VT Astute Funds

Quarterly Commentary

Q2 2022

Introduction

Thank you for taking the time to read our Q2 commentary. 2022 has proven to be a difficult year so far. A confluence of events has created a bear market in both equities and bonds, presenting significant challenges to conventional portfolio diversification. At times like this, we place ever greater emphasis on sticking to solid investment principles and on communicating these to our investors. As always, we endeavour to protect and grow our investors' wealth, and to provide the financial security you need to plan for your future.

As we have previously communicated on the drivers of current market volatility, our CIO letter this quarter turns to prospects for the year ahead and how we avoid short-term thinking in difficult circumstances.

In our **Astute Overview** section, we look at what could be a key factor in slowing inflation in the year ahead, as some indicators point to lower company margins and reduced pricing power.

Our regular **Astute Perspective** shows our current conviction views, while **Astute Positioning** covers how those views translate into the portfolios, and what changes we have made in the past three months.

Finally, **Astute Observations** highlights some of the more interesting research, data, or charts we have encountered recently with a few short and, hopefully, enlightening comments.

As always, we take a long-term approach to investing our clients' assets, but success is a journey, not a destination, and the short-term views expressed herein are aimed at managing risk and making your investment journey as smooth as possible. By taking a risk-adjusted approach to your investments, we aim to deliver reliable growth in line with our stated risk profiles and provide you, and your financial planner, with the consistency and security to plan for your long-term financial future. Thank you for your continued support. If you have any further questions or require any additional information, please do not hesitate to contact your usual financial planner.

Fund Management Team

Scott Osborne
Chief Investment Officer

Nathan Chan
Senior Investment Analyst

Toby Hulse
Investment Analyst

Meet With Triumph & Disaster

It is not an exaggeration to say that the first half of 2022 was terrible for investors. In contrast to much of market history, bonds and equities have fallen simultaneously, reflecting the fact that interest rates are expected to rise (bad for bonds) despite slowing economic growth (bad for equities). The losses in many bond markets are the worst on record, and while equity markets losses are still some way off previous crashes, this has still been the worst start to a year for the S&P 500 index since 1970. We recently wrote to investors analysing the driving forces behind these market falls and the actions we took in response (see Astute Positioning for a recap).

The real purpose of the letter, however, was to focus minds on the need for long-term thinking. Now more than ever, we fall back on structure and process to ensure our decisions are not overly influenced by short-term thinking. This is just as true for daily decisions made on the investment desk, as it is for your own financial plans and objectives. A well-researched plan, and a disciplined approach to reviewing it, are required for both. It is normal to have doubts about those plans. It is also sensible to change and adapt these plans if the evolving world requires it. But remember that while every market shock feels unique, and every crisis is potentially the dawn of a new era, the bigger risk, we believe, lies in losing sight of the fundamentals of patient, long-term investing.

Looking to the second half of the year, the risk continues to be the same; if inflationary pressures do not recede in line with central bank expectations more policy tightening is required. With the rising cost of living, rolling COVID lockdowns in China and the continuing war in Ukraine, it feels like a recession is now the base case scenario for many economists over the next 12 months.

What do we need to avoid this scenario? Firstly, a stabilisation of commodity prices. Good news here—year to date, industrial commodities are now lower in price. Oil prices peaked in March and have closed lower in price for June compared to May, as the burden on the consumer and global economy becomes clearer. In the UK at least, headline inflation will now likely peak around 11% in October, but it looks increasingly like core inflation, excluding food and energy, topped out in May. We still need inflation to fall from here, but we discuss one key reason why we continue to believe this will happen in our Astute Overview this quarter.

There are reasons for early optimism in Asia. Momentum here could pull global growth higher in the second half of the year, driven by policy stimulus from China and Japan, combined with domestic spending from pent-up savings as the regions exit Omicron. Reduced quarantine restrictions and the prohibition against use of the national social medical insurance to fund testing suggests that mass lockdowns in China are less likely looking ahead.

With so much bad news already "priced in" to financial assets and forecasts, it feels like the hurdle for a positive surprise is quite low. Companies and consumers have strong balance sheets, robust labour markets ensure employment is resilient, falling house prices won't trigger forced sales. All of this provides a buffer from the worst effects of a potential recession. The so-called "soft landing" still seems optimistic but when markets are most fearful it's usually a good opportunity to invest, to quote Kipling, "*if you can keep your head while all about you are losing theirs…*"

Whatever does happen next, we will never be returning precisely to the way it was before. But what we do know, is that the sun will rise tomorrow, markets and life will move on. At some point, an inflection point will be reached, maybe sooner than people expect. It is hopeless trying to predict it though, so we continue to focus on not losing our heads, filling each unforgiving minute with 60 seconds worth of distance run, and wait for the sun to shine brightly again, as it always does.

Scott Osborne PhD CFA
Chief Investment Officer

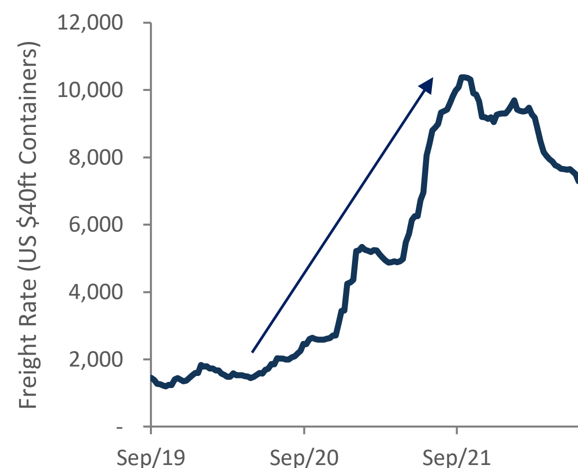
"BUY ONE PAY FOR THREE!"– MARGIN EXPANSION

Soaring food and energy prices pushed US and UK consumer price inflation last month to 8.60% and 9.10% respectively, the highest in almost four decades. Whilst you're probably fed up with hearing about inflation, its ability to influence financial markets and thus asset prices has never been greater. Investors, business owners, and consumers across the globe are now busy scrutinising every scrap of economic data in order to predict movements in inflation and thus the policy response from central banks. The consensus market expectation for where interest rates will peak in the US and UK currently stands at 3%. The silver lining perhaps is that Core inflation, which excludes the price of food and energy, seems to be moderating.

