Agenda Item No:7

TREASURY MANAGEMENT QUARTER TWO REPORT

To:	**General Purposes Committee**
Date:	**4th November 2014**
From:	**Chief Finance Officer**
Electoral division(s):	**All**
Forward Plan ref:	**Not applicable** *Key decision:* **No**
Purpose:	**To provide the second quarterly update on the Treasury Management Strategy 2014-15, approved by Council in February 2014.**
Recommendation:	**The General Purposes Committee is recommended to:**

a) Note the Treasury Management Quarter Two Report 2014-15;

b) Recommend the report to full Council;

c) Recommend amendments to the Treasury Management Strategy Statement (TMSS), detailed in section 2 to full Council for approval; and

d) Delegate authority to amend any references in the TMSS that are dependent on the old governance arrangements to the Director of Law, Property and Governance and the Chief Finance Officer, in consultation with the Chairman of General Purposes Committee.

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1. BACKGROUND

1.1 Treasury Management is governed by the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code). The Code has been developed to meet the needs of Local Authorities and its recommendations provide a basis to form clear treasury management objectives and to structure and maintain sound treasury management policies and practices.

1.2 The Code was adopted via the Treasury Management Strategy Statement (TMSS), which was approved by Council in February 2014. It requires the Council to produce an annual treasury report and a half yearly report. Alongside these, General Purposes Committee are also provided with quarterly updates on progress against the Strategy.

1.3 This report has been developed in consultation with the Council's external investment manager and treasury adviser, Capita Asset Services (CAS) and provides an update for the second quarter to 30th September 2014.

2. AMENDMENT TO TREASURY MANAGEMENT STRATEGY STATEMENT (TMSS)

2.1 The Treasury Management Strategy Statement was approved by Council in February 2014. This document referred to the role of the Cabinet structure which no longer exists.

2.2 It is therefore proposed to amend the document and replace references to Cabinet with the General Purposes Committee to ensure that policies are adhered to.

2.3 In addition, to avoid any administrative issues following implementation of the new committee system this year, it is proposed to delegate authority to amend any references in the TMSS that are dependent on the old arrangements, to the Director of Law, Property and Governance and the Chief Finance Officer.

3. SUMMARY OF KEY HEADLINES

3.1 The main highlights for the quarter are:

- Investment returns received on cash balances compares favourably to the benchmarks. A return of 0.54% was achieved compared to the 3 month London Interbank Bid Rate (LIBID) benchmark of 0.43% (see section 7).
- An underspend of £250k is currently reported for the debt charges budget (see section 9).

4. THE ECONOMIC ENVIRONMENT

4.1 A detailed economic commentary is provided in **Appendix 1**. This information has been provided by Capita Asset Services – Treasury Solutions (CAS Treasury Solutions), the Council's treasury management advisors.

4.2 During the quarter ended 30th September 2014, the significant UK headlines of this analysis were:

- Indicators pointed to another robust quarter of Gross Domestic Product (GDP) growth;
- Further healthy increases in household spending;
- A slowdown in jobs growth;
- Consumer Price Index (CPI) inflation eased further below the 2% target;

- Dovish signals from the Monetary Policy Committee (MPC) with regards interest rates;
- Low tax receipts have put the fiscal tightening slightly off track;
- Further loosening of monetary policy expected in the Eurozone

5. SUMMARY PORTFOLIO POSITION

5.1 A snapshot of the Council's debt and investment position is shown in the table below:

	TMSS Forecast February 2014 (as agreed by Council)		Actual as at 31 March 2014		Actual as at 30 September 2014		Revised Forecast to March 2015	
	£m	Rate %	£m	Rate %	£m	Rate %	£m	Rate %
Long term borrowing								
PWLB	360.3		301.6		301.6	4.3	301.6	
Market	79.5		79.5		79.5	3.7	79.5	
Total long term	**439.8**	**4.4**	**381.1**	**4.1**	**381.1**	**4.0**	**416.1**	**4.1**
Short term borrowing	-	-	-	-	-	-	-	-
Total borrowing	**439.8**	**4.4**	**381.1**	**4.1**	**381.1**	**4.1**	**416.1**	**4.1**
Investments	**34.3**	**0.8**	**47.5**	**0.6**	**65.0**	**0.6**	**37.1**	**0.6**
Total Net Debt / Borrowing	**405.5**	**-**	**333.6**	**-**	**316.1**	**-**	**379.0**	

5.2 Further analysis of borrowing and investments is covered in the following two sections.

6. Borrowing

6.1 The Council can take out loans in order to fund spending for its Capital Programme. The amount of new borrowing needed each year is determined by capital expenditure plans and projections of the Capital Financing Requirement, forecast reserves and current and projected economic conditions.

