BARCLAYS PLC
Form 6-K
November 09, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

November 09, 2010

Barclays PLC and
Barclays Bank PLC
(Names of Registrants)

1 Churchill Place

London E14 5HP
England

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No x

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

This Report is a joint Report on Form 6-K filed by Barclays PLC and Barclays Bank PLC. All of the issued ordinary share capital of Barclays Bank PLC is owned by Barclays PLC.

This Report comprises:

Information given to The London Stock Exchange and furnished pursuant to General Instruction B to the General Instructions to Form 6-K.

EXHIBIT INDEX

Interim Management Statement dated 09 November 2010

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of the registrants has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BARCLAYS PLC
(Registrant)

Date: November 09, 2010

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Deputy Secretary

BARCLAYS BANK PLC
(Registrant)

Date: November 09, 2010

By: /s/ Patrick Gonsalves

Patrick Gonsalves
Joint Secretary

9 November 2010

Barclays PLC

Interim Management Statement

"Our income and profit performance was resilient for the first nine months of 2010 despite a subdued economic environment and moderate volumes. We continued to invest in a number of our businesses on a pay-as-you-go basis with a view to increasing future returns on equity. Our loan loss rate and overall impairment charge have improved further in the third quarter.

Our capital, leverage and liquidity ratios remain strong. We are well equipped to deal with regulatory change as Basel III is implemented between now and 2019.

We understand what is required of us to support private-sector led economic activity and have lent some £35bn to UK households and businesses in 2010, an increase of over 30% versus the same period in 2009."

John Varley, Group Chief Executive

Group Unaudited Results	Nine Months Ended 30.09.10	Nine Months Ended 30.09.09	
	£m	£m	% Change
Total income net of insurance claims	22,872	22,358	2
Impairment charges and other credit provisions	(4,298)	(6,214)	(31)
Net income	18,574	16,144	15
Operating expenses	(14,476)	(12,233)	18
Profit before tax	4,274	4,107	4
Own credit charge	96	1,298	(93)
Gains on acquisitions and disposals	(134)	(178)	(25)
Gains on debt buy-backs	-	(1,249)	nm
Adjusted profit before tax	4,236	3,978	6
Profit after tax	3,206	3,161	1
Profit attributable to equity holders of the parent	2,480	2,489	nm

Basic earnings per share	21.3p	23.0p	(7)
Diluted earnings per share	19.9p	21.8p	(9)
Dividend per share	3.0p	1.0p	nm
Performance Measures			
Return on average shareholders' equity	6.7%	8.7%	nm
Return on average tangible shareholders' equity	8.1%	12.0%	nm
Return on average risk weighted assets	1.1%	1.0%	nm
Cost:income ratio	63%	55%	nm
Cost:net income ratio	78%	76%	nm
Cost:income ratio (excluding own credit)	63%	52%	nm
Cost:net income ratio (excluding own credit)	78%	70%	nm
Capital and Balance Sheet	30.09.10	30.06.10	% change
Core Tier 1 ratio	10.0%	10.0%	nm
Risk weighted assets	£405bn	£395bn	3
Adjusted gross leverage	21x	20x	nm
Group liquidity pool	£162bn	£160bn	1
Net asset value per share	418p	412p	nm
Net tangible asset value per share	345p	338p	nm

Q310 Interim Management Statement

Performance Summary

- Group profit before tax for the year-to-date of £4,274m up 4% (2009: £4,107m)

- Profit before tax for Q3 excluding own credit of £1,274m, up from £1,174m for Q2

- Income for the year-to-date of £22,872m up 2% (2009: £22,358m)

- Impairment of £4,298m down 31% (2009: £6,214m) giving a year-to-date annualised loan loss rate of 110bps (2009: 151bps)

- Net income of £18,574m up 15% (2009: £16,144m)

- Operating expenses of £14,476m up 18% (2009: £12,233m) reflecting continued investment in the businesses

- Annualised net interest margin for GRB, Barclays Corporate, Barclays Wealth and Absa up slightly versus the first half

- Core Tier One ratio of 10.0%

- Wholesale term issuance of £28bn in first nine months and strong liquidity maintained

- Increased gross new lending to UK households and businesses of £35bn, including Standard Life Bank (2009: £26.1bn)

- Third interim dividend of 1.0p per share, making 3.0p for the year-to-date

Group Performance and Returns

Group profit before tax for the nine months ended 30th September 2010 was £4,274m up 4% (2009: £4,107m). Excluding movements on own credit, gains on acquisitions and disposals and gains on debt buy-backs, profit before tax increased 6% to £4,236m (2009: £3,978m). Income increased 2% to £22,872m (2009: £22,358m) in part reflecting the subdued macroeconomic environment. Impairment charges improved 31% to £4,298m (2009: £6,214m), while operating expenses increased 18% to £14,476m (2009: £12,233m). The increase in operating expenses principally reflected continuing increased investment in the Group's businesses of £917m, increased regulatory charges and infrastructure costs of £599m and increased pension charges of £224m.

