

# Investment News



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## 1. **ECONOMIC INDICATORS**

### UK

- Gross Domestic Product (GDP) contracted by 1.5% in the fourth quarter of 2008, compared with a decrease of 0.6% in the third quarter of 2008.
- Consumer Prices Index (CPI) annual inflation was 3.1% December 2008, down from 4.1% in November. Retail Prices index (RPI) inflation slowed to 0.9% in December 2008, down from 3% in November.
  - Output of the Service sector fell by 0.4% in the three months to November 2008 compared with the previous three months and follows a fall of 0.3% in the three months to October.
  - Employment rate for people of working age was 74.2% for the three months to November 2008, down 0.2% from the previous quarter and down 0.5% over the year. The number of people in employment for the three months to November 2008 was 29.39 million, down 26,000 over the quarter but up 25,000 over the year. The unemployment rate was 6.1% for the three months to November 2008, up 0.4% over the previous quarter and up 0.9% over the year. The number of unemployed people increased by 131,000 over the quarter and by 290,000 over the year, to reach 1.92 million.
  - Average earnings, including bonuses, rose by 3.1% in the year to November 2008, down from 3.3% in October. Average earnings, excluding bonuses or regular pay, rose by 3.6% in the year to November 2008, unchanged from October.
  - Retail sales volume between the reporting periods for December 2007 and December 2008 grew by 1.8%
  - The public sector showed a deficit on current budget of £11.4 billion in December 2008, compared with a deficit of £4 billion in December 2007.
  - The overall profitability of UK private non-financial corporations in the third quarter of 2008 was 13.9%, in line with the revised estimate of 14% recorded in the previous quarter.
  - The number of visits to the UK by overseas residents decreased by 5% to 7.6 million during September to November 2008, when compared with the previous three months. Associated spending by overseas residents on

visits to the UK increased by 1% to £4.2 billion. Over the same period, the number of visits abroad by UK residents decreased by 6% to 16.4 million when compared with the previous three months, while the associated spending decreased by 6% to £8.7 billion.

- During the 12 months to November 2008, the number of visits by overseas residents to the UK, decreased by 1% when compared with the 12 months to November 2007, from 32.7 million to 32.4 million. In the 12-month period to November 2008, the number of visits abroad by UK residents, remained broadly the same when compared with the 12 months to November 2007, at 69.2 million.
- The UK's deficit on trade in goods and services was £4.5 billion in November 2008, compared with a revised deficit of £3.9 billion in October.

For previously released UK economic indicators visit National Statistics <http://www.statistics.gov.uk/default.asp>

## LONDON

- In the most recent 28-day period (from November 9, 2008 to December 6, 2008), London's Underground and buses had 268.5 million passenger journeys; 179.9 million by bus and 88.6 million by underground.
- The moving average annual rate of growth in passenger journeys decreased to 3.3% from a downwardly revised 3.6% in the previous period.
- The rate of claimant count unemployment in London was 3.2% in December 2008. There were 160,000 Unemployment claimants in London in December 2008 compared with 131,100 in December 2007.
- London's annual growth in output decreased to 1.3% in Q2 2008 from a downwardly revised 2.7% in Q1 2008.
- London's annual employment growth increased to 1.4% in Q2 2008 from an upwardly revised 1% in Q1 2008.
- Annual house price inflation in London was -15.1% in Q4 2008, down from -9.4% in Q3 2008. Annual house price inflation in the UK was -14.7% in Q4 2008, down from -10.3% in Q3 2008.
- 9 Million passengers traveled through London's airports in December 2008. The number of passengers using London's airports decreased by 6.7% from December 2007 to December 2008.
- The Synovate Retail Traffic Index of shoppers in London was 94.9 in the Second week of January 2009 compared to 102.2 in the previous week.
- The Purchasing Managers' Index (PMI) of business activity recorded 42.7 in December 2008 compared to 41.7 in November.
- The PMI for level of employment in London firms was 39.7 in December 2008 compared to 44.7 in November 2008.
- The PMI for new orders for London firms recorded 39.9 in December 2008 compared to 41.5 in November 2008.
- The net house price expectations balance in London was -90 in December 2008, down from -72 in November. For England and Wales, the net house price expectations balance was -79 in December 2008, down from -65 in November.

