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EQUITIES	Close	Change	% +/-	P/E '05	YTD
ISEQ	7364	0	0.00%	11.0	0.00%
FTSE 100	5619	0	0.00%	13.5	0.00%
DAX 30	5450	42	0.77%	15.0	0.77%
DOW	10718	0	0.00%	19.5	0.00%
NASDAQ	2205	0	0.00%	15.6	0.00%
S&P	1248	0	0.00%	21.0	0.00%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.1880	0.6857	139.1900
Dollar	1.1880	1.0000	1.7323	117.1400
Sterling	0.6857	1.7323	1.0000	202.9500
Yen	139.1900	117.1400	202.9500	1.0000
Oil (Nymex)	61.0400			

This Week's Research

Today's Research INWS

Breaking News

CRH acquisition

CRH announced on December 30th that it has acquired a 26.3% equity stake in Corporacion Uniland S.A., a Spanish manufacturer of cement, readymixed concrete, mortar and aggregates with additional cement and readymixed concrete interests in Tunisia, Argentina and Uruguay, for a consideration of approximately €300 million. Further details of this deal will be revealed in tomorrow's trading update. This announcement lends further support to our bullish outlook for CRH in 2006 as we believe that increased acquisition spend in H2 2005 will facilitate some upward revisions to 2006 earnings forecasts.

IFG announces £6.8m acquisition

IFG announced that it has acquired, through its subsidiary IFG Trust (Jersey) Limited, Bank of Scotland Trust Company (International) Limited, a company based in Jersey. Bank of Scotland Trust Company (International) Limited provides trust and company administration services primarily for UK and European clients, trusts and other entities under administration. The consideration will be a maximum of £6,800,000 (€10,015,465).

William Hill ups PBT guidance

William Hill has said its annual profit should beat the top end of that previous guidance. In a trading statement released today it said it expected a profit before tax slightly above the range of 230 million pounds to 240 million pounds indicated on Nov. 17. "The board remains confident about the prospects for the group in 2006 with the successful completion of the integration of Stanley Retail Betting and rollout of electronic point of sale and text systems expected to deliver business benefits," William Hill said. "In addition, the football World Cup is likely to provide additional revenue and customer acquisition opportunities."

Business Press

- One-off measures seen as key to boost German economy (IT)
- Bonds weaken as EU growth signs pick up (II)
- Airlines' fly change fees boost revenue (II)
- Russian gas row hits Europe (FT)

INWS (€2.54) Outperformance potential Owen Turner

- Trading statement : In December the company issued an upbeat trading statement, reassuring the market on its progress for the year ahead. The group highlighted its improving margin situation and re-iterated its full-year guidance for double-digit earnings growth. The group posted an operating margin of 17.6 percent for the half year to September and expects it to reach 19 percent by year-end, and then 20 percent within the next 18 months.
- Recent results : Independent News & Media's results for the 6 months ended 30/06/05 showed earnings per share growth of 14.7%. Such double-digit year on year growth was primarily driven by strong advertising conditions in the group's key markets. The advertising revenue growth of the publishing division was 12.4%, whereas circulation revenue growth was 5.5%.
- Circulation growth : Even though this 5.5% circulation growth represented a slowing on the 10% circulation growth achieved in 2004 and is likely to contribute to a slowing in the group earnings growth rate in 2006, further modest circulation growth, helped by some new product launches, should ensure that 12% group earnings growth is achieved in 2006.
- Irish advertising : The Irish market is critical for INWS as it accounts for a quarter of all revenues and nearly a third of all profits. INWS will also benefit from the buoyant outlook for the Irish market. Irish newspaper advertising is likely to experience double-digit earning growth, while consumer spending is expected to grow by at least 6% over the next two years.
- Attractive yield : INWS recently increased its H1 dividend by 25% to 3.75c, and the group remains on course to pay a total 2005 dividend yield of 4%. This dividend per share is forecast to be increased by 20% in 2006, implying a potential dividend yield of 5%.
- Outperformance potential : Our view is that a rating of 15x forward earnings is achievable for the continuation of double digit earnings growth in 2006, and our 12 month price target of €2.70 (6% further upside) is based on 15x 2006 eps of 18c. Following the strong share price performances from several other Irish companies in 2005, such attractive further upside potential in 2006 is becoming increasingly rare.

Investment Press— Lex

- US economy: Ben Bernanke will come in to quite an inheritance. The new Federal Reserve chairman should take on a US economy growing at about 3.5 per cent, interest rates that have increased to almost neutral levels after 18 months of tightening, and restrained core inflation.



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