If inflation can in fact fall more sharply than expected, then this gives additional room for policymakers to tighten at a much more gradual pace and avoid inducing a global recession, at least in theory. This was the earlier messaging investors received from Fed Chair Jerome Powell, who believed he could achieve a "soft landing". Following his recent appearance however at the "Policy Panel" at the European Central Bank forum, it seems he may have lost some confidence. Powell scared the markets with comments like "we're likely going to overshoot", and that combatting runaway inflation "will cause some pain". This seems to indicate that the Fed is committed to raising rates until month-on-month inflation shows clear signs of cooling, which is very concerning for investors because by the time that happens, the Fed may have gone too far.

Our expectation is that inflation will ultimately moderate faster than the market currently expects, and thus provide some relief to asset prices. One of the key reasons behind this thinking is due to company margin compression, counteracting the margin expansion that occurred through the pandemic. To fully explain what we mean, let's bring ourselves back to the classroom for a quick finance lesson. Margins from a business earnings perspective simply refers to a company's profit margin. This is a common profitability ratio used by companies to gauge how much profit they generated compared to their sales. So, for example, a 20% profit margin is just a way of saying a company generated 20p in profit for every £1 in sales they made.

Figure 1: World Container Index



During 2021, profit margins skyrocketed due to a combination of factors that are now widely recognised. Enforced lockdowns combined with fiscal support created a burst of demand, while simultaneously restricting supply. A simple indication of this dynamic is shown in Figure 1, the average cost of a 40ft container which is used to transport goods around the world. As you can see, pre-pandemic this averaged around $2,000 but climbed all the way to $10,000 because of the extraordinary surge in demand.

Despite the rise in costs, people continued to consume and companies were able to pass on the higher input costs to consumers, along with a little more for their own pockets (margin expansion). With consumers seemingly willing to purchase at any cost, retailers began to order more and more inventory.

Figure 2: US Imports from the World

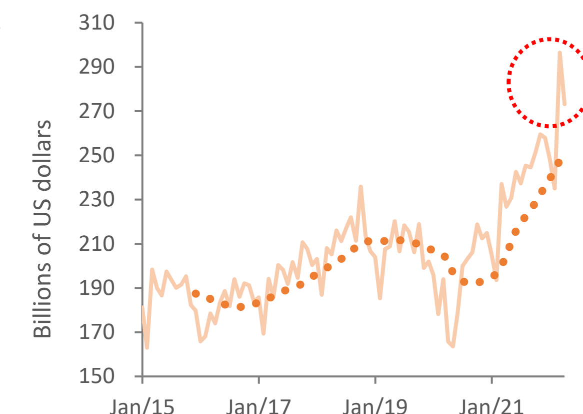


Figure 2 shows the level of US imports from the rest of the world, which clearly shows a steady increase in the monthly purchases from a pre-pandemic average of $200bn per month to almost $300bn. This trend looked set to continue until, in Q1 2022, the pandemic receded, and consumption shifted towards services and away from goods. At the same time, the US Federal Reserve got much more serious about tightening monetary policy, which drove US consumer confidence lower and deflated the buoyant demand. This was apparent in the latest earnings report from some of the largest retailers like Walmart and Target, who failed to anticipate this return to "normal" consumer behaviour and have now been left holding significantly more inventory than the current demand levels warrant. Retailers were quick to reverse their ordering patterns and consequently, both imports and the cost of containers have seen sizeable corrections.

The significant margin expansion which occurred throughout 2021, some economists believe, added almost two percentage points onto US headline inflation. From what we are witnessing across multiple economies, we believe that the forces that have supported margins are now beginning to subside, and retailers will be forced to discount their inventory. If such a scenario were to occur, the reversion towards "normal" profit margins could actually prove to be deflationary as prices are cut in order to support sales, a scenario that could lower the core inflation number by as much as 3-4%. Even if retailers can maintain historically high margins, perhaps as consumers dip into their savings to support consumption, the effects of the prior margin expansion would eventually wash out and we would see the 2% boost drop out of the annual inflation number. Still, a significant drop to look forward to in Q1 2023.

Over the next couple of months, the outlook remains very unclear and the balance between inflation and recession makes judging the right level of fiscal and monetary policy all the more challenging. We continue to think that markets will remain volatile and there are a plethora of economic data due to be released that could support or refute the above hypothesis. While there is so much uncertainty in markets it would be foolish to make any strong predictions, and so while rapidly cooling inflation remains our expectation, our conviction is relatively low. What we do believe strongly however, is that markets are very focused on short term trends and that the mistakes made last year when inflation accelerated more quickly than expected can be just as easily repeated as inflation cools.

