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1. **ECONOMIC INDICATORS**

UK

- Gross Domestic Product (GDP) contracted by 1.5% in the fourth quarter of 2008, unrevised from the previous estimate, although down from a fall 0.7% in the third quarter of 2008. The level of GDP in the fourth quarter of 2008 is now 1.9% lower than the fourth quarter of 2007. For the year 2008 as a whole, GDP rose by 0.7% over 2007, down from 3% in the previous year.

- Consumer Prices Index (CPI) annual inflation was 3% in January 2009, down from 3.1% in December 2008. Retail Prices index (RPI) inflation slowed to 0.1% in January 2009, down from 0.9% in December 2008.

- In the fourth quarter of 2008, Services Producer Price Index (SPPI) inflation was 2.9%, down from 3.4% in the previous quarter.

- Manufacturing output decreased by 5.1% in the fourth quarter of 2008 compared with the third quarter of 2008.

- Output price annual inflation for all manufactured products fell to 3.5% in January 2009. Input price annual inflation fell from 3.5% in December 2008 to 2.3% in January 2009.

- Output of the Service sector fell by 0.9% in the quarter to December 2008 compared with the quarter to September and follows a fall of 0.5% in the three months to November.

- Employment rate for people of working age was 74.1% for the three months to December 2008, down 0.3% from the previous quarter and down 0.7% over the year. The number of people in employment for the three months to December 2008 was 29.36 million, down 45,000 over the quarter and down 37,000 over the year. The unemployment rate was 6.3% for the three months to December 2008, up 0.4% over the previous quarter and up 1.1% over the year. The number of unemployed people increased by 146,000 over the quarter and by 369,000 over the year, to reach 1.97 million.

- Average earnings including bonuses rose by 3.2% in the year to December 2008, unchanged from November. Average earnings excluding bonuses, or regular pay, rose by 3.6% in the year to December 2008, unchanged from November.

- Retail sales volume in the three months November 2008 to January 2009 rose by 1.5% compared with the previous three months.

- The public sector showed a surplus on current budget of £8.4 billion in January 2009, compared with a surplus of £15.3 billion in January 2008.
- There was a fall in the number of visits into and out of the UK in the three months ending December 2008 compared with the same period a year earlier. The seasonally adjusted number of overseas residents' visits to the UK was down 12% while visits abroad by UK residents were down 6%.
 - The number of visits to the UK by overseas residents decreased by 5% to 7.4 million during October to December 2008, when compared with the previous three months. Associated spending by overseas residents on visits to the UK decreased by 1% to £4 billion. Over the same period, the number of visits abroad by UK residents decreased by 4% to 16.3 million when compared with the previous three months, while the associated spending decreased by 6% to £8.7 billion.
 - During the 12 months to December 2008, the number of visits by overseas residents to the UK, decreased by 2% when compared with the 12 months to December 2007, from 32.8 million to 32 million. In the 12-month period to December 2008, the number of visits abroad by UK residents, decreased by 1% when compared with the 12 months to December 2007, from 69.5 to 68.8 million.
 - Business investment for the fourth quarter of 2008 is estimated to be 7.7% lower than the same period of last year and is 3.9% lower than the previous quarter
 - The UK's deficit on trade in goods and services was £3.6 billion in December 2008, compared with a deficit of £4 billion in November.

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 7 December 2008 to 3 January 2009) London's Underground and buses had 221.6 million passenger journeys; 148.5 million by bus and 73.1 million by underground.
- The moving average annual rate of growth in passenger journeys decreased to 3.3% from an upwardly revised 3.4% in the previous period.
- The rate of claimant count unemployment in London was 3.3% in January 2009. There were 169,400 Unemployment claimants in London in January 2009 compared with 131,200 in January 2008.
- London's annual growth in output decreased to 2.7% in Q3 2008 from an upwardly revised 2.8% in Q2 2008.
- London's annual employment growth decreased to 0.8% in Q3 2008 from an upwardly revised 1.8% in Q2 2008.
- Annual house price inflation in London was -15.9% in Q4 2008. Annual house price inflation in the UK was -16.2% in Q4 2008.
 - The Purchasing Managers' Index (PMI) of business activity recorded 45.5 in January 2009 compared to 42.7 in December 2008.
 - The PMI for the level of employment in London firms was 39 in January 2009 compared to 39.7 in December 2008.
 - The PMI for new orders for London firms recorded 41.8 in January 2009 compared to 39.9 in December 2008.
 - The RICS survey shows a negative net balance of -76 for London house prices over the past three months to January 2009. This net balance is down from -74 in December 2008. Surveyors reported a negative net house price balance for England and Wales of -76 in January 2009, down from -74 in December 2008.
 - The net house price expectations balance in London was -81 in January 2009, up from -89 in December 2008. For England and Wales, the net house price expectations balance was -88 in January 2009, down from -81 in December 2008.
 - For Greater London the consumer confidence score decreased to -36 in January 2009 from -29 in December 2008. For the UK the consumer confidence score decreased to -37 in January 2009 from -33 in December 2008.