New loans and repayment of loans:

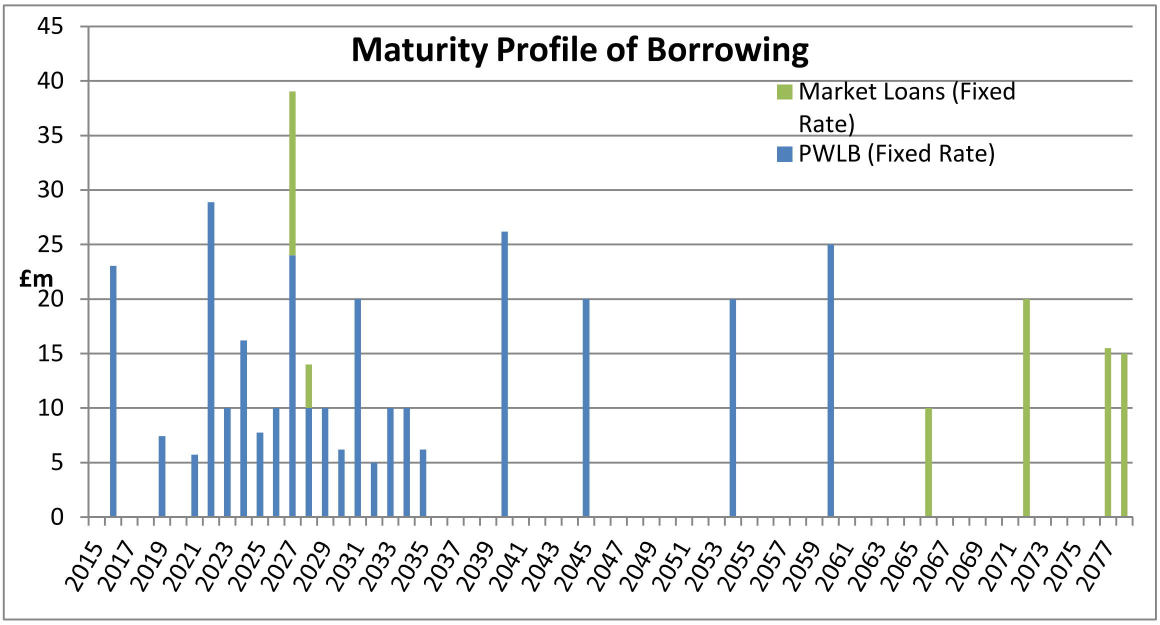
6.2 The table below shows the details new loans raised and loans repaid during the period. No loans were repaid or raised during quarter.

Lender	Raised / Repaid	Start Date	Maturity Date	£m	Interest Rate %	Duration (yrs)
None	-	-	-	-	-	-

Maturity profile of borrowing:

6.3 The following graph shows the maturity profile of the Council's loans. The majority of loans have a fixed interest rate and are long term which limits the Council's exposure to interest rate fluctuations. The weighted average years to maturity of the portfolio is 24.2 years.

6.4 The presentation below differs from that in **Appendix 2** paragraph 4, in that Lender Option Borrower Option (LOBO) loans are included at their final maturity rather than their next call date. In the current low interest rate environment the likelihood of the interest rates on these loans being raised and the loans requiring repayment at the break period is extremely low.



Loan restructuring:

6.5 When market conditions are favourable long term loans can be restructured to:

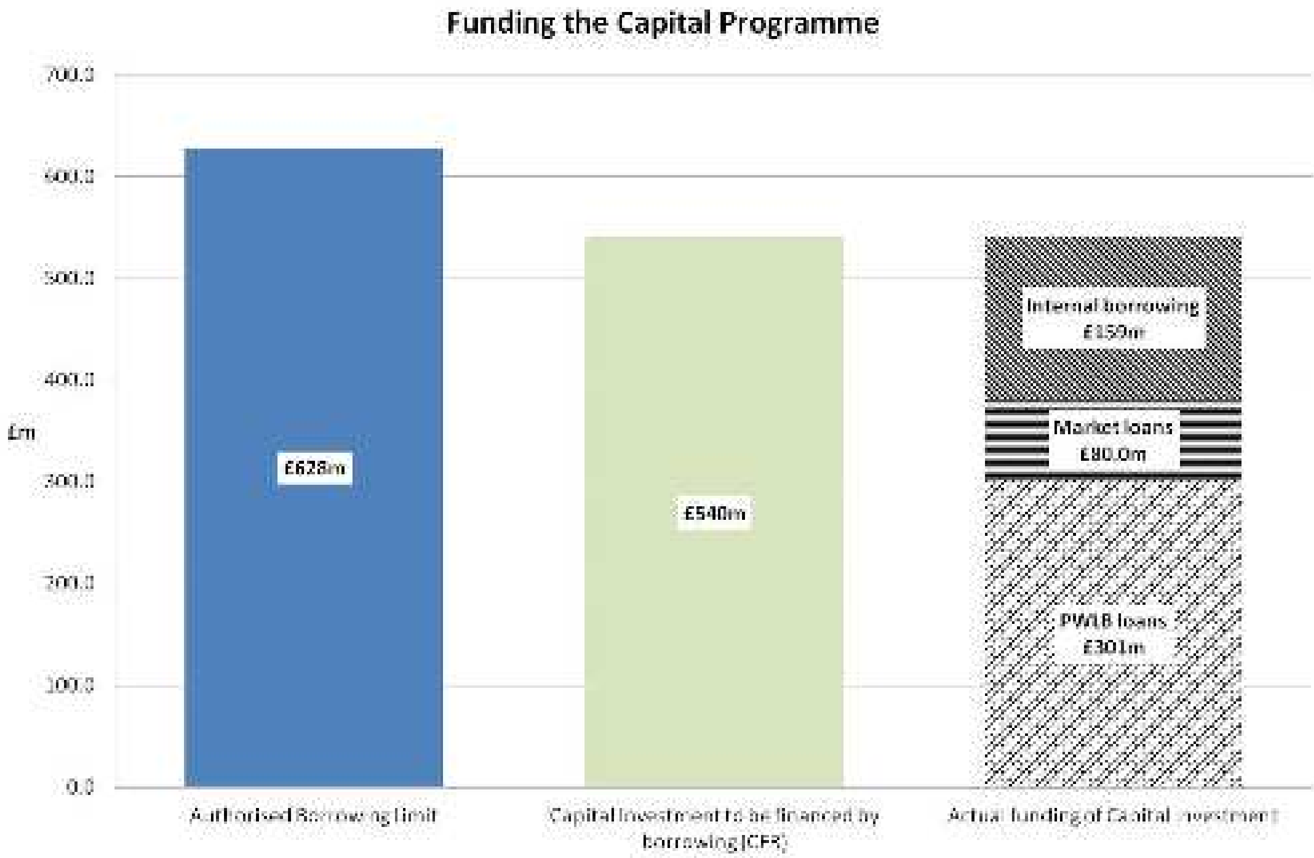
- generate cash savings
- reduce the average interest rate
- enhance the balance of the portfolio by amending the maturity profile and/or the level of volatility. (Volatility is determined by the fixed/variable interest rate mix.)

6.6 During the quarter there were no opportunities for the Council to restructure its borrowing due to the position of the Council's borrowing portfolio compared to market conditions. Further debt rescheduling will be considered subject to conditions being favourable but it is unlikely that opportunities will present themselves during this year. The position will be kept under review, and when opportunities for savings do arise, debt rescheduling will be undertaken to meet business needs.

Funding the Capital Programme:

6.7 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the next year. It identifies where the authority expects to be in terms of borrowing and investment levels. When the 2014-15 TMSS was set, it was anticipated that the Capital Financing Requirement (CFR), the Council's liability for financing the agreed Capital Programme, would be £567.5m. This figure is naturally subject to change as a result of changes to the approved capital programme.

6.8 The graph overleaf compares the maximum the Council could borrow in 2014-15 with the forecast CFR at 31st March 2015 and the actual position of how this is being financed at 30th September 2014.



6.9 The graph shows the Council's current capital investment that is to be funded via borrowing is £88.0m below the Authorised Borrowing Limit set for the Council at the start of the year.

6.10 In addition, the graph shows how the Council is currently funding its borrowing requirement. As at 30th September the Council was forecast to be using £159m of internal borrowing by the end of the year, to finance capital investment. Internal borrowing is the use of the Council's surplus cash to finance the borrowing liability instead of borrowing externally.