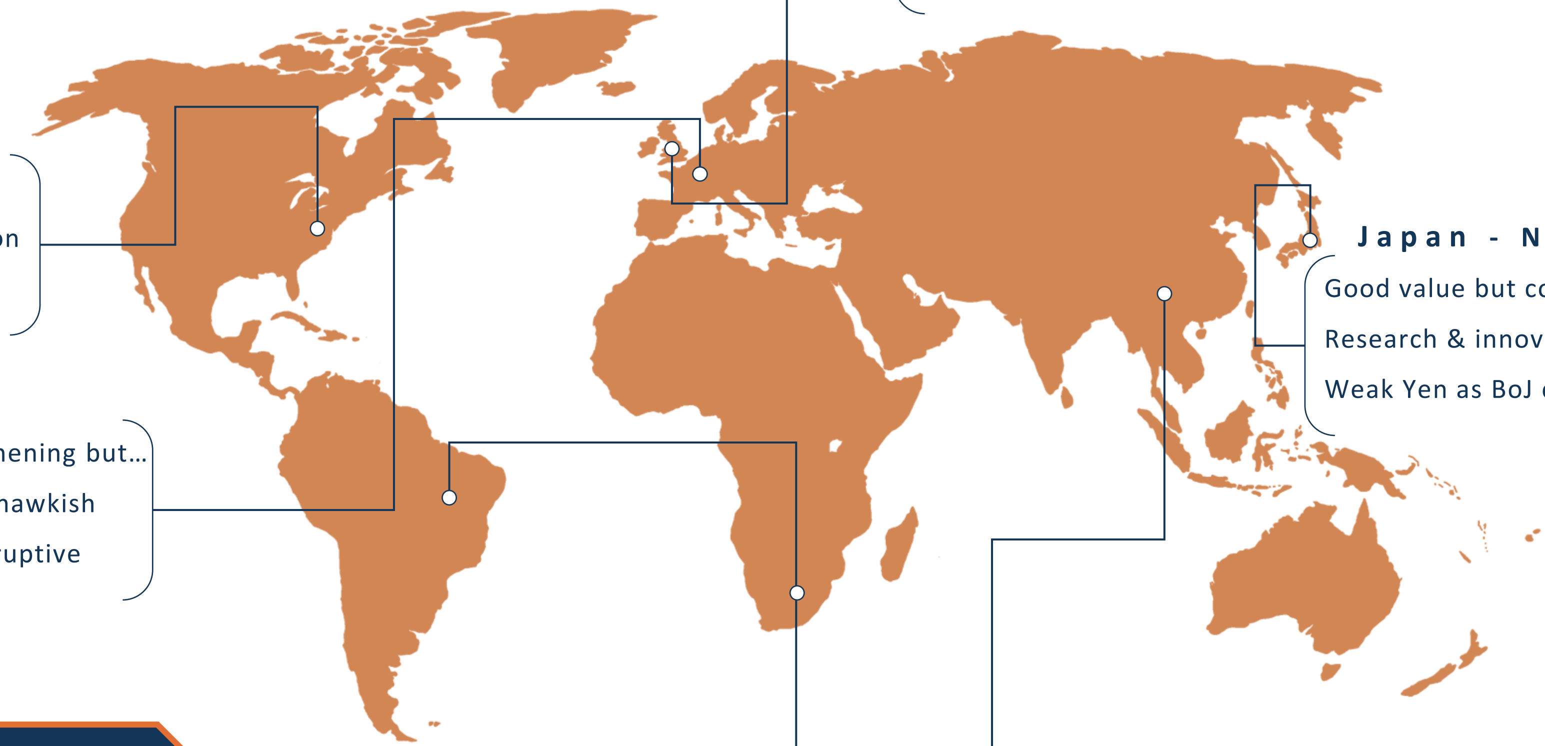
Astute Response:

We believe that the pressure on profit margins will eventually cause retailers to discount their excess inventory and therefore lead to rapidly cooling inflation. This leads us to continue to cautiously build our conviction in conventional bonds on the expectation that a more gradual pace in monetary tightening will see a recovery in bond prices. We remain mindful that there are still many reasons for asset prices to fall further in the second half of the year, and while we remain overweight equity we retain a bias to quality areas like infrastructure, which have delivered solid returns and diversification benefits this quarter.

Sources: Census Bureau, Drewry Supply Chain Advisors

Astute Perspective

ASTUTE INVESTMENT MANAGEMENT LTD



UK – Neutral

Larger companies remain structurally challenged

Prefer smaller companies with growth opportunities

Labour/goods shortages likely exacerbated by Brexit

N. America - Neutral

Rising rates putting pressure on growth names

Hawkish Fed pivot, committed to tackling inflation

Recession maybe required to tame price growth

Europe - Neutral

Fiscal and political co-operation strengthening but…

…inflation rising and ECB growing more hawkish

Focus on energy security potentially disruptive

Japan - Neutral/Overweight

Good value but corporate nationalism persists

Research & innovation remains strong suit

Weak Yen as BoJ committed to low interest rates

Asia & Emerging - Overweight

Long-term growth from demographics & development

Company valuations attractive vs western equivalents

Government pivoting towards market-friendly stimulus

Conviction Views

A key part of our process is building conviction ideas which are then expressed across each of the portfolios. While asset class and regional views are an important input into this process, the opinions outlined below will be the driving force behind any potential future returns.

1. Focus on Quality
    - Economic rebound will broaden growth opportunities, benefiting cyclical sectors most
    - Risks arising from inflation and geopolitics necessitate a refocus on quality, in both expensive secular growers and cyclical value rebounders.

2. Overweight Technology
    - Technological revolution will continue, lean into disruptive areas, the strong get stronger
    - Look beyond current global leaders and use specialists to stay ahead of the curve

3. Invest Sustainably
    - ESG will become the default option, and the market will shift accordingly
    - If sustainable investing is the future, invest with those who have ESG way into their past

Asset Class Views

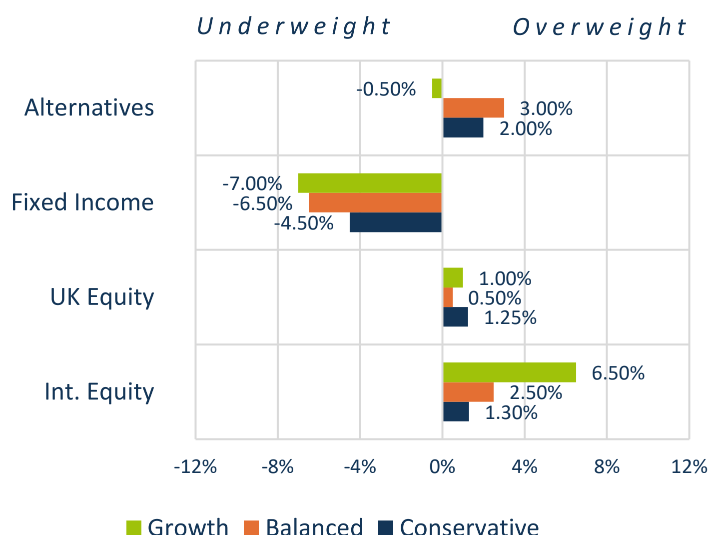
Fixed Income	Negative						Positive
Sovereign Bonds							
Corporate Bonds							
High-yield bonds							
EM Debt							