US

- Real gross domestic product (GDP) decreased at an annual rate of 6.2% 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 1.1%, compared with an increase of 2% 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 December 2008 declined 1.7%, to \$39.9 billion. Exports fell 6%, to \$133.8 billion, and imports fell 5.5%, to \$173.7 billion. For 2008 overall, the trade deficit shrank 3.3% to \$677.1 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 28,200 jobs in December 2008, after a decrease of 25,400 jobs in November. (Source: New York State Dept. of Labour)
- The unemployment rate rose to 7.4% in December 2008 from 6.3% in November. (Source: New York State Dept. of Labour)
- The Manhattan hotel occupancy rate in December 2008 was 81.8%, down from 85.4% in December 2007. (Source: New York State Dept. of Labour)
- The Direct Class A office vacancy rate was 5.9% in January 2009, while the average asking rent was \$86 per SF. (Source: New York State Dept. of Labour)
- Passengers in NYC area airports totaled 7.8 million in November 2008, down 11.6% from November 2007. (Source: New York State Dept. of Labour)
- In January 2009, the Manhattan Class A direct vacancy rate rose to 5.9% and the average asking rental rate fell \$1 PSF to \$86 PSF (Source: Cushman and Wakefield)
- In January 2009, the Midtown South Class A direct vacancy rate remained at 3.6%, while average direct office rental rate remained at \$60 PSF. (Source: Cushman and Wakefield)
- The total Manhattan sublease vacancy rate was 3.1% in January 2009, up from 2.7% in December 2008. (Source: Cushman and Wakefield)
- For the four months ending December 2008: Building projects (including new, additions and alterations) that started construction in NYC declined by 10.7% and, infrastructure (non-building) project starts increased by 29.4% from the four months ending December 2007. (Source: McGraw Hill Construction)
- Planned space for building project starts increased 10.6% from the same period in 2007. (Source: McGraw Hill Construction)
- 1,033 residential buildings with 9,223 units of housing started construction, a decrease of 11% and an increase of 11% respectively from the previous year. (Source: McGraw Hill Construction)
- There were approximately 1 million tickets sold during the five weeks ending February 1, 2009, a 7.8% decrease from the same period last year. Broadway revenue during this period was roughly \$80.1 million, a 0.1% decrease from last year. (Source: The Broadway League)
- In November 2008, 7.8 million passengers flew into and out of the region's airports, a decrease of 11.6% from November 2007. (Source: Port Authority of New York and New Jersey)
- In December 2008, the average daily hotel room rate was \$339, an 8.3% decrease from December 2007. (Source: PKF Consulting)
- Hotel occupancy was 81.8% in December 2008, down from 85.4 % in December 2007. (Source: PKF Consulting)
- Total ridership on MTA subways, trains and buses in December 2008 was roughly 213 million, an increase of 3.9% from December 2007. In December 2008, subway ridership was roughly 136 million, an increase of 3.9% from December 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 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 exempted -- that is, FDI falls in 2009 will be more widespread.

3. NEW INVESTMENTS

US Investments into the UK

Integreon Expands Global Footprint with Launch of U.K. Operations

Integreon, the global leader in integrated Knowledge and Legal Process Outsourcing (KPO and LPO), announced the launch of the first U.K. onshore shared-services center for the legal market. To oversee the new expansion, former Osborne Clarke Chief Operating Officer Chris Bull has joined Integreon as European COO, reporting directly to CEO Liam Brown. Mr. Bull will oversee the management of the new shared-services center as well as Integreon's existing European business. Integreon expects to grow its new U.K. location substantially, open centers in other European locations, hire additional associates and managers, and gain market share in the European legal and knowledge services outsourcing market. The new U.K.-based operations will be located in Bristol and will complement Integreon's current onshore U.S. delivery centres in Fargo, North Dakota and New York City, which employ approximately 300 staff and its offshore delivery centers in Mumbai, Delhi, and Manila, which employ approximately 1,700 staff. Integreon provides a range of 'Middle Office' professional support services to many law firms.