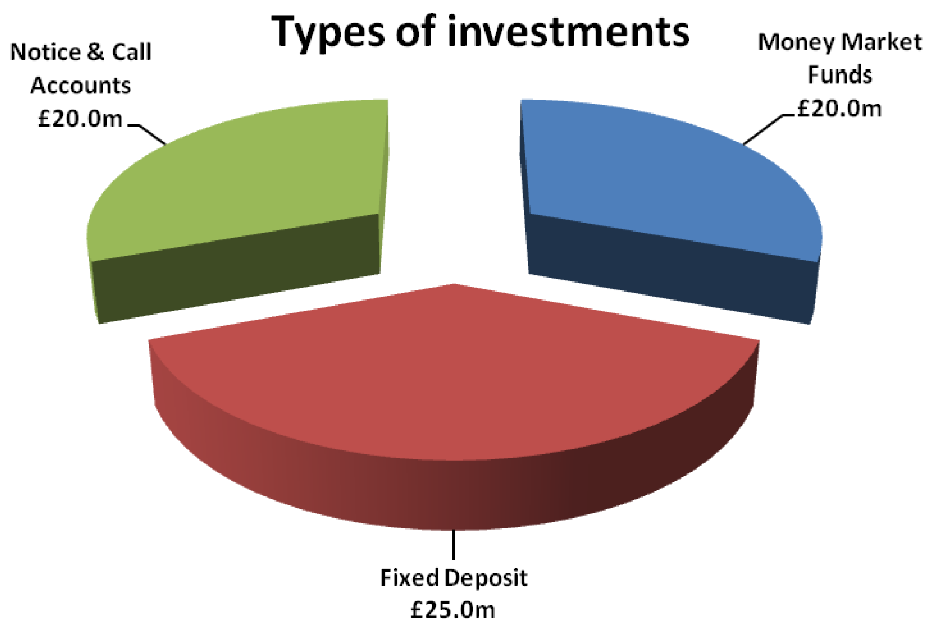
7. INVESTMENTS

7.1 Investment activity is carried out within the Council's counterparty policies and criteria, and with a clear strategy of risk management in line with the Council's treasury strategy for 2014-15. This ensures that the principle of considering security, liquidity and yield, in that order (SLY), is consistently applied. The Council will therefore aim to achieve the optimum return on investments commensurate with proper levels of security and liquidity. Any variations to agreed policies and practices are reported to General Purposes Committee and Council.

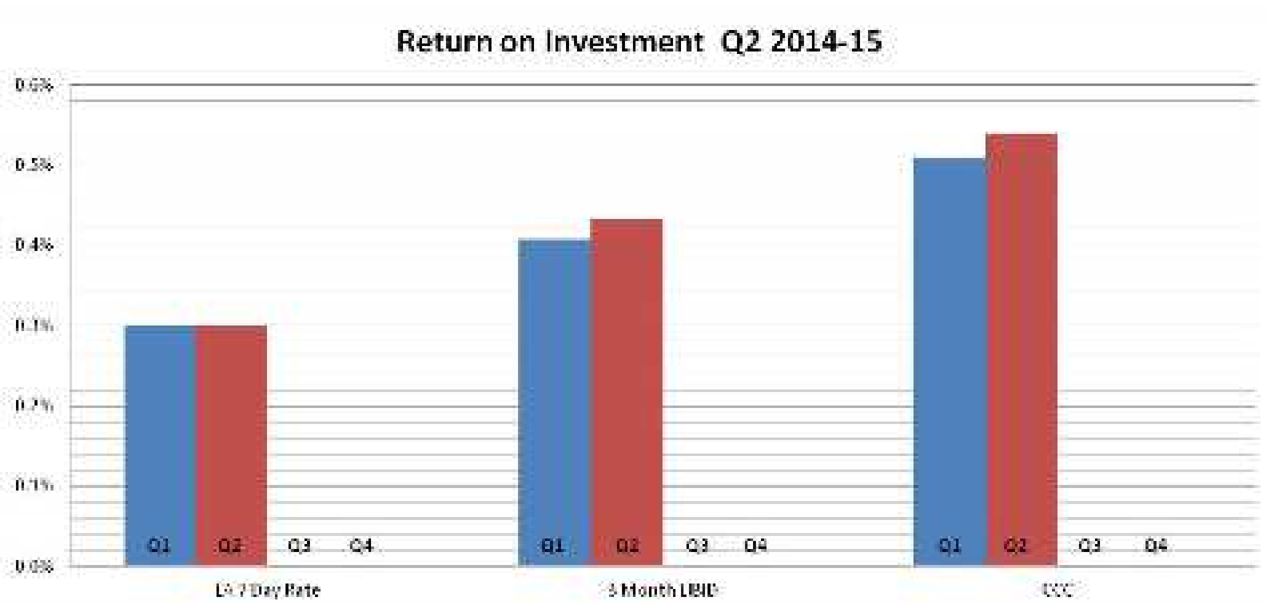
7.2 As described in paragraph 5.10, the strategy currently employed by the Council of internal borrowing also has the affect of limiting the Council's investment exposure to the financial markets, thereby reducing credit risk.

7.3 As at 30th September the level of investment totalled £65.0m. The level of cash available for investment is as a result of reserves, balances and working capital the Council holds. These funds can be invested in money market deposits, placed in funds or used to reduce external borrowings. A balance sheet review is carried out in October once the Council's accounts have been signed off to reconcile investments.

7.4 A breakdown of investments by type are shown in the graph below. The majority of investments are in notice and call accounts and money market funds to meet the liquidity demands for the Council. Investments are made within the boundaries of the Investment Strategy and credit worthiness criteria.



