

International Economy Watch

03 November 2015



AIB Treasury Economic Research Unit

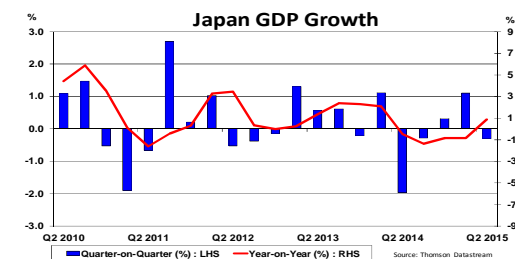
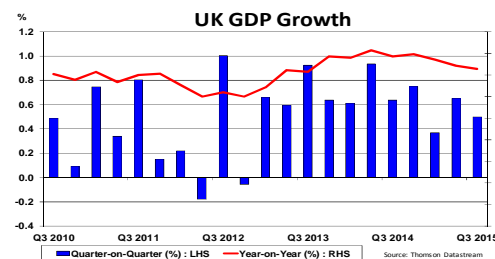
	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q2-16
GDP															
QoQ % Change															
US	0.7	0.5	0.1	0.0	0.5	0.3	0.7	0.9	-0.2	1.1	1.1	0.5	0.2	1.0	0.4
Eurozone	-0.2	-0.3	-0.1	-0.4	-0.2	0.4	0.2	0.2	0.2	0.1	0.3	0.4	0.5	0.4	#N/A
German	0.4	0.1	0.2	-0.5	-0.3	0.9	0.4	0.3	0.7	-0.1	0.2	0.6	0.3	0.4	#N/A
French	0.0	-0.3	0.3	0.0	0.1	0.7	-0.1	0.2	-0.2	-0.1	0.3	0.1	0.7	0.0	#N/A
UK	0.2	-0.2	1.0	-0.1	0.7	0.6	0.9	0.6	0.6	0.9	0.6	0.8	0.4	0.7	0.5
Japan	1.0	-0.5	-0.4	-0.1	1.3	0.6	0.6	-0.2	1.1	-2.0	-0.3	0.3	1.1	-0.3	#N/A
QoQ Seas Adj Annualised Rate															
US	2.7	1.9	0.5	0.1	1.9	1.1	3.0	3.8	-0.9	4.6	4.3	2.1	0.6	3.9	1.5
Eurozone	-0.6	-1.1	-0.4	-1.8	-1.0	1.6	0.9	0.9	0.8	0.3	1.0	1.6	2.1	1.4	#N/A
German	1.6	0.2	0.7	-1.9	-1.1	3.7	1.5	1.3	2.9	-0.2	0.8	2.5	1.4	1.8	#N/A
French	0.1	-1.1	1.1	-0.1	0.5	3.0	-0.3	0.7	-0.7	-0.5	1.2	0.4	2.7	0.0	#N/A
UK	0.9	-0.7	4.1	-0.2	2.7	2.4	3.8	2.6	2.5	3.8	2.6	3.0	1.5	2.6	2.0
Japan	4.2	-2.1	-1.5	-0.6	5.4	2.3	2.5	-0.9	4.5	-7.6	-1.1	1.3	4.5	-1.2	#N/A
YoY % Change															
US	2.8	2.5	2.4	1.3	1.1	0.9	1.5	2.5	1.7	2.6	2.9	2.5	2.9	2.7	2.0
Eurozone	-0.4	-0.8	-0.8	-1.0	-1.1	-0.4	-0.1	0.6	1.1	0.7	0.8	0.9	1.2	1.5	#N/A
German	0.9	0.8	0.6	0.1	-0.5	0.3	0.5	1.3	2.3	1.4	1.2	1.5	1.1	1.6	#N/A
French	0.4	0.2	0.3	0.0	0.1	1.1	0.8	1.0	0.7	-0.2	0.2	0.1	0.9	1.1	#N/A
UK	1.5	1.0	1.2	1.0	1.4	2.2	2.1	2.8	2.8	3.1	2.9	3.0	2.7	2.4	2.3
Japan	3.3	3.4	0.3	0.0	0.3	1.4	2.4	2.3	2.1	-0.5	-1.4	-0.8	-0.8	0.9	#N/A

US GDP growth slows to 1.5% on an annualised basis in Q3. However, the headline figure was dragged down by inventories. Underlying growth was around 3%

Eurozone growth slowed slightly to 0.4% in Q2, though the pace of YoY growth continued to pick up, now at 1.5%. Nationally, German growth remained moderate at just 0.4%. Growth in France was flat, while Italy (+0.3%) grew for a third quarter

Pace of growth in the UK slowed to 0.5% in Q3. Breakdown of GDP data show economy heavily reliant on the services sector

Japanese economy contracted by 0.3% in Q2, impacted by lower exports and consumer spending—but YoY growth did rise to 0.9%



Note: Data sourced from Thomson Reuters, US Bureau of Economic Analysis, US Department of Commerce, Eurostat, Germany Federal Statistics Office, INSEE, ONS, Japanese Cabinet Office, Institute for Supply Management, European Commission, Ifo, German Centre for European Economic Research, ISTAT, Bank of Japan, Chinese National Bureau of Statistics, OECD, JP Morgan, Federal Reserve, Japanese Ministry of Economy, Trade and Industry, CPD Netherlands, US Census Bureau, Conference Board, University of Michigan, Gfk Group, US Bureau of Labor Statistics, Japanese Ministry of Internal Affairs, European Central Bank, Bundesagentur fur Arbeit, Japanese Ministry of Health and Labour, US National Association of Realtors, US National Association of Home Builders, UK Department of Community & Local Government, Bank of England, RICS, HBoS, Nationwide, Standard & Poor's, Dow Jones, STOXX, Deutsche Boerse, FTSE, NIKKEI, ICIS Pricing, London Bullion Market, Commodity Research Bureau.