## US

- Real gross domestic product (GDP) decreased at an annual rate of 3.8% in the fourth quarter of 2008. This follows a decrease of 0.5% in the third quarter. For the full year 2008, real GDP increased 1.3%, compared with an increase of 2.0% in 2007.
- Personal income decreased \$20.7 billion, or 0.2% and disposable personal income (DPI) decreased \$11.8 billion, or 0.1% in November 2008.
- The US international trade deficit in goods and services in November 2008 declined 28.7%, to \$40.4 billion. Exports fell 5.8%, to \$142.8 billion, and imports declined 12%, to \$183.2 billion.
- The US current account deficit decreased to \$174.1 billion in the third quarter of 2008, down from \$180.9 billion in the second quarter.

For previously released US economic indicators visit US Bureau of Economic Analysis (BEA)

<http://www.bea.gov/index.htm>

## NY

- Private employment fell by 20,800 jobs in November 2008, after a decrease of 7,500 jobs in October (Source: New York State Dept. of Labor).
- The unemployment rate rose to 6.3% in November 2008 from 5.7% in October (Source: New York State Dept. of Labor).
- The Direct Class A office vacancy rate was 5.6% in December 2008, while the average asking rent was \$87 per SF (Source: New York State Dept. of Labor).
- Passengers in NYC's airports totaled 8.6 million in October 2008, down 4.7% from October 2007 (Source: New York State Dept. of Labor).
- In December 2008, the Downtown Class A direct vacancy rate remained at 3.4%, while average direct office rental rate fell \$1 to \$60 PSF (Source: Cushman and Wakefield).
- The total Manhattan sublease vacancy rate was 2.7% in December 2008, up from 2.6% in November (Source: Cushman and Wakefield).
- For the four months ending November 2008: Building projects (including new, additions and alterations) that started construction in NYC rose by 2.3% and, infrastructure (non-building) project starts increased by 67.1% from the four months ending November 2007 (Source: McGraw Hill Construction).
- Planned space for building project starts fell 4.2% from the same period in 2007 (Source: McGraw Hill Construction).
- 1,092 residential buildings with 7,435 units of housing started construction, an increase of 2.1% and decrease of 15% respectively from the previous year (Source: McGraw Hill Construction).
- There were approximately 984,000 Broadway tickets sold during the four weeks ending December 28, 2008, a 7.1% decrease from the same period last year. Broadway revenue during this period was roughly \$85.1 million, a 3.5% increase from last year (Source: The Broadway League).
- In October 2008, 8.6 million passengers flew into and out of the region's airports, a decrease of 4.7% from October 2007 (Source: Port Authority of New York and New Jersey).
- In November 2008, the average daily hotel room rate was \$347, a 9.9% decrease from November 2007 (Source: PKF Consulting).
- Hotel occupancy was 80.8% in November 2008, down from 88.7% in November 2007 (Source: PKF Consulting).
- Total ridership on MTA subways, trains and buses in November 2008 was roughly 204 million, a decrease of 3.8% from November 2007. In November 2008, subway ridership was roughly 129 million, a decrease of 3.7% from November 2007 (Source: Metropolitan Transportation Authority).

## **2. INVESTMENT INDICATORS\_**

### Global

#### Global Foreign Direct Investment (FDI) 2008

Global foreign direct investment (FDI) inflows are estimated to have fallen by 21% in 2008 to an estimated \$1.4 trillion, and will likely fall farther in 2009, according to new estimates released today by UNCTAD.

Preliminary data for 2008 indicates that for many developed countries, FDI flows have fallen. Preliminary estimates show a decline of about 33% from flows in 2007 for this group. Inward FDI may have declined in Finland, Germany, Hungary, Italy, and the United Kingdom even when compared with 2006 levels.

