REPORT TO:	**AUDIT COMMITTEE**		
DATE:	18 November 2024		
TITLE:	**TREASURY REPORT - 2024/25 QUARTER 2**		
TYPE OF REPORT:	Review		
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OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

Date of meeting: 18 November 2024

TREASURY REPORT - 2023/2024 QUARTER 2

Summary

The Council has formally adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021) and remains fully compliant with its requirements. One of the primary requirements of the Code is receipt by Council of a quarterly Review Report.

The Quarterly Review Report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- A review of the Treasury Management Strategy;
- The Council's capital expenditure (prudential indicators);
- An economic update for the first six months of 2024/25.

Additional Supporting Information
Appendix 1 – Economic Update
Appendix 2 – Interest Rate forecasts
Appendix 3 – Prudential and Treasury Indications for 2024-25
Appendix 4 – Investment Portfolio
Appendix 5 – Approved countries for investment

Recommendation

Audit Committee is asked to note the report and the treasury activity.

Reason for Recommendation
The Council has formally adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021) and remains fully compliant with its requirements. One of the primary requirements of the Code is, receipt by Audit Committee of a Quarterly Review Report.

1. The Treasury Management Quarterly Review 2024/25

1.1 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021).

1.2 The primary requirements of the Code are as follows:

a) Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.

b) Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

c) Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report, (stewardship report), covering activities during the previous year.

d) 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.

e) 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 Audit Committee.

1.3 This quarterly report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first half of the 2024/25 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- A review of the Council's investment portfolio for 2024/25;
- A review of the Council's borrowing strategy for 2024/25;
- A review of any debt rescheduling undertaken during 2024/25;
- A review of compliance with Treasury and Prudential Limits for 2024/25.

2. Economic Update

2.1 Appendix 1 details the economic outlook from the Treasury Management Advisers to the Council. Some comments to note include: -

2.1.1 CPI inflation hit its target in June but edged above it to 2.2% in July and August.

2.1.2 The Consumer Prices Index (CPI) rose by 1.7% in the 12 months to September 2024, down from 2.2% in August. This indicates a slight easing in inflationary pressures, which is a positive sign for the overall economic stability.

2.1.3 The CPI including owner occupiers' housing costs (CPIH) rose by 2.6% in the 12 months to September 2024, down from 3.1% in August1. This decrease reflects a moderation in housing-related costs.

2.1.4 CPI inflation is expected to rise to 2.9% in November due to uncertainties in the Middle East and rising oil prices, before declining to around 2.0% by mid-2025.

2.1.5 Short-dated PWLB rates peaked in July, with the 1-year rate reaching 6.36% and the 5-year rate at 5.93%. Although short-dated rate expectations fell subsequently, medium-dated rates increased through August, with the 10-year rate rising to 5.51% and the 25-year rate to 5.73%. The 50-year rate rose from 4.27% in April to 5.45% in September.

2.1.6 These rate changes have significant implications for local authorities, including West Norfolk, particularly in terms of borrowing costs and financial planning.

2.1.7 The Bank of England initiated its loosening cycle in August with a 25bps rate cut, lowering rates from 5.25% to 5.0%. In September, the Bank held rates steady at 5.0%.

2.1.8 Following the 30 October Budget, the 5 November US presidential election, and the 7 November MPC meeting the Bank of England voted to cut the base rate by 25bps to 4.75%.

3. Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2024/25, which includes the Annual Investment Strategy, was approved by the Authority on 6 March 2024. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Authority's investment priorities as being:

- Security of capital
- Liquidity
- Yield

3.1 The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity, aligned with the Council's risk appetite. In the current economic climate, over and above keeping investments short-term to cover cash flow needs, there is a benefit to seek out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

3.2 Interest rates are forecasted to fall to 4.5% by the end of 2024, with further cuts likely in 2025, potentially reaching 3.0% by the second half of 2025.This has been reflected in forecast investment returns for 2024/2025.

The forecast for the Public Works Loan Board (PWLB) certainty rate from September 2024 onwards indicates a gradual decline in interest rates (see Appendix 2). The declining certainty rate forecast is beneficial for the council as it implies lower borrowing costs for future loans. This reduction in interest rates can help the Council manage its debt more effectively and allocate more resources towards essential services and projects. Additionally, it supports the

Council's financial stability and sustainability, aligning with the cost management improvement initiative to reduce the budget gap and reliance on reserves.

