



ILIM – The week that was...

Week 29

“Time is more value than money. You can get more money, but you cannot get more time”

– Jim Rohn

- Moody's, the ratings agency, noted that it forecasts Irish growth rates "of at least 3% for the next few years," more than twice the European average.
- The Irish government said its state-run "bad bank" (NAMA) plans to unload most of the huge property loans acquired during the country's banking crash earlier than planned, and will play a new role in helping to finance the construction of real estate.
- Eurozone annual inflation was 0.5% in June 2014, stable compared with May. A year earlier the rate was 1.6%.
- Global investors have regained a strongly bullish stance on the outlook for equity markets in the second half of 2014, according to the BofA Merrill Lynch Fund Manager Survey for July. A net 61% of global asset allocators are now overweight equities. This ranks as the survey's highest reading on this measure since early 2011 and represents the panel's second-strongest response ever.
- Composite leading indicators (CLIs), designed to anticipate turning points in economic activity relative to trend, continue to point to stable growth momentum in the OECD area as a whole.
- Bond yields fell as investors looked for safe havens as news emerged that a Malaysian passenger plane had crashed in Ukraine. As a result, German 10-year bund yields fell by 4 basis points to below 1.15%. US 10-Treasury yields declined by 8 basis points to 2.44%.
- After almost a decade of heated political debate, Australia has become the world's first developed nation to repeal carbon laws that put a price on greenhouse gas emissions
- Federal Reserve Chairwoman Janet Yellen signalled continued low interest rates in her semi-annual report to Congress, arguing that despite recent signs of improvement the U.S. economic recovery is "not yet complete."
- The IMF has warned that housing prices around the world are trending above historical averages, and that some areas appear to be "overheating." In recent remarks, IMF deputy managing director Min Zhu said home price growth in developing markets has been robust, but now risks getting out of hand.
- China's economy grew 7.4% year on year in the first half of 2014, the National Bureau of Statistics (NBS) announced in Beijing.
- **The Story of the week for me...**Spanish football club Real Madrid retained its title as the world's most valuable football clubs with the European champions valued at \$3.44bn.

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Index Performances and Market Data

Equity Markets (%)	2009	2010	2011	2012	2013	YTD
ISEQ	27	-3	0.6	14.7	35.8	4.6
FTSE 100	22.1	9.0	-5.6	6.0	18.7	2.0
Euro Stoxx 50	23.4	-0.1	-17.7	13.4	21.5	4.0
S&P 500	23.5	12.8	0	12.4	32.4	8.2
Nasdaq	43.9	16.9	-1.8	14.1	36.9	6.8
Nikkei	19	-3	-17.3	16.24	59.4	-3.4
MSCI Emerging Markets	74.5	16.4	-20.4	13.8	-2.3	7.2
MSCI World	23	17.2	-7.62	12.1	26.3	6.3
Sovereign 10yr Bond Yields (%)	2009	2010	2011	2012	2013	YTD
US	3.8	3.3	1.9	1.7	3.0	2.4
German	3.4	3	1.8	1.4	1.9	1.1
UK	4.0	3.4	2.0	1.9	3.0	2.6
Japan	1.3	1.1	1.0	0.7	0.7	0.5
Ireland	4.8	9.1	8.4	4.5	3.4	2.2
Italy	4.1	4.8	7.1	4.6	4.1	2.7
Greece	5.8	12.5	31.7	12.7	8.2	6.1
Portugal	4.1	6.6	13.4	6.9	6.1	3.6
Spain	4.0	5.5	5.1	5.4	4.1	2.6
Central Bank Rates (%)	2009	2010	2011	2012	2013	YTD
ECB	1	1	1	0.75	0.25	0.15
Bank of England	0.5	0.5	0.5	0.5	0.25	0.50
US Federal Reserve	0.25	0.25	0.25	0.25	0.25	0.25
Foreign Exchange Rates	2009	2010	2011	2012	2013	YTD
Dollar/Euro (\$/€)	1.43	1.34	1.30	1.31	1.37	1.35
Sterling/Euro (£/€)	0.89	0.86	0.83	0.81	0.83	0.79
Dollar/Sterling (\$/£)	1.61	1.56	1.55	1.61	1.65	1.70
IPD All Property Return	2009	2010	2011	2012	2013	YTD
Ireland	-23.2	-2.4	-2.4	3.1	End q1	TBC
UK	2.2	14.5	8.1	2.7	End q1	TBC
US	-18.7	14.8	14.5	5.3	End q1	TBC

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