Leading Activity Indicators

	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
US - Manufacturing ISM	58.1	56.1	57.9	57.6	55.1	53.5	52.9	51.5	51.5	52.8	53.5	52.7	51.1	50.2	50.1
- Services ISM	58.6	58.1	56.9	58.8	56.5	56.7	56.9	56.5	57.8	55.7	56.0	60.3	59.0	56.9	#NA
- Business Activity	63.1	62.0	60.5	63.4	58.6	61.5	59.4	57.5	61.6	59.5	61.5	64.9	63.9	60.2	#NA
Eurozone - EC Econ. Sentiment	100.8	100.2	100.8	100.8	100.9	101.5	102.3	103.9	103.8	103.8	103.5	104.0	104.1	105.6	105.9
- German IFO	106.4	105.5	103.6	104.8	105.7	106.8	106.8	107.9	108.6	108.5	107.6	108.0	108.4	108.5	108.2
- German ZEW	8.6	6.9	-3.6	11.5	34.9	48.4	53.0	54.8	53.3	41.9	31.5	29.7	25.0	12.1	1.9
- French INSEE	96.7	96.6	97.5	98.4	98.8	99.2	99.4	98.8	101.9	101.9	100.5	102.6	103.1	104.3	102.7
- Italian ISTAT	97.9	98.2	98.9	99.4	99.5	99.9	100.3	103.6	104.0	103.5	104.0	103.7	102.9	104.4	105.9
UK - EC Economic Sentiment	115.7	114.8	113.0	113.3	113.3	113.9	113.8	111.1	113.1	113.2	109.4	112.9	113.5	110.7	108.3
- EC Industrial Sentiment	9.2	4.9	5.4	6.3	6.8	6.1	8.4	1.3	1.4	2.1	-0.8	0.7	-1.1	-4.1	-3.7
- EC Services Sentiment	22.6	23.3	21.3	22.0	16.6	18.7	15.1	14.2	18.8	22.0	9.0	17.5	26.9	19.6	10.4
Japan - Tankan Manufacturing	14	20	27	17	30	25	24	24	27	30	39	27	25	21	27
- Tankan Services	32	35	25	27	27	16	15	27	26	26	21	21	21	19	17
China - NBS Manufacturing PMI	51.1	51.1	50.8	50.3	50.1	49.8	49.9	50.1	50.1	50.2	50.2	50.0	49.7	49.8	#NA
- NBS Services PMI	54.4	54.0	53.8	53.9	54.1	53.7	53.9	53.7	53.4	53.2	53.8	53.9	53.4	53.4	#NA
Global - Manufacturing PMI	52.5	52.2	52.2	51.8	51.5	51.7	51.9	51.7	51.0	51.3	51.0	51.1	50.7	50.6	#NA
- Services PMI	55.6	55.2	53.6	53.4	52.5	53.0	54.1	55.2	54.8	54.0	53.6	54.1	54.6	53.3	#NA
- Composite PMI	55.2	54.8	53.5	53.2	52.4	53.0	53.9	54.8	54.2	53.6	53.1	53.7	53.9	52.8	#NA
- OECD Lead Indicator	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.2	100.2	100.1	100.0	99.9	#NA	#NA

US ISM surveys suggest the economy is on a softer footing. Manufacturing sector continues to struggle

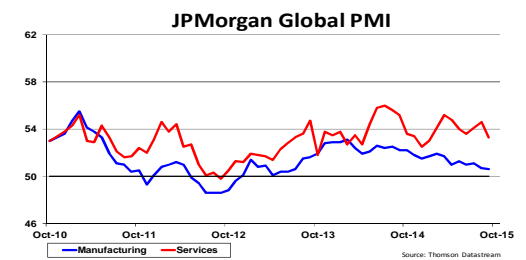
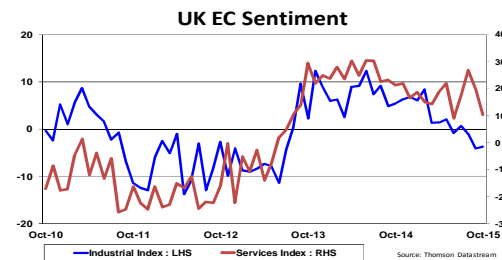
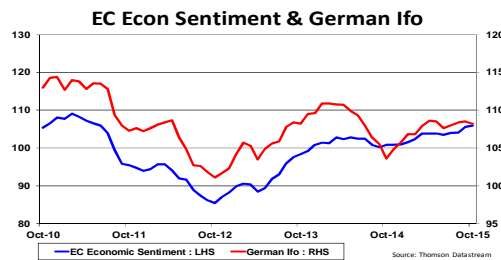
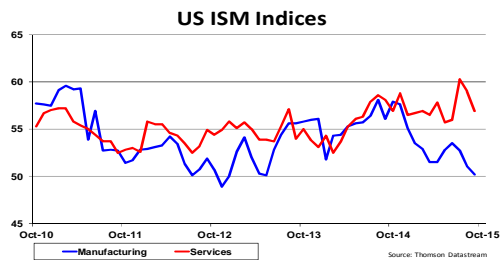
Eurozone EC economic sentiment at an over 4yr high in October. Remains on an upward trend, but still points to only modest growth. National level indicators generally weaker in October

UK EC economic sentiment data suggest that industrial sector remains very weak. Services sector slowed sharply in October

In contrast to other major economies, Japanese tankan indicates manufacturing is strong, while services are losing momentum