Profit before tax for Q3 was £327m which included an own credit charge of £947m. Excluding own credit, profit before tax improved to £1,274m in Q3 from £1,174m in Q2, with a decrease in profit at Barclays Capital more than offset by an increase across other businesses. Performance for each quarter since 1st January 2009 is set out in Appendix I.

Capital, Leverage and Liquidity

As at 30th September 2010, the Group had a Core Tier 1 ratio of 10.0% (30th June 2010: 10.0%). On 8th October 2010, warrants were exercised resulting in the issue of 131m ordinary shares in Barclays PLC for a consideration of £260m. This would have increased the Core Tier 1 ratio as at 30th September 2010 by 6bps.

Risk weighted assets increased 3% to £405bn from £395bn as at 30th June 2010. The net tangible asset value per share increased to 345p (30th June 2010: 338p).

Adjusted gross leverage was 21x as at 30th September 2010 and has moved in the range of 20x to 24x during the nine months to 30th September 2010, reflecting normal fluctuations in trading activities.

The Group liquidity pool as at 30th September was £162bn (30th June 2010 £160bn), of which £149bn was in FSA-eligible pool assets (30th June 2010 £146bn). The cost of maintaining this pool for the first nine months of 2010 was close to £700m. Taking the latest proposed Basel III liquidity metrics and applying them to the Group balance sheet as at 30th September, our short term Liquidity Coverage Ratio (LCR) is 84%.

At the beginning of 2010, the Group had £4bn of publicly issued term debt and £11bn of term structured notes maturing during the year. Year-to-date the Group has issued approximately £28bn of term funding, across our senior unsecured, structured and covered bond platforms. During the year-to-date the Group has also accelerated repayment of liabilities under certain central bank facilities.

Q310 Interim Management Statement

Profit Before Tax by Business

	Nine Months Ended 30.09.10 £m	Nine Months Ended 30.09.09 £m	% Change
UK Retail Banking	734	610	20
Barclaycard	561	570	(2)
Western Europe Retail Banking	(34)	237	nm
Barclays Africa	106	93	14
Global Retail Banking	1,367	1,510	(9)
Barclays Capital	3,218	1,416	127
Barclays Corporate	(414)	300	nm
UK & Ireland	575	624	(8)
Continental Europe	(712)	(26)	nm
New Markets	(277)	(298)	7
Barclays Wealth	122	112	9
Investment Management	55	2	nm
Absa	448	372	20
Head Office Functions and Other Operations	(522)	395	nm
Profit before tax	4,274	4,107	4

Business Commentary

Global Retail Banking profit before tax for the nine month period fell by 9% to £1,367m (2009: £1,510m). Income was broadly flat at £7,824m (2009: £7,755m) reflecting business growth, offset by a decline in net interest margin and lower fee and commission income. Impairment charges improved by 9% resulting in improved risk adjusted margins. Operating expenses increased by 10% reflecting higher pension charges, in part a result of lower pension credits of £146m (2009: £213m), as well as the impact of acquisitions and higher ongoing regulatory-related costs. The performance of the businesses within Global Retail Banking is summarised below:

- UK Retail Banking profit before tax increased 20% to £734m (2009: £610m), including a £100m gain on the acquisition of Standard Life Bank. A solid increase in income reflected strong balance sheet growth. Including Standard Life Bank, net mortgage lending was £4.8bn, with gross mortgage lending of £20.6bn. Impairment charges improved year-on-year reflecting the better economic environment. Operating expenses increased mainly as a result of increased pension charges.

- Barclaycard profit before tax was broadly unchanged at £561m (2009: £570m). A moderate decline in income reflected the impact of the Credit Card Act in the US. Impairment charges improved, reflecting in particular a reduced 90 day delinquency rate in the US. Operating expenses increased principally due to higher pension charges. Profit before tax demonstrated a positive quarterly improvement during 2010, with Q3 improving by 23% compared to Q2.

- Western Europe Retail Banking incurred a loss of £34m (2009: profit of £237m) as the economic environment continued to be very challenging. The majority of the decrease was due to lower gains on acquisitions and disposals in 2010. Income decreased 8% due to continued liability margin compression and lower treasury interest income, partially offset by increases from the growth in the credit cards business. Impairment charges improved by 9%. Operating expenses increased due to investment in developing the franchise in Portugal and Italy, in particular significant increases in the size of the branch networks, and costs associated with the expansion of the credit card businesses in these markets.

- Barclays Africa profit before tax increased 14% to £106m (2009: £93m). The improvement in underlying profitability was stronger still given a one-off gain of £24m from sale of shares in Barclays Bank of Botswana Limited in 2009. Income increased as a result of improved net interest margins and trading income. Impairment charges improved significantly as a result of a better economic environment coupled with improved collections. Operating expenses increased reflecting continuing investment in infrastructure and higher staff-related costs.

