Report for: **Cabinet**

Date of Meeting:	17 June 2025
Subject:	**2024/25 Annual Treasury Management Review**
Cabinet Member:	Cllr John Downes, Cabinet Member for Governance, Finance and Risk
Responsible Officer:	Andrew Jarrett, Deputy Chief Executive (S151)
Exempt:	N/A
Wards Affected:	All
Enclosures:	N/A

Section 1 – Summary and Recommendation(s)

To provide Members with a review of activities and the prudential treasury indicators on actuals for 2024/25.

Recommendation(s):

1. **That Cabinet note the treasury activities for the year.**

2. **That Cabinet recommends to Full Council that the actual 2024/25 prudential and treasury indicators in this report be approved.**

Section 2 – Report

1. Introduction

1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2024/25. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.2 During 2024/25 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 21/02/2024);

- a mid-year (minimum) treasury update report (Council 18/12/2024);
- quarterly treasury updates included within the Q1 and Q3 financial monitoring reports (Council 04/09/2024 & 23/04/2025);
- an annual review following the end of the year describing the activity compared to the strategy (this report).

1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

1.4 This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by Cabinet before they were reported to the full Council. Member training on treasury management issues was undertaken during 2019, with further training being planned in order to support members' scrutiny role.

2. The Council's Capital Expenditure and Financing

2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

2.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

Capital Expenditure & Financing **General Fund**	**2023/24 Actual £000**	**2024/25 Actual £000**
Capital expenditure	13,778	8,376
Financed in year	3,739	5,088
Unfinanced capital expenditure	10,039	3,289
Funded by Leases	353	3,104
Funded by Internal Borrowing	9,686	184
HRA		
Capital expenditure	16,653	14,732
Financed in year	10,347	7,919
Unfinanced capital expenditure	6,305	6,813
Funded by Leases	106	0
Funded by Internal Borrowing	6,200	6,813

3. The Council's Overall Borrowing Need

3.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

3.2 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the Capital Financing Requirement in the preceding year (2023/24) plus the estimates of any additional Capital Financing Requirement for the current (2024/25) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2024/25. The table below highlights the Council's gross borrowing position against the CFR, including Finance Leases. **The Council has complied with this prudential indicator.**

Capital Financing Requirement	**31 March 2024 Actual £000**	**31 March 2025 Actual £000**
CFR General Fund	16,252	18,452
CFR HRA	45,973	49,596
Total CFR	**62,225**	**68,048**
Gross borrowing position	33,390	33,747
(Under) / over funding of CFR	**(28,835)**	**(34,301)**

3.3 **The authorised limit** is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2024/25 the Council has maintained gross borrowing within its authorised limit.

3.4 **The operational boundary** is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Borrowing Limits	**2024/25 £000**
Authorised limit	**75,000**
Maximum gross borrowing position during the year	33,747
Operational boundary	**66,000**
Average gross borrowing position	33,569

4. Treasury Position as at 31 March 2025

4.1 At the beginning and the end of 2024/25 the Council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

Debt Portfolio	31 March 2024 £000	31 March 2025 £000
Fixed rate funding:		
-PWLB	31,373	29,398
Total debt	**31,373**	**29,398**
CFR	60,207	63,692
(Under) / over borrowing	(28,834)	(34,294)
Total treasury investments*	19,000	15,500
Net debt	**12,373**	**13,898**

*See 4.3 for a breakdown of treasury investments

4.2 The maturity structure of the debt portfolio was as follows:

Debt Maturity Structure	31 March 2024 Actual £000	31 March 2025 Actual £000
Under 12 months	1,975	2,033
12 months and within 24 months	2,033	2,092
24 months and within 5 years	6,463	6,653
5 years and within 10 years	12,101	12,456
10 years and within 20 years	8,802	6,164
20 years and within 30 years	0	0

4.2.1. During 2024/25, the Council maintained an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as although near-term investment rates were equal to, and sometimes higher than, long-term borrowing costs, the latter are expected to fall back through 2025 and 2026. The Council has sought to minimise the taking on of long-term borrowing at elevated levels (>5%) and has focused on a policy of internal borrowing.

4.2.2. The policy of avoiding new borrowing by running down spare cash balances, has served the Council well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when this Authority may not be able to avoid new borrowing to finance capital expenditure.