Chinese manufacturing PMI in contractionary territory

Global composite PMI fell in September to a 10-month low





Industrial Output

	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
Industrial Production - Volume Indices															
US	106.1	106.1	106.7	106.8	107.8	107.9	107.6	107.4	107.2	107.1	106.7	106.6	107.4	107.3	107.1
Eurozone (ex Construction)	101.5	100.4	101.0	101.2	101.3	101.9	102.0	103.0	102.5	102.6	102.4	102.1	102.9	102.3	#N/A
Germany (inc Construction)	108.8	105.9	107.6	107.8	108.0	109.1	109.0	109.0	108.6	109.3	109.5	108.5	109.8	108.5	#N/A
UK - Total	100.7	100.4	100.9	100.8	100.8	100.7	100.6	101.0	101.6	101.6	101.9	101.7	101.3	102.3	#N/A
- Manufacturing	101.8	101.8	102.3	101.5	102.2	102.5	101.6	102.0	102.4	102.0	101.1	101.3	100.5	101.0	#N/A
Japan	97.5	96.7	98.1	98.5	97.9	98.1	102.1	98.9	98.1	99.3	97.2	98.3	97.5	96.3	97.3
MoM % Change															
US	0.3	0.0	0.5	0.2	0.9	0.1	-0.3	-0.2	-0.2	-0.2	-0.4	0.0	0.8	-0.1	-0.2
Eurozone (ex Construction)	0.8	-1.0	0.6	0.1	0.1	0.6	0.1	1.0	-0.4	0.0	-0.2	-0.3	0.8	-0.5	#N/A
Germany (inc Construction)	1.3	-2.7	1.6	0.2	0.2	1.0	-0.1	0.0	-0.4	0.6	0.2	-0.9	1.2	-1.2	#N/A
UK - Total	0.4	-0.2	0.5	-0.2	0.0	-0.1	0.0	0.3	0.6	0.1	0.2	-0.2	-0.3	1.0	#N/A
- Manufacturing	0.4	0.0	0.4	-0.7	0.7	0.2	-0.9	0.4	0.5	-0.4	-0.9	0.2	-0.7	0.5	#N/A
Japan	-0.1	-0.8	1.4	0.4	-0.6	0.2	4.1	-3.1	-0.8	1.2	-2.1	1.1	-0.8	-1.2	1.0
YoY % Change															
US	4.8	4.0	3.9	4.1	4.7	4.6	4.5	3.5	2.5	2.1	1.3	0.9	1.3	1.1	0.4
Eurozone (ex Construction)	1.9	-0.5	0.3	0.7	-0.7	0.8	0.7	2.0	2.1	0.8	1.6	1.5	1.7	0.9	#N/A
Germany (inc Construction)	3.1	-2.0	0.4	1.2	-0.3	0.8	0.4	0.2	0.1	1.1	2.4	0.9	0.8	2.3	#N/A
UK - Total	1.3	1.1	0.8	1.1	1.3	0.6	1.0	0.3	1.2	0.8	1.4	1.4	0.7	1.9	#N/A
- Manufacturing	2.8	3.0	2.6	2.1	3.3	2.6	1.3	0.8	1.1	-0.2	0.2	-0.1	-1.2	-0.8	#N/A
Japan	-0.5	-3.0	1.0	-0.5	-3.7	-0.1	-2.6	-2.0	-1.7	0.1	-3.9	2.3	0.0	-0.4	-0.9
World Industrial Production (CPB Netherlands Bureau for Economic Policy Analysis)															
MoM %	0.5	-0.5	1.1	0.0	0.3	0.6	-0.3	0.1	0.0	0.1	-0.3	0.7	0.2	-0.3	#N/A
3 Mth / 3 Mth %	0.4	0.3	0.6	0.6	1.0	1.0	1.0	0.6	0.3	0.2	-0.1	0.1	0.2	0.5	#N/A
3 Mth Avg YoY %	3.4	3.1	3.1	3.0	3.1	3.1	2.9	2.7	2.4	2.2	1.9	2.0	2.0	2.1	#N/A
Industrial Orders															
MoM % Change															
US - Factory Goods	10.8	-10.5	-1.0	-0.9	-0.7	-3.7	-0.4	-1.0	2.2	-0.7	-1.1	2.2	0.2	-1.7	#N/A
Germany	6.1	-5.3	1.4	2.7	-2.3	3.3	-2.6	-0.9	1.0	2.2	-0.4	1.9	-2.2	-1.8	#N/A
Japan - Core Machinery (Value)	7.4	2.3	2.4	-3.5	0.1	5.6	2.5	-1.4	2.9	3.8	0.6	-7.9	-3.6	-5.7	#N/A
YoY % Change															
US	17.8	3.5	3.8	2.0	-2.2	-2.4	-5.3	-6.9	-4.0	-6.5	-8.3	-4.2	-15.1	-6.8	#N/A
Germany	6.9	-2.6	2.3	2.8	-1.5	6.3	-3.2	-2.5	6.3	1.4	-1.5	13.4	-1.3	2.3	#N/A
Japan - Core Machinery (Value)	1.1	-3.3	7.3	-4.9	-14.6	11.4	1.9	5.9	2.6	3.0	19.3	16.6	2.8	-3.5	#N/A

US production picks up by 0.5% in Q3 after declining in H1—impact from lower oil output abating, while automobile production strong. But, negative impact from stronger dollar remains

Production in the Eurozone remains weak, growing 0.3% in July/Aug vs Q2. Weighed down by lack of growth in intermediate goods sector, may reflect slowdown in emerging economies

UK production growth slowed in July/August to 0.1% vs Q2, in which it grew 0.7%. Oil output remains strong, up 8.7% MoM in August

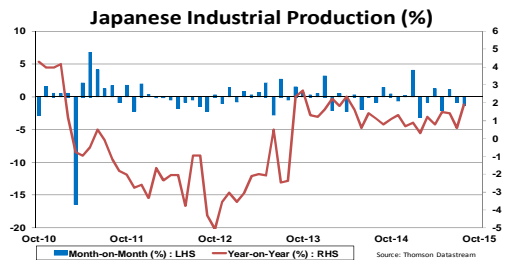
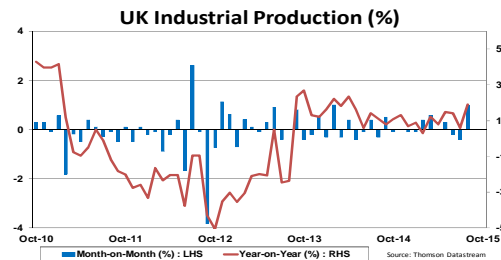
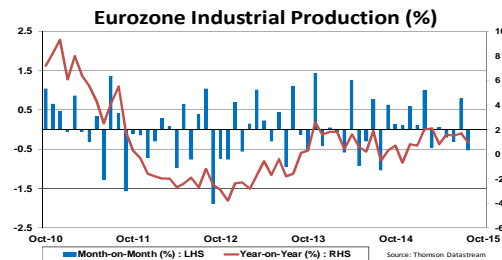
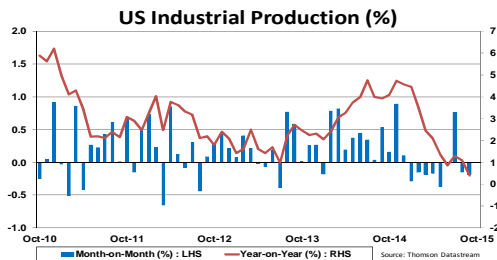
Japanese output remained in decline in Q3, falling by 1.3%. In part reflects impact from slowdown in China