7.5 The graph below compares the returns on investments with the relevant benchmarks for each quarter this year.



7.6 From the graph, it can be seen that investments returned 0.54% during the quarter significantly more than the both the 7 day (0.30%), 3 month London Interbank Bid Rate (LIBID) (0.43%) benchmarks.

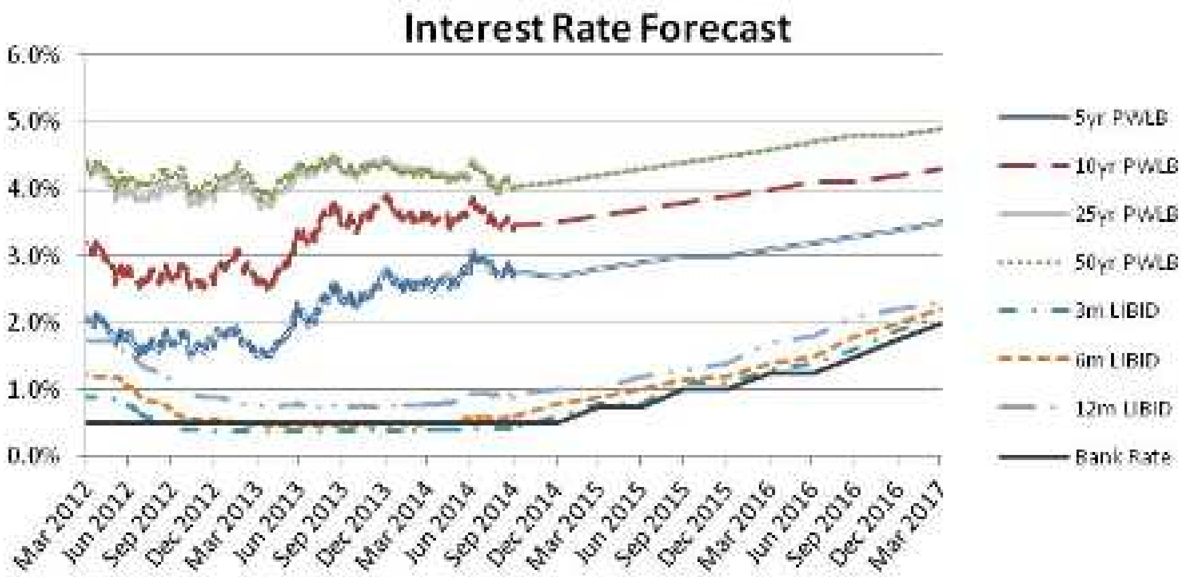
7.7 Where appropriate, investments have been locked out for periods of up to one year with nationalised banks (UK Government backed) at higher rates of interest. In a rising interest rate environment it is appropriate to keep investments fairly short in duration so as to take advantage of interest rate rises as soon as they occur. The weighted average time to maturity of investments at 30th September is 33 days.

7.8 Leaving market conditions to one side, the Council's return on investment is influenced by a number of factors, the largest contributors being the duration of investments and the credit quality of the institution or instrument. Credit risk is a measure of the likelihood of default and is controlled through the creditworthiness policy approved by Council. The duration of a investment introduces liquidity risk; the risk that funds cannot be accessed when required, and interest rate risk; the risk that arises from fluctuating market interest rates. These factors and associated risks are actively managed by the LGSS Treasury team together with the Council's Treasury Advisors and further information on the Council's risk and return profile will be provided in the next quarterly update.

8. OUTLOOK

8.1 The current interest rate forecast is shown in the graph below. The first increase in Bank Rate is forecast for the first quarter of 2015. However there are downside risks to this central forecast, i.e. the first rise could be delayed further if inflation comes in lower than the Bank's forecast, growth in labour productivity disappoints and wage inflation fails to rise as fast as the Bank's new lowered forecast of 1.25%.

8.2 Recent demands for the safe haven of gilts have depressed gilts yields and Public Works Loan Board (PWLB) rates recently. Geopolitical events make forecasting PWLB rates highly unpredictable in the shorter term. It is assumed that these fears will subside and that safe haven flows will unwind and rates will rise back again over the next few quarters.



8.3 As confidence is clearly emerging in the economy it is expected that we will see an upward trend in medium and long term gilt yields over the coming years, although this will not be without volatility.

8.4 From a strategic perspective, the Council is currently reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances and undertaking shorter term borrowing which could potentially generate savings subject to an assessment of the interest rate risks involved.

9. DEBT FINANCING BUDGET

9.1 An underspend of £250k is currently forecast for Debt Charges. This budget was reduced by £1m when the Business Plan was approved in February in expectation of slippage in the capital programme, and this is also expected to be met. The capital programme continues to be monitored closely alongside forecasts for cash balances and interest rates and a pragmatic approach to borrowing is adopted.