Integreon, 5th Floor, 219 East 44th Street, New York, NY 10017. Tel: 001-866 312 7023 Email: info@integreon.com Website: www.integreon.com

Integreon, 85 Tottenham Court Road, London W1T 4TQ. Tel: 0800 520 0447

Talend Opens U.K. Office

In line with its global expansion strategy, Talend the first open source data integration specialist, has announced

the opening of a new office in the United Kingdom. The new UK office based in Maidenhead will be headed-up by industry veteran, Martin James who has taken the reins as the UK Sales Director. In the past twelve months alone, Talend's paying customer base increased by more than 300 percent, steadily taking market share away from proprietary data integration tools such as Informatica PowerCenter or IBM WebSphere DataStage, and confirming the suitability and scalability of its solutions for enterprise projects of large and well-known companies. Talend Inc, 105 Fremont Avenue, Suite F, Los Altos, CA 94022. Tel: 001-650 396 7738. Email info@talend.com Website: www.talend.com

Innovation Interactive Expands International Presence, Establishes UK Office

Innovation Interactive, parent company of [360i](#), [SearchIgnite](#) and [Netmining](#), announced the opening of its London office, further cultivating the company's presence abroad and strengthening its ability to provide digital marketing solutions for brands operating in Europe. The announcement follows a period of rapid growth for the award-winning digital services company, which last year opened its first international office in Tokyo and expanded its customer conversion solutions with the acquisition of Brussels-based on-site behavioral targeting company, Netmining. Through its operating divisions — 360i, SearchIgnite and Netmining — Innovation Interactive provides valuable digital expertise and technology solutions that address the full marketing cycle, from creating digital communications strategies to converting and retaining customers, for Fortune 1000 companies. Innovation Interactive's London presence strengthens the company's growing European business. James Yancey, has been tapped to head Innovation Interactive's London office and help drive the company's expansion efforts abroad. The company is headquartered in New York City with 10 office locations across the United States, Europe and Asia. Innovation Interactive, 28 W 23rd St # 6, New York, NY 10010, Tel:001- 212 703 7200 Website: www.innovationinteractive.com

Qatalyst Group Expands to Europe to Open London Office

Qatalyst Group, the technology-focused merchant banking boutique headquartered in San Francisco, announced that Jean Tardy-Joubert, formerly Head of Merrill Lynch's European Technology Group, will join the Firm as a Partner and Head of European Investment Banking. Tardy-Joubert will open Qatalyst's London office, where he will advise technology companies and private investment firms on mergers & acquisitions, financings and strategic investments, and play a major role in the Firm's global communications technology and semiconductor practices. Launched in March 2008, Qatalyst Group is a technology-focused merchant banking boutique headquartered in San Francisco, California. Qatalyst Partners, its investment banking business, provides high-end merger & acquisition and corporate finance advice to technology companies globally. Qatalyst Capital Partners, its investing business, makes selective principal investments, typically alongside leading venture capital and private investment firms.

Qatalyst Partners, 3 Embarcadero Center, 6th Floor, San Francisco, CA 94111. Tel: 001-415 399 7884 Fax: 001-415 399 7855 Email: info@qatalyst.com Website: www.qatalyst.com

David&Goliath Expands Out of LA to Open London Office

David&Goliath, the Los Angeles-based creative agency is opening in London with Kia Motors as its founding client. The London shop will act as a European hub and will mark David&Goliath's first presence outside LA. David Angelo, the chairman and chief creative officer of David&Goliath, has yet to appoint someone to head the London offering. It is understood he is looking to appoint an executive creative director ahead of David&Goliath's London launch on 1 April. The newly appointed executive creative director will then take on responsibility for hiring around four creative teams, some of which will sit within Kia's Frankfurt offices. The agency will initially handle Kia's ad account for Germany. Kia's in-house global lead communications agency, the Frankfurt-based Innocean Worldwide Europe, will work with David&Goliath to co-ordinate Kia's media, strategic planning, account management and dealer marketing.

David & Goliath, LLC, 909 N Sepulveda Blvd, Segundo CA 90245. Tel: 001-310 445 5200 Website: www.davidandgoliath.com

UK Investments into the US

Kelvin Hughes Opens Second US Office

Kelvin Hughes Ltd, navigation solutions provider, has opened a Kelvin Hughes USA LLC office, in Alexandria, Virginia. The primary role of the new office is to expand on the existing Kelvin Hughes business and presence in the US, providing a greater level of local sales and support for US-based customers. The company already has a service centre in New Orleans. Kelvin Hughes has three offices in the UK, where it has its headquarters, as well as regional offices in The Netherlands, Denmark, Norway, Singapore and China.