YoY growth in global production holding around 2%

US factory orders fall sharply in Aug—have declined in 9 of the last 12 months

German orders fall again in Aug. But, YoY growth moves back into positive territory

Japanese orders fall further in Aug. YoY growth negative for first time since Nov'14





Consumer Confidence & Retail Sales

	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
CONSUMER CONFIDENCE INDICATORS															
US - Conference Board	93.4	89.0	94.1	91.0	93.1	103.8	98.8	101.4	94.3	94.6	99.8	91.0	101.3	102.6	97.6
- Expectations	93.1	86.4	93.8	89.3	88.5	97.0	90.0	96.0	87.1	86.2	92.8	82.3	91.6	90.8	88.0
US - Univ. Michigan Sentiment	82.5	84.6	86.9	88.8	93.6	98.1	95.4	93.0	95.9	90.7	96.1	93.1	91.9	87.2	90.0
- Expectations	71.3	75.4	79.6	79.9	86.4	91.0	88.0	85.3	88.8	84.2	87.8	84.1	83.4	78.2	82.1
Eurozone - European Commission	-10.2	-11.5	-11.3	-11.6	-11.0	-8.5	-6.7	-3.7	-4.6	-5.6	-5.6	-7.2	-6.9	-7.1	-7.7
Germany - European Commission	0.3	-1.1	-0.7	-1.6	-1.4	0.0	-0.1	3.2	3.3	3.0	2.8	1.4	0.7	-2.9	-4.6
- GfK Consumer Climate	8.9	8.6	8.4	8.5	8.7	9.0	9.3	9.7	10.0	10.1	10.2	10.1	10.1	9.9	9.6
France - INSEE	86.6	86.3	86.1	87.7	90.4	90.0	92.2	93.3	94.3	93.6	93.9	93.4	93.5	96.9	95.8
UK - European Commission	6.6	3.5	5.2	2.6	3.1	3.0	3.9	5.6	6.9	1.1	5.1	3.0	2.8	0.4	0.3
- GfK	1	-1	-2	-2	-4	1	1	4	4	1	7	4	7	3	2
RETAIL SALES															
US - Headline (Value \$ m)	438,281	437,374	439,189	441,444	437,590	434,225	431,921	438,572	438,717	443,913	443,734	447,097	447,219	447,686	#N/A
- Ex Autos (Value \$ m)	349,982	350,316	350,940	351,692	348,678	344,769	344,404	348,016	347,631	351,113	352,381	354,345	354,088	353,002	#N/A
- Auto Sales (mln, s.a.a.r.)	17.22	16.42	16.46	17.02	16.80	16.63	16.32	17.06	16.70	17.63	16.95	17.47	17.73	18.06	#N/A
Eurozone (Volume Index)	98.6	97.7	98.3	98.8	99.3	99.7	99.8	99.5	100.0	100.1	100.1	100.7	100.7	#N/A	#N/A
UK (Volume Index)	106.0	104.9	106.6	108.2	108.6	108.5	109.3	108.5	109.5	109.8	109.6	110.1	109.7	111.8	#N/A
Japan (Value Index)	11,454	11,246	11,368	11,646	13,510	11,489	10,726	12,403	11,556	11,772	11,470	12,030	11,541	11,228	#N/A
MoM %															
US - Headline (Value)	0.6	-0.2	0.4	0.5	-0.9	-0.8	-0.5	1.5	0.0	1.2	0.0	0.8	0.0	0.1	#N/A
- Ex Autos (Value)	0.3	0.1	0.2	0.2	-0.9	-1.1	-0.1	1.0	-0.1	1.0	0.4	0.6	-0.1	-0.3	#N/A
Eurozone (Volume)	0.8	-0.9	0.6	0.5	0.5	0.4	0.2	-0.3	0.4	0.2	0.0	0.6	0.0	#N/A	#N/A
UK (Volume)	0.7	-1.0	1.6	1.5	0.4	-0.1	0.7	-0.7	0.9	0.3	-0.2	0.5	-0.4	1.9	#N/A
Japan (Value)	-3.1	-1.8	1.1	2.4	16.0	-15.0	-6.6	15.6	-6.8	1.9	-2.6	4.9	-4.1	-2.7	#N/A
YoY %															
US - Headline (Value)	4.9	4.4	4.6	4.7	3.3	3.7	1.9	2.1	1.3	2.5	1.8	2.6	2.0	2.4	#N/A
- Ex Autos (Value)	3.9	3.6	3.6	3.8	2.0	1.7	0.7	1.0	0.1	1.1	0.8	1.6	1.2	0.8	#N/A
- Auto Sales (3MMA)	7.1	7.1	7.9	6.5	7.2	7.8	7.7	5.8	3.9	4.2	3.4	4.5	3.5	6.3	#N/A
Eurozone (Volume)	1.5	0.4	1.4	1.1	3.0	2.4	2.3	1.7	2.4	2.5	1.9	3.0	2.3	#N/A	#N/A
UK (Volume)	3.9	2.1	4.8	6.7	4.2	6.2	5.7	4.4	4.3	4.6	4.1	4.6	3.5	6.6	#N/A
Japan (Value)	1.2	2.3	1.4	0.5	0.1	-2.0	-1.7	-9.7	4.9	3.0	1.0	1.8	0.8	-0.2	#N/A

Some divergence between Michigan and Conf' Board surveys, but overall US consumer confidence remains strong

Eurozone consumer confidence remains on broadly weakening trend seen since the end of Q1