4.3 The Council's investment portfolio as at 31 March was as follows:

Investment Portfolio	31 March 2024 Actual £000	31 March 2024 Actual %	31 March 2025 Actual £000	31 March 2025 Actual %
Treasury investments				
Banks	2,000	11%	0	0%
Local authorities	12,000	63%	9,000	58%
Other Government Organisations	0	0%	1,500	10%
Total managed in house*	**14,000**	**74%**	**10,500**	**68%**
Property funds (CCLA)	5,000	26%	5,000	32%
Total managed externally	**5,000**	**26%**	**5,000**	**32%**
Total Treasury Investments	**19,000**	**100%**	**15,500**	**100%**

*See Appendix 1 for a breakdown of internally managed investments held as at 31 March.

4.4 The value shown in the above table for the Council's CCLA investment is the amount paid by the Council on share acquisition. This differs to the carrying amount in the year end accounts of £4,544k (£4,458k in 2023/24) as there is a requirement to carry the investment at fair value. The fair value of the fund will continue to change over the longer term, and so this decrease in value may only be temporary in which case it would not be realised as a loss to Council funds.

4.5 During 2021/22 the Council made two loans totalling £2,175k to Redlands Primary Care to help fund the construction of a new NHS hub in Crediton. These loans are being repaid in quarterly instalments over a period of 27 years. During 2024/25 a top-up loan of £127k was issued, taking the total outstanding back to £2,175k. Further quarterly repayments have since been received, leaving a balance of £2,120k outstanding at 31 March 2025.

Investment Portfolio	31 March 2024 Actual £000	31 March 2024 Actual %	31 March 2025 Actual £000	31 March 2025 Actual %
Non-treasury investments				
Crediton NHS Hub (Redlands Primary Care)	2,048	100%	2,120	100%
Total non-treasury investments	**2,048**	**100%**	**2,120**	**100%**

5. Borrowing Outturn

5.1 **Borrowing** – due to high interest rates on new borrowing, and counterparty risk on temporary investments, no borrowing was undertaken during the year.

5.2 **Borrowing in advance of need** – the Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

5.3 **Rescheduling** – no rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

5.4 As at 31 March 2025, the Council had outstanding loans of £29,398k with PWLB, paying a weighted average interest rate of 2.91%. £26.6m of this relates to funding the purchase of the Housing Stock in 2012 following a change in regulations for HRA's.

6. Investment Outturn

6.1 **Investment Policy** – the Council's investment policy is governed by the Department of Levelling Up, Housing and Communities (DLUHC – now MHCLG) investment guidance, which has been implemented in the annual investment strategy approved by the Council on 21/02/2024. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data from our treasury advisers (MUFG Corporate Markets, previously Link Asset Services).

6.2 **The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.**

6.3 **Investments held by the Council** – the Council made a total return of £1,348k from investments in 2024/25 against a budget of £1,595k. This can be broken down as follows:

- The Council maintained an average balance of £21.2m of internally managed funds.
- The internally managed funds earned interest of £1,037k (£456k of which was transferred to HRA) giving an average rate of return of 4.89%.
- The comparable performance indicator is the average overnight SONIA[1] rate, which was 4.8979%.
- The Council held £5m invested in Churches, Charities and Local Authorities (CCLA) property funds earning dividends of £227k (4.54%) in 2024/25.
- Interest received from Redlands Primary Care amounted to £78k in 2024/25.

[1] Sterling Overnight Index Average - SONIA interest rate benchmark | Bank of England

- Interest of £5k was received from HMRC in year due to delays in paying one of the Council’s monthly VAT claims.

7. Other Issues

7.1 IFRS 9 Fair Value of Investments

7.1.1. Following the consultation undertaken by the Ministry of Housing, Communities and Local Government [MHCLG] on IFRS 9, the Government has extended the mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds to 31st March 2029, with the exception of any new pooled investments from 1st April 2024. This impacts on the Council's CCLA property fund, meaning that the cumulative fair value movement of -£456k will continue to be held separate from the General Fund in an unusable reserve until 31st March 2029.

8. Conclusion

8.1 2024/25 has seen interest rates start to fall in response to the Bank of England beginning to cut Bank Rate. This, along with an increase in internal borrowing to help fund the Capital Programme, has had an impact on the Council's investment returns, finishing the year £247k below budget.

