



P R E S S R E L E A S E

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Andrew Hunt speaks at Taylor Young Investment Management Seminar: Is the status quo of the UK economy safe?

In a recent speech Andrew Hunt, consultant economic adviser to Taylor Young Investment Management (Taylor Young), and former Chief International Economist at Dresdner Asset Management, challenged the industry to acknowledge the uncertain success of the UK's future interest rates and general economy, while remaining confident in the short term that the UK and US will remain well-funded.

Speaking at a client seminar hosted by boutique investment management firm, Taylor Young, Hunt highlighted the effects of the recent borrowing boom and a generation-low level of interest rates with reference to other global economies:

- With import penetration rising, and manufactured goods prices falling as a result of Asian competition, UK manufacturing has shrunk.
- The decline in domestic traded goods production relative to demand has left the economy with a structural trade gap. Surprisingly, the trade gap has not affected sterling's external value.
- One of the reasons for the continued strength of sterling is that foreign investors have shown a continued appetite for acquiring high yield GBP assets.

Hunt went on to say that the factors above could pose risks to the current status quo of the UK economy, which is largely dependent on other interlinking global economies. A rise in competing currency yields in the EU and a corresponding increase in prices for Chinese manufactured goods could force sterling to fall in value.

However, Hunt remained optimistic for the imminent future. Germany's slow economy could constrain the ECB in raising interest rates, thereby maintaining the attraction of sterling to foreign investors.

The Seminar, entitled "Taylor Young Investment Management: Drivers of Thematic Change", also addressed other investment issues and themes that affect the way in which Taylor Young choose to manage their funds. For more information about Taylor Young's thematic-based view to investing, please refer to their website at www.tayloryoung.com.

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Notes to Editors:

Taylor Young Investment Management Limited (Taylor Young) was founded in 1986 to provide highly personalised investment management to individuals. The firm had £485m under management as at the end of September 2006.

Taylor Young follows an independent, research-led, thematic investment approach, and offers defensive, balanced and growth strategies incorporating the traditional asset classes of cash, bonds and equities with alternative investments. Today, while continuing to focus on managing families' and individuals' personal, pension (SIPP and SSAS) and trust portfolios, Taylor Young also manages investments for charities and smaller institutions.

The PAM Awards Judging Panel nominated Taylor Young for two private asset management awards in 2006. They were for *Image and Reputation – Boutiques* and *Investment Performance – Growth*. In 2005, High Nets Inbrief Awards short listed Taylor Young in their *Investment Manager of the Year* category.