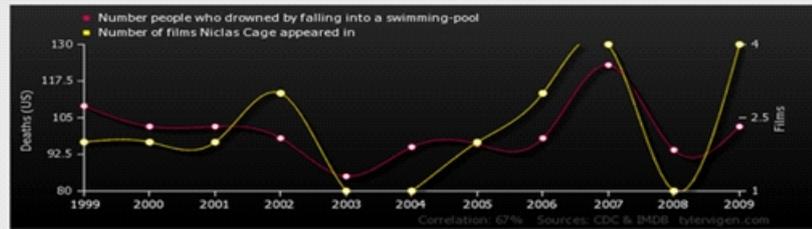


Number people who drowned by falling into a swimming-pool correlates with Number of films Nicolas Cage appeared in



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Number people who drowned by falling into a swimming-pool Deaths (US) (CDC)	109	102	102	98	85	95	96	98	123	94	102
Number of films Nicolas Cage appeared in Films (IMDB)	2	2	2	3	1	1	2	3	4	1	4

Correlation: 0.666004

Source: tylervigen.com

The investing world spends most of its time looking for correlations, especially these days when computers do most of the trading. The problem is that computers, if they only looked at the above data to make decisions, would probably try and have Nicholas Cage arrested if he decided to make another film! The mixing up of cause and effect isn't of course just a computer problem, after all didn't the egg come before the chicken??

This cause and effect problem really is rearing (almost a joke there!!) its head with the current Brexit debate as each side picks data that surely justifies you to vote with them - the EU has helped our prosperity, we are better off than we were when we joined, the inflow of immigrants has been caused because we are in the EU....The facts are we are better off and we do have more immigrants, but is our membership of the EU the cause for this?

Below are some questions, the answers to which may have been effected by us joining the EU or then again perhaps not. The answers may be surprising to you and may make you wonder why it's the UK and not other members having an EU referendum. Or is this just confusing cause and effect.....?

Answers are on the back page. Do you know what you are voting for??

- Which of the following nations was the poorest major European country when joining the EU?**
 - Poland in 2004
 - Spain in 1986
 - Greece in 1981
 - UK in 1973
 - France in 1958
- In 2015 who was richest?**
 - The average citizen of Germany, France and Italy
 - The average citizen of England, Scotland and Wales
- In 2015 net immigration to the UK was 320,000 people. What was the figure in the year the UK joined the EU?**
 - 200,000
 - 50,000
 - 50,000
- The UK has an unemployment rate of 5%, which European country has an unemployment rate of more than double that?**
 - France
 - Spain
 - Italy
 - Greece
- Which country has had the most European Cup/Championship's League wins since the UK joined the EU?**
 - Germany
 - England
 - Spain
 - Italy
 - Scotland



MVAM
MOLE VALLEY
ASSET MANAGEMENT

MVAM Newsletter

May 2016

Answers:-

1. d) When the UK joined the EU in 1973 it was the poorest of all the major European nations
2. b) England, Scotland and Wales
3. c) -50,000. UK because of a weak economy or because we joined the EU continued to have net emigration until 1983.
4. Trick question. All of them have unemployment rates double or more that of the UK. France 10%, Italy 11.4%, Spain 20.4%, Greece 24.4%.
5. b) England 12. Since 1973 German teams have won 7 times, Spanish 8 times and Italian 8. Spanish teams will make it nine this year as it is an all Spain final

Mole Valley Asset Management Ltd.

Website: www.mvam.com Tel: 01306 776999 Email: enquiries@mvam.com
Authorised and Regulated by the Financial Conduct Authority—Reg No. 613008