

NatWest profits triple as boss hails 'extraordinary' resilience of UK business

NatWest profits tripled to £1.1 billion in the last three months, way better than City forecasts, leaving chief executive Alison Rose bullish about the economy.

While she says supply chain issues and staff shortages mean the near future will be "a little bit bumpy", she hailed the resilience of UK businesses as "pretty extraordinary".

The profits smashed City expectations – Barclays and Lloyds results earlier did the same, but not to the same degree.

Those results leave the government in a strong position to keep selling off its stake in a bank bailed out in 2008.

Under Rose, the government stake in NatWest, formerly Royal Bank of Scotland, has fallen from 63% to 54%. It is likely to fall below 50% very soon, the City expects.

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NatWest took a £294 million litigation charge in the quarter to pay for a money laundering failure that led to censure from the Financial Conduct Authority with a huge fine in the wings.

Huge losses from government backed Covid loans have not materialised, a result for shareholders, taxpayers and the wider economy.

Rose told the Standard: "The credit environment remains very benign. If you think about where we were 12 months ago and the concerns people had, the underlying resilience of UK businesses is pretty extraordinary."

She added: "I always sound a note of caution. But I am cautiously optimistic in terms of the [recovery](#)."

NatWest is a bellweather for the UK economy. Rose said: "Although we are seeing challenges in the economy and for our customers – especially around supply chains and the cost of living – a number of key indicators remain positive; growth is good, unemployment is low and there are limited signs of default across our book. We have a vital role to play in helping the 19 million people, families and businesses we serve in communities throughout the UK to thrive. Because when they thrive, so do we."