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The British heatwave looks set to continue this weekend, with parts of the country bracing for their "hottest day on record". Temperatures have reached near-record levels for June across most of the UK in a heatwave that is forecast to extend into July.



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Pound takes pounding over Brexit



THE pound fell to its lowest since early November yesterday as investors fretted that the message to emerge from a European Union summit will be that there has been no meaningful progress for months in negotiations on a Brexit deal. The lack of progress on Brexit, combined with a raft of corporate warnings this week about the hit to Britain's economy if a deal is not agreed soon, has weighed heavily on sterling and

lowered expectations of a Bank of England interest rate rise. The pound fell 0.25 percent to \$1.3050, an eight month low, after Ireland's Prime Minister Leo Varadkar said yesterday the country would have to start making preparations for the unlikely scenario of Britain crashing out of the European Union without a deal. EU leaders gather in Brussels last night for a summit from which the outline of a post-Brexit deal was once expected.

But Brexit has been pushed to the bottom of the agenda and investors are expecting only an update on progress for agreeing an arrangement for the future border between Ireland and Northern Ireland and for the future trading relationship between the EU and Britain. By lunch-time the British currency was down 0.3 percent versus the dollar at \$1.3079 and also down half a percent against the euro at 88.71 pence, its weakest since 15 March.



Hundreds of flights cancelled due to strikes: See Page Three

Britain wins big contract for Australian warships

London.—Britain's BAE Systems PLC has won a A\$35 billion (\$25.7 billion) contest to deliver anti-submarine warfare frigates for the Australian navy, the Australian government said yesterday. The nine ships, to be designed by BAE and built by government-owned ASC Shipbuilding in Australia are expected to underpin the country's maritime combat capability for decades to come, the Australian government said in a statement. "The Hunter class will provide the Australian Defence Force with the highest levels of lethality and deterrence our major surface combatants need in periods of global uncertainty," it said of the ships. Australia is a steadfast U.S. military ally and has had a strained political relationship with China since Prime Minister Malcolm Turnbull late last year cited Beijing's meddling in domestic politics as justification for tough new laws designed to prevent interference by foreign governments.



No room in the Port of Palma: See Page 3