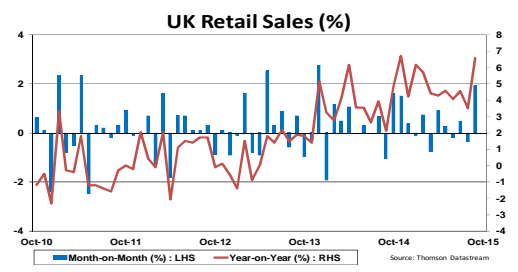
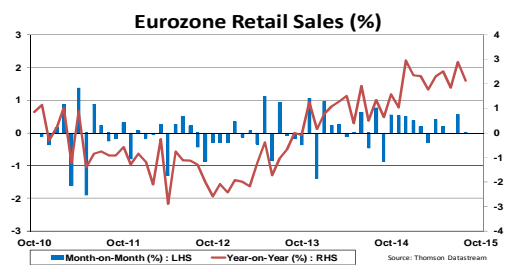
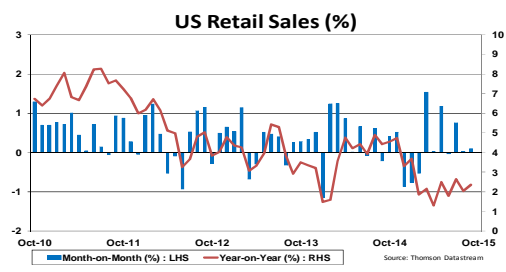
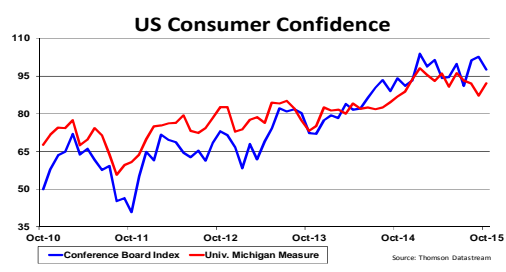
Likewise, EC UK consumer confidence has shown a decline

US retail sales (value) continued to grow strongly in Q3 (+1.2%). Although, fall in prices (esp. oil) have acted as a drag on headline growth

Eurozone sales increase by 0.6% in July/Aug compared to Q2. Sales were aided in part by the renewed fall in fuel prices

UK retail sales grew by 0.9% in Q3 after growing 0.8% in Q2. Reflects generally broad based gains

Japanese retail sales remain very volatile. Growth slowed from an already vey modest 0.5% to 0% in Q3. Sales not helped by negative Japanese wage growth





Consumer Prices

	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
CONSUMER PRICES															
YoY % Change															
US CPI	1.7	1.7	1.7	1.3	0.8	-0.1	0.0	-0.1	-0.2	0.0	0.1	0.2	0.2	0.0	#N/A
Eurozone HICP	0.4	0.3	0.4	0.3	-0.2	-0.6	-0.3	-0.1	0.0	0.3	0.2	0.2	0.1	-0.1	0.0
German CPI	0.9	0.9	0.8	0.6	0.2	-0.3	0.1	0.3	0.5	0.7	0.3	0.2	0.2	0.0	0.3
French CPI	0.4	0.3	0.5	0.3	0.1	-0.4	-0.3	-0.1	0.1	0.3	0.3	0.2	0.1	0.0	#N/A
UK CPI	1.5	1.2	1.3	1.0	0.5	0.3	0.0	0.0	-0.1	0.1	0.0	0.1	0.0	-0.1	#N/A
- UK CPI : Ex Taxes	1.6	1.2	1.3	1.0	0.5	0.0	-0.2	-0.3	-0.3	0.0	-0.1	0.1	-0.1	-0.2	#N/A
Japanese CPI	3.4	3.3	2.9	2.4	2.4	2.4	2.2	2.3	0.6	0.5	0.4	0.3	0.2	0.0	#N/A
MoM % Change															
US CPI (seas.adj.)	-0.1	0.1	0.1	-0.3	-0.3	-0.7	0.2	0.2	0.1	0.4	0.3	0.1	-0.1	-0.2	#N/A
Eurozone HICP	0.1	0.4	-0.1	-0.2	-0.1	-1.6	0.6	1.1	0.2	0.2	0.0	-0.6	0.0	0.2	0.1
German CPI	0.0	0.0	-0.3	0.0	0.0	-1.0	0.9	0.5	0.0	0.1	-0.1	0.2	0.0	-0.2	0.0
French CPI	0.4	-0.4	0.0	-0.2	0.1	-1.0	0.7	0.7	0.1	0.2	-0.1	-0.4	0.3	-0.4	#N/A
UK CPI	0.4	0.0	0.1	-0.3	0.0	-0.9	0.3	0.2	0.2	0.2	0.0	-0.2	0.2	-0.1	#N/A
Japanese CPI (seas.adj.)	0.1	0.0	-0.2	-0.1	0.1	-0.1	-0.1	0.2	0.2	0.2	0.0	0.0	0.0	-0.2	#N/A
Core CPI															
YoY % Change															
US (1)	1.7	1.7	1.8	1.7	1.6	1.6	1.7	1.8	1.8	1.7	1.8	1.8	1.8	1.9	#N/A
Eurozone (2)	0.9	0.8	0.7	0.7	0.7	0.6	0.7	0.6	0.7	0.9	0.8	0.9	0.9	0.8	0.9
UK (3)	1.9	1.5	1.5	1.2	1.3	1.4	1.2	1.0	0.8	0.9	0.8	1.2	1.0	1.0	#N/A
Japan (4)	3.1	3.0	2.9	2.7	2.6	2.2	2.0	2.2	0.3	0.0	0.0	-0.1	-0.1	-0.1	#N/A
Japan : Core-Core (5)	2.2	2.2	2.1	2.1	2.1	2.0	2.0	2.1	0.4	0.4	0.5	0.6	0.8	0.9	#N/A
MoM % Change															
US (seas.adj) (1)	0.1	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.3	0.1	0.2	0.1	0.1	0.2	#N/A
Eurozone (2)	0.3	0.5	0.0	-0.1	0.3	-1.5	0.5	1.2	0.2	0.1	0.0	-0.6	0.3	0.4	0.1
UK (3)	0.5	0.1	0.2	-0.1	0.2	-0.8	0.5	0.2	0.3	0.1	0.1	0.0	0.4	0.1	#N/A
Japan (seas.adj) (4)	-0.1	-0.1	0.0	0.0	0.0	-0.3	-0.1	0.2	0.1	0.0	0.1	0.0	0.0	-0.1	#N/A
Japan (seas.adj) : Core-Core (5)	0.0	0.0	0.0	0.1	0.1	-0.2	0.1	0.1	0.1	0.0	0.2	0.1	0.2	0.1	#N/A