	Budget	Estimated Outturn	Variance
	£m	£m	£m
Interest payable	16.147	16.098	-0.049
Interest receivable	-0.349	-0.450	-0.101
Other	0.296	0.296	0.000
Technical	-0.085	-0.085	0.000
MRP	18.133	18.033	-0.100
Total	**34.142**	**34.892**	**-0.250**

9.2 Although there is link between the capital programme, net borrowing and the revenue budget, the Debt Charges budget is impacted by the timing of long term borrowing decisions. These decisions are made in the context of other factors including, interest rate forecasts, forecast levels of cash reserves and the borrowing requirement for the Council over the life of the Business Plan and beyond.

9.3 It is anticipated that a mix of short term loans and long term loans will be raised in the second half of this year. Short term loans will be raised to take advantage of the low interest rate environment and long term loans will be raised to provide some certainty in interest costs over the medium and long term, locking in at rates which are currently viewed to be favourable.

10. MUNICIPAL BONDS AGENCY

10.1 The Agency is continuing with its second round of fundraising which it should complete by the end of December 2014. The first bond is expected to be issued on behalf of local authorities in the spring of 2015. Borrowing options are currently being considered and the Agency, which provides a real alternative to the PWLB will be evaluated against other options including forward funding agreements.

11. COMPLIANCE WITH TREASURY LIMITS AND PRUDENTIAL INDICATORS

11.1 With effect from 1st April 2004 The Prudential Code became statute as part of the Local Government Act 2003 and was revised in 2011.

11.2 The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of the Council are affordable, prudent and sustainable. To ensure compliance with this the Council is required to set and monitor a number of Prudential Indicators.

11.3 During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council’s Treasury Management Strategy Statement (TMSS) and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators are shown in **Appendix 2**.

12. ALIGNMENT WITH CORPORATE PRIORITIES

12.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

12.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

12.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

13. SIGNIFICANT IMPLICATIONS

13.1 Resource Implications

This report provides information on performance against the Treasury Management Strategy. Section 8 shows the impact of treasury decisions which are driven by capital spend on the Council's revenue budget.

13.2 Statutory, Risk and Legal Implications

The Council continues to operate within the statutory requirements for borrowing and investments. Further details can be found within the Prudential Indicators in **Appendix 1**.

13.3 Equality and Diversity Implications

There are no significant implications for this category.

13.4 Engagement and Consultation Implications

There are no significant implications for this category.

13.5 Localism and Local Member Involvement

There are no significant implications for this category.

13.6 Public Health Implications

There are no significant implications for this category.

List of Appendices
Appendix 1: Economic Update (provided by Capita Asset Services Treasury Solutions)
Appendix 2: Capital and Treasury Prudential Indicators
Appendix 3: Investment Portfolio

Source Documents	Location
None	Box No: RES1211 Room No:301 Shire Hall Castle Hill Cambridge CB3 0AP

Appendix 1

Economic Update (provided by CAS Treasury Solutions)

Quarter ending 30th September 2014

1. September saw the ONS incorporate new data and introduce significant changes to the methodology for calculating GDP. Following healthy quarterly growth of 0.9% in Q2, the ONS has now stated that GDP was 2.7%, rather than just 0.2%, above its pre-crisis peak in that quarter. Even so, the UK's recovery remains weak by international and historical standards.
2. Early indicators point to robust GDP growth in the third quarter. Based on past relationships, the CIPS/Markit business activity surveys suggest that quarterly GDP growth could be 1% or so in Q3. Admittedly, this indicator has tended to overstate the pace of growth over the past year or so. But other indicators also suggest the recovery was strong in Q3. July's industrial production figures were particularly encouraging. Indeed, even if production only held steady in August and September, it would still be 0.5% higher in Q3 overall than in Q2. What's more, the index of services in July was 3.4% higher than a year ago. However, not all indicators are positive. Note that the trade deficit widened further from £2.5bn in June to £3.3bn in July, the highest since September last year, suggesting that the recovery is still struggling to rebalance towards exports.
3. Meanwhile, the recovery in consumer spending looks to have gathered pace in this quarter despite the continued squeeze on real wages and looming interest rate hikes. Retail sales volumes rose by an annual 2.5% and 3.9% in July and August respectively. And the continued strength of consumer confidence in September and weak inflation suggest that September's retail sales figures will round off a strong quarter. Note that on a quarterly basis, even if sales held steady in September, volumes would still be 0.4% higher in Q3 than in Q2.
4. What's more, non-high street spending has been robust too. Annual growth in new car registrations averaged around 8% in July and August. And the Bank of England's Agents' measure of consumer services turnover in those months remained very close to the previous quarter's 14-year high.
5. Growth in household spending has been supported by further improvements in the labour market. While jobs growth of 74,000 in the three months to July was the smallest in over a year, surveys suggest that employment is likely to have picked up again in August and September. Despite this fairly weak employment growth, a decline in the size of the total workforce was enough to bring the headline unemployment rate down to 6.2% in the three months to July. What's more, the timelier claimant count measure of unemployment fell by a monthly 37,200 in August, pointing to further falls in the broader ILO measure of unemployment. However, pay growth has remained subdued, with annual

growth in headline (three month average) earnings including bonuses easing to 0.6% in July, well below CPI inflation of 1.6% in that month.