3.3 Creditworthiness

The UK's sovereign rating has proven robust through the first half of 2024/25. The Autumn Budget 2024 brings several changes that will impact local authorities. Overall, the budget aims to provide more resources to local authorities to help them meet the needs of their communities, but there are still challenges ahead, especially with the rising costs and the need for long-term financial stability.

3.4 Investment counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

3.5 Investment balances

The average level of funds available for investment purposes during the quarter was £18.9m**.** These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme. The funds in investment as at 30 September 2024 are shown in Appendix 4, whilst appendix 5 shows the Countries approved for investment with at that time based on credit ratings.

Investment performance year to date as of 30 September 2024

Period	SONIA benchmark return %	Authority performance %	Investment interest earned to date £
Less than 12 months	4.950	4.975	£363,100
More than 12 month	4.950	5.650	£49,020

3.6 The Authority's budgeted investment return for 2024/25 is £679,930, (£363,100 year to date) and performance for the year to date is £44,770 above budget. This is a reflection on the value invested.

3.7 Approved limits

Officers confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30th September 2024.

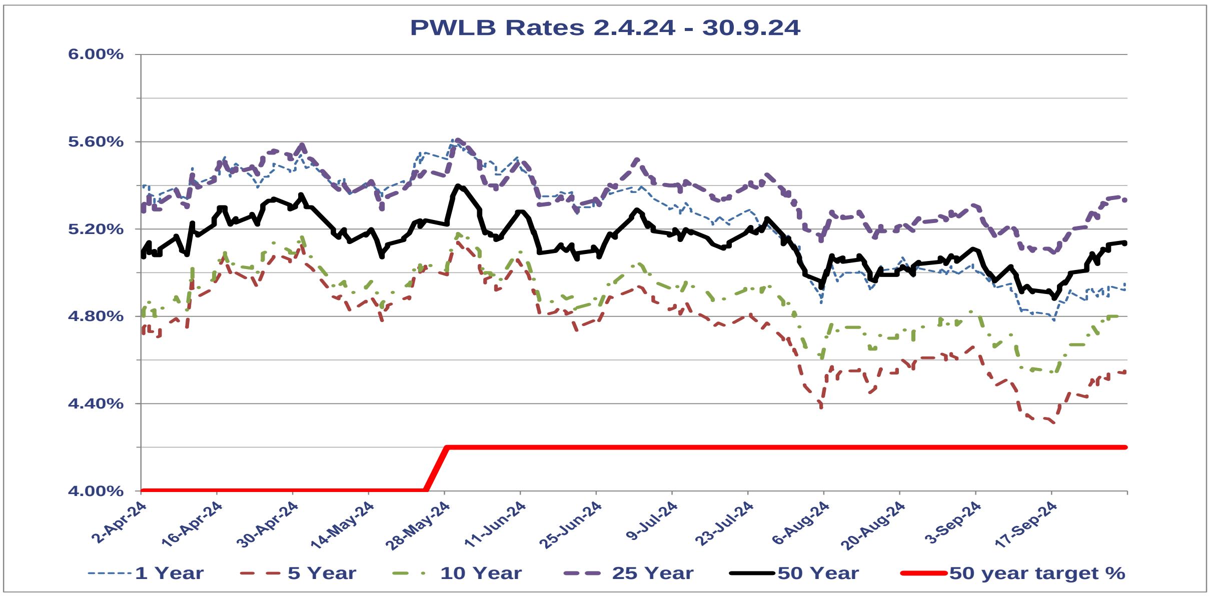
4. Borrowing

4.1 No additional borrowing was undertaken during the quarter ended 30th September 2024.

4.2 The Public Works Loan Board (PWLB) lending facility is operated by the UK Debt Management Office (DMO) on behalf of HM Treasury. The facility provides loans to local authorities, and other specified bodies, from the National Loans Fund, operating within a policy framework set by HM Treasury.