US CPI inflation flat in September. Lower commodity prices means it is likely to remain very subdued in the coming months

Eurozone inflation flat in October. As in the US, the outlook is for inflation to remain very weak

UK inflation turns negative in September, likely to remain subdued

Japanese inflation was flat in September, its weakest reading since May 2013—largely reflects fall in oil

US core CPI (ex-food & energy) stuck in a 1.6-2% range since mid 2012

Core Eurozone inflation stuck in 0.6-0.9% range since May'14

Core UK inflation remains subdued—at 1% in September

Japan (ex-food & energy) inflation continues to edge up in Sept, but way off levels from one year previous as VAT hike impact gone

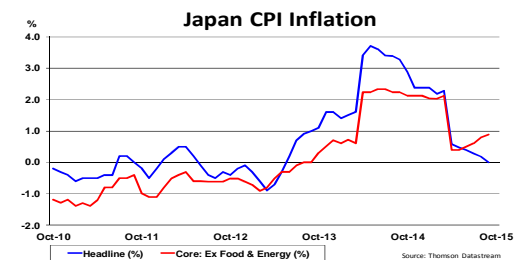
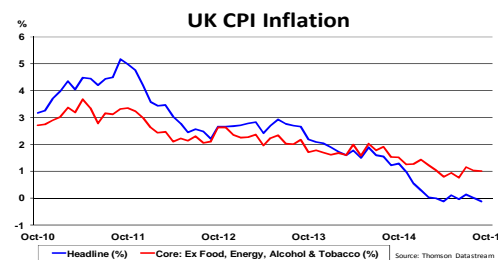
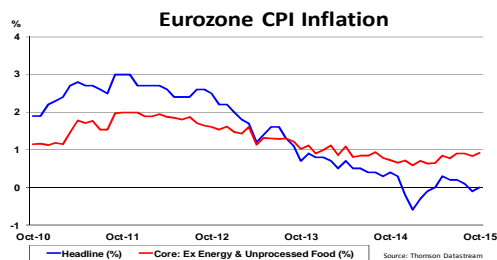
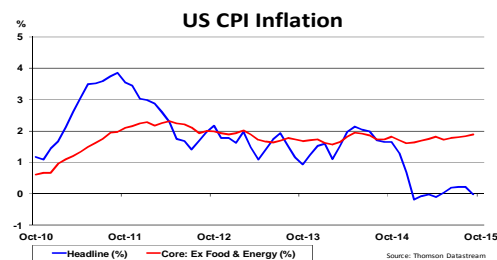
(1) Excluding Food & Energy

(2) Excluding Energy & Unprocessed Food

(3) Excluding Food, Energy, Alcohol & Tobacco

(4) Excluding Fresh Food

(5) Excluding Food & Energy



Labour Market

	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
EMPLOYMENT															
US Non-Farm Payroll - Mth ('000)	249	213	250	221	423	329	201	266	119	187	260	245	223	136	142
GROWTH YoY %															
US Civilian Employment	1.5	1.5	1.6	2.7	2.0	1.9	2.1	2.1	1.7	1.9	2.0	1.7	1.7	1.8	1.5
Eurozone (Q)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	#N/A	#N/A	#N/A
Germany	0.9	0.9	0.9	0.9	0.8	0.8	0.6	0.6	0.7	0.6	0.6	0.6	0.7	0.8	0.9
France (Q)	0.5	0.5	0.5	0.5	0.5	0.5	0.2	0.2	0.2	0.2	0.2	0.2	#N/A	#N/A	#N/A
UK (3 Mth to)	2.3	2.4	2.3	1.9	1.7	2.0	2.0	1.8	1.8	1.4	0.9	1.2	1.3	1.2	#N/A
Japan - Regular Employees	0.5	0.5	0.4	0.3	0.3	0.4	0.7	0.9	0.6	1.0	0.9	0.9	1.0	1.0	#N/A
UNEMPLOYMENT RATE %															
US Civilian Employment	6.2	6.1	5.9	5.7	5.8	5.6	5.7	5.5	5.5	5.4	5.5	5.3	5.3	5.1	5.1
Eurozone	11.6	11.5	11.5	11.5	11.5	11.4	11.3	11.2	11.2	11.1	11.0	11.0	10.9	10.9	10.8
Germany	5.0	5.0	5.0	5.0	4.9	4.8	4.8	4.8	4.8	4.7	4.7	4.6	4.6	4.5	4.5
France	10.3	10.3	10.4	10.5	10.5	10.5	10.4	10.4	10.3	10.3	10.4	10.5	10.6	10.8	10.7
UK (3 Mth to)	6.2	6.0	6.0	6.0	5.8	5.7	5.7	5.6	5.5	5.5	5.6	5.6	5.5	5.4	#N/A
Japan	3.7	3.5	3.6	3.5	3.5	3.4	3.6	3.5	3.4	3.3	3.3	3.4	3.3	3.4	3.4
EARNINGS GROWTH YoY %															
US - Employment Cost Index (Q)	2.3	2.3	2.3	2.2	2.2	2.2	2.6	2.6	2.6	2.0	2.0	2.0	1.9	1.9	1.9
- Average Earnings	2.1	2.2	2.0	2.0	2.1	1.8	2.2	2.0	2.1	2.3	2.3	2.0	2.2	2.2	2.2
UK - Weekly Earnings (Ex-bonus)	0.8	0.9	1.3	1.6	1.8	1.8	1.7	1.9	2.3	2.7	2.8	2.8	2.9	2.8	#N/A
Eurozone - Wage Growth (Q)	1.5	1.5	1.5	1.1	1.1	1.1	2.0	2.0	2.0	1.9	1.9	1.9	#N/A	#N/A	#N/A
Germany - Wage Growth	2.8	2.7	2.8	2.9	2.8	2.9	1.0	2.5	3.0	2.5	2.0	2.1	2.3	2.5	#N/A
Japan - Average Earnings	3.9	1.6	1.3	0.7	0.6	2.1	-0.7	-1.2	-1.1	-0.6	-0.1	-4.7	-0.4	-1.2	#N/A