Alternatives	Negative						Positive

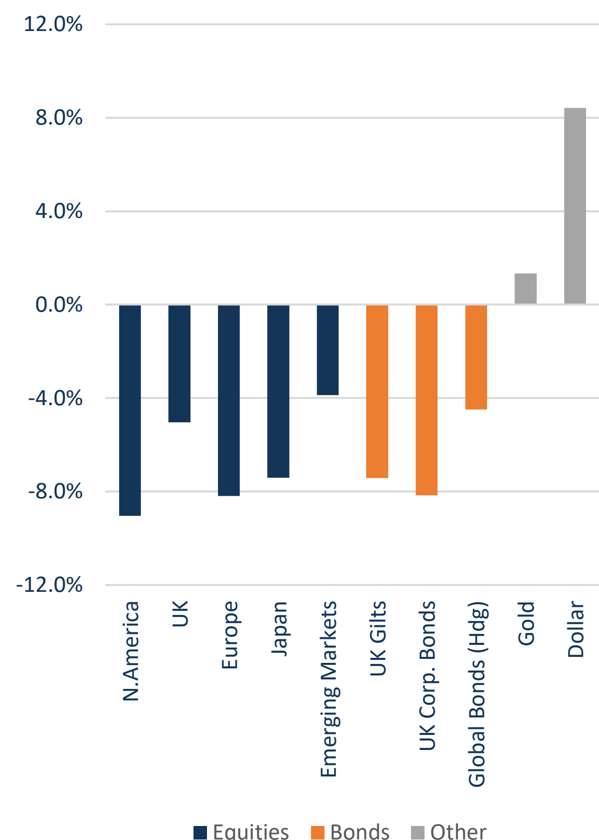
Equities	Negative						Positive
UK							
Europe							
Asia & Emerging							
Japan							
US							

Astute Positioning

Tactical Asset Allocation[1]



Asset Class Returns[2]



Fund Activity

Activity	Fund	Strategies
New Purchase	iShares Core UK Gilts ETF	Con, Bal
	iShares $ Treasury Bond ETF	Con, Bal
	M&G Global Listed Infras	Con, Bal, Gro
	Regnan Sustainable Water and Waste	Con, Bal, Gro
Top Up	Aberdeen UK Mid-Cap Equity	Gro
	Gresham House Energy Storage Ord	Con, Bal
	Invesco S&P 500 ETF	Bal, Gro
	iShares China CNY Bond ETF	Bal
	iShares $ Treasury Bond ETF	Con, Bal
	L&G US Equity ETF	Bal, Gro
	Tritax EuroBox Euro Ord	Con, Bal
Trim	Allianz Fixed Income Macro	Con, Bal
	Baillie Gifford American	Bal, Gro
	ES R&M UK Recovery	Con, Bal, Gro
	iShares $ TIPS ETF	Con
	JPM UK Equity Core	Con, Bal
	Premier Miton European Opports	Con, Bal
	VT Gravis Clean Energy Income	Con, Bal
Sold	Baillie Gifford British Smlr Coms	Bal, Gro
	BSF Emerging Coms Abs Ret	Gro
	Invesco Physical Gold	Con, Bal, Gro
	PIMCO GIS Mortg Opps Instl	Con
	Xtrackers MSCI USA Financials ETF	Bal, Gro

While markets suffered another punishing period through the second quarter of the year, the significant re-pricing of some assets, and a re-assessment of the risk posed by monetary tightening, saw a significant shift in our asset allocation through the quarter. While we have for some time preferred alternatives, and particularly real assets, over traditional fixed-income investments, prices fell sufficiently in bond markets for us to start to reduce our underweight position. This thinking drove most of the activity on the funds through the quarter.

Performance of all asset classes was negative through the period, the only real safe haven was the US dollar, which strengthened significantly against the Pound, offsetting some losses for Sterling-based investors. Unlike the first quarter, during which selling was focused on rising interest rate expectations and the Ukraine war, more recent falls seemed to anchor on the increasing likelihood of a global recession. Possibly the best indicator of this was falling commodity prices, which up until this point had proved one of the relative winners. As central banks aggressively tightened policy, particularly the US Federal Reserve which increased rates by 1.5% in Q2, markets priced in higher rates and a faster pace of increases. In response bond yields spiked and prices fell.

With few places to hide, the performance was negative in absolute terms for all funds, but with much better relative returns for the lower risk Conservative fund. For the first time since launch all the major components of the portfolio also fell in value, although once again it was the alternatives that offered the best protection in falling markets. Upward pressure on energy prices boosted some of our infrastructure assets, while Syncona, the specialist biotechnology trust, rose 27.50% over the period, supported by the sale of Gyroscope Therapeutics to Novartis. Within equities, our overweight to emerging markets helped reduce losses, particularly the onshore China A-shares strategy. In most other regions performance was close to benchmarks, although the degree to which we hedge away US Dollar risk relatively hurt performance. Finally, in bonds we saw strong outperformance from the underweight interest rate sensitivity, despite still succumbing to small losses. We used the weakness in bond prices to start to increase our exposure to conventional government bonds.

As described above, the trades made during the period focused on improving value in government bonds. As US government bond yields rose towards 3% over the quarter, we began to build our position at the expense of some alternatives and short-duration credit. This included the complete sale of our gold position and our US mortgage fund. We also recycled capital from some of our best performers in the UK large cap space and clean energy. We also introduced UK gilts for the first time since launch as we believe the market is overestimating the extent to which the Bank of England will increase rates, offering the opportunity for some short-term capital growth.

Within the equity portion, we increased the total equity exposure, particularly in the Growth strategy, on the expectation that the market finds a floor in the not-too-distant future. However, given the short-term risks to growth and earnings, we did so by biasing the stock selection towards quality defensive areas. We introduced two new funds, M&G Infrastructure and Regnan Sustainable Water and Waste. Both focus on critical infrastructure that is required regardless of the economic outlook, but which could also benefit from an accelerated clean energy transition. To fund these moves we reduced the more speculative areas of the portfolio including UK mid and small cap, and European mid cap growth. Given the pressure from energy and inflation, the likelihood of recession in Europe and the UK seems higher than elsewhere in the world. These moves should provide solid upside capture if markets find a floor from which to rally but should also prove relatively defensive if there is further pain to come in the coming months.

Sources: Refinitiv Lipper for Investment Management & Astute Investment Management as at 30/06/2022. Past Performance is not a reliable indicator of future results.
[1] Relative positioning is expressed versus Astute's long-term strategic weights. [2] Total returns in GBP. Broad market indices are used to represent the performance of different regions over the period 31/03/2022 to 30/06/2022.

