



Investment News

July/August 2015

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1. ECONOMIC INDICATORS

UK

- Gross Domestic Product was estimated to have increased by 0.4% between Q4 (October to December) 2014 and Q1 (January to March) 2015.
- CPI annual inflation was 0.0% in June 2015, down from 0.1% in May 2015.
- For February to April 2015, 73.4% of people aged from 16 to 64 were in work, up from 72.7% for a year earlier. The unemployment rate for February to April 2015 was 5.5%, down from 6.6% for a year earlier.
- UK house prices increased by 5.7% in the year to May 2015, up from 5.5% in the year to April 2015.

- Production output increased by 0.7% in March 2015, compared with March 2014.
- Manufacturing output increased by 1.1% in March 2015, compared with March 2014.
- In the year to June 2015 the output price index for home sales of manufactured products fell 1.5%. In the same period the total input price index fell 12.6%.
- In May 2015, output in the construction industry was estimated to have decreased by 1.3% compared with April 2015. Both all new work and repair and maintenance contributed to the fall.
- The Index of Services increased by 3.2% in February 2015 compared with February 2014.
- In May 2015, the amount spent in the retail industry increased by 1.8% compared with May 2014 and by 0.2% compared with April 2015.
- Business Investment fell by an estimated £0.4 billion (0.9%) since Q3 2014. It increased by 3.7% compared with the same quarter a year ago.
- The UK's deficit on seasonally adjusted trade in goods and services was £0.4 billion in May 2015. The deficit on trade in goods was £8 billion. The surplus on trade in services was estimated at £7.6 billion.
- The United Kingdom's (UK) current account deficit was £25.3 billion in Q4 2014, down from a revised deficit of £27.7 billion in Q3 2014. The deficit in Q4 2014 equated to 5.6% of GDP at current market prices, down from 6.1% in Q3 2014.
- The number of visits to the UK by overseas residents in February 2015 was 2.1 million, a drop of 5% when compared to February 2014. Overseas residents spent £1 billion in the UK during these visits. During the period December 2014 to February 2015, overseas residents visits to the UK fell by 2% compared with the corresponding period a year earlier and spent 8% less during this period. In the 12 months to February 2015, the number of visits to the UK was 4% higher than a year earlier and earnings remained the same during this period.
- The estimated number of visits abroad by UK residents in February 2015 was 3.4 million. UK residents spent £2 billion during visits abroad in February 2015. In the 12 months to February 2015, the number of visits abroad by UK residents was 3% higher when compared with a year earlier and expenditure on these visits remained the same during this period.

For previously released UK economic indicators visit National Statistics: [Link](#)

LONDON

- London's annual growth in output decreased to 3.5% in Q4 2014, from an upwardly-revised 4.1% in Q3 2014.
- London's annual employment growth increased to 3.8% in Q4 2014 from an upwardly revised 3.4% in Q3 2014.
- Annual house price inflation in London was 11% in Q1 2015, down from 15.3% in Q4 2014.
- The ILO unemployment rate in London increased to 6.3% in the three months to April 2015, from 6.2% in the three months to March.
- The Purchasing Managers' Index (PMI) of business activity recorded 57 in May 2015, down from 60.2 in April 2015.
- The PMI for new orders for London firms recorded 60.7 in May 2015 compared to 61 in April 2015.
- The PMI for the level of employment in London firms was 55.6 in May 2015, compared to 55.1 in April 2015.

- The RICS Residential Market Survey shows a positive net balance of 27 for London house prices over the three months to May 2015.
- The net house price expectations balance in London was 49 in May 2015.
- For Greater London, the consumer confidence score stood at 5 in May 2015, down from 9 in April 2015.
- The most recent 32 day period is from 1 April –2 May, 2015. London's Underground and buses had 269.9 million passenger journeys; 182.2 million by bus and 87.7million by Underground.
- The moving average annual rate of growth in passenger journeys decreased to 1.2% from an upwardly revised 1.3% in the previous period.