US payrolls disappoint again in Sept. Avg monthly increase year-to-date now below psychologically important 200k mark. Unemployment rate at 5.1%, a 7½yr low

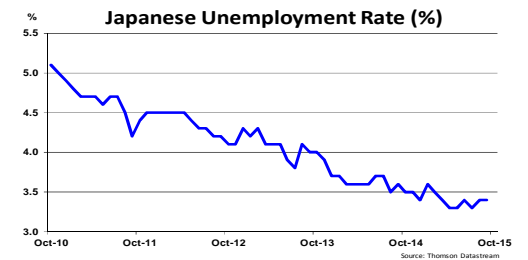
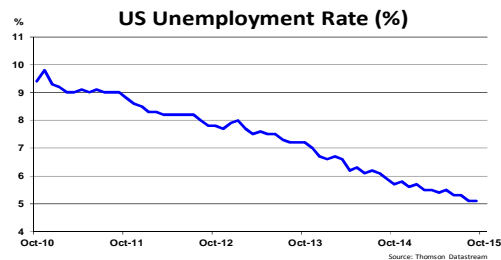
Eurozone employment growth improves slightly in Q2 (0.9%), but remains modest. Unemployment rate falls in September to 10.8% - lowest since January 2012

Pace of UK employ growth broadly stable in recent months just above 1%, well off mid 2014 highs. Unemployment rate at 5.4% in August, an over 7yr low

Japanese unemployment rate remains near an 18 year low

US earnings growth slows again in Q3 to 1.9% YoY. Rapid acceleration in UK earnings has stalled around 2.8% in recent months. Eurozone wage growth broadly stable at 1.9% in Q2. Japanese earnings have been in decline throughout 2015, now at -1.2% YoY

(Q) Monthly data interpolated from quarterly series



Housing Market

	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
RESIDENTIAL CONSTRUCTION ACTIVITY															
US - Starts ('000) s.a.a.r.	966	1,026	1,079	1,007	1,080	1,080	900	954	1,190	1,072	1,211	1,152	1,132	1,206	#N/A
US - Permits ('000) s.a.a.r.	1,040	1,053	1,120	1,079	1,077	1,059	1,098	1,038	1,140	1,250	1,337	1,130	1,161	1,105	#N/A
Eurozone - Permits (2000 = 100)	70.7	79.2	83.0	69.3	82.7	65.8	66.6	83.7	76.8	75.0	90.0	#N/A	#N/A	#N/A	#N/A
UK Starts (MQ)	11,913	11,913	8,393	8,393	8,393	13,143	13,143	13,143	11,987	11,987	11,987	#N/A	#N/A	#N/A	#N/A
US NAHB Sentiment	55	59	54	58	58	57	55	52	56	54	60	60	61	61	64
YoY %															
US - Starts - 3 Mth Avg	13.1	16.5	14.6	7.9	4.3	5.5	7.4	4.7	3.1	7.6	17.6	14.2	17.0	13.1	#N/A
US - Permits - 3 Mth Avg	8.0	6.3	7.4	5.3	6.2	5.2	6.2	3.3	3.5	8.8	19.3	20.3	16.5	8.4	#N/A
Eurozone - Permits	-1.7	-3.5	-3.6	-4.0	-2.0	-5.3	-7.1	-11.1	-9.4	-9.2	-3.3	#N/A	#N/A	#N/A	#N/A
UK Starts (MQ)	2.0	2.0	-10.1	-10.1	-10.1	6.1	6.1	6.1	-3.8	-3.8	-3.8	#N/A	#N/A	#N/A	#N/A
SALES															
US - New Homes ('000) s.a.a.r.	454	459	472	449	495	521	545	485	508	513	469	503	529	468	#N/A
- 3 Mth Avg YoY %	3.8	13.9	13.2	7.1	6.4	9.9	19.7	21.8	24.3	17.9	16.9	17.1	18.7	14.0	#N/A
US - Existing Homes ('000) s.a.a.r.	5,000	5,100	5,160	4,950	5,070	4,820	4,890	5,210	5,090	5,320	5,480	5,580	5,300	5,550	#N/A
- 3 Mth Avg YoY %	-4.1	-3.8	-1.7	0.7	2.7	3.1	4.2	6.3	7.7	8.9	8.4	9.3	8.5	8.3	#N/A
US - Pending Sales Index	103.1	103.7	103.7	104.1	102.5	103.7	107.4	108.7	111.6	112.3	110.4	110.9	109.3	106.8	#N/A
- 3 Mth Avg YoY %	-3.6	-1.3	0.2	2.4	3.3	4.9	9.0	11.1	12.9	11.3	10.5	8.8	8.4	5.6	#N/A
UK - Transactions over £40k ('000)	100.8	100.6	99.3	98.7	97.6	96.6	99.5	99.2	96.9	98.8	104.6	102.4	105.2	106.0	#N/A
PRICES															
MoM % Change															
US - Case Shiller 20 (seas adj)	-0.1	0.3	0.7	0.7	0.8	0.8	1.2	1.0	0.0	-0.1	-0.2	-0.2	0.1	#N/A	#N/A
UK - Halifax	-0.3	0.9	-0.4	0.5	1.1	1.9	-0.4	0.6	1.6	0.3	1.6	-0.4	2.7	-0.9	#N/A
- Nationwide	0.8	-0.2	0.5	0.3	0.3	0.4	-0.1	0.1	1.0	0.3	-0.2	0.4	0.4	0.5	0.6
YoY % Change															
US - Case Shiller 20	5.6	4.7	4.4	4.2	4.4	4.4	4.9	4.9	4.9	4.9	4.9	4.9	5.1	#N/A	#N/A
UK - Halifax (3 Mth Mov Avg)	9.3	9.4	8.6	8.2	7.9	8.6	8.3	8.1	8.5	8.8	9.2	7.9	9.0	8.7	#N/A
- Nationwide	11.0	9.5	9.0	8.5	7.2	6.7	5.7	5.2	5.1	4.7	3.3	3.6	3.1	3.8	3.9
UK - RICS House Price Balance	35.9	28.5	20.9	15.3	14.1	9.7	15.9	23.8	31.4	33.8	40.7	44.0	52.6	43.8	#N/A