4.3 From April to the end of September 2024, the rise in Public Works Loan Board (PWLB) rates has significantly impacted local authorities in England. In the short term, increased borrowing costs have made financing capital projects like housing and infrastructure more expensive, forcing councils to adjust their budgets and potentially reduce spending on other services. In the medium term, these higher costs have led to delays in capital projects and necessitated revisions in financial planning and investment strategies, including exploring alternative funding sources. Long-term effects include challenges in debt management, as local authorities must focus on efficiently repaying existing debts while minimising the costs of new borrowing. Additionally, the higher borrowing costs could have broader economic implications, such as reduced investment in local infrastructure and housing, potentially affecting regional economic growth and development. Overall, the changes in PWLB rates have required local authorities to adapt their financial strategies and prioritise essential projects while managing their debt obligations effectively.

PWLB maturity Certainty Rates 2nd April to 30th September 2024 (provided by Link)



5. Debt rescheduling

5.1 Debt repayment and rescheduling opportunities have increased over the course of the past six months and will be considered if giving rise to long-term savings. However, no debt rescheduling has been required on the Council's current loans of £10m at 3.81%. Members will be advised if there is value to be had by rescheduling or repaying a part of the debt portfolio.

6. Compliance with Treasury and Prudential Limits

6.1 The Prudential and Treasury Management Indicators are shown in Appendix 3. It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the quarter ended 30th September 2024, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2024/25. The Assistant Director Resources reports that the Capital programme is reviewed monthly for material variation.

6.2 All treasury management operations have also been conducted in full compliance with the Authority's Treasury Management Practices.

Appendix 1 Economic Update

- The third quarter of 2024 (July to September) saw:
  - GDP growth stagnating in July following downwardly revised Q2 figures (0.5% q/q)
  - A further easing in wage growth as the headline 3myy rate (including bonuses) fell from 4.6% in June to 4.0% in July;
  - CPI inflation hitting its target in June before edging above it to 2.2% in July and August;
  - Core CPI inflation increasing from 3.3% in July to 3.6% in August;
  - The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
  - 10-year gilt yields falling to 4.0% in September.
- The economy's stagnation in June and July points more to a mild slowdown in GDP growth than a sudden drop back into a recession. Moreover, the drop in September's composite activity Purchasing Managers Index, from 53.8 in August to 52.9, was still consistent with GDP growth of 0.3%-0.4% for the summer months. This is in line with the Bank of England's view, and it was encouraging that an improvement in manufacturing output growth could be detected, whilst the services PMI balance suggests non-retail services output grew by 0.5% q/q in Q3. Additionally, the services PMI future activity balance showed an uptick in September, although readings after the Chancellor's announcements at the Budget on 30th October will be more meaningful.
- The 1.0% m/m jump in retail sales in August was stronger than the consensus forecast for a 0.4% m/m increase. The rise was reasonably broad based, with six of the seven main sub sectors recording monthly increases, though the biggest gains came from clothing stores and supermarkets, which the ONS reported was driven by the warmer-than-usual weather and end of season sales. As a result, some of that strength is probably temporary.
- The government's plans to raise public spending by around £16bn a year (0.6% GDP) have caused concerns that a big rise in taxes will be announced in the Budget, which could weaken GDP growth in the medium-term. However, if taxes are raised in line with spending (i.e., by £16bn) that would mean the overall stance of fiscal policy would be similar to the previous government's plan to reduce the budget deficit. Additionally, rises in public spending tend to boost GDP by more than increases in taxes reduce it. Our colleagues at Capital Economics suggest GDP growth will hit 1.2% in 2024 before reaching 1.5% for both 2025 and 2026.
- The further easing in wage growth will be welcomed by the Bank of England as a sign that labour market conditions are continuing to cool. The 3myy growth rate of average earnings fell from 4.6% in June to 4.0% in July. On a three-month annualised basis, average earnings growth eased from 3.0% to 1.8%, its lowest rate since December 2023. Excluding bonuses, the 3myy rate fell from 5.4% to 5.1%.