8.2 The Council continued its under borrowed position, effectively utilising its balances to avoid any new borrowing during the year. It also complied with all internal policies agreed by the previous Full Council and all requirements under the CIPFA Code of Practice.

Financial Implications
Good financial management and administration underpins the entire document. The Council's treasury position is constantly reviewed to ensure its continued financial health.

Legal Implications
Authorities are required by regulation to have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003.

Risk Assessment
The S151 Officer is responsible for the administration of the financial affairs of the Council. Implementing this strategy and the CIPFA Code of Practice on Treasury Management manages the risk associated with the Council's treasury management activity.

Impact on Climate Change
The General Fund, Capital Programme and the Housing Revenue Account all contain significant investment in order to work towards the Council's Carbon Reduction Pledge.

Equalities Impact Assessment
No equality issues identified for this report.

Relationship to Corporate Plan
Maximising our return from all associated treasury activities enables the Council to support current levels of spending in accordance with our Corporate Plan.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 03/06/2025

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 03/06/2025

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 03/06/2025

Performance and risk: Dr Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 03/06/2025

Cabinet member notified: Yes.

Section 4 - Contact Details and Background Papers

Contact: Kieran Knowles, Operations Manager for Financial Services
Email: kknowles@middevon.gov.uk
Telephone: 01884 24(4624)

Background papers: Treasury Management Strategy Statement 2024/25 (Council 21/02/2024) & Treasury Mid-Year Review 2024/25 (Council 18/12/2024)

Appendix 1: Investment Portfolio

Internally managed investments held as at 31 March:

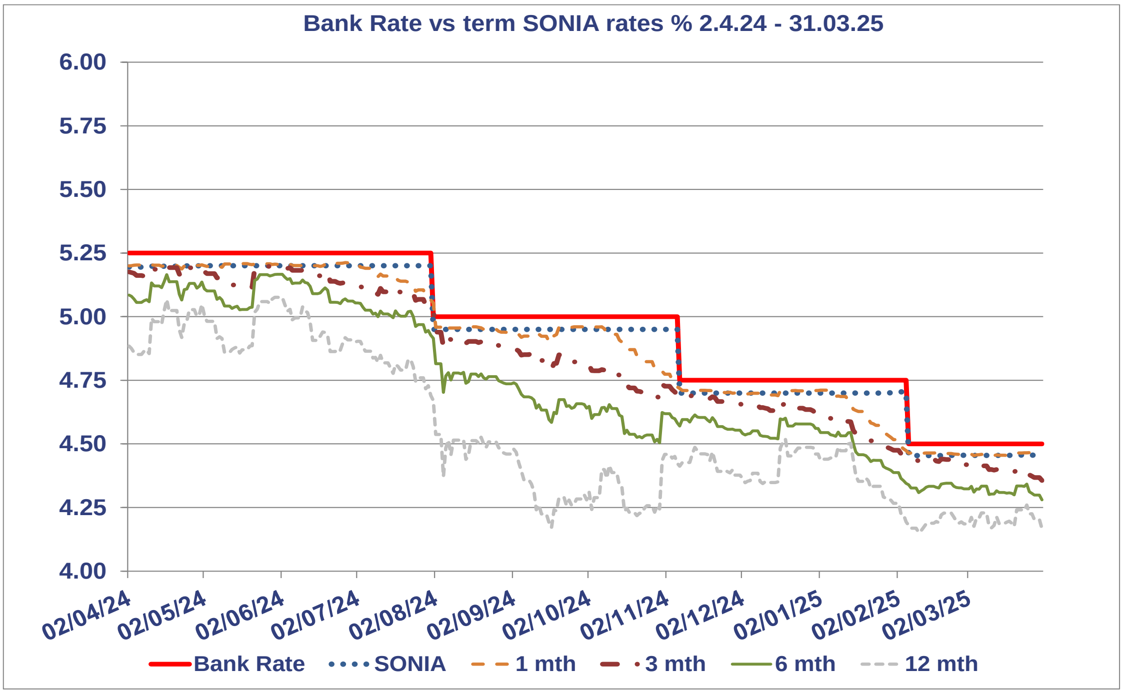
Bank/Building Society/Local Authority/PCC	Term		Fixed Interest Rate %	31/03/2023	31/03/2025
	From	To		£000	£000
City of Liverpool	29/09/2023	31/05/2024	5.70%	2,000	
Surrey County Council	26/10/2023	26/04/2024	5.55%	2,500	
NBK International PLC	02/11/2023	02/05/2024	5.55%	2,000	
Surrey County Council	15/11/2023	15/05/2024	5.55%	2,500	
Eastleigh Borough Council	20/11/2023	20/05/2024	5.55%	3,000	
Central Bedfordshire Council	19/01/2024	19/04/2024	5.45%	2,000	
London Borough of Waltham Forest	03/09/2024	03/06/2025	4.85%		3,000
Uttlesford District Council	07/11/2024	07/08/2025	5.05%		3,000
Chesterfield Borough Council	09/12/2024	09/06/2025	5.60%		3,000
DMO	27/03/2025	01/04/2025	4.45%		1,500
Total				**14,000**	**10,500**

