The Highland Council

12 March 2015

Agenda Item	20b
Report No	HC/9/15

Treasury Management Mid-year Review Report 2014/15

Report by the Director of Finance

Summary

This Treasury Management Mid-year Review Report 2014/15 is submitted to the Council for Members' scrutiny. In compliance with CIPFA's Code of Practice on Treasury Management in Local Authorities. The report was previously submitted to the Resources Committee for scrutiny on 25 February 2015.

1. Background

1.1 Treasury management is defined as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) was adopted by this Council on 4 March 2010. The Code was further updated in November 2011.

1.2 The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.

5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Resources Committee.

1.3 This Mid-year Review Report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- An economic update for the first six months of 2014/15, provided by the Council's Treasury Advisers, Capita (formerly called Sector);
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2014/15;
- A review of the Council's borrowing strategy for 2014/15;
- A review of any debt rescheduling undertaken during 2014/15;
- A review of compliance with Treasury and Prudential Limits for 2014/15.

2. Economic update (provided by Capita, Treasury Advisers to the Council)

2.1 The Council has appointed Capita as treasury adviser to the Council and part of their service is to assist the Council to formulate a view on interest rates. **Appendix 2** provides an economic update from Capita.

2.2 Capita Asset Services undertook a review of its interest rate forecasts on 24 October. During September and October, a further rise in geopolitical concerns, principally over Ukraine but also over the Middle East, plus fears around Ebola and an accumulation of dismal growth news in most of the ten largest economies of the world and also on the growing risk of deflation in the Eurozone, had sparked a flight from equities into safe havens like gilts and this has the knock on effect of lowering PWLB rates. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in quarter 4 of 2015. Capita's interest rate forecast is as follows.

	Mar 15	Jun 15	Sep 15	Dec 15	Mar 16	Jun 16	Sept 16	Dec 16	Mar 17	Jun 17
BANK RATE	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.25
5yr PWLB	2.20	2.20	2.30	2.50	2.60	2.80	2.90	3.00	3.20	3.30
10yr PWLB	2.80	2.80	3.00	3.20	3.30	3.50	3.60	3.70	3.80	3.90
25yr PWLB	3.40	3.50	3.70	3.80	4.00	4.20	4.30	4.40	4.50	4.60
50yr PWLB	3.40	3.50	3.70	3.80	4.00	4.20	4.30	4.40	4.50	4.60

The above Capita forecasts for PWLB rates incorporate the **PWLB certainty rate** which reduces PWLB borrowing rates by 0.20% for most local authorities. Highland is eligible for this rate reduction.

3. Treasury Management Strategy Statement and Annual Investment Strategy update

3.1 The Treasury Management Strategy Statement (TMSS) for 2014/15 was approved by Council on 13 March 2014. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as security of capital and liquidity.

3.2 There have been no policy changes to the TMSS since it was agreed in March.

3.3 The Council will also aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity. In the current economic climate the Council will avoid locking into longer term deals while investment rates are down at historically low levels unless attractive rates are available with counterparties of high creditworthiness which make longer term deals worthwhile and within the risk parameters set by this Council. The Council will only invest with highly credit rated financial institutions, using Capita's suggested creditworthiness approach, including sovereign credit rating and credit default swap (CDS) overlay information provided by Capita.

3.4 Borrowing rates continued to be historically low during the first six months of the 2014/15 financial year, and the Council benefits from the PWLB certainty rate discount 20bps off normal PWLB rates.

3.5 As outlined in the commentary at **Appendix 2**, there is still considerable uncertainty and volatility in the financial and banking market, both globally and in the UK. In this context, it is considered that the strategy approved on 13 March 2014 is still fit for purpose in the current economic climate.

4. Investment Portfolio 2014/15

4.1 In line with the requirements of the Code, any cash deposits placed by the Council are described as investments. In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite.

4.2 The investment portfolio yield for the first six months of the year is an average rate of 0.55% against a benchmark (7 Day London Inter-bank Offer Rate – LIBID average) of 0.35%.

4.3 As illustrated in the economic update, investment rates available in the market are at a historical low point. The average level of funds available for investment purposes in the first six months of 2014/15 was £84.7m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of Council Tax payments, receipt of grants and progress on the capital programme. The Council does not currently have any funds invested for more than 1 year.