6. And with inflation easing to 1.5% in August, it is not surprising that the two hawks that emerged at August's MPC meeting have failed to convince other members to join them in voting for rate hikes. Indeed, the minutes of September's MPC meeting struck a fairly dovish tone, citing risks to the UK's recovery from renewed malaise in the Eurozone and placing more emphasis on the current weakness of CPI inflation and pipeline price pressures.
7. Meanwhile, August's public finance figures suggest that fiscal tightening remains off track. August's figures were the first to comply with the new ESA 2010 accounting rules, and fiscal trends still look weak on the new methodology. Borrowing in the first five months of this fiscal year was £2.6bn or 6% higher than last year. Admittedly, poor borrowing figures in August are almost entirely due to weak growth in income tax receipts, which should improve as wages pick up. However, the Treasury has quite a bit of lost ground to catch up. The OBR's forecast from March suggested that borrowing would be 12% lower this year than in 2013/14.
8. Meanwhile, the risk of an overheating housing market seems to have faded for now, with house price growth moderating over the quarter. According to Nationwide's index, on a quarterly basis house prices rose around 15% in Q3 compared to 26% in Q2. This seems to have been primarily driven by a slowdown in demand rather than changes to policy since the disruption from the Mortgage Market Review now appears to have faded. Buyers have been discouraged by house prices which remain very high compared to earnings and may be concerned about future interest rate rises. As a result, mortgage approvals registered monthly falls in both July and August, and with the RICS housing market survey showing new buyer demand easing rapidly, a strong revival in the final month of Q3 seems unlikely.
9. Internationally, despite some weak data, the US recovery remains strong. US non-farm payrolls increased by a fairly modest 142,000 in August, the smallest gain this year. However, this is likely to be a blip rather than a sign that the jobs recovery is coming off the rails. Indeed, other indicators suggest that labour market conditions have continued to strengthen. Similarly, August's 0.1% monthly drop in industrial production is a result of temporary factors, with upbeat survey evidence indicating that industry remains healthy. Meanwhile, as expected, the US Fed tapered its monthly asset purchases by an additional $10bn in September's policy meeting, and purchases are due to be stopped completely at the next meeting in October. The Fed lowered its GDP forecast for 2015 from 3.0-3.2% to 2.6-3.0% but it still expects the unemployment rate to average about 5.5% in the final quarter of next year with core inflation still slightly below the 2% target at that time too.

10. By contrast, activity indicators for the Eurozone suggest that the recovery may have slowed in the quarter. On the basis of past form, the Economic Sentiment Indicator (ESI) points to a drop in annual GDP growth to 0.5% in Q3 from 0.7% in Q2. Moreover, headline inflation remained dangerously weak. HICP inflation fell from 0.4% in August to 0.3% in September, leaving inflation at its weakest rate since October 2009 (when it was negative) and well below the ECB's target of "below, but close to, 2%". Furthermore, given the mounting evidence that the region's feeble recovery is losing pace, spare capacity looks set to exert further downward pressure on core inflation over the coming months. Accordingly, the ECB has loosened monetary policy further by cutting the main refinancing rate from 0.15% to 0.05% and the deposit rate from -0.1% to -0.2%. The President also stated that the ECB would revive its previous covered bond purchase programme and claimed that quantitative easing remained a possibility.

11. In the UK, equities continued to underperform. The FTSE 100 ended Q3 nearly 2% below its level at the end of Q2. And UK equities continued to underperform those in the US despite improving prospects for the UK's economy relative to the US next year. This may reflect the fact that equity analysts have continued to revise down their expectations for earnings on UK equities. Meanwhile, 10-year gilt yields have edged down from 2.67% at the end of Q2 to 2.31% at the end of Q3 despite further positive news on the pace of the UK's economy. And finally, sterling has continued to appreciate against the euro, rising from €1.25 at the end of Q2 to €1.28 at the end of Q3. But rising interest rate expectations in the US relative to the UK have pushed cable down, with the pound falling from $1.71 to $1.62 over the same period.

Appendix 2

Prudential and Treasury Indicators at 30th September 2014

Monitoring of Prudential and Treasury Indicators: approved by Council in February 2014.