In addition to the SharpEye radar, Kelvin Hughes produces a range of navigation equipment, data services and paper navigation products for the commercial, military and leisure sectors. Kelvin Hughes is a world leader in the design and manufacture of marine navigation systems.

Kelvin Hughes Limited, New North Road, Hainault, Ilford, Essex IG6 2UR. Tel: +44 (0) 20 8502 6887 Fax: +44 (0) 20 8500 0837 Email: marketing@kelvinhughes.co.uk Website: www.kelvinhughes.info

New office contact information: Kelvin Hughes USA LLC, 631 South Washington Street, Alexandria VA 22314. Tel: 001-703 548 4007 Fax: 001- 703 548 4141 Contact: Adrian Pilbeam, Vice President Sales Website: www.kevinhughes.com

MOO.COM Plans US Expansion

MOO.COM, a London-based online stationer that makes unique, highly customizable printed stationery for small businesses and individuals, announced plans to open an office in Providence, Rhode Island. The office will be focused on operations and fulfillment of U.S. orders, which make up 50% of the company's sales. MOO is currently hiring and expects the team to reach 10 people by the end of the year. MOO has enjoyed triple-digit growth since launching in 2006 and is currently on track to hit similar levels in 2009. The company develops high quality printed products, like Business Cards, MiniCards, Postcards and NoteCards and caters to small and home businesses, freelancers, and individuals that want to stand out in an increasingly crowded world. MOO's Printfinity technology means every card in a pack can be different, making it possible to truly showcase your work or product. MOO's expansion into the U.S. market allows the company to better serve its North American customers. The office will open in the first half of 2009.

MOO.com, 6 Bakers Yard , Bakers Row, Clerkenwell , London EC1R 3DD. Website: www.moo.com

4. TRADE SHOWS

UK

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.

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April 5-6, 2009 - Natural Products Europe - Olympia London

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

Natural and Organic Products Europe is the largest trade event of its type in the UK.

Contact: Cheryl Withers, Commercial Assistant, Tel: +44 (0)20 7894 0419 Email: Cheryl.Withers@mail.doc.gov

April 9-10, 2009 - Data Centres Europe - Olympia, London

Website: <http://www.datacentres.com/dce/>

Data Centres Europe is the leading content-driven event for the sector in the EMEA region, providing market insight, an outstanding networking experience and a premier showcase for data centre technologies and solutions.

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

April 20-22, 2009 - London Book Fair - Earls Court Exhibition Centre

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

The London Book fair is the global publishing community's leading spring forum for booksellers, publishers, librarians and book production services worldwide.

Contact: Stewart Gough, Commercial Specialist Tel: +44 (0)20 7894 0419 Email: Stewart.Gough@mail.doc.gov

April 28-30 2009 - Naidex 2009 - NEC Birmingham

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

Naidex is the UK's number one event for the national homecare and disability market.

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April 28-30, 2009 - Internet World - Earls Court, London

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

Whatever your needs or concerns in today's fast-paced, fast-evolving digital business age, Internet World has you covered.

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

US

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)."

Contact: Marcella Marcheso, Commercial Specialist Tel: +44 (0)20 7894 0419 Email: 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 800,00 square feet of exhibition space to more than 60,000 professional attendees from over 100 countries.

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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.

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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."

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Email: Andrew.Williams@mail.doc.gov

April 1-3, 2009 - CTIA Wireless 2009 - Las Vegas, NV

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

"The Most Important Global Technology Event of the Year! The convergence of more than 1,100 exhibiting companies, dozens of industries, and over 40,000 professionals from 125 countries all working toward the common goal of revolutionizing wireless."

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April 1-3, 2009 - ISC West 2009 -Las Vegas, NV

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

This is the first security show of the year and is also the first security show of choice. ISC West - the security event that buyers say is the best in the industry with over 15,300 security buyers and a total of over 24,300+ industry professionals.

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April 25-30, 2009 - Interwire Trade Exposition 2009 - Cleveland, OH

Website: www.wirenet.org/events/interwire

"Interwire is an international trade event that includes exhibiting companies, speakers, and attendees from 50 countries around the world who want to attend the most important business week for wire and cable in the Americas.

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April 25-30, 2009 - High Point Market-Spring - High Point, NC

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

The High Point Market-Spring is the largest trade show serving the home furnishings marketplace.

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