in South Africa open to sweetened takeover offer from BHP

► Australian miner bids £30bn ► ANC minister 'negative' on deal ► Shareholders defy government

HARRY DEMPSEY — LONDON  
ROB ROSE — JOHANNESBURG  
NIC FILDES — SYDNEY  
LEO LEWIS — TOKYO

Anglo American's key South African shareholders are open to a takeover offer from BHP, despite government concerns that the miner's £30bn-plus proposal is bad for Africa's most industrialised economy.

The investors, which collectively hold more than 15 per cent of Anglo, told the Financial Times that BHP would need to sweeten its offer but that they were not opposed in principle to an acquisition by the Australian group.

Their openness comes despite comments from mining minister Gwede Mantashe saying that he was personally "negative" on the deal, which would

spin off two South African subsidiaries.

London-listed Anglo has been woven into South Africa's economy over its 107-year history and a takeover is a sensitive matter for the ruling African National Congress in an election year.

The competition regulator has warned that it will have the final say.

But David Masondo, South Africa's deputy finance minister and chair of the Public Investment Corporation, which

owns 8.4 per cent of Anglo, said that the state-owned entity was yet to take a position. "We'll need to assess any offer, and assess the value it offers," he said, adding that the PIC would "look favourably on a higher offer."

Other local fund managers said that the complexity of the deal structure — involving a spin-off of Anglo's South African platinum and iron ore businesses, Amplats and Kumba — requires an even higher premium than if the whole business were being bought.

Dawid Heyl, a fund manager at Ninety One, which owns 2.1 per cent of Anglo, said a deal along the lines proposed could be struck but that the price would have to be "substantially" higher. "It would be easier, though, if BHP were to come back with a higher and simpler

offer, which removes the conditionality of getting rid of Amplats and Kumba, which would make it trickier," he said.

Karl Leinberger, chief investment officer at Coronation Fund Managers, which owns 1.2 per cent of Anglo, said it would "definitely" consider a higher offer. But he cautioned that "if BHP only wants the rump of the business, for example, while leaving shareholders with the risk of the other assets, they'd have to pay more for it".

UK-based M&G Investments, which owns 1.4 per cent of Anglo, said that it too "will be supportive" if a proposed deal provides better value for its funds.

The wrangling comes as BHP is preparing a formal offer that could transform the producer of iron ore, coal and nickel into a mining supermajor, with

Anglo's coveted copper mines in Latin America the main prize. The call for a better bid will also test BHP's resolve to avoid overpaying after Anglo rejected an initial proposal last month that valued it at £25 per share.

BHP is unlikely to increase its offer radically in its formal bid, which is due by May 22 under UK takeover rules, and has limited room to go higher, according to a person familiar with its thinking. Anglo's stock is trading at £26.57 a share.

The deal, initially valued at £31bn, would be the mining sector's biggest on record if successful and is a bet on copper, which is predicted to suffer shortages as demand surges for renewables, power grids and electrical cars.

Anglo and BHP declined to comment. [BHP break-up & Barrick warning page 9](#)

**Lex.** The question is whether Anglo's managers have a plan to close the valuation gap with its peers — and whether investors believe they will

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## Congo's hidden war puts civilians in the line of fire

Rebel group M23 is encircling Goma in the Democratic Republic of Congo in a brutal war ignored outside Africa. Backed by Rwanda, M23 is sowing panic in a city swollen by hordes of displaced people. Analysts blame Paul Kagame, Rwanda's president, for the violence and see the region's minerals as key. But for those trapped in tent cities, life is merely a fight for survival. "The magnitude of the human suffering is hard to grasp," says one aid chief. [Fight for survival ► PAGE 5](#)

## 'I'm not your mum' video by Baidu PR chief stirs fears over tech work culture

RYAN MCMORROW AND NIAN LIU — BEIJING

The head of public relations at Chinese search giant Baidu has created her own PR crisis after posting videos on social media demeaning staff, in the latest example of the sometimes brutal workplace practices in China's tech sector.

"I can make you jobless in this industry," said Baidu vice-president Qu Jing in one video. She added that she needed employees dedicated enough to do 50 straight days of business travel at her side and did not care if it affected their personal lives. "I'm not your mum," she said. "I only care about results."

Qu also said that she was so devoted to Baidu that she was unaware of her son's class year at school. She posted the videos on Douyin, the Chinese version of TikTok, intending the clips to serve as

an example to her team of how to use social media to promote Baidu. Instead, they have reignited criticism of the workplace culture at China's techs.

"Employees will never feel at home at a company that doesn't have even a little bit of warmth," wrote one user on social media platform Weibo, where Qu's comments were trending. The discussion had drawn 150mm views by yesterday.

"She wanted to create an 'iron lady' image but the context has changed," said independent tech columnist Wang Qingrui. "Now people don't agree with the logic of those in power... This deepens Baidu's image problems."