VT Astute Conservative

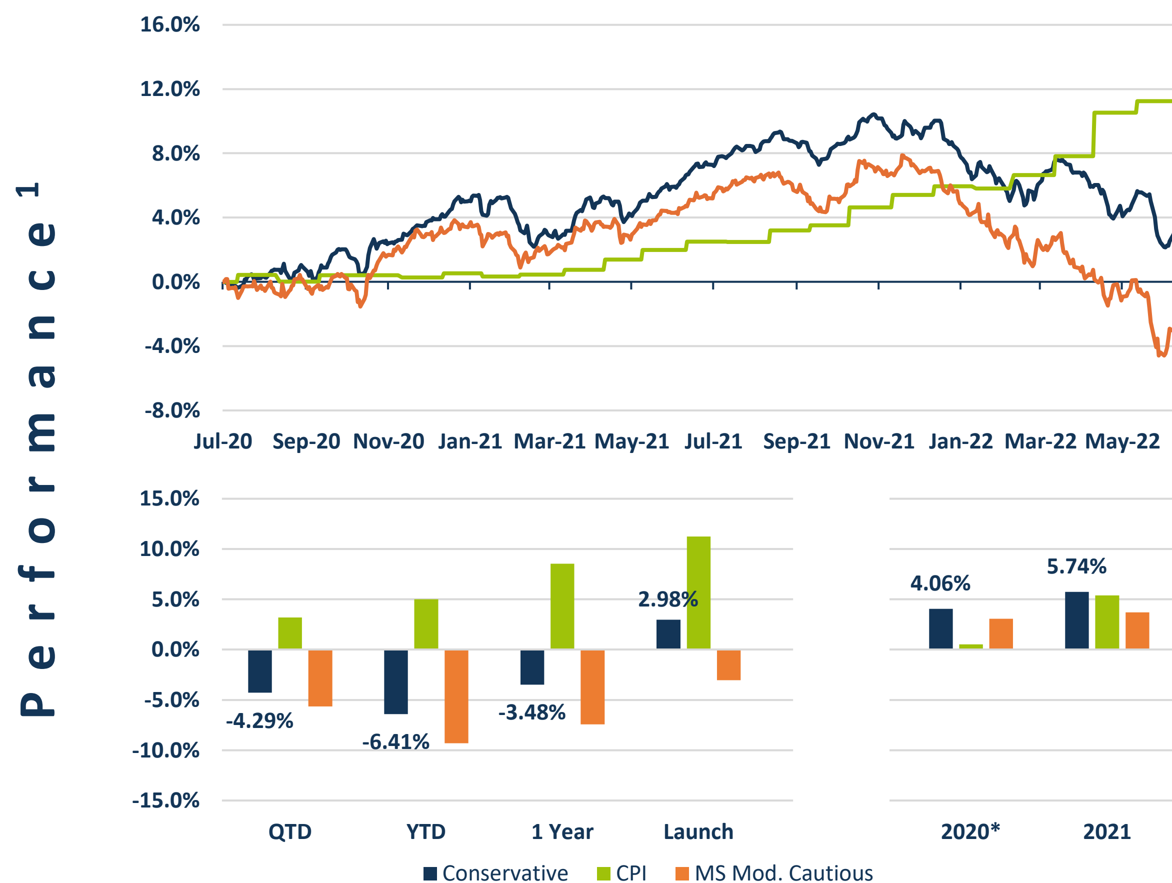
ASTUTE INVESTMENT MANAGEMENT LTD

The Conservative fund outperformed its market comparator this quarter despite the recent leg down in both equities and fixed income markets. Adding sensitivity to interest rates within our fixed income component proved to be vital to relative gains given the recent correction in Government bond yields.

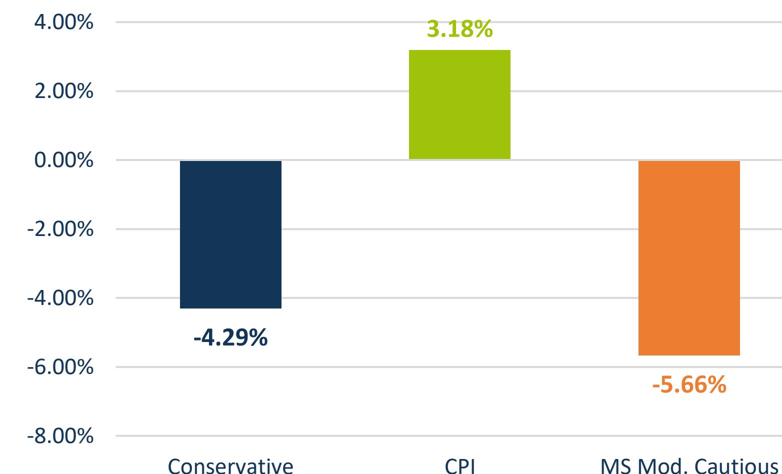
During May, when headline inflation and Treasury yields were at all-time highs, we saw this as a tactical opportunity to begin adding exposure to Conventional Bonds at key levels to benefit from what we believe to be oversold. As the Core CPI data in the US continued to show that inflation excluding energy and food was gradually slowing, expectations on rate rises also moderated somewhat and prices rallied. We also reduced our UK equity exposure, where we see some potential risks, in favour of infrastructure which posted solid returns.

The outstanding performer was Gresham House Energy Storage, which delivered positive returns supported by higher energy prices and increased capital investments to facilitate a faster energy transition to renewables. Other positive fund holdings include Allianz China A Shares and iShares China Bond supported by easing lockdowns and regulations, alongside the PBOC easing monetary policy.