- Other labour market indicators also point to a further loosening in the labour market. The 59,000 fall in the alternative PAYE measure of the number of employees in August marked the fourth fall in the past five months. And the 77,000 decline in the three months to August was the biggest drop since November 2020. Moreover, the number of workforce jobs fell by 28,000 in Q2. The downward trend in job vacancies continued too. The number of job vacancies fell from 872,000 in the three months to July to 857,000 in the three months to August. That leaves it 34% below its peak in May 2022, and just 5% above its pre-pandemic level. Nonetheless, the Bank of England is still more concerned about the inflationary influence of the labour market rather than the risk of a major slowdown in labour market activity.
- CPI inflation stayed at 2.2% in August, but services inflation rose from a two-year low of 5.2% in July to 5.6%, significantly above its long-run average of 3.5%. Food and fuel price inflation exerted some downward pressure on CPI inflation, but these were offset by the upward effects from rising furniture/household equipment inflation, recreation/culture inflation and a surprisingly large rise in airfares inflation from -10.4% in July to +11.9% in August. As a result, core inflation crept back up from 3.3% to 3.6%. CPI inflation is also expected to rise in the coming months, potentially reaching 2.9% in November, before declining to around 2.0% by mid-2025.
- The Bank initiated its loosening cycle in August with a 25bps rate cut, lowering rates from 5.25% to 5.0%. In its September meeting, the Bank, resembling the ECB more than the Fed, opted to hold rates steady at 5.0%, signalling a preference for a more gradual approach to rate cuts. Notably, one Monetary Policy Committee (MPC) member (Swati Dhingra) voted for a consecutive 25bps cut, while four members swung back to voting to leave rates unchanged. That meant the slim 5-4 vote in favour of a cut in August shifted to a solid 8-1 vote in favour of no change.
- Looking ahead, CPI inflation will likely rise in the coming months before it falls back to its target of 2.0% in mid-2025. The increasing uncertainties of the Middle East may also exert an upward pressure on inflation, with oil prices rising in the aftermath of Iran's missile attack on Israel on 1 October. China's recent outpouring of new fiscal support measures in the latter stages of September has also added to the upshift in broader commodity prices, which, in turn, may impact on global inflation levels and thus monetary policy decisions. Despite these recent developments, our central forecast is still for rates to fall to 4.5% by the end of 2024 with further cuts likely throughout 2025. This is in line with market expectations, however, although a November rate cut still looks likely, December may be more problematic for the Bank if CPI inflation spikes towards 3%. In the second half of 2025, though, we think a more marked easing in inflation will prompt the Bank to speed up, resulting in rates eventually reaching 3.0%, rather than the 3.25-3.50% currently priced in by financial markets.
- Our forecast is next due to be updated around mid-November following the 30 October Budget, 5 November US presidential election and the 7 November MPC meeting and the release of the Bank of England Quarterly Monetary Policy Report.
- Looking at gilt movements in the first half of 2024/25, and you will note the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank's

August rate cut signalled the start of its loosening cycle. Following the decision to hold the Bank Rate at 5.0% in September, the market response was muted, with the 10-year yield rising by only 5bps after the announcement. This likely reflected the fact that money markets had priced in a 25% chance of a rate cut prior to the meeting. The yield had already increased by about 10bps in the days leading up to the meeting, driven in part by the Fed's "hawkish cut" on 18 September. There is a possibility that gilt yields will rise near-term as UK policymakers remain cautious due to persistent inflation concerns, before declining in the longer term as rates fall to 3.0%.

- The FTSE 100 reached a peak of 8,380 in the third quarter of 2024, but its performance is firmly in the shade of the US S&P500, which has breached the 5,700 threshold on several occasions recently. Its progress, however, may pause for the time being whilst investors wait to see who is elected the next US President, and how events in the Middle East (and Ukraine) unfold. The catalyst for any further rally (or not) is likely to be the degree of investors' faith in AI.

MPC meetings: 9 May, 20 June, 1 August, 19 September 2024

- On 9 May, the Bank of England's Monetary Policy Committee (MPC) voted 7-2 to keep Bank Rate at 5.25%. This outcome was repeated on 20th June.
- However, by the time of the August meeting, there was a 5-4 vote in place for rates to be cut by 25bps to 5%. However, subsequent speeches from MPC members have supported Governor Bailey's tone with its emphasis on "gradual" reductions over time.
- Markets thought there may be an outside chance of a further Bank Rate reduction in September, following the 50bps cut by the FOMC, but this came to nothing.
- Nonetheless, November still looks most likely to be the next month to see a rate cut to 4.75% but, thereafter, inflation and employment data releases, as well as geo-political events, are likely to be the determinant for what happens in the remainder of 2024/25 and into 2025/26.

