

# Prudential backs London in boost to City

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RUDENTIAL, the mighty insurer founded in 1848, today insisted it would keep its stock market listing in London, in a boost to the City.

With businesses large and small complaining that other stock markets, notably New York, offer higher valuations and more fluid access to capital, the Pru said it has “no plans” to leave London.

That’s of particular interest since nearly all of the Pru’s business is now in Asia.

New CEO Anil Wadhvani said: “We are a UK domiciled company. We don’t have any plans as of now to change our UK domicile. There is no plan to change that.”

Lately Arm Holdings and CRH opted for a New York listing. WANDisco said the same before it revealed “significant, sophisticated and potentially fraudulent irregularities” in its accounts.

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There were fears that the City was being undermined and needed a radical shake-up of its listing rules.

The Pru today reported sales up 9% to \$4.4 billion for 2022. "Adjusted" operating profit was up a little to \$3.38 billion.

The Pru's UK HQ is at One Angel Court in London, near the Bank of England

Since demerging from fund manager M&G in 2019, the Pru no longer has significant UK operations, with its businesses spread across 23 markets in Asia and Africa. Alongside a stock listing in Hong Kong, it has retained a primary listing in Britain, which gives it membership of the FTSE 100.

Mark FitzPatrick, the former CEO, told Sky News in January: "About 40% of our investors are making decisions here in London on whether to continue holding shares in Prudential, buy more or sell. So, it's a very big part of who we are. We raised equity back in 2021, the back end of 2021 as a way to try and encourage more Asian investors to increase their investment in us."

CF0 James Turner said the insurer had only a tiny exposure to SVB, the Silicon Valley Bank that failed last week. He put it at \$1 million out of a \$23 billion Pru book of debt. "It really is tiny. We are very conservative in the positioning of our balance sheet," he said.

Richard Hunter, Head of Markets at interactive investor, said: "Now fully focused on Asia and Africa, Prudential has been boosted by the recent reopening in China, allowing business to resume its growth trajectory. The company has pointed to an expected middle class population of 1.5 billion across Asia by 2030, with an estimated health protection gap of \$1.8 trillion. The potential spoils are enormous and Prudential has a strong reputation in these regions."

Wadhvani added: "The removal of the bulk of Covid-19-related restrictions across the region and the progressive opening up of the Chinese Mainland economy has meant that 2023 has started well."

Pru shares fell 74p to 1109p today, which leaves the business valued at £30 billion, one of the biggest stocks in the FTSE 100.