Performance[1]



Q2 Returns[2]



Asset Classes

Asset class	Avg Weight	Return	Contribution to Portfolio Return
Cash & Equivalents	14.31%	-1.59%	-0.23%
Government	13.52%	-2.39%	-0.32%
Credit	14.15%	-5.07%	-0.72%
UK	6.05%	-9.01%	-0.55%
N. America	10.07%	-14.03%	-1.41%
Europe	3.30%	-10.85%	-0.36%
Japan	2.03%	-6.79%	-0.14%
Asia & Emerging	4.45%	-5.76%	-0.26%
Alternatives	31.09%	-1.25%	-0.39%

Top Funds

Fund Name	Avg Weight	Return	Contribution to Portfolio Return
Gresham House Energy Storage Ord	1.49%	13.87%	0.21%
Allianz China A-Shares Equity	0.49%	6.55%	0.03%
Aquila European Renewables Income	0.53%	5.81%	0.03%
iShares China CNY Bond ETF GBP Hdg	6.12%	0.48%	0.03%
Invesco Physical Gold ETC	1.00%	1.40%	0.01%

Sources: Refinitiv Lipper for Investment Management & Astute Investment Management as at 30/06/2022. Past Performance is not a reliable indicator of future results. All performance is shown net of ongoing charges. Morningstar Target Allocation indices are used as performance comparators. [1] Data for the period 20/07/2020 to the 30/06/2022. [2] Data for the period 31/03/2022 to the 30/06/2022. * 2020 data covers the period 20/07/2020 to 31/12/2020. Contribution to return may not sum to the total return due to rounding and averaging.

VT Astute

Balanced

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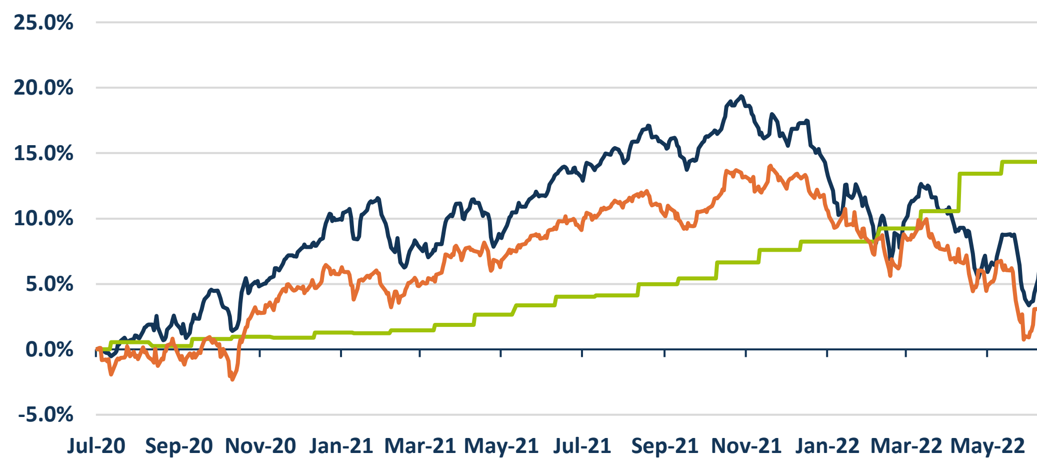
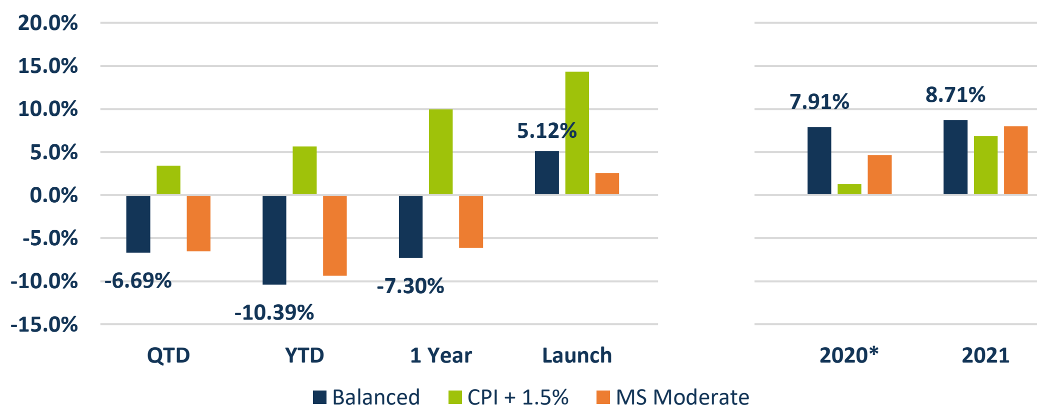
Over the quarter, the Balanced fund performed broadly in line with its market comparator despite the rising probability of a recession as developed nations continued to tighten monetary policy. The market's expectation that the US Fed will likely remain on this path, even in the face of slowing growth, exacerbated losses.

Within the portfolio, relative gains came from Government bonds, an area where we recently increased our exposure to take advantage of the fall in prices, and Alternatives, where our focus on Infrastructure and Utilities delivered solid returns backed by defensive and inflation-linked cashflows. These however were offset by our equities component, where managers who were more growth-orientated continued to grapple with the current challenging economic backdrop.

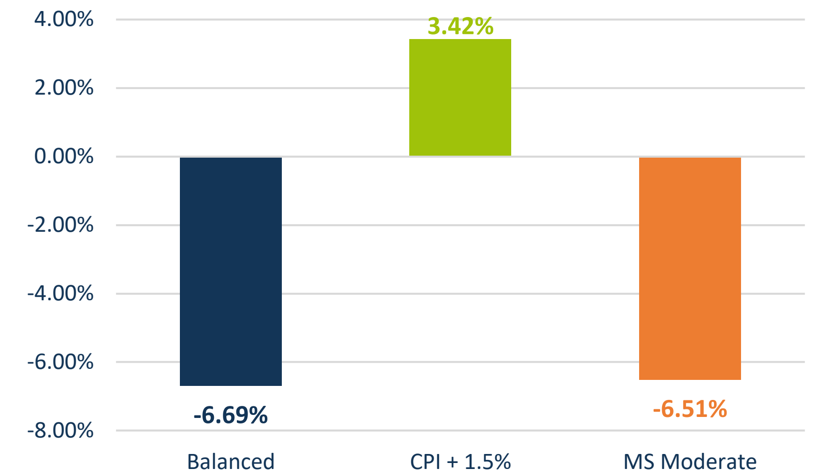
The top contributing holding was Syncona Ord which rose +27.50% over the period, supported by the sale of Gyroscope Therapeutics to the Swiss global health company Novartis. Other positive fund holdings include Gresham House Energy Storage and VT Gravis Clean Energy who delivered positive returns backed by higher energy prices and increased capital investments to facilitate a faster energy transition to renewables.