4.4 In line with the investment strategy, the Council will only place deposits with

counter-parties with a high-creditworthiness. The availability of such counter-parties remains a challenge, and the returns and terms available in the market, mean that short-term investment returns remain low. To avoid use of the HM treasury debt management office, as a counterparty of last resort, given the low returns available, the Council continues to use 2 Money Market Funds (MMFs), which are AAA rated, and permitted in the Council's investment strategy.

4.5 From August 2014 onwards, the Council placed fixed term deposits with Goldman Sachs which is a UK registered Bank. Goldman Sachs is rated Green (it is recommended that deposits are only placed up to 100 days) by our Treasury Adviser. As for all other non-Government backed counterparties, the maximum amount that can be placed with Goldman Sachs is £15m. Goldman Sachs will not deal direct with Local Authorities due to the level of deposits so these deposits are pooled with other Local Authorities and placed by our Treasury Advisers as agents.

4.6 A review of all counter-party limits is planned for the next TMSS for 2015/16, in view of the reduction in Government stake in Bank of Scotland and also considering the impact of the Banking Reform Act. There will be proposals in the TMSS in February 2015 regarding the use of non UK counterparties.

5. New External Borrowing

5.1 The Capital Financing Requirement (CFR) represents the accumulated net capital expenditure which the Council requires to fund by way of long term debt until the capital projects, comprising the CFR, are fully written off by way of annual loan charges to revenue accounts.

5.2 The table below shows the estimated CFR at 31/03/15 and how it is expected to be funded.

Estimated Capital Financing Requirement (CFR) at 31/03/15 See appendix 1 – indicator 2	£932.6m
Less PPP	-£125.9m
Estimated CFR 31/03/15	**£806.7m**

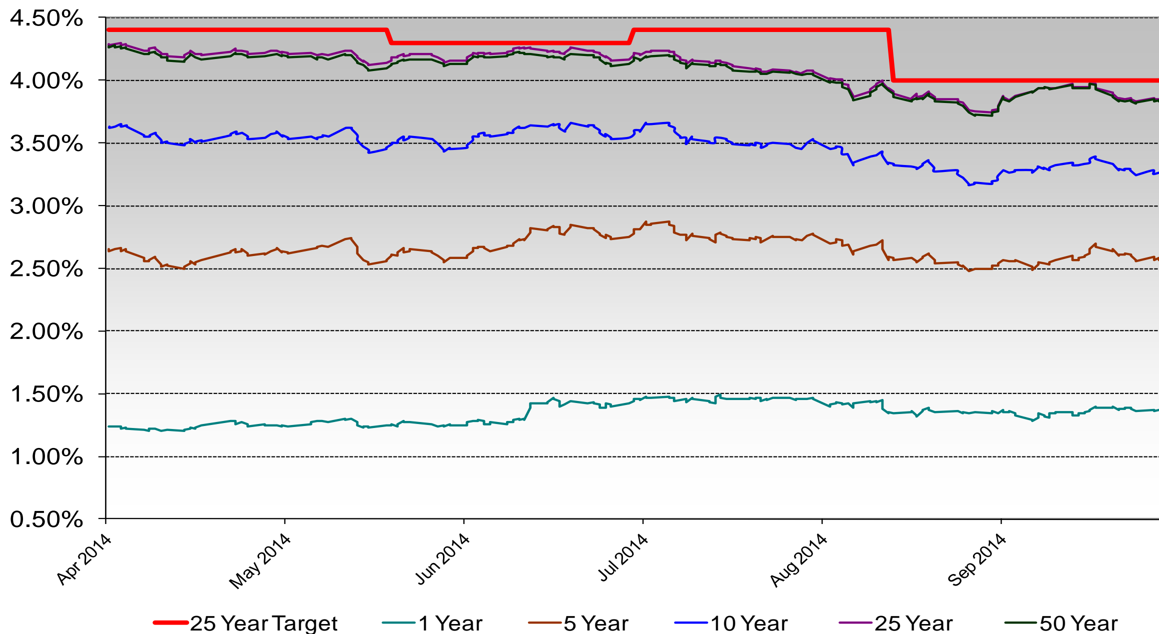
Long Term Debt 01/04/14	**£702.0m**
Less repaid during 2014/15	-£10.0m
Add estimated net borrowing for new capital expenditure in 2014/15	£71.0m
Add Borrowing to replace maturing loans	£10.0m
Estimated Long Term Debt at 31/03/15	£773.0m
Difference between CFR and Long-term Debt = Funding from internal balances and cash flow	£33.7m
	£806.7m

The balance of external and internal borrowing is generally driven by market conditions, and the need to take a balanced view of savings available from short term and internal borrowing, versus the mitigation of re-financing risk which can be achieved from longer-term borrowing, but at potentially higher cost.