In developing and transition economies, preliminary estimates suggest that FDI inflows have been more resilient, though the worst impacts of the global economic crisis had still, at year's end, to be fully transmitted to these countries.

The growth rate of FDI inflows to developing countries, while lower than in 2007 (when it exceeded 20%), should still have remained positive for 2008 at an estimated 4%. Flows to Africa were expected to have grown further, to more than US\$60 billion. Flows to East, South, and South-East Asia (the largest recipient of FDI, accounting for almost half of all flows to developing countries) may have risen as well during 2008, but by a slower rate than in

2007. Flows to West Asia are expected to have declined significantly (more than 20%), following the record levels registered last year. By contrast, FDI flows to Latin America and the Caribbean are expected to have shown significant resilience to the world economic slowdown. They are estimated to have increased by 13% in 2008, partly as a result of a strong rise in FDI flows to South America. However, Central America and the Caribbean -- which are traditionally highly dependent on the United States economy -- most likely registered a decline.

FDI flows to the transition economies of South-East Europe and the Commonwealth of Independent States (CIS) are estimated to have maintained their upward trend despite the financial crisis, global economic slowdown, and regional conflicts. A 2008 increase of about 6% is expected to have occurred there. Of the developing countries and transition economies, the largest (Brazil, Russian Federation, India, and China) are all estimated to have experienced a rise in FDI in 2008.

In the short-term, the negative impacts of the financial and economic crises on FDI are expected to remain dominant and to contribute to a continued fall in overall FDI through 2009. Developing countries will not be excepted -- that is, FDI falls in 2009 will be more widespread.

### **3. NEW INVESTMENTS**

#### US Investments into the UK

##### **Trade Wings Opens UK Office**

Trade Wings, Inc., a global supply chain service provider, has opened a new office in Bristol, England, expanding its European operations to include the UK, Ireland, and other countries. Trade Wings provides custom supply chain solutions for telecommunications manufacturers and service providers. Designed to improve the efficiency of global supply chains, the company's solutions encompass the areas of business intelligence, logistics, marketing and procurement, and global project management.

Trade Wings, Inc., (Global Headquarters), Pease International Tradeport, 75 Rochester Avenue, Suite 4, Portsmouth, NH 03801. Tel: 001-603 766 7000 Website: [www.tradewings.com](http://www.tradewings.com).

Trade Wings, Fieldgrove Cottage, Keynsham Road, Willsbridge BS30 6EJ. Tel: 01179 855036

##### **CCE Opens UK Office**

Automation software and tech company CCE has opened an office in the United Kingdom to support its growing engineering services business. Based in Michigan, CCE has been in business since 1989. CCE's focus is in establishing offshore-based strategic global engineering centers for clients, developing design automation software for increased efficiencies and providing technology solutions for the engineering marketplace.

CCE, 28124 Orchard Lake Road, Ste.101, Farmington Hills, MI 48334. Tel: 001-248 932 5295 Fax: 001-248 932 9397 Website: [www.cceintl.com](http://www.cceintl.com)

CCE, 38, Berkshire House, 252-256 Kings Road, Reading RG1 4HP. Tel: 0118 9533722 Fax: 0118 9533721

##### **PSD Global Opens UK Office**

PSD Global, a leading market entry and economic development consulting firm, has opened an office in London, England to meet the growing demand from the firm's UK and European client base. Headquartered in the Washington, DC region, PSD Global provides customized market entry solutions for mid-market IT firms and foreign direct investment (FDI) lead attraction services to select regions and markets.

PSD Global, LLC, 505 North Mansfield Street, Alexandria, VA 22304. Tel: 001-703 531 8773 Fax: 001-320 451 6953, Patrick Dine, CEO, PSD Global, Email: [hq@psdglobal.com](mailto:hq@psdglobal.com) Website: [www.psdglobal.com](http://www.psdglobal.com)

London: 020 7193 6514 Email: [uk@psdglobal.com](mailto:uk@psdglobal.com)

##### **LWG Consulting Opens London Office**

LWG Consulting, Inc., a leading provider of technical expertise following equipment or systems failure and property damage, announced the opening of a new office in Reading, U.K. Since it was founded in 1984, LWG Consulting has supported insurers, independent adjusters, self-insured corporations, and legal professionals by providing expertise with losses involving technical damage assessment, causal analysis, data recovery and computer

forensics, and equipment restoration.