For more information please visit:

US

- Real gross domestic product (GDP) decreased at an annual rate of 0.2% in Q1 2015. Corporate Profits from current production decreased \$110.8 billion in Q1 2015, following a decrease of \$30.4 billion in Q4 2014.
- In April 2015, personal income increased \$59.4 billion, or 0.4%, an disposable personal income (DPI) increased \$48.8 billion, or 0.4% and consumption expenditures (PCE) decreased \$2.6 billion, or less than 0.1%.
- The May 2015 international trade deficit increased 2.9% from April, to \$41.9 billion. Exports decreased 0.8% to \$188.6 billion, and imports fell 0.1% to \$230.5 billion.
- The U.S. current-account deficit increased to \$113.3 billion (preliminary) in Q1 2015 from \$103.1 billion (revised) in the Q4 2014. The deficit increased to 2.6% of (GDP) from 2.3% in Q4 2014.

For previously released US economic indicators visit US Bureau of Economic Analysis (BEA): [Link](#)

NY

- Private employment in New York City rose by 14,000 between April and May 2015.
- The unemployment rate fell to 6.4% between April and May 2015.
- The Manhattan Class A office vacancy rate was 8.6% in May 2015, while the average asking rent was \$77 PSF.
- Hotel occupancy was 91.2% in April 2015, down from 92.4% in April 2014.
- Passengers in New York City area airports totaled 9.9 million in March 2015, up 3.7% from March 2014.
- In May 2015, the Manhattan Class A direct vacancy rate held steady at 8.6%, the same as one-month prior, while the average rental rate increased slightly to \$77 PSF
- Direct vacancy rates fell to 8.0% for Midtown and to 3.8% for Midtown South Class A office space. Direct rental rates for Midtown South and Downtown went unchanged between April and May 2015
- The Midtown South Class A sublease rental rate was \$73 PSF in May 2015—up substantially from \$19 PSF one-month prior
- For the twelve months ending May 2015, Building projects (including new, additions, and alterations) that started construction in New York City fell by 3.7% while infrastructure (non-

building) project starts were up 6.8% from the twelve months ending May 2014

- Planned space for building project starts rose by 50.8% from the same period in 2014. The value associated with these projects was up an equivalent amount over the period
- 3,090 residential building projects began construction, a 0.6% decrease from the twelve months ending in May 2014. These starts contained 35,100 units, an increase of 46.2% from last year
- In March 2015, 9.9 million passengers flew into and out of the region's airports, an increase of 3.7% from March 2014.
- Domestic air carriers accounted for 6.6 million passengers, a 3.9% increase from March 2014
- 3.3 million passengers traveled with international air carriers in March 2015, a 3.3% increase from March 2014
- Total ridership on MTA subways, trains, and buses in April 2015 was 231.1 million, an increase of 0.4% from April 2014
- Subway ridership in April 2015 was 150.3 million, up 1.6% from April 2014
- Total Broadway attendance was approximately 1,359,900 during the five weeks ending May 31, 2015, down 5.8% from the same period last year
- Broadway revenues during this period were about \$137.1 million, down 6.7% from last year
- In April 2015, the average daily hotel room rate was \$285, a 5.4% decrease from April 2014
- Hotel occupancy was 91.2% in April 2015, down from 92.4% in April 2014
- The average daily hotel room rate decreased the most in hotels charging \$245 or less per night

For more information please visit: [Link](#)