5.3 Long Term borrowing rates have remained below Capita's central target rate for new external long term borrowing which was used for the loan charge budget.

5.4 The majority of borrowing to date has been primarily been on a short-term basis, or through internal borrowing (running down cash deposits). This has largely been driven by market conditions, favourably low short-term rates, and cash flows in the early part of the year. In order to fund capital expenditure, during September £20m of long term borrowing was taken from the PWLB at a rate of 3.95%.

5.5 The graph and table below shows the movement in PWLB rates for the first six months of the year incorporating the certainty rate. The general trend has been an overall decrease in interest rates for PWLB loans greater than 10 years and overall increase for shorter dated borrowing during the six months.



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.20%	2.48%	3.16%	3.74%	3.72%
Date	08/04/2014	28/08/2014	28/08/2014	01/09/2014	29/08/2014
High	1.49%	2.87%	3.66%	4.30%	4.28%
Date	16/07/14	03/07/14	20/06/14	03/04/14	02/04/14
Average	1.35%	2.66%	3.47%	4.10%	4.07%

5.6 It is anticipated that over the remainder of the financial year, additional new long-term borrowing will be only undertaken if rates are advantageous. However, markets remain volatile, and favourable short-term borrowing

opportunities are likely to be available to the Council, and will be considered where appropriate. Overall, it is considered probable that the year-end out-turn will reflect borrowings achieved at rates lower than had been originally anticipated when budgets were set, and current revenue budget monitoring reflects a forecast underspend on the loan charge budget.

5.7 In consultation with Capita, the market situation is constantly monitored and borrowing strategies reviewed on a regular basis.

6. Debt Rescheduling

6.1 No debt rescheduling was undertaken during the first six months of 2014/15 due to breakage costs.

7. Compliance with Treasury and Prudential Limits

7.1 It is a statutory duty for the Council to determine and keep under review the "Affordable Capital Expenditure Limits". The Council's approved Treasury and Prudential Indicators (affordability limits) are outlined in the approved Treasury Management Strategy Statement (TMSS) agreed in March 2014.

7.2 During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council's TMSS and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators are shown in **Appendix 1**, comparing the initial limits agreed for the year, and updated year-end forecasts.

8. Implications

8.1 The resource implications are covered in the attached tables. There are no specific legal, risk, equality or climate change/Carbon Clever, Gaelic or rural implications relating to this report.

9. Recommendation

In compliance with the Code of Practice on Treasury Management in Local Authorities, Members are asked to approve the Treasury Management Mid-year Review Report 2014/15.

Designation: Director of Finance

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Date: 2 March 2015

Background Papers: Logotech Reports, Excel Loans Fund files and Oracle Ledger prints

Appendix 1

Prudential and Treasury Indicators

The original Prudential Indicators were agreed within the TMSS March 2014.

The Estimates of Capital Expenditure below in indicator 3 and 4 include expenditure in relation the National Housing Trust which is self-financing, due to recovery of interest costs and under-writing of capital and interest guarantees by the Scottish Government.

Indicators for Affordability, Prudence and Capital Expenditure

Prudential Indicator		2014/15 Original (Estimate TMSS March 2014)	2014/15 Revised Estimate	Explanation of Indicator
1.	**Capital Expenditure**			
	Estimates of Capital Expenditure (Gross)			
	General Fund including PPP	£96.2m	£132.5m	Expressed in absolute terms rather than as a ratio, these show the overall levels of capital investment irrespective of how they are being funded.
	Housing Revenue Account	£70.6m	£51.5m	
		£166.8m	**£184.0m**	
	Income			
	General Fund	-£42.4m	-£61.7m	
	Housing Revenue Account	-£17.7m	-£16.1m	
		£60.1m	**-£77.8m**	
	Net Capital Expenditure			
	General Fund including PPP	£53.8m	£70.8m	Net capital expenditure is the borrowing or funding requirement for new capital investment in each year.
	Housing Revenue Account	£52.9m	£35.4m	
	Total Net Capital Expenditure	**£106.7m**	**£106.2m**	