Qu's comments have also revived concern over working conditions. The long hours expected of tech staff are known as "996" — meaning they start work at 9am and leave at 9pm, six days a week. While there was some improvement

after Beijing cracked down on the country's tech giants in 2021, Qu indicated she still demanded long hours from her staff. In one video, she said PR employees needed to be available 24 hours a day and could never go on holiday.

By yesterday, Qu had removed the videos from her Douyin account and apologised, saying she had "earnestly read peoples' opinions and criticisms" and would "deeply reflect" on them.

Amid the controversy, another video spread on Chinese social media showing Qu dealing with a negative article from the South China Morning Post newspaper. The clip shows a paper doll hung up in Baidu's offices with four red knives pointed at "SCMP", which is written across its chest. Qu is seen whipping the doll with a rope.

Baidu did not respond to a request for comment.

### World Markets

| STOCK MARKETS    |          |          |       | CURRENCIES |         |         |         | GOVERNMENT BONDS |         |           |           |      |       |      |  |
|------------------|----------|----------|-------|------------|---------|---------|---------|------------------|---------|-----------|-----------|------|-------|------|--|
|                  | May 9    | Prev     | %chg  | Pair       | May 9   | Prev    | Pair    | May 9            | Prev    | Yield (%) | May 9     | Prev | Chg   |      |  |
| S&P 500          | 5198.72  | 5187.67  | 0.21  | \$/€       | 1.073   | 1.075   | €/\$    | 0.928            | 0.930   | US 2 yr   | 4.82      | 4.83 | -0.01 |      |  |
| Nasdaq Composite | 16316.16 | 16307.76 | 0.08  | \$/£       | 1.251   | 1.249   | £/\$    | 0.799            | 0.800   | US 10 yr  | 4.49      | 4.48 | 0.01  |      |  |
| Dow Jones Ind    | 39216.90 | 39056.39 | 0.41  | €/€        | 0.861   | 0.860   | €/€     | 1.161            | 1.162   | US 30 yr  | 4.65      | 4.62 | 0.03  |      |  |
| FTSEurofirst 300 | 2048.29  | 2044.32  | 0.19  | ¥/\$       | 155.575 | 155.595 | ¥/€     | 167.655          | 167.256 | UK 2 yr   | 4.27      | 4.30 | -0.03 |      |  |
| Euro Stoxx 50    | 5052.35  | 5038.17  | 0.28  | ¥/€        | 194.663 | 194.392 | € index | 82.111           | 82.349  | UK 10 yr  | 4.24      | 4.23 | 0.00  |      |  |
| FSE 100          | 8381.35  | 8354.05  | 0.33  | Sfr/€      | 0.977   | 0.976   | Sfr/€   | 1.135            | 1.134   | UK 30 yr  | 4.62      | 4.60 | 0.02  |      |  |
| FSE All-Share    | 4558.37  | 4544.24  | 0.31  | CRYPTO     |         |         |         | JPN 2 yr         | 0.31    | 0.29      | JPN 2 yr  | 0.31 | 0.29  | 0.03 |  |
| CAC 40           | 8187.65  | 8131.41  | 0.69  |            |         |         |         | JPN 10 yr        | 0.91    | 0.88      | JPN 10 yr | 0.91 | 0.88  | 0.03 |  |
| Xetra Dax        | 10606.60 | 10490.30 | 1.02  |            |         |         |         | JPN 30 yr        | 1.97    | 1.96      | JPN 30 yr | 1.97 | 1.96  | 0.01 |  |
| Nikkei           | 38073.98 | 38202.37 | -0.34 |            |         |         |         | GER 2 yr         | 3.01    | 2.99      | GER 2 yr  | 3.01 | 2.99  | 0.02 |  |
| Hang Seng        | 18537.81 | 18313.86 | 1.22  |            |         |         |         | GER 10 yr        | 2.49    | 2.46      | GER 10 yr | 2.49 | 2.46  | 0.03 |  |
| MSCI World \$    | 3395.64  | 3401.77  | -0.18 |            |         |         |         | GER 30 yr        | 2.63    | 2.58      | GER 30 yr | 2.63 | 2.58  | 0.05 |  |
| MSCI EM \$       | 1066.62  | 1068.26  | -0.15 |            |         |         |         |                  |         |           |           |      |       |      |  |
| MSCI ACW \$      | 776.70   | 778.08   | -0.18 |            |         |         |         |                  |         |           |           |      |       |      |  |
| F Wilshire 2500  | 6896.08  | 6700.15  | -0.06 |            |         |         |         |                  |         |           |           |      |       |      |  |
| F Wilshire 5000  | 52126.00 | 52160.20 | -0.07 |            |         |         |         |                  |         |           |           |      |       |      |  |

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