Euro Zone

- Seasonally adjusted GDP rose by 0.4% in both the euro area (EA19) and the EU28 during Q1 2015, compared with the previous quarter, according to a second estimate published by Eurostat, the statistical office of the European Union. In Q42014, GDP also grew by 0.4% in both areas.
- Euro area annual inflation was 0.2% in June 2015, down from 0.3% in May. In June 2014 the rate was 0.5%. European Union annual inflation was 0.1% in June 2015, down from 0.3% in May. A year earlier the rate was 0.7%. These figures come from Eurostat, the statistical office of the European Union.
- The euro area (EA19) seasonally-adjusted unemployment rate was 11.1% in April 2015, down from 11.2% in March 2015, and down from 11.7% in April 2014. The EU28 unemployment rate was 9.7% in April 2015, stable compared with March 2015 and down from 10.3% in April 2014. These figures are published by Eurostat, the statistical office of the European Union.
- The number of persons employed increased by 0.1% in the euro area (EA19) and by 0.3% in the EU28 in Q1 2015 compared with the previous quarter, according to national accounts estimates published by Eurostat, the statistical office of the European Union. In Q4 2014, employment increased by 0.1% in the euro area and 0.2% in the EU28. These figures are seasonally adjusted
- House prices, as measured by the House Price Index (HPI), rose by 0.9% in the euro area and by 2.5% in the EU in the first quarter of 2015 compared with the same quarter of the previous year. These figures come from Eurostat, the statistical office of the European Union.

- In May 2015 compared with April 2015, seasonally adjusted industrial production fell by 0.4% in the euro area (EA19) and by 0.3% in the EU28, according to estimates from Eurostat, the statistical office of the European Union. In April 2015 industrial production remained stable in both zones.
- In May 2015, compared with April 2015, industrial producer prices remained stable in the euro area (EA19) and rose by 0.1% in the EU28, according to estimates from Eurostat, the statistical office of the European Union. In April 2015 prices fell by 0.1% in the euro area and remained stable in the EU28.
- In May 2015 compared with April 2015, the seasonally adjusted volume of retail trade rose by 0.2% in the euro area (EA19) and by 0.3% in the EU28, according to estimates from Eurostat, the statistical office of the European Union. In April retail trade increased by 0.7% and 0.6% respectively.
- In May 2015 compared with April 2015, seasonally adjusted production in the construction sector rose by 0.3% in the euro area (EA19) and fell by 0.3% in the EU28, according to first estimates from Eurostat, the statistical office of the European Union. In April 2015, production in construction dropped by 0.2% and 0.6% respectively.
- In Q1 2015, the business investment rate was 21.8% in the euro area, stable compared with the previous quarter.
- The first estimate for euro area (EA19) exports of goods to the rest of the world in May 2015 was €164.4 billion, an increase of 3% compared with May 2014 (€160.2 bn). Imports from the rest of the world stood at €145.6 bn, nearly stable compared with May 2014 (€145.5 bn). As a result, the euro area recorded a €18.8 bn surplus in trade in goods with the rest of the world in May 2015, compared with +€14.7 in May 2014. Intra-euro area trade rose to €137.3 bn in May 2015, up by 1% compared with May 2014.
- The EU28 seasonally adjusted external current account recorded a surplus of €13 billion in May 2015, compared with a surplus of €11.9 bn in April 2015 and a surplus of €4.8 bn in May 2014, according to estimates from Eurostat, the statistical office of the European Union.

For more information please visit: [Link](#)

2. INVESTMENT INDICATORS

American investment helps European start-ups grow faster

Research by the Wall Street Journal shows that European start-ups that attract US investment end up raising more money – often more than double – and grow faster than their local counterparts who raise money only from European firms. The study found that in 2013, European start-ups that were trying to raise their second round of investment raised an average of \$8m when U.S. firms put their cash on the table, while start-ups that attracted only European investors raised a median amount of \$3m.

Tax cut will spur foreign investment

Following the UK Chancellor George Osborne's promise to make Britain one of the most competitive economies world by cutting corporation tax to 18%, the lowest rate in the G20, by 2020, experts

have predicted that measure could lift foreign investment into the UK by 2%.

UKTI Inward Investment Report 2014/15

The UKTI's 2014/15 Inward Investment Report shows UK's exceptionally strong performance in the European and global FDI markets. UK strengthens its position as the Number one destination for Foreign Direct Investment (FDI) in Europe.

UKTI recorded a total of 1,988 FDI projects successfully landing in the UK, up by 12% year-on-year.