	Prudential Indicator	2014/15 Original (Estimate TMSS March 2014)	2014/15 Revised Estimate	Explanation of Indicator
	Instalments			
	General Fund including PPP	-£28.2m	-£28.2m	The loan charge instalment is the amount by which the debt outstanding is written off each year and is also called the repayment of principal. The amount depends on the period of write off for the loan and is calculated using an annuity factor.
	Housing Revenue Account	-£7.0m	-£7.0m	
		£35.2m	**£35.2m**	
	External Long Term Borrowing requirement for new capital expenditure			
	General Fund including PPP	£25.6m	£42.6m	
	Housing Revenue Account	£45.9m	£28.4m	
		£71.5m	**£71.0m**	
2.	**Capital Financing Requirement (CFR) as at 31/03/15**			
	General Fund excluding PPP	£573.2m	£570.3m	These indicators represent the level of the Council's underlying need to borrow or finance by other long-term liabilities for a capital purpose. This includes past and future borrowing or funding.
	PPP	£125.9m	£125.9m	
		£699.1m	**£696.2m**	
	Housing Revenue Account	£229.0m	£213.2m	
		£928.2m	**£909.4m**	
	Joint Boards	£23.2m	£23.2m	
	Total (incl Joint Boards)	**£951.4m**	**£932.6m**	

	Prudential Indicator	2014/15 Original (Estimate TMSS March 2014)	2014/15 Revised Estimate	Explanation of Indicator
3.	**Treasury Position as at 31/03/15**			This indicator shows the expected borrowing position, net of investments.
	Borrowing	£809.5m	£773.0m	
	Other Long Term Liabilities	£125.9m	£125.9m	
	Total Debt	**£935.4m**	**£898.9m**	
	Investments	-£50.0m	-£50.0m	
	Net Borrowing	**£885.4m**	**£848.9m**	
4	**Authorised Limit for Borrowing**			These indicators identify 2 limits in relation to the Council's total external debt. The Authorised Limit is the maximum level of external borrowing which should not be exceeded. The limit is linked to the estimated level of borrowing assumed in the Capital Programmes. An Operational Boundary is also required which represents the Director of Finance's estimate of the day to day limit for the Treasury Management activity based on the most likely i.e. prudent but not worst case scenario.
	Borrowing	£916.5m	£916.5m	
	Other Long Term Liabilities	£138.5m	£138.5m	
5.	**Operational Boundary for Borrowing**			
	Borrowing	£854.5m	£854.5m	
	Other Long Term Liabilities	£125.9m	£125.9m	
6.	**Ratio of financing costs to net revenue stream**			These indicators show the capital financing costs (interest charges, the provision for the repayment of debt and the financing of PPP outstanding capital investment liability) as a percentage of government grant (revenue), Council Tax, Rents and other income. This allows the authority to track how much of its annual income is needed to pay for its capital investment plans and outstanding funding liabilities compared to its day to day running costs. For this mid-year report no significant variance from original estimates is assumed.
	General Fund including PPP	12.6%	12.1%	
	Housing Revenue Account	35.5%	30.4%	

	Prudential Indicator	2014/15 Original (Estimate TMSS March 2014)	2014/15 Revised Estimate	Explanation of Indicator
7.	**Estimates of the Incremental impact of capital investment** decisions on the B and D Council tax	£38.53	£18.43	These indicators demonstrate the **notional** impact of varying new capital investment expressed as a cost on the Band D Council Tax and Rents. These are notional rather than actual increases in Council Tax and rent, as the Council has or will utilise savings and other measures to fund its capital plans, to minimise the impact on tax and rent levels. For this mid-year report no significant variance from original estimates is assumed.
8.	**Estimates of the Incremental impact of capital investment** decisions on the housing rent levels (Weekly figures based on a 48 week year are shown in brackets).	£174.90 (£3.64)	£60.68 (£1.26)	
9.	**Interest rate exposures of debt net of investments**			Interest rate exposures of debt net of investments are required to be set in compliance with the Code. This limits the Council's exposure to both fixed and variable interest rate movements as part of the overall risk management strategy for Treasury Management activities. It promotes a prudent strategy aimed to avoid the adverse effects of fluctuating interest rates. The limits are based on estimates of net capital advances outstanding.
	Upper Limit (Fixed)	£825.5m	£825.5m	
	Upper Limit (Variable)	£288.9m	£288.9m	

In addition to the above the Council is required as a Prudential Indicator to:

- Adopt the CIPFA Code of Practice.
- Ensure that over the medium term borrowing will only be for a capital purpose (i.e. net external borrowing is less than the CFR).

