SRC Wealth Matters

SRC Wealth Management

Monthly Financial Briefing – Edition #9

September 2026

Introduction

September has brought another interesting mix of economic and market developments. Inflation has moved slightly higher, the Bank of England has kept interest rates unchanged, and financial markets continue to digest the consequences of higher energy prices and ongoing geopolitical uncertainty.

Closer to home, attention is increasingly turning towards the Burnham Government's first Budget, due at the end of October. As always, our focus is not on trying to anticipate every announcement, but on understanding what changes might ultimately matter for your financial plans.

Key Takeaway

Inflation and interest rates have once again reminded us how quickly expectations can change. With a Budget also approaching, there will inevitably be plenty of speculation over the coming weeks. Our preference is to deal with facts rather than forecasts and make planning decisions once the details are known.

Market Facts – Key Metrics

Latest available figures as at 24 September 2026

Interest Rates & Inflation

- **Bank of England Base Rate:** 3.75%
- **UK CPI Inflation:** 3.1%

Equity Markets

- **FTSE 100:** 10,680
- **S&P 500:** 7,704

Exchange Rates

- **£1 = approximately €1.17**
- **£1 = approximately $1.34**

Precious Metals

- **Gold:** approximately $4,300 per troy ounce
- **Silver:** approximately $66 per troy ounce

Figures are rounded for clarity. Markets and exchange rates move daily and are provided for general context.

Inflation Moves Above 3%

The latest UK inflation figures showed CPI rising to **3.1% in August**.

Much of the recent pressure has come from higher energy costs, with the continuing conflict in the Middle East having an impact on global oil and energy markets.

This has changed the interest-rate conversation considerably.

Earlier in the year, much of the discussion centred around when interest rates might fall. Today, the Bank of England is having to consider whether rates may eventually need to rise again if higher energy costs begin to feed more persistently into prices and wages.

At its September meeting, the Bank kept its Base Rate unchanged at **3.75%**, although three of the nine members of the Monetary Policy Committee voted for an increase to 4%.

This doesn't mean that higher rates are inevitable. It simply demonstrates how quickly economic conditions – and expectations – can change.

For investors, it is another reminder of why financial plans should not be built around predictions about the next move in interest rates.

The Budget Is Approaching

Attention will increasingly turn towards the Government's first Budget, scheduled for **28 October**.

There is already considerable speculation about what the Chancellor may announce. Government borrowing has recently been running above previous forecasts, while the new administration has also set out a number of spending and investment ambitions.

That inevitably raises questions about taxation and how the Government intends to balance its commitments with the public finances.

For our clients, areas of particular interest are likely to include any announcements affecting:

- Pensions and pension taxation;
- ISAs and other savings;
- Capital Gains Tax;
- Inheritance Tax and estate planning;
- Income Tax; and
- Allowances available to investors and retirees.

At this stage, however, speculation is of limited value.

We will therefore not attempt to second-guess the Chancellor. Instead, following Budget Day we will send you a separate communication summarising the announcements and, importantly, explaining what they could mean for your own financial planning.

Where changes require action, we will of course discuss these with affected clients.

Markets – Looking Beyond the Headlines

Investment markets have continued to demonstrate considerable resilience despite inflation concerns, higher bond yields and geopolitical uncertainty.
The FTSE 100 ended 24 September at around **10,680**, while the S&P 500 finished at approximately **7,704**.

There has, however, been volatility beneath those headline numbers as investors reassess the outlook for interest rates, company earnings and energy prices.

Technology – and particularly artificial intelligence – continues to be an important theme in US markets. As we discussed in previous editions, AI has the potential to create substantial economic change, but enthusiasm for a particular technology does not remove the importance of diversification or sensible valuations.

For long-term investors, periods like this demonstrate the value of owning a broad range of businesses, sectors and geographical regions rather than trying to predict which particular theme will perform best next.

Geopolitics, Oil and Inflation

The continuing conflict involving Iran remains one of the most significant uncertainties facing the global economy.

Its importance to financial markets extends well beyond the immediate region because of the potential impact on energy supplies.

Higher oil and gas prices can eventually affect transport, manufacturing, food production and household energy bills. Central banks then face the difficult task of determining whether these increases are temporary or risk becoming embedded in wider inflation.

There have recently been reports of discussions aimed at finding a route towards de-escalation. Any lasting progress would clearly be welcome from both a humanitarian and an economic perspective.

For investors, however, predicting the outcome of geopolitical events remains extremely difficult. Our portfolios should therefore be structured to withstand uncertainty rather than depend upon a particular outcome.

Planning Considerations This Month

Don't make decisions based on Budget rumours

The weeks before a Budget invariably produce speculation. Changing pensions or investments on the basis of rumours can create unintended consequences. Once the actual measures are announced, we will assess them carefully.

Keep inflation in your retirement calculations

Inflation at 3.1% may not sound particularly dramatic, but over a long retirement even modest increases in living costs compound. Maintaining sufficient potential for long-term growth remains an important part of retirement planning.

Remember why you hold cash

Cash provides security and flexibility, particularly for near-term spending. Its purpose within a retirement plan should not change simply because expectations for interest rates move from one month to the next.

Stay diversified

Uncertainty around politics, energy prices and interest rates reinforces rather than weakens the case for holding a diversified portfolio.

You're Invited – Our Client Symposium

We are delighted to be holding our upcoming **Client Symposium at The Warren Golf & Country Club on Thursday 22 October**.

The symposium will provide an opportunity to step away from the day-to-day headlines and explore some of the broader financial and investment themes that could shape the years ahead.
We very much hope you will be able to join us.

To register your place, please email Heather at heather.jefferies@srcfinancial.com

We look forward to seeing many of you there.

A Steady Perspective

The past year has provided several good examples of why forecasting financial markets is so difficult.

Expectations for inflation and interest rates have changed, geopolitical events have affected energy markets, governments have changed, and new technologies have continued to reshape industries.

Yet the principles underlying good financial planning remain remarkably consistent.

Maintain appropriate cash reserves. Diversify investments. Keep costs and taxation under review. Take sufficient investment risk to support long-term objectives without taking more risk than necessary. And, perhaps most importantly, avoid allowing short-term headlines to dictate long-term decisions.

If You'd Like to Talk

If recent market developments or speculation ahead of the Budget have prompted questions about your investments or retirement plans, please feel free to get in touch.

We will also send a **separate update shortly after the Budget on 28 October**, highlighting the key announcements and explaining any financial planning implications for our clients.

And don't forget, we hope to see you at **The Warren Golf & Country Club on 22 October** for our Client Symposium.

The **FTSE 100 closed at 10,679.99 on 24 September**, while the S&P 500 closed at **7,704.13**. (Ad Hoc News) Sterling has recently been around **$1.34 and €1.17**, while gold is trading at roughly **$4,300 an ounce** and silver around **$66**. (Reuters)