

Transcript of Andrew Dowie's Markets Update – 9 February 2011

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Andrew Dowie:

Good morning. This is Andrew Dowie from Advance Asset Management with a rundown of the data releases for yesterday, Tuesday 7 February, in the United States.

The National Federation of Small Business's January business optimism report revealed that US small business confidence reached its highest level since December 2007. Numbers-wise we were at 92.6 in December, and looking for a 94; the figure release for this January report. The actual release came in at 94.1; so the market consensus wasn't really far off there.

The big driver for this result was the report's expectations components. If we look further into the details of the report, a picture emerges of very gradually improving credit, labour market and sales conditions; indicating momentum, heading into 2011.

I stress the rather gradual improvement in things in this release. This is, perhaps, summed up rather well by the chief economist of the National Federation of Small Business, who produced report. The chief economist opined at this latest report's release quote: while the economy is moving forward, albeit at a snail's pace, it is not nearly fast enough to dramatically improve the unemployment situation, which continues to languish.

Thank you very much indeed.

END OF TRANSCRIPT