Appendix 2: Market commentary provided by our Treasury Advisors (MUFG Corporate Markets, previously Link Asset Services)

The strategy for 2024/25

Investment strategy and control of interest rate risk

The following chart shows how Bank Rate and SONIA (Sterling Overnight Index Average) rates have changed during the year.



Investment returns remained robust throughout 2024/25 with Bank Rate reducing steadily through the course of the financial year (three 0.25% rate cuts in total), and even at the end of March the yield curve was still relatively flat, which might be considered unusual as further Bank Rate cuts were expected in 2025/26.

Bank Rate reductions of 0.25% occurred in August, November and February, bringing the headline rate down from 5.25% to 4.5%. Each of the Bank Rate cuts occurred in the same month as the Bank of England publishes is Quarterly Monetary Policy Report, therein providing a clarity over the timing of potential future rate cuts.

As of early April 2025, market sentiment has been heavily influenced of late by President Trump's wide-ranging trade tariffs policy. Commentators anticipate a growing risk of a US recession, whilst UK GDP is projected by the Office for Budget Responsibility to remain tepid, perhaps achieving 1% GDP growth in 2025/26.

Looking back to 2024/25, investors were able to achieve returns in excess of 5% for all periods ranging from 1 month to 12 months in the spring of 2024 but by March 2025 deposit rates were some 0.75% - 1% lower. Where liquidity requirements were not a drain on day-to-day investment choices, extending duration through the use of "laddered investments" paid off.

That is not to say that investment choices were straight-forward. Concerns over rising inflation after the Autumn Statement in October led to reduced expectations for Bank Rate to fall. Indeed, the CPI measure of inflation is expected to reach c3.75% by the autumn of 2025, which could provide for some presentational issues for a Bank whose primary mandate is to ensure inflation is close to 2% on a two-to-three-year timeframe. At the end of March, only two further rate cuts were priced into the market for 2025 (4% at December 2025). A week later and sentiment has changed dramatically in the wake of the equity market sell-off to the extent that markets now expect three Bank Rate reductions between May and December 2025 (Bank Rate to fall to 3.75%).

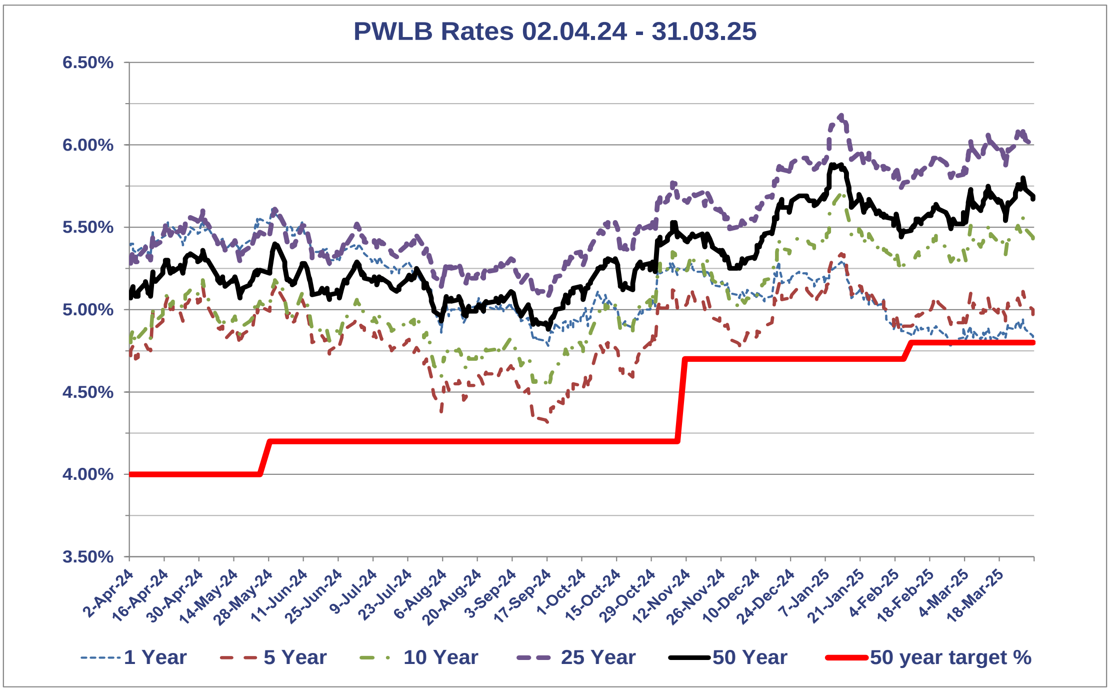
Borrowing strategy and control of interest rate risk