Year-on-year growth in US housing starts and permits slows slightly in Q3. But, at 13.1% and 8.4%, respectively, they remain very encouraging

UK housing starts decline by 3.8% YoY in Q2

US existing home sales rebound in September, back to near an over 8-year high

US new home sales fall back in September, but remain at an encouraging level. Pace of YoY growth remained very strong at 14% in Q3

Volume of UK housing transactions has moved higher in recent months

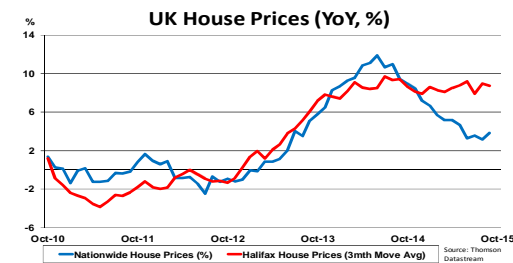
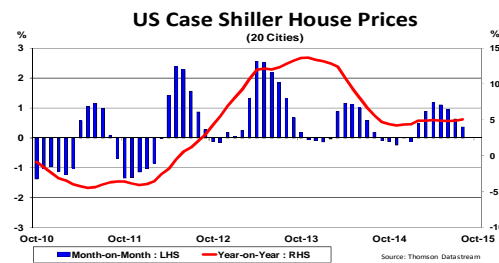
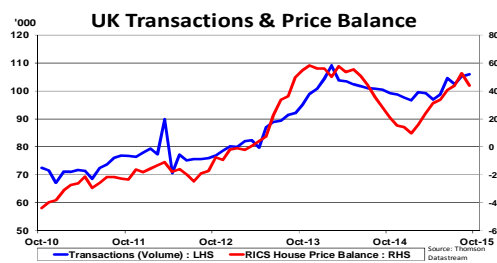
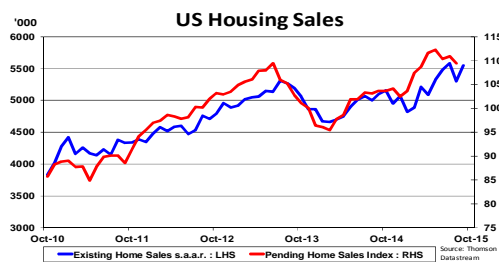
YoY growth in US Case-Shiller house prices stable at around 5% since February

YoY growth in UK Halifax house prices moderates slightly to 8.7% in Q3.

Nationwide measure shows more modest growth, at 3.9% YoY in October

RICS house price balance moves lower in Sept for first time in 8 months. But, still points to house price inflation

(MQ) Monthly average of Quarterly data





Financial & Commodity Markets

Monthly Averages :	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	This Month To Date	Latest Value
Stock Markets														
US - Dow Jones	17658	17766	17554	17949	17932	17961	18130	17927	17792	17062	16329	17182		17829
US - S&P 500	2046	2055	2029	2083	2080	2094	2113	2099	2093	2040	1943	2025		2104
EZ - EuroStoxx 50	3126	3162	3204	3454	3655	3732	3618	3522	3545	3444	3165	3275		3434
DE - Dax 30	9490	9826	10123	10977	11785	11957	11602	11236	11288	10818	9953	10222		10951
UK - FTSE 100	6644	6548	6613	6879	6885	6996	6984	6783	6647	6446	6087	6341		6362
JPN - Nikkei	17150	17542	17287	18033	19198	19781	19911	20404	20385	19919	17961	18377		18683
Exchange Rates														
Trade Weighted Indices														
\$ - Broad	87.7	89.2	92.8	94.4	97.9	97.5	95.2	95.2	96.9	96.4	95.8	95.7	96.9	96.9
€ - ECB Broad	99.0	99.0	95.3	93.3	90.5	89.7	91.5	92.3	91.3	93.0	93.8	93.6	92.3	92.3
£ - BoE Effective	87.0	87.5	87.8	90.1	90.4	90.1	91.4	92.1	93.3	93.5	91.9	91.6	93.1	93.1
¥ - BoE	125	123	126	127	128	128	125	122	124	124	127	127	127	127
vs Euro														
USD	1.25	1.23	1.16	1.14	1.08	1.08	1.12	1.12	1.10	1.11	1.12	1.12	1.10	1.10
GBP	0.79	0.79	0.77	0.74	0.72	0.72	0.72	0.72	0.71	0.71	0.73	0.73	0.71	0.71
JPY	145	147	138	135	130	129	135	139	136	137	135	135	133	133
vs Dollar														
GBP	1.58	1.56	1.52	1.53	1.50	1.50	1.55	1.56	1.56	1.56	1.53	1.53	1.54	1.54
JPY	116	119	118	119	120	120	121	124	123	123	120	120	121	121
Commodity Markets														
Oil - West Texas	75	59	48	51	48	54	59	60	51	43	45	46	46	46
Oil - Brent \$	79	63	49	58	57	60	65	63	57	48	48	49	48	48
Oil - Brent €	63	51	42	51	52	55	58	56	52	43	43	44	44	44
Oil - Brent £	50	40	32	38	38	40	42	40	37	31	31	32	31	31
CRB Commodity Index	481	463	441	435	420	423	430	424	417	397	393	402	400	400
Gold (\$ per Oz)	1177	1200	1251	1227	1179	1200	1199	1181	1131	1119	1125	1160	1135	1135

Strong rebound by stock markets in October as the ECB hints at further easing

Best monthly performance in four years by US stocks in October after dismal Q3

The main currency pairs remain quite range bound

The euro did lose some ground, though, as the ECB amped up its dovish rhetoric

Increased chances of a December rate hike in the US helps to support the dollar

Both sterling and the yen have been relatively stable

Oil prices remain very low in October on concerns over slowing global demand and still high level of supply

Broad based sell-off in commodities weighs on CRB index, lowest since 2009

Gold continues to be weak as US rate hike remains firmly on the table

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, plc and Allied Irish Banks (GB). In Northern Ireland it is distributed by First Trust Bank. In the United States of America it is distributed by Allied Irish Banks, plc. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and First Trust Bank are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI 018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.