Appendix 2: Interest rate forecasts

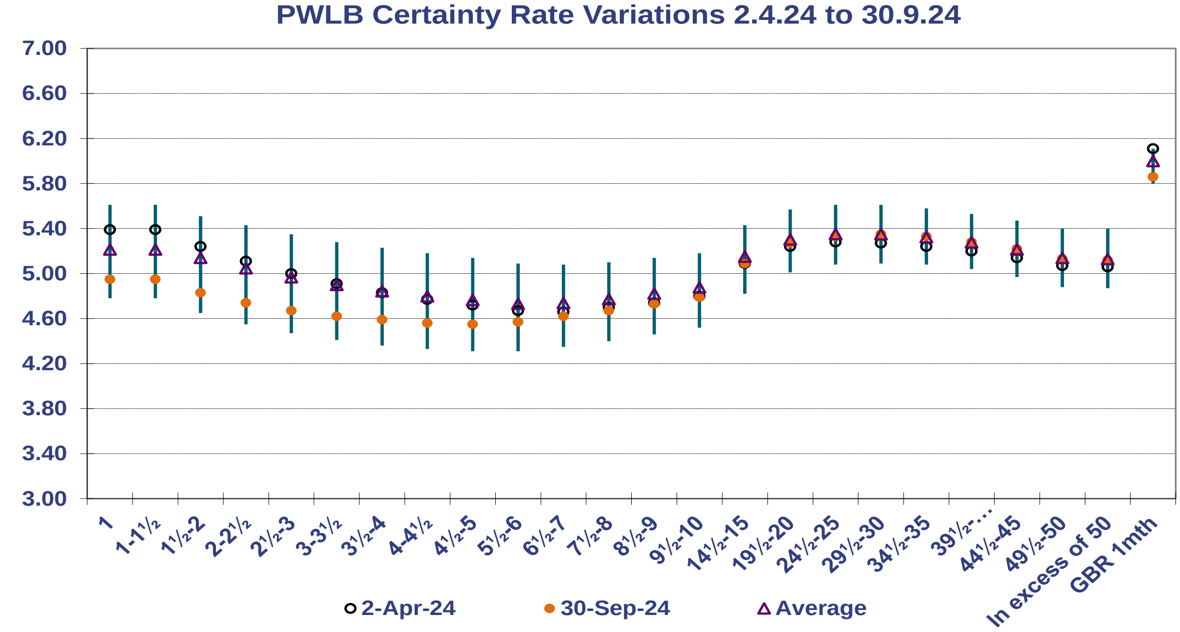
The Council has appointed Link Group as its treasury advisors and part of their service is to assist the Authority to formulate a view on interest rates.

The latest forecast on 28 May sets out a view that short, medium and long-dated interest rates will fall back over the next year or two, although there are upside risks in respect of the stickiness of inflation and a continuing tight labour market, as well as the size of gilt issuance.

The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1 November 2012.

Link Group Interest Rate View	28.05.24									
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3 month ave earnings	4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6 month ave earnings	4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12 month ave earnings	4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5 yr PWLB	4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10 yr PWLB	4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25 yr PWLB	5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
50 yr PWLB	4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

The graph below illustrates the changes in Public Works Loan Board (PWLB) certainty rates from April 2, 2024, to September 30, 2024. Key points include a peak in the 1-year rate at 6.36% in July, an increase in the 10-year rate to 5.51% by September, and a rise in the 50-year rate from 4.27% in April to 5.45% in September. The graph shows notable fluctuations in rates, with various peaks and troughs throughout the period.



The PWLB Certainty Rate offers local authorities a reduced interest rate, 20 basis points lower than the standard rate, on loans. To qualify, councils must submit detailed long-term borrowing and capital spending plans. By utilising this rate, councils can lower their borrowing costs, improve financial planning, and enhance budget certainty. This rate supports the feasibility of capital projects such as infrastructure improvements and housing developments, aligning with councils' financial stability and sustainability goals.