The compliance for these indicators is highlighted in the body of the report.

Appendix 2

Economic update (provided by Capita, Treasury Advisers to the Council)

Global economy

U.K.

After strong UK GDP quarterly growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, (2013 annual rate 2.7%), and 0.7% in Q1, 0.9% in Q2 and a first estimate of 0.7% in Q3 2014 (annual rate 3.1% in Q3), it appears very likely that strong growth will continue through 2014 and into 2015 as forward surveys for the services and construction sectors, are very encouraging and business investment is also strongly recovering. The manufacturing sector has also been encouraging though the latest figures indicate a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance. This overall strong growth has resulted in unemployment falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up. The MPC is particularly concerned that the current squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Most economic forecasters are expecting growth to peak in 2014 and then to ease off a little, though still remaining strong, in 2015 and 2016. Unemployment is therefore expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in pay rates at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.

Also encouraging has been the sharp fall in inflation (CPI), reaching 1.2% in September, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly 1%. Overall, markets are expecting that the MPC will be cautious in raising Bank Rate as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak. A first increase in Bank Rate is therefore expected in Q2 2015 and they expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.

The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the 2013 Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018-19. However, monthly public sector deficit figures have disappointed so far in 2014/15.

U.S.

In September, the Federal Reserve continued with its monthly $10bn reductions in asset purchases, which started in December 2013. Asset purchases have now fallen from $85bn to $15bn and are expected to stop on 29th October 2014, providing the economic outlook remains strong. First quarter GDP figures for the US were depressed by exceptionally bad winter weather, but growth rebounded very strongly in Q2 to 4.6% (annualised).

The U.S. faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions.

Eurozone

The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to -0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).

Concern in financial markets for the Eurozone subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.

China and Japan

Japan is causing considerable concern as the increase in sales tax in April has suppressed consumer expenditure and growth. In Q2 growth was -1.8% q/q and -7.1% over the previous year. The Government is hoping that this is a temporary blip.

As for China, Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has raised fresh concerns. There are also major concerns as to the creditworthiness of much bank lending to corporates and local government during the post 2008 credit expansion period and whether the bursting of a bubble in housing prices is drawing nearer.

Capita's view for the next six months of 2014/15

Capita Asset Services undertook a review of its interest rate forecasts on 24 October. During September and October, a further rise in geopolitical concerns, principally over Ukraine but also over the Middle East, plus fears around Ebola and an accumulation of dismal growth news in most of the ten largest economies of the world and also on the growing risk of deflation in the Eurozone, had sparked a flight from equities into safe havens like gilts and depressed PWLB rates. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in quarter 2 of 2015.

Our PWLB forecasts are based around a balance of risks. However, there are potential upside risks, especially for longer term PWLB rates, as follows: -

- A further surge in investor confidence that robust world economic growth is firmly expected, causing a flow of funds out of bonds and into equities.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

Downside risks currently include:

- The situation over Ukraine poses a major threat to EZ and world growth if it was to deteriorate into economic warfare between the West and Russia where Russia resorted to using its control over gas supplies to Europe.
- Fears generated by the potential impact of Ebola around the world
- UK strong economic growth is currently mainly dependent on consumer spending and the potentially unsustainable boom in the housing market. The boost from these sources is likely to fade after 2014.
- A weak rebalancing of UK growth to exporting and business investment causing a weakening of overall economic growth beyond 2014.
- Weak growth or recession in the UK's main trading partner - the EU, inhibiting economic recovery in the UK.
- A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.
- A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.
- Recapitalisation of European banks requiring more government financial support.

- Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- Italy: the political situation has improved but it remains to be seen whether the new government is able to deliver the austerity programme required and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.
- France: after being elected on an anti-austerity platform, President Hollande has embraced a €50bn programme of public sector cuts over the next three years. However, there could be major obstacles in implementing this programme. Major overdue reforms of employment practices and an increase in competiveness are also urgently required to lift the economy out of stagnation.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- Heightened political risks in the Middle East and East Asia could trigger safe haven flows back into bonds.
- There are also increasing concerns at the reluctance of western central banks to raise interest rates significantly for some years, plus the huge QE measures which remain in place (and may be added to by the ECB in the near future). This has created potentially unstable flows of liquidity searching for yield and, therefore, heightened the potential for an increase in risks in order to get higher returns. This is a return to a similar environment to the one which led to the 2008 financial crisis.