LWG Consulting, Inc., 390-7 Knickerbocker Ave. Bohemia, NY 11716. Tel: 001-631 563 6060 Fax: 001- 631 563 6076, Bob Wedoff, President, Website: [www.lwgconsulting.com](http://www.lwgconsulting.com)

UK: 0118 949 7164 , Julian Preedy

Modulo Reinforces Global Presence by Opening UK Office.

Modulo, a leading provider of IT Governance, Risk and Compliance solutions (IT GRC), announced the opening of a new office in the United Kingdom. Increased global demand for Modulo Risk Manager, software that helps organizations in security and to comply with market standards and regulations, is at the heart of the company's expansion worldwide.

Modulo, 311 Claremont Avenue, Montclair, NJ 07042. Tel: 001-973 744 1617 Website: [www.modulo.com](http://www.modulo.com)

Modulo, Venture House, Arlington Square, Downshire Way, Bracknell RG12 1WA. Tel: 020 7100 366

### **Beechcraft Opens New UK Site**

Hawker Beechcraft Corporation expanded its global customer service and support capability with the opening of a new Hawker Beechcraft Services (HBS) paint facility in Chester, U.K. In conjunction with the new paint facility, Hawker Beechcraft is aligning its aircraft maintenance, interiors modification, and refurbishment services at the existing Chester facility to provide a multifunctional service location for customers.

Hawker Beechcraft Corporation , 101 S Webb Road, Wichita, KS 67207-1301, Tel: 001-316 676 7111 Website: [www.hawkerbeechcraft.com](http://www.hawkerbeechcraft.com)

Hawker Beechcraft Limited, Hawarden Airport, Broughton, North Wales, CH4 0BA. Tel: 01244 523888 Fax: 01244 523616. [howard\\_povey@hawkerbeechcraft.com](mailto:howard_povey@hawkerbeechcraft.com)

### **UK Investments into the US**

#### **Dare Digital Expands in New York**

Top London digital shop Dare is making its first foray abroad by opening operations in New York. Dare New York plans to take a page out of Anomaly's book by taking a stake in businesses and tying compensation to business generated, particularly for new brands.

Dare Digital Ltd, 13-14 Margaret Street, London W1M 8RN. Tel: 020 7299 3000 Fax: 020 7299 3001 Email: [us@daredigital.com](mailto:us@daredigital.com) Website: [www.daredigital.com](http://www.daredigital.com)

#### **GlaxoSmithKline to Expand US Plant**

UK-based pharmaceutical company GlaxoSmithKline Plc is to expand its vaccine business in the US market by opening a vaccine production facility at its site in Marietta, Pennsylvania, with production targeted to begin in April 2009. The company initially will package the hepatitis B vaccine Engerix B in the plant, which is expected to eventually handle nearly all US demand.

GlaxoSmithKline, Glaxo Wellcome UK Ltd., Stockley Park West, Uxbridge, Middlesex, UB11 1BT. Tel: 020 8990 9000 Fax: 020 8990 4321 Website: [www.gsk.com](http://www.gsk.com)

GlaxoSmithKline, 325 North Bridge Street, Marietta PA 17547-1134

## **4. TRADE SHOWS**

### **UK**

**February 15-17, 2009 - Moda UK & Moda Menswear, Moda Footwear & Moda Accessories - NEC, Birmingham**

Website: <http://www.moda-uk.co.uk>

Moda 2009 is your opportunity to see the best of the season's collections from womenswear, menswear, footwear and accessories all under one roof. It is the most comprehensive trade fashion event in the UK.

