



## **IRISH LIFE INVESTMENT MANAGERS (ILIM)**

### ***The week that was – WEEK 36 (ending 04/09/2015)***

**“ Success is nothing more than a few simple disciplines, practiced every day. ” – Jim Rohn**

**Irish manufacturing output jumps 8.4% in July** – The latest monthly production figures from the Central Statistics Office (CSO), a key gauge of the underlying health of the economy, indicated production was 18.5% higher on an annual basis and 8.4% in July as high-tech and pharma firms benefitted from increased demand.

**Germany lowest Euro Area jobless rate** – Eurostat, the EU's statistics office, reported that the seasonally adjusted unemployment rate for the 19-nation region fell to 10.9% in July from 11.1% in June. That's the lowest since February 2012 with Germany at the lowest country rate and Greece the highest.

**ECB President Mario Draghi says QE could be expanded** – The ECB reduced its forecast for GDP growth and CPI inflation at its policy meeting. The governing council raised the purchasing limit on any single country's debt from 25% to 33%. Draghi said the council was prepared to extend the QE programme.

**U.S. unemployment at its lowest in over 7 years** – The U.S. unemployment rate dropped to 5.1%, its lowest since April 2008 as non farm payrolls increased 173,000 last month but this was below the 220,000 increase that economists had expected. Average hourly earnings increased 8 cents, the largest rise since January.

**IMF chief revises down global growth** – The International Monetary Fund managing director, Christine Lagarde, said the Fund expects global economic growth to weaken and be below expectations in July and that Asia, while still leading growth, risks slowing further as China's economy adjusts to a new economic model.

**Manufacturing slides in China and weak across Asia** – Manufacturing PMI surveys produced by Markit, the London-based index firm, showed a sharp fall in China in July but with the exception of Japan, there was weakness or contraction in several countries across Asia. China had its worst conditions for over six years

**The Story of the week:** Businessman JP McManus has taken a legal action in the United States to try to recover \$5.2 million (€4.7 million) in taxes which he claims should not have been withheld from \$17.4 million in U.S. gambling winnings in 2012 because of the 1997 double-taxation agreement between the US and Ireland.

#### **DISCLOSURE:-**

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## Index Performances and Market Data\*

<b>Equity Markets (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD (to 03/09)</b>
ISEQ Overall Return	-0.1	2.6	20.5	35.8	16.8	24.6
FTSE 100 TR	12.6	-2.2	10.0	18.7	0.7	-2.6
Euro Stoxx 50 TR	-2.8	-14.1	18.1	21.5	4.0	6.3
S&P 500 TR	15.1	2.1	16.0	32.4	13.7	-3.9
Nasdaq Composite	16.9	-1.8	15.9	38.3	13.4	0.1
Nikkei 225	-3.0	-17.3	22.9	56.7	7.1	4.2
MSCI Emerging Markets	11.7	-14.9	13.9	0.9	2.6	-8.7
MSCI World	7.8	-7.6	13.1	26.2	7.7	-2.9
<b>Sovereign 10yr Bond Yields (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
US	3.3	1.9	1.7	3.0	2.2	2.1
German	3.0	1.8	1.4	1.9	0.5	0.7
UK	3.4	2.0	1.9	3.0	1.9	1.8
Japan	1.1	1.0	0.7	0.7	0.3	0.4
Ireland	9.1	8.4	4.5	3.4	1.3	1.4
Italy	4.8	7.1	4.6	4.1	2.1	1.9
Greece	12.5	31.7	12.7	8.2	9.6	8.9
Portugal	6.6	13.4	6.9	6.1	2.7	2.5
Spain	5.5	5.1	5.4	4.1	1.6	2.1
<b>Central Bank Rates (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
ECB	1	1	0.75	0.25	0.05	0.05
Bank of England	0.5	0.5	0.5	0.25	0.50	0.50
US Federal Reserve	0.25	0.25	0.25	0.25	0.25	0.25
<b>Foreign Exchange Rates</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Euro/Dollar (€/\$)	1.34	1.30	1.31	1.37	1.21	1.11
Euro/Sterling (€/£)	0.86	0.83	0.81	0.83	0.78	0.73
Sterling/Dollar (£/\$)	1.56	1.55	1.61	1.65	1.56	1.52
<b>IPD All Property Return (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Ireland	-2.4	-2.4	3.1	12.7	40.1	4.3 (Q 1)
UK	14.5	8.1	2.7	10.7	17.8	2.9 (Q 1)
US	14.8	14.5	5.3	11.4	11.2	3.1 (Q 1)

\*Past performance is not a reliable guide to future performance