Performance[1]





Q2 Returns[2]



Asset Classes

Asset class	Avg Weight	Return	Contribution to Portfolio Return
Cash & Equivalents	5.31%	-3.16%	-0.67%
Government	6.03%	-1.34%	-0.08%
Credit	8.24%	-5.00%	-0.41%
UK	9.80%	-9.21%	-0.90%
N. America	21.92%	-15.55%	-3.41%
Europe	7.53%	-12.63%	-0.95%
Japan	4.47%	-5.79%	-0.26%
Asia & Emerging	9.23%	-4.71%	-0.43%
Alternatives	26.45%	-0.71%	-0.19%

Top Funds

Fund Name	Avg Weight	Return	Contribution to Portfolio Return
Syncona Ord	1.02%	27.50%	0.28%
Gresham House Energy Storage Ord	1.48%	13.87%	0.20%
Allianz China A-Shares Equity	1.47%	6.55%	0.10%
Aquila European Renewables Income	0.52%	5.81%	0.03%
iShares China CNY Bond ETF GBP Hdg	3.75%	0.48%	0.02%

Sources: Refinitiv Lipper for Investment Management & Astute Investment Management as at 30/06/2022. Past Performance is not a reliable indicator of future results. All performance is shown net of ongoing charges. Morningstar Target Allocation indices are used as performance comparators. [1] Data for the period 20/07/2020 to the 30/06/2022. [2] Data for the period 31/03/2022 to the 30/06/2022. * 2020 data covers the period 20/07/2020 to 31/12/2020. Contribution to return may not sum to the total return due to rounding and averaging.

VT Astute Growth

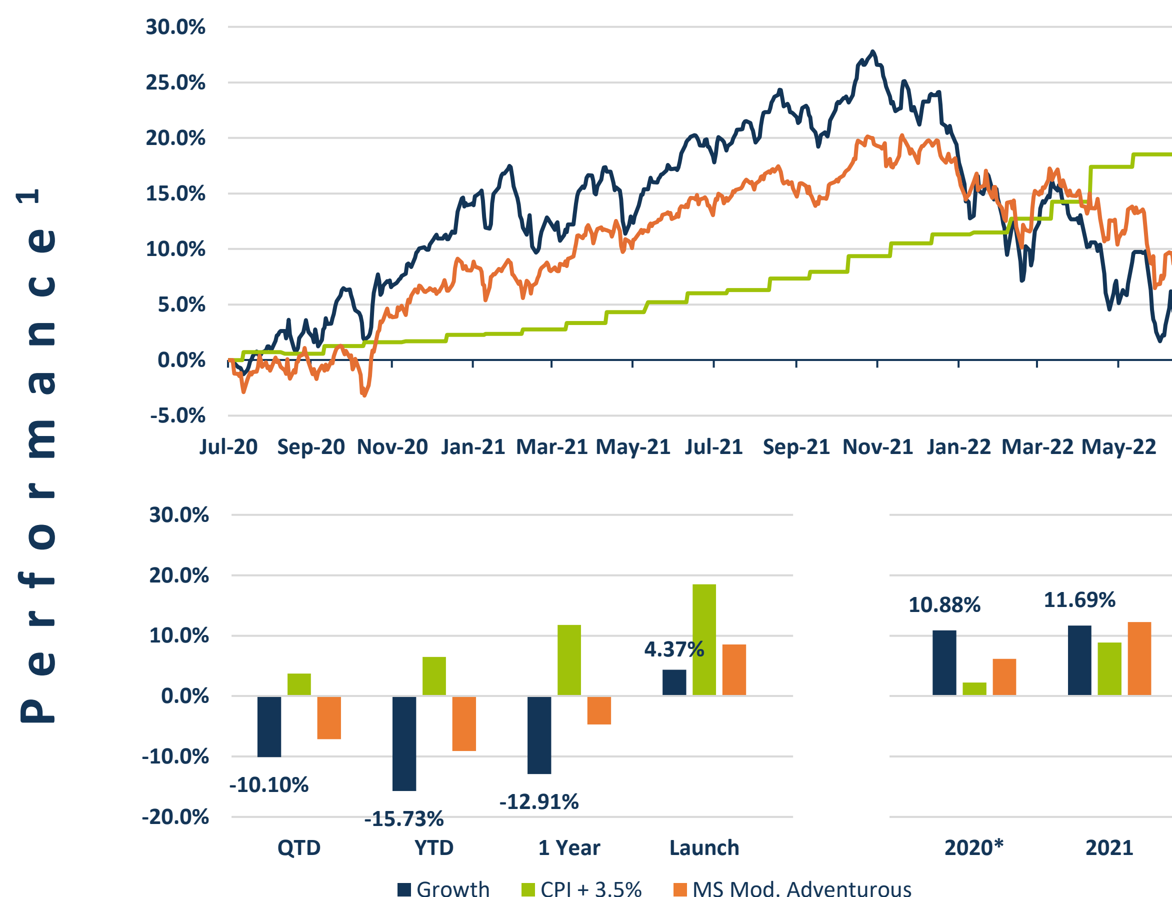
ASTUTE INVESTMENT MANAGEMENT LTD

Given the higher exposure to equities, the Growth fund underperformed its market comparator this quarter led by fears that tighter monetary policy could induce a global recession. Whilst the drawdown in these types of challenging market conditions was within our expectations, the performance was nonetheless disappointing.