Barclays Capital profit before tax increased substantially to £3,218m (2009: £1,416m). Excluding own credit, profit before tax grew 22% to £3,314m (2009: £2,714m) and net income excluding own credit grew 21% to £9,392m (2009: £7,749m). Total income increased to £9,617m up 11% (2009: £8,671m). This reflected a substantial reduction in losses taken through income relating to credit market exposures which fell to £240m (2009: £4,251m) and losses relating to own credit of £96m (2009: loss of £1,298m). Top-line income, which excludes these items, was £9,953m down 30% on the strong prior year performance. Fixed Income, Currency and Commodities top-line income of £6,896m declined 37%, reflecting lower contributions from Rates and Commodities, partially offset by improved performance in Foreign Exchange. Equities and Prime Services top-line income of £1,415m declined 23%, as growth in Cash Equities was more than offset by subdued market activity in European Equity Derivatives. Investment Banking revenues of £1,518m declined 2%.

Top-line income in the third quarter of 2010 was £2,827m, down 14% on the second quarter of 2010. Market conditions remained challenging in the third quarter of 2010, with income also affected by a seasonal reduction in activity. Lower demand led to Q3 on Q2 declines in the Fixed Income, Currency and Commodities business of 14% and the Equities and Prime Services businesses of 36%, which more than offset a 9% increase in the contribution from Investment Banking activities.

Impairment charges of £321m for 2010 were significantly improved (2009: £2,220m). Operating expenses increased 21%, broadly in line with the increase in net income excluding own credit. This largely reflected the continuing build-out of our sales, origination, trading and research activities, and increased charges relating to prior year compensation deferrals. Cost to net income (excluding own credit) was 65%. The compensation charge represented 43% of income excluding own credit, compared to 42% for the six months to 30th June 2010.

Barclays Corporate recorded a loss before tax of £414m (2009: profit of £300m). Losses within Continental Europe and New Markets more than offset the profit in the UK & Ireland.

- UK & Ireland profit before tax decreased 8% to £575m (2009: £624m). Excluding the benefits of the 2009 buy-back of securitised debt of £85m, profits increased by 7% (£36m). Operating expenses increased, mainly as a result of higher pension charges. Impairment charges were 31% lower.

- Continental Europe loss before tax increased to £712m (2009: £26m) principally driven by higher impairment charges in Spain. The impairment charge in Spain for Q3 was £198m, following a charge of £553m for H1. Income declined mainly reflecting lower levels of net interest income in Spain.

- New Markets loss before tax decreased to £277m (2009: £298m) including restructuring costs of £94m. Excluding restructuring, loss before tax reduced as lower income, reflecting reduced risk appetite, was more than offset by lower impairment charges.

Barclays Wealth profit before tax increased 9% to £122m (2009: £112m). Strong income growth was driven by the High Net Worth businesses. Impairment charges were slightly lower than in 2009. We continue to invest in the Barclays Wealth strategic investment programme and investment costs are anticipated to be approximately £80m in H2 versus £33m in H1. Client assets increased 5% to £158bn since the year end.

Investment Management profit before tax was £55m (2009: £2m) principally reflecting dividend income from the 19.9% holding in BlackRock, Inc. The value of this holding of 37.567m shares as at 30th September 2010 was recorded at £4,061m (30th June 2010: £3,604m). The available for sale reserve impact relating to this investment as at 30th September 2010 was £1.4bn and is already reflected in our Core Tier 1 ratio.

Absa profit before tax increased 20% to £448m (2009: £372m), reflecting a credit relating to the Group's recognition of a pension surplus and the appreciation of the Rand against Sterling. In Rand terms, income was broadly flat, impairment charges improved while operating expenses increased.

Head Office Functions and Other Operations recorded a loss before tax of £522m (2009: gain of £395m) principally reflecting the non-recurrence of the gain of £1,164m on debt buy-backs in the first nine months of 2009.

Q310 Interim Management Statement

Impairment

Impairment charges and other credit provisions improved significantly to £4,298m (2009: £6,214m). Impairment charges on loans and advances fell by 25% to £4,187m (2009: £5,563m). The annualised loan loss rate for the first nine months reduced to 110 bps (2009: 151bps).

The reduction in impairment on loans and advances was primarily due to lower charges in:

- Retail portfolios, where impairments totalled £2,523m (2009: £2,942m) representing improved performances in the majority of the secured and unsecured portfolios.

- Wholesale portfolios, where impairments totalled £1,664m (2009: £2,621m) representing fewer large single name charges, partially offset by higher impairment charges in Spain.

Impairment charges on available for sale and reverse repurchase agreements were £111m (2009: £651m).

Total impairment relating to Barclays Capital credit market exposures reduced from £1,424m to £322m. The majority is reflected in the wholesale portfolios above, with the impairment on available for sale assets and reverse repurchase agreements reducing to nil (2009: £464m).

See Appendix II for more information on impairment and loan balances, and Appendix III for Barclays Capital Credit Market Exposures.

Current Trading

Group income in October was consistent with the run rate for the first nine months of the year. At Barclays Capital, top-line income in October was consistent with the run rate for the third quarter.

Dividends