

Investment bank Peel Hunt returns to profit as dealmaking in City recovers



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Investment bank Peel Hunt has returned to profit on the back of a stronger financial market and more dealmaking, but said investor sentiment had weakened since the Budget.

The London-listed company revealed it made a pre-tax profit of £1.2 million in the six months to the end of September, recovering from a loss of £800,000 the prior year.

It also reported group revenues of £53.8 million, a surge of 26% from the same period last year.

The UK-focused investment banking group said it was able to capitalise on a stronger financial market over the latest half-year period.

It carried out two initial public offerings (IPOs) – including

supporting Raspberry Pi's hotly anticipated [London](#) debut – and collected more fees from advising on mergers and acquisitions between UK companies.

Peel Hunt has recently pointed to a tentative recovery in the [City](#) after a well-reported slowdown in dealmaking and activity on the London markets last year.

But the firm cautioned that recovery slowed over the summer ahead of the UK autumn Budget and US presidential election.

Steven Fine, Peel Hunt's chief executive, said: "However, the recovery slowed over the summer period and investor sentiment was impacted in the last few weeks of the period due to concerns around the UK Budget, particularly in relation to Aim."

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Steven Fine, Peel Hunt's chief executive

The Aim market came under the spotlight after the [Government](#) said it would be reducing tax relief for shares listed on the exchange.

Mr Fine said sentiment in the UK had "dipped following the Budget" and investor risk appetite was being suppressed by "increased concerns about global trade".

But he added that the company welcomes Government proposals, including pension reforms, which are targeting greater investment in UK assets.

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transactions are more likely to execute in our next financial year," Mr Fine said.