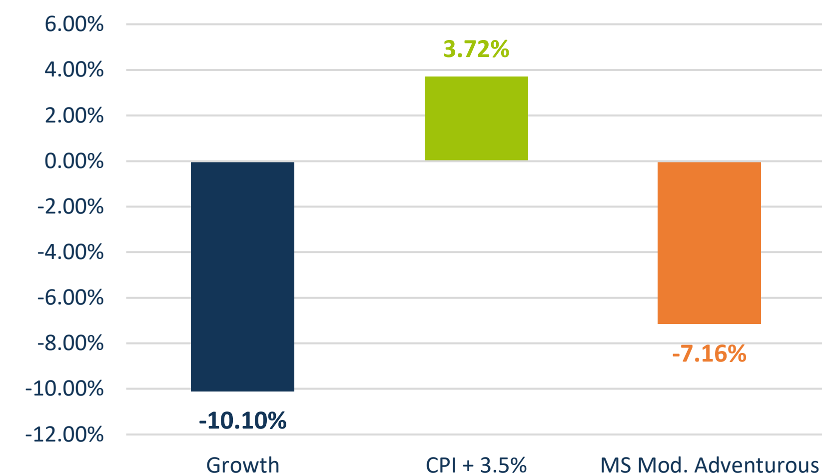
The underperformance was largely driven by our exposure to growth along with the bias towards smaller and medium sized companies, which continued to weaken as policymakers saw slowing growth as an acceptable price to pay in order to control inflation. Whilst we do see further tightening ahead, we believe that Central Banks will ultimately fall short of market's expectations for the path of rate hikes and therefore maintained those positions, given that they should outperform if policymakers have room to move slower.

The top contributing holding was Syncona Ord which rose +27.50% over the period, supported by the sale of Gyroscope Therapeutics to the Swiss global health company Novartis. Other positive contributors include Allianz China A Shares which posted gains of +6.55% backed by easing lockdowns and regulations in China, alongside the PBOC easing monetary policy.

Performance[1]



Q2 Returns[2]



Asset Classes

Asset class	Avg Weight	Return	Contribution to Portfolio Return
Cash & Equivalents	0%	0%	0%
Government	0%	0%	0%
Credit	0%	0%	0%
UK	14.90%	-9.96%	-1.48%
N. America	34.62%	-16.09%	-5.57%
Europe	12.22%	-12.29%	-1.50%
Japan	7.37%	-5.87%	-0.43%
Asia & Emerging	14.59%	-4.32%	-0.63%
Alternatives	14.47%	-3.60%	-0.52%

Top Funds

Fund Name	Avg Weight	Return	Contribution to Portfolio Return
Syncona Ord	2.08%	27.50%	0.57%
Allianz China A-Shares Equity W	2.53%	6.55%	0.17%
Invesco Physical Gold ETC	1.35%	1.40%	0.02%
LXI REIT Ord	1.09%	-2.78%	-0.03%
BlackRock European Absolute Alpha D Acc	3.25%	-1.45%	-0.05%

Sources: Refinitiv Lipper for Investment Management & Astute Investment Management as at 30/06/2022. Past Performance is not a reliable indicator of future results. All performance is shown net of ongoing charges. Morningstar Target Allocation indices are used as performance comparators. [1] Data for the period 20/07/2020 to the 30/06/2022. [2] Data for the period 31/03/2022 to the 30/06/2022. * 2020 data covers the period 20/07/2020 to 31/12/2020. Contribution to return may not sum to the total return due to rounding and averaging.

Astute Observations

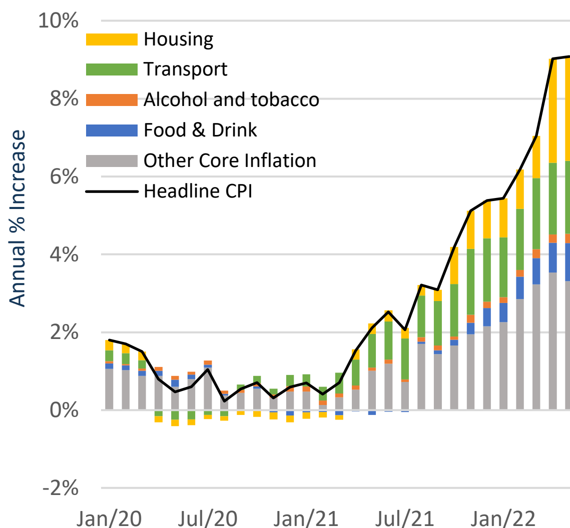
ASTUTE INVESTMENT MANAGEMENT LTD

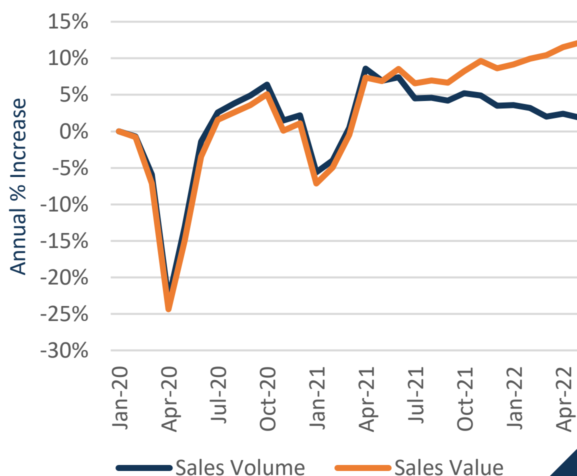
INFLATION AND RETAIL SALES - FEELING THE SQUEEZE

CPI inflation was 9.1% in May, which was in line with forecasts. Core CPI inflation – which strips out energy and other volatile items – rose to 5.9%, which was below forecast. Goods and energy price inflation together have contributed massively to CPI figures, as you can see from the graph to the right-hand side; the largest contributor in recent months being the yellow bar, displaying housing and household services, which includes electricity and gas. The green bar indicates the contribution made by transport costs, principally through rising petrol prices. Together these account for half of all inflation, and areas where consumers have little option but to pay higher prices or consume less.

The chart to the bottom right displays retail sales volumes versus total retail sales value, and this highlights some of the impact of those higher prices on purchasing decisions. The dispersion between total value and volume indicates people are buying fewer things, but still spending the same amount of money. As consumers are forced to spend more on essential costs like energy and petrol, they are forced to make decisions about how to allocate their remaining disposable income. Retail sales volumes may continue to be depressed as real incomes fall further through the year and inflation peaks in October. This creates a difficult environment for retailers who are effectively competing for a smaller portion of the average consumer's spending.

Underlining these risks, data from an ONS Survey in late March suggest that 87% of people had seen their cost-of-living increase over the previous month. Of those, 54% said they were cutting back on non-essentials in response, and 33% said they were buying fewer essentials, including food.





Source: ONS & Bank of England

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