HIGH/LOW/AVERAGE PWLB RATES FOR 02.04.24 – 30.09.24

	1 Year	5 Year	10 Year	25 Year	50 Year
02/04/2024	5.39%	4.72%	4.80%	5.28%	5.07%
30/09/2024	4.95%	4.55%	4.79%	5.33%	5.13%
Low	4.78%	4.31%	4.52%	5.08%	4.88%
Low date	17/09/2024	17/09/2024	17/09/2024	17/09/2024	17/09/2024
High	5.61%	5.14%	5.18%	5.61%	5.40%
High date	29/05/2024	01/05/2024	01/05/2024	01/05/2024	01/05/2024
Average	5.21%	4.76%	4.88%	5.35%	5.14%
Spread	0.83%	0.83%	0.66%	0.53%	0.52%

- The current PWLB rates are set as margins over gilt yields as follows: -.
  - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB Certainty Rate (GF)** is gilt plus 80 basis points (G+80bps)
  - **PWLB Local Infrastructure Rate** is gilt plus 60 basis points (G+60bps)
  - **PWLB Certainty Rate (HRA)** is gilt plus 40bps (G+40bps)

- The **UK Infrastructure Bank** will lend to local authorities that meet its scheme criteria at a rate currently set at gilt plus 40bps (G+40bps).

Appendix 3: Prudential and Treasury Indicators for 2024-25 as of 30th September 2024

The Authority's Capital Position (Prudential Indicators)

This part of the report is structured to update:
- The Authority's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

Prudential Indicator for Capital Expenditure

This table shows the estimates for capital expenditure and the capital programme that was agreed at the Budget.

Capital Expenditure by Service Area	2024/25 Original Estimate £'000
Major Projects	48,673
Community and Partnerships	2,290
Resources	259
Programme and Projects	0
Property and Projects	354
Operational and Commercial Services	1,260
Leisure and Community Facilities	574
Total	**53,410**
Major Projects (Exempt)	547
Total capital expenditure	**53,957**

The Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Authority by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2024/25 Original Estimate £m
Total capital expenditure	**53,957**
Financed by:	
Capital receipts	**14,863**
Capital grants	**19,292**
Capital reserves	**2,415**
Revenue	**2,485**
Total financing	**39,055**
Borrowing requirement	**14,902**

The Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

Prudential Indicator – Capital Financing Requirement

We are on target to achieve the original forecast Capital Financing Requirement.

Prudential Indicator – the Operational Boundary for external debt

	2024/25 Original Estimate £'000
Prudential Indicator – Capital Financing Requirement	
Opening CFR	58,570
Additional CFR	14,902
Total CFR	72,266
Net movement in CFR	**14,902**
Prudential Indicator – the Operational Boundary for external debt	
Borrowing	73,000
Other long-term liabilities*	1,000
Total debt (year-end position)	**74,000**

** On balance sheet finance leases etc.*

Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose*. **Gross external borrowing** should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Authority has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

	2024/25 Original Estimate £'000	**Current Position £'000**
Borrowing	23,153	10,000
Other long-term liabilities*	1,000	
Total debt	24,153	
CFR* (year-end position)	72,266	

A further prudential indicator controls the overall level of borrowing. This is **the Authorised Limit** which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for external debt	**2024/25 Original Indicator £'000**	**Current Position**
Borrowing	78,000	10,000
Other long-term liabilities*	1,000	
Total	79,000	

RATIO OF FINANCING COSTS TO NET REVENUE STREAM

%	**2023/24**	**2024/25**
	Estimate	**Estimate**
Services	-0.05%	2.10%

Appendix 4: Investment Portfolio

Investments held as of 30th September 2024:

Treasury Investments	Principal	Start Date	End Date	Rate %
BNP Paribas - Money Market Fund	£4,000,000	n/a	n/a	4.960
Federated (PR) - Money Market Fund	£220,000	n/a	n/a	4.981
LGIM Sterling - Money Market Fund	£4,000,000	n/a	n/a	4.996
HSBC Sterling – Money Market Fund	£2,730,000	n/a	n/a	4.961
Total Liquid Accounts	**£10,950,000**			
South Ayrshire Council	£4,000,000	16/10/2023	16/10/2025	5.650
Total Fixed Term Investments	**£4,000,000**			
Total Treasury Investments	**£14,950,000**			

Appendix 5: Approved countries for investments as of 30th September 2024

Based on lowest available rating

AAA
- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+
- Canada
- Finland
- U.S.A.

AA-
- Belgium
- France
- **U.K.**