Interest rate forecasts initially suggested gradual reductions in short, medium and longer-term fixed borrowing rates during 2024/25. Bank Rate did peak at 5.25% as anticipated, but the initial expectation of significant rate reductions did not transpire, primarily because inflation concerns remained elevated. Forecasts were too optimistic from a rate reduction perspective, but more recently the forecasts, updated from November 2024 onwards, look more realistic.

At the start of April 2025, following the introduction of President Trump's trade tariffs policies, the market now expects Bank Rate to fall to 3.75% by the end of December 2025, pulling down the 5- and 10-year parts of the curve too.

This should provide an opportunity for greater certainty to be added to the debt portfolio, although a significant fall in inflation will be required to underpin any material movement lower in the longer part of the curve.

PWLB rates during 2024/25 are illustrated by the following chart:



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.77%	4.31%	4.52%	5.08%	4.88%
Date	26/02/2025	17/09/2024	17/09/2024	17/09/2024	17/09/2024
High	5.61%	5.34%	5.71%	6.18%	5.88%
Date	29/05/2024	13/01/2025	13/01/2025	13/01/2025	09/01/2025
Average	5.14%	4.86%	5.07%	5.56%	5.32%
Spread	0.84%	1.03%	1.19%	1.10%	1.00%

The following table shows forecast interest rates over the next three years:

MUFG Corporate Markets Interest Rate View 10.02.25													
	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28
BANK RATE	4.50	4.25	4.25	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50	3.50
3 month ave earnings	4.50	4.30	4.30	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.50	3.50	3.50
6 month ave earnings	4.40	4.20	4.20	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.50	3.50	3.50
12 month ave earnings	4.40	4.20	4.20	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.50	3.50	3.60
5 yr PWLB	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.40	4.30	4.20	4.20	4.10	4.00
10 yr PWLB	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.70	4.60	4.50	4.50	4.40	4.40
25 yr PWLB	5.80	5.70	5.60	5.50	5.40	5.30	5.20	5.10	5.00	5.00	4.90	4.90	4.80
50 yr PWLB	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.70	4.60	4.60	4.50

PWLB rates are based on gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. Inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation and the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. Indeed, in recent years many bond yields up to 10 years in the Eurozone turned negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.

However, since early 2022, yields have risen dramatically in all the major developed economies, first as economies opened post-Covid; then because of the inflationary impact of the war in Ukraine in respect of the supply side of many goods. In particular, rising cost pressures emanating from shortages of energy and some food categories have been central to inflation rising rapidly. Furthermore, at present the Fed, ECB and Bank of England are all being challenged by levels of persistent inflation that are exacerbated by tight labour markets and high wage increases relative to what central banks believe to be sustainable.

Gilt yields have been volatile through 2024/25. Indeed, the low point for the financial year for many periods was reached in September 2024. Thereafter, and especially following the Autumn Statement, PWLB Certainty rates have remained elevated at between c5% - 6% with the exception of the slightly cheaper shorter dates.

At the close of 31 March 2025, the 1-year PWLB Certainty rate was 4.82% whilst the 25-year rate was 5.98% and the 50-year rate was 5.67%.

