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# Barclays Posts Robust Half-Year Profits, Increases Dividend and Launches £1bn Share Buyback

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Barclays has reported a stronger-than-expected 23% rise in pretax profit for the first half of 2025, driven by strong trading performance within its investment banking division. In response, the bank announced a £1 billion share buyback programme and raised its interim dividend, signalling confidence in its financial outlook and delivering value to shareholders.

For the period spanning January to June, Barclays reported pretax profits of £5.2 billion, surpassing analysts' average forecast of £4.96 billion. The results highlight the benefits reaped from heightened market activity, particularly amid volatility linked to trade tensions triggered by United States President Donald Trump's tariff policies.

In addition to the buyback, the British bank declared a half-year dividend of 3 pence per share, bringing total capital distributions to shareholders to £1.4 billion, a 21% increase compared to the same period last year. The announcement underscores the bank's commitment to rewarding investors while continuing its restructuring efforts.

Chief Executive Officer C.S. Venkatakrishnan stated, "We remain on track to achieve the objectives of our three-year plan, delivering structurally higher and more stable returns for our investors." Analysts echoed this sentiment, with Jonathan Pierce of Jefferies noting the results suggest Barclays' target of achieving a return on tangible equity exceeding 12% by 2026 is increasingly attainable.

Shares in Barclays (LSE: BARC) rose modestly by 0.2% in early trading, aligning with minor gains across the FTSE 100 index.

Barclays is amid a strategic realignment, shifting its focus toward strengthening domestic retail and corporate banking, even as its investment banking arm continues to contribute significantly to overall returns. The bank's equities income increased by 25%, outpacing the average 18% rise seen by major American peers such as JPMorgan Chase, Goldman Sachs, and Citigroup.

Revenue from trading in fixed income, currencies, and commodities areas, where Barclays traditionally excels, climbed 26%, compared with a 14% average growth among the top five United States banks, according to figures compiled by *Reuters*.

Despite this, Barclays experienced a 16% drop in investment banking fee income from advisory work, underperforming against a 13% average rise reported by its Wall Street competitors. The decline reflects a broader slowdown in deal-making activity globally.

The bank also addressed the ongoing investigation by UK authorities into historical practices concerning motor finance commission disclosures. Barclays has so far set aside £90 million, but cautioned that the eventual financial implications could be "materially different.” A key ruling from the Supreme Court is expected later this week, which may clarify the scale of potential liabilities for the sector.

Overall, the results point to solid progress in Barclays’ efforts to balance international investment operations with a renewed emphasis on core UK banking services. The improved earnings, alongside enhanced shareholder returns, suggest growing momentum as the lender works toward long-term profitability targets.