1. **Has the Council adopted CIPFA Code of Practice for Treasury Management in the Public Services?**

   The Council has adopted CIPFA's Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes. This is a key element of the Treasury Strategy 2014-15 which was approved by Council in February 2014.

2. **Limits for exposure to fixed and variable rate net borrowing (Borrowing less investments)**

	Limits	**Actual**
Fixed rate	150%	106%
Variable rate	65%	-6%
Total		100%

The Interest rate exposure is calculated as a percentage of net debt. Due to the mathematical calculation exposures could be greater than 100% or negative depending upon the component parts of the formula. The formula is shown below:

$$\frac{\textit{Total Fixed (or Variable) rate exposure}}{\textit{Total borrowing – total investments}}$$

Fixed Rate calculation:

$$\frac{\textit{(Fixed rate borrowing £335.6m* - Fixed rate investments £0m*)}}{\textit{Total borrowing £381.1m - Total investments £65.0m}} = \textit{106\%}$$

*Defined as greater than 1 year to run

Variable Rate calculation:

$$\frac{\textit{(Variable rate borrowing £45.5m** - Variable rate investments £65.0m**)}}{\textit{Total borrowing £381.1m - Total investments £65.0 m}} = \textit{-6\%}$$

** Defined as less than 1 year to run or in the case of LOBO borrowing the call date falling within the next 12 months.

3. **Total principal sums invested for periods longer than 364 days**

	2014-15 Limit £m	Actual £m
Investment longer than 364 days to run	34.0	0.0

Notes: This indicator is calculated by adding together all investments that have greater than 364 days to run to maturity at this point in time.

4. **Limits for maturity structure of borrowing**

	Upper Limit	Actual
under 12 months	80%	12%
12 months and within 24 months	50%	2%
24 months and within 5 years	50%	7%
5 years and within 10 years	50%	21%
10 years and above	100%	58%

Note: The guidance for this indicator requires that LOBO loans are shown as maturing at the next possible call date rather than at final maturity.

Affordability

5. **Ratio of financing costs to net revenue stream**

2014-15 Original Estimate %	2014-15 Revised Estimate %	Difference %
9.65	9.28	-0.37

6. **Estimated incremental impact of capital investment decisions on band D council tax**

2014-15 Original Estimate £	2014-15 Revised Estimate £	Difference £
+9.78	+3.31	-6.47

Prudence

7. **Gross borrowing and the Capital Financing Requirement (estimated borrowing liability excluding PFI)**

Original 2014-15 Capital Financing Requirement (CFR) £m	2014-15 CFR (based on latest capital information) £m	Actual Gross Borrowing £m	Difference between actual borrowing and original CFR £m	Difference between actual borrowing and latest CFR £m
567.5	540.0	381.1	186.4	158.9

Capital Expenditure

8. **Estimates of capital expenditure**

For details of capital expenditure and funding please refer to the monthly capital report.

External Debt

9. **Authorised limit for external debt**

2014-15 Authorised Limit £m	Actual Borrowing £m	Headroom £m
627.5	381.1	246.4

The Authorised limit is the statutory limit on the Council's level of debt and must not be breached. This is the absolute maximum amount of debt the Council may have in the year.

10. **Operational boundary for external debt**

2014-15 Operational Boundary £m	Actual Borrowing £m	Headroom £m
597.5	381.1	216.4

The operational boundary is set as a warning signal that debt has reached a level nearing the Authorised limit and must be monitored carefully.

Investment Portfolio as at 30th September 2014

Class	Type	Start Date	Maturity Date	Counterparty	Rate	Principal O/S (£)
Deposit	Fixed	29/05/14	28/11/14	Bank of Scotland plc	0.7000%	-5,000,000.00
Deposit	Fixed	19/06/14	19/12/14	Bank of Scotland plc	0.7000%	-5,000,000.00
Deposit	Fixed	13/08/14	13/11/14	Bank of Scotland plc	0.5700%	-5,000,000.00
Deposit	Fixed	12/09/14	12/03/15	Bank of Scotland plc	0.7000%	-5,000,000.00
Deposit	Fixed	18/09/14	18/12/14	Standard Chartered Bank	0.5050%	-5,000,000.00
	Fixed Total					**-25,000,000.00**
Deposit	Call	31/03/14		Barclays Bank plc	0.6500%	-20,000,000.00
	Call Total					**-20,000,000.00**
Deposit	MMF	31/03/14		Insight Liquidity Sterling C3	0.4307%	-38,000.00
Deposit	MMF	31/03/14		Ignis Sterling Liquidity 2 GBP	0.4739%	-20,000,000.00
	MMF Total					**-20,038,000.00**
Deposit Total						**-65,038,000.00**