Contact: Marcella Marcheso, Commercial Specialist, Tel: +44 (0)20 7894 0419, Email: [Marcella.Marcheso@mail.doc.gov](mailto:Marcella.Marcheso@mail.doc.gov)

**March 3-5, 2009 – Ecobuild - Earls Court London**

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

Ecobuild is the UK's only event dedicated to sustainable design and construction. It attracts hundreds of suppliers of green building products and services and brings together professionals from all parts of the construction sector. Contact: Cheryl Withers, Commercial Assistant Tel: +44 (0)20 7894 0419 Email: [Cheryl.Withers@mail.doc.gov](mailto:Cheryl.Withers@mail.doc.gov)

**March 26-28, 2009 - The Education Show - NEC Birmingham**

Website: <http://www.education-show.com>

The Education Show is the UK's largest showcase of educational resources of all kinds. It enables educators to see what is new, try out resources and take part in free CPD so that they can teach and manage learning more effectively.

Contact: Chrystal Denys, Commercial Program Assistant Tel: +44 (0)20 7894 0419 Email: [Chrystal.Denys@mail.doc.gov](mailto:Chrystal.Denys@mail.doc.gov)

## US

**February 26-28, 2009 - Graphics of Americas/Xplor 2009 - Miami Beach, FL**

Website: <http://www.graphicsoftheamericas.com>

Graphics of the Americas is co-located with Xplor International, the worldwide electronic documents systems association and the premier provider of educational products and programs for the printing and the global authority in digital printing and electronic communications. The combined event promises to be an international showcase for the convergences of knowledge, products and technology.

Contact: Andrew Williams, Commercial Specialist, Tel: +44 (0)20 7894 0419 Email: [Andrew.Williams@mail.doc.gov](mailto:Andrew.Williams@mail.doc.gov)

**March 20-22, 2009 - International Franchise Expo (IFE) 2009 - Washington, D.C.**

Website: <http://www.ifeinfo.com/index.cfm>

"The world's premier franchise event showcasing hundreds of franchise concepts is an annual event sponsored by the International Franchise Association (IFA). Franchising companies at the IFE come from a vast array of industries offering concepts at all investment levels. Another high point at the IFE is the most comprehensive conference program offered on franchising."

Contact: Marcella Marcheso, Commercial Specialist Tel: +44 (0)20 7894 0419 Email: [Marcella.Marcheso@mail.doc.gov](mailto:Marcella.Marcheso@mail.doc.gov)

**March 22-24, 2009 - International Home & Housewares Show - Chicago, IL**

Website: <http://www.housewares.org/ihshow/>

The International Home & Housewares Show is the world's largest home and housewares marketplace, where 2,100 exhibiting companies will have the opportunity to showcase thousands of new products and designs in nearly 800,000 square feet of exhibition space to more than 60,000 professional attendees from over 100 countries.

Contact: Marcella Marcheso, Commercial Specialist Tel: +44 (0)20 7894 0419 Email: [Marcella.Marcheso@mail.doc.gov](mailto:Marcella.Marcheso@mail.doc.gov)

**March 24-27, 2009 - Satellite 2009 Washington, DC**

Website: <http://www.satellite2009.com>

The SATELLITE Show is the satellite industry's largest, most comprehensive gathering of innovations, technologies and professionals offering invaluable business solutions and mission-critical options to specific operational requirements.

Contact: Andrew Williams, Commercial Specialist Tel: +44 (0)20 7894 0417 Email: [Andrew.Williams@mail.doc.gov](mailto:Andrew.Williams@mail.doc.gov)

**March 31 - April 2, 2009 IPC APEX EXPO - Las Vegas, NV**

Website: <http://www.ipcapexexpo.org>

"Come to the industry's own event — a celebration of printed circuit board and electronics manufacturing and test

technology."

Contact: Andrew Williams, Commercial Specialist Tel: +44 (0)20 7894 0417 Email: [Andrew.Williams@mail.doc.gov](mailto:Andrew.Williams@mail.doc.gov)

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