Foreign investment has also helped to secure many existing jobs in the UK. Last year the number of safeguarded jobs associated with FDI projects was just over 23,000. Overall, FDI projects are estimated to have brought with them almost 108,000 new and safeguarded jobs over the last year.

[Link](#)

World Investment Report 2015

Global FDI inflows declined in 2014. Global foreign direct investment (FDI) inflows fell by 16% to \$1.23 trillion in 2014, mostly because of the fragility of the global economy, policy uncertainty for investors and elevated geopolitical risks. New investments were also offset by some large divestments.

Inward FDI flows to developing economies reached their highest level at \$681 billion with a 2% rise. Developing economies thus extended their lead in global inflows. China became the world's largest recipient of FDI. Among the top 10 FDI recipients in the world, 5 are developing economies.

The low level of flows to developed countries persisted in 2014. Despite a revival in cross-border mergers and acquisitions (M&As), overall FDI flows to this group of economies declined by 28% to \$499 billion. They were significantly affected by a single large-scale divestment from the United States. [Link](#)

3. UK/US EXPORTS/IMPORTS

USA Accounts for 17% of UK Exports in June 2015 (£4.4 bn)

UK Exports to USA (£ millions) June 2015	Change from May 2015	Change from June 2014
4.405	17.8%	55.1%

USA Accounts for 9% of UK Imports in June 2015 (£3.3 bn)

UK Imports from USA (£ Millions) June 2015	Change from May 2015	Change from June 2014
3,288	-0.8%	25.9%

4. UK/EU & Non-EU Exports/Imports

Total Monthly UK Trade with EU Member States: June 2015

EU Exports for June 2015 are £11.8 billion. This is an increase of £0.5 billion (4.9%) compared with last month but a decrease of £0.5 billion (4.2%) compared with June 2014.

EU Imports for June 2015 are £19.1 billion. This is an increase of £1.8 billion (10%) compared with last month and an increase of £0.5 billion (2.4%) compared with June 2014.

In EU trade the UK is a net importer this month, with imports exceeding exports by £7.3 billion.

Total Monthly UK Trade with non-EU Member States: June 2015

Non-EU Exports for June 2015 are £14.2 billion. This is a decrease of £0.5 billion (3.2%) compared with last month and an increase of £1.5 billion (12%) compared with June 2014.

Non-EU Imports for June 2015 are £16.1 billion. This is an increase of £0.4 billion (2.8%) compared with last month but a decrease of £0.2 billion (1%) compared with June 2014.

In non-EU trade the UK is a net importer this month, with imports exceeding exports by £1.9 billion.

UK Overseas Trade Statistics June 2015

In June 2015 the value of exports (EU and Non-EU) increased to £25.9 billion, and imports (EU and Non-EU) also increased to £35.2 billion, compared with last month. Consequently the UK is a net importer this month, with imports exceeding exports by £9.2 billion.

Key Points:

Total trade exports for June 2015 are £25.9 billion. This is an increase of £0.1 billion (0.3%) compared with last month and an increase of £1 billion (4%) compared with June 2014.

Total trade imports for June 2015 are £35.2 billion. This is an increase of £2.2 billion (6.85) compared with last month and an increase of £0.3 billion (0.8%) compared with June 2014.

The UK is a net importer this month, with imports exceeding exports by £9.2 billion.

5. NEW INVESTMENTS

US Investments into the UK

Aptuss Opens London Office

Aptus, the category-defining Quote-to-Cash solution provider, has recently announced the official opening of its newest satellite office in London. Demand for Quote-to-Cash services within the UK

facilitated the move from its previous location in New Lodge to a larger, modern, and highly accessible location. At its new location in London, the Apttus EMEA team will not only service its existing local customers, but also pursue additional opportunities and meet the expanding demands of the broader regional market. As Apttus continues to expand its suite of Salesforce platform-based solutions as well as grow its international teams, the move to a new facility has been one of the brand's top priorities.

