

Barclays bankers in line for big bonuses as Covid profits boom

Barclays landed record profits of £6.9 billion in the last nine months, setting the stage for a bumper round of bonus payments to top bankers in London and New York.

Those results are a vindication of the strategy pursued by CEO Jes Staley, who fought to keep the bank's investment banking arm in the face of scepticism from some in the City and outright protests from some investors.

Barclays has been involved in many of the biggest takeover deals this year, also raising money for clients who needed cash to survive in many cases.

Staley told the Standard: "We have been questioned for the last six years as to whether this strategy would work, can we manage the investment bank, can we compete with the big Wall Street banks. This is a pretty strong answer."

Questions about Staley's own future persist. Today he suggested his tenure could last longer than most expect, or for at least another two years.

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“We are taking the Jamie Dimon approach. Every year Jamie (the boss of JP Morgan) says, ‘another five years’, I say another two years.”

Finance director Tushar Morzaria interjected: “It’s a rolling two years.”

The profits are the highest Barclays has ever recorded by this point of the year – nine months in.

That is bound to lead to strong [bonuses](#) to investment bankers, and in turn criticism of the bank.

Staley said: “The financial strength of the bank has allowed us to be an important part of the economic recovery from the pandemic. We gave millions to charity, we waived overdraft interest payments and we provided credit. We have been an agent of the recovery.”

Last week Wall Street banks such as Goldman Sachs and JP Morgan reported booming profits from deal making. Barclays insists it is holding its own, or indeed grabbing market share.

Today’s figures beat City expectations. The shares have doubled in the last year, opening today at 196p.

From July to September, Barclays made profit of £2 billion, twice what it made in the same period a year ago. It makes nearly half of its income in the US, the last UK bank to have a serious Wall Street presence.

Ian Gordon at Investec said the results are “another monster beat”, of City forecasts.

The bank is setting aside less money to deal with losses on

loans, a sign of economic recovery.

Barclays, under pressure to cut branches like all other high street players, said staff in those branches are among “the heroes” of the crisis.

Yesterday rival Lloyds said it would close another 48 branches.

Staley added: “While the investment bank performance continues to be an area of strength we are also seeing evidence of a consumer recovery and the early signs of a more favourable rate environment.”

Sophie Lund-Yates, equity analyst at Hargreaves Lansdown, said:

“Barclays’ diversified business model is still paying dividends. The group has an extra income stream in the form of fees and commission from its investment bank – an area of business which has seen its best ever Q3 performance, offsetting more challenging conditions elsewhere.”