



## ***ILIM - The week that was – WEEK 6*** (ending 06/02/2015)

**“Whether you think you can or you think you can’t, you’re right.” – Henry Ford**

**Irish Exchequer figures off to a good start for 2015** - Tax revenues grew by 12% on the year and spending fell by 1.7%. More good news was that the NTMA issued €4bn of 30-year bonds on Ireland's behalf with an interest rate of just under 2.1%.

**ECB turns up the heat on Greece** - The ECB announced that it is ending the waiver allowing Greek government debt as collateral for bank funding. This will result in ECB funding of Greek banks having a 1.55% interest charge instead of the current rate of 0.05%.

**IAG gives extra guarantees to Aer Lingus** – To help secure the support of the Irish government in its bid to buy Aer Lingus, IAG proposed offering legally binding commitments that go beyond the protections currently available - Aer Lingus slot pairs cannot be sold; that the name, head office location or place of incorporation cannot be changed; and that the slots will operate on Irish routes for five years.

**Irish consumer confidence has hit a nine-year high and Irish businesses also very optimistic** – The Economic and Social Research Institute/KBC Bank consumer sentiment index shows an increase to 101.1 from 90.5 in December, a nine-year high. An international business report from consultants Grant Thornton found that Irish businesses are the most optimistic in Europe about growth prospects in 2015. They are the most confident they've been since 2007, with 82% positive about the chances of growth this year.

**Bank of England holds rates at 0.5%** - The Bank of England has held interest rates at 0.5% for the 71st month in a row and kept its stimulus programme of quantitative easing (QE) unchanged.

- **The Story of the week:** He calls himself 'Britain's most hated cyclist', 37 year old Dave Sherry, used a secret camera to make over 400 videos and secured more than 70 motorists' convictions as he pedaled to work in the bus depot where he works as a bus driver !

### **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</b>
ISEQ	-3.0	0.6	14.7	35.8	16.8	8.9
FTSE 100	9.0	-5.6	6.0	18.7	0.7	4.5
Euro Stoxx 50	-0.1	-17.7	13.4	21.5	4.0	8.3
S&P 500	12.8	0.0	12.4	32.4	13.7	0.8
Nasdaq	16.9	-1.8	14.1	36.9	14.8	1.2
Nikkei	-3.0	-17.3	16.24	59.4	7.1	1.1
MSCI Emerging Markets	16.4	-20.4	13.8	-2.3	5.6	1.9
MSCI World	17.2	-7.62	12.1	26.3	10.4	1.0
<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	1.9
German	3.0	1.8	1.4	1.9	0.5	0.4
UK	3.4	2.0	1.9	3.0	1.9	1.6
Japan	1.1	1.0	0.7	0.7	0.3	0.3
Ireland	9.1	8.4	4.5	3.4	1.3	1.2
Italy	4.8	7.1	4.6	4.1	2.1	1.5
Greece	12.5	31.7	12.7	8.2	9.6	9.4
Portugal	6.6	13.4	6.9	6.1	2.7	2.4
Spain	5.5	5.1	5.4	4.1	1.6	1.4
<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	1.13
Euro/Sterling (€/£)	0.86	0.83	0.81	0.83	0.78	0.74
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	TBC
UK	14.5	8.1	2.7	10.7	19.3	TBC
US	14.8	14.5	5.3	11.4	11.2	TBC

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