US: 1400 Fashion Island Blvd., Ste. 100, San Mateo, CA 94404; Tel: 650- 445 7700 Website: www.apttus.com

UK: Floor 34, Tower 42, 25 Old Broad Street, London, EC2N 1HQ; Tel +44 (0) 207 3301 201

Park Place Technologies Opens New European HQ in London

Park Place Technologies has opened a European Headquarters located in Canary Wharf. This new office will enable Park Place Technologies to continue expanding their existing data center hardware maintenance and support services throughout the United Kingdom and Europe. Park Place Technologies is a leading provider of hardware maintenance and support, specializing in extended warranty services for storage, servers and network equipment. Park Place Technologies' core competency of service maintenance, coupled with its professional services for storage, server, and network equipment, enable it to extend the life cycle of customer data centers.

US: 5910 Landerbrook Drive, Cleveland, OH 44124; Tel: 877-778 8707. Website: <http://www.parkplacetechnologies.com/>

UK: 40 Bank Street, 30th Floor, Canary Wharf, London E14 5NR; Tel +44 (0) 808 234 6776; Email: inquiry@parkplacetech.com Website: www.parkplacetechnologies.co.uk

UK Investments into the US

Dialog Semiconductor Opens US office

Dialog Semiconductor, a UK-based semiconductor company has chosen Chandler as its third U.S. office site. Dialog is a fabless provider of mixed signal semiconductor integrated circuits used in a variety of electronic products, from smartphones and Internet of Things applications, to LED lighting and we The address of our corporate headquarters is:

Dialog Semiconductor (UK) LTD, 100 Longwater Avenue, Green Park, Reading RG2 6GP. Tel: +44 (0) 1793 757700 Fax: +44 (0) 1189 450219 Email: enquiry@diasemi.com Website: www.dialog-semiconductor.com/

6.

TRADE SHOWS

UK

September 15–18, 2015 – DSEI 2015 – Excel, London

Website: <http://www.dsei.co.uk/>

“DSEI is the largest fully integrated defence and security show in the world, featuring Air, Naval, Land and Security show content. Based in ExCeL, London every two years, the event provides unrivalled access to key markets across the globe.”

For more details on these events, please contact: PJ Menner, Commercial Specialist Tel: +44 (0)20 7894 0470 Email: PJ.Menner@trade.gov

September 30 – October 1, 2015 – E Commerce Expo 2015 – Olympia, London

Website: <http://www.ecommerceexpo.co.uk>

E Commerce Expo is positioned to address the processes, technologies and services that surround the e-commerce transaction – acquisition, conversion, fulfilment and customer retention. With over 150 exhibiting companies and over 60 education sessions to choose from, E Commerce Expo is a must for anyone with an interest in e-commerce – whether just getting started or a seasoned multi channel retailer.

For more details on these events, please contact: Richard Stanbridge, Senior Commercial Specialist/Head of Industries Team Tel: +44 (0)20 7894 0437 Email: Richard.Stanbridge@trade.gov

US

September 26–30, 2015 – The Water Environmental Federation Technical Exhibition and Conference (WEFTEC) – Chicago, IL

The Water Environmental Federation Technical Exhibition and Conference (WEFTEC) is the largest annual water conference of its kind in the world and offers water quality professionals from around the world with the best water quality education and training. Also recognized as the largest annual water exhibition, the expansive show floor provides unparalleled access to the most cutting-edge technologies in the field.

Website: www.weftec.org

September 28–30, 2015 – PACK EXPO Las Vegas/Pharma EXPO 2015 – Las Vegas, NV

PACK EXPO Las Vegas, collocated with Pharma EXPO will focus on the latest developments in packaging machinery, processing machinery, converting machinery, materials, packages and containers, and components. The most prominent companies in the industry will be exhibiting and making product introductions at the show.

Website: www.packexpo.com

September 28– October 1, 2015 – ASID International 2015

The ASIS Annual Seminar and Exhibits is the most comprehensive education and networking event in the security industry, attracting more than 20,000 professionals from around the world.

Website: www.securityexpo.org

For more information please visit: [Link](#)