Regarding PWLB borrowing rates, the various margins attributed to their pricing are as follows: -

- PWLB Standard Rate is gilt plus 100 basis points (G+100bps)
- PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)
- Local Infrastructure Rate is gilt plus 60bps (G+60bps)
- HRA Borrowing rate is gilt plus 40bps (G+40bps)

There is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rate falls and inflation (on the Consumer Price Index measure) moves lower.

As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook.

The Bank of England is also continuing on a process of Quantitative Tightening. The Bank’s original £895bn stock of gilt and corporate bonds will gradually be sold back into the market over several years (currently c£623bn). The impact this policy will have on the market pricing of gilts, while issuance is still markedly increasing, and very high in historic terms, is an unknown at the time of writing.

The Economy and Interest Rates

UK inflation has proved somewhat stubborn throughout 2024/25. Having started the financial year at 2.3% y/y (April), the CPI measure of inflation briefly dipped to 1.7% y/y in September before picking up pace again in the latter months. The latest data shows CPI rising by 2.6% y/y (March), but there is a strong likelihood that figure will increase to at least 3.5% by the Autumn of 2025.

Against that backdrop, and the continued lack of progress in ending the Russian invasion of Ukraine, as well as the potentially negative implications for global growth as a consequence of the implementation of US tariff policies by US President Trump in April 2025, Bank Rate reductions have been limited. Bank Rate currently stands at 4.5%, despite the Office for Budget Responsibility reducing its 2025 GDP forecast for the UK economy to only 1% (previously 2% in October).

Moreover, borrowing has becoming increasingly expensive in 2024/25. Gilt yields rose significantly in the wake of the Chancellor’s Autumn Statement, and the loosening of fiscal policy, and have remained elevated ever since, as dampened growth expectations and the minimal budget contingency (<£10bn) have stoked market fears that increased levels of borrowing will need to be funded during 2025.

The table below provides a snapshot of the conundrum facing central banks: inflation pressures remain, labour markets are still relatively tight by historical comparisons, and central banks are also having to react to a fundamental re-ordering of economic and defence policies by the US administration.

	UK	Eurozone	US
Bank Rate	4.50%	2.5%	4.25%-4.5%
GDP	0.1%q/q Q4 (1.1%y/y)	+0.1%q/q Q4 (0.7%y/y)	2.4% Q4 Annualised
Inflation	2.8%y/y (Feb)	2.3%y/y (Feb)	2.8%y/y (Feb)
Unemployment Rate	4.4% (Jan)	6.2% (Jan)	4.1% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving Bank Rate unchanged at 4.5% by a vote of 8-1, but suggesting further reductions would be gradual. The Bank of England was always going to continue its cut-hold-cut-hold pattern by leaving interest rates at 4.50% but, in the opposite of what happened at the February meeting, the vote was more hawkish than expected. This suggested that as inflation rises later in the year, the Bank cuts rates even slower, but the initial impact of President Trump's tariff policies in April 2025 on the financial markets underpin our view that the Bank will eventually reduce rates to 3.50%.

Having said that, the Bank still thinks inflation will rise from 2.8% in February to 3.7% in Q3. And while in February it said "inflation is expected to fall back thereafter to around the 2% target", this time it just said it would "fall back thereafter". That may be a sign that the Bank is getting a bit more worried about the "persistence in domestic wages and prices, including from second-round effects". Accordingly, although we expect a series of rate cuts over the next year or so, that does not contradict the Bank taking "a gradual and careful" approach to cutting rates, but a tepid economy will probably reduce inflation further ahead and prompt the Bank to cut at regular intervals.

From a fiscal perspective, the increase in businesses' national insurance and national minimum wage costs from April 2025 is likely to prove a headwind, although in the near-term the Government's efforts to provide 300,000 new homes in each year of the current Parliament is likely to ensure building industry employees are well remunerated, as will the clamp-down on immigration and the generally high levels of sickness amongst the British workforce. Currently wages continue to increase at a rate close to 6% y/y. The MPC would prefer a more sustainable level of c3.5%.

As for equity markets, the FTSE 100 has recently fallen back to 7,700 having hit an all-time intra-day high 8,908 as recently as 3rd March. The £ has also endured a topsy-turvy time, hitting a peak of $1.34 before dropping to $1.22 in January and then reaching $1.27 in early April 2025.