



May 3, 2005

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EQUITIES	Close	Change	% +/-	P/E '05	YTD
ISEQ	5831	0	0.00%	11.0	-5.92%
FTSE 100	4802	0	0.00%	13.5	-0.25%
DAX 30	4224 ↑	39	0.94%	15.0	-0.75%
DOW	10252 ↑	59	0.58%	19.5	-4.93%
NASDAQ	1929 ↑	7	0.36%	15.6	-7.68%
S&P	1162 ↑	5	0.46%	21.0	-4.11%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.2843	0.6782	135.1100
Dollar	1.2843	1.0000	1.8931	105.2200
Sterling	0.6782	1.8931	1.0000	199.1700
Yen	135.1100	105.2200	199.1700	1.0000

This Week's Research

Today's Research CRH

Today's Recommendations

Breaking News

Friends Provident: Q1 sales up 41 percent

British life insurer Friends Provident reported a 41 percent rise in first-quarter sales today, above expectations. Britain's smallest blue-chip insurer said sales of life and pension products were 129 million pounds, largely boosted by the inclusion of Lombard, a Luxembourg-based life insurer which Friends bought last year to reduce its reliance on the UK market. Analysts had an average forecast for sales of 120 million pounds with a range of 116 million to 126.3 million. "These are excellent first quarter results but, due to the seasonality of the Lombard business and the less predictable flow of UK pensions business, they should not necessarily be taken as a guide for the year," Ben Gunn, chief executive of life and pensions, said in a statement. Friends said it still expected to increase its UK market share, including its share of the fiercely competitive income protection market, and grow its international business in 2005.

Beijing Mobile chooses Iona's Artix

Iona Technologies announced on Monday that Beijing Mobile Communications Corporation (Beijing Mobile), a subsidiary of China Mobile Communications Corporation, has selected Artix, IONA's extensible Enterprise Service Bus (ESB). The mobile communications provider, which has more than 6.5 million subscribers and offers services including mobile voice, SMS, MMS, data, IP telephony and multimedia services chose Artix to facilitate integration between its Business Operation Support System (BOSS) and its new Siebel-based CRM solution.

Markets to focus on FOMC meeting

Today all eyes will be on The Federal Open Market Committee meeting (1815 GMT). The Fed is widely expected to raise interest rates by another quarter-percentage point, continuing the course it has followed at the past seven meetings. However, investors, unsettled by growth and inflation concerns, will mainly be focused on the statement accompanying the rate decision for any clue to the Fed's next move.

CRH (€19.25) Strong US to offset weak Europe Stuart Draper

- CEO guidance : CRH CEO, Liam O'Mahony, has issued some comments on current trading ahead of the company's AGM tomorrow, 4th May. In an interview with Reuters, O'Mahony confirmed that business conditions in the US are improving, and are even stronger now than was the case at the time of the company's full year results' announcement in March.
- US strengthening : US home building remains at buoyant levels and non-residential construction is continuing to grow. The CRH CEO also stated that the 6 year US federal funding programme for transportation is expected to be agreed shortly at "quite satisfactory numbers". It was also noted that the bidding season for US highways is slightly better than expected.
- Cement prices : Crucially, in line with the recent Q1 results of peer company, Cemex, O'Mahony confirmed that CRH is having a better rate of higher energy and transport cost recovery than was the case a year ago. As a result, he is now forecasting "some element of margin progress in 2005".
- Europe offset : As a result, the slightly more negative economic background now for mainland European countries such as Germany, France and the Netherlands should be more than offset by the strengthening US volumes and the robust outlook for margins. O'Mahony also noted that market conditions in Ireland were running slightly ahead of expectations.
- Infrastructure proposal : Some further details concerning CRH's current trading may be disclosed as part of tomorrow's AGM statement. As part of its 2006 budget proposals, the Bush administration is proposing a total spend on transport infrastructure of \$284 bn between 2006 and 2009, a significant \$28 bn increase on its previous proposal, with \$228.6 bn being allocated to highways under the plan.
- US growth : The US residential market remains very strong, infrastructural demand there is stable and the slowdown experienced over the last number of years in the non-residential market is expected to improve in 2005. CRH will also benefit from the increased US federal infrastructure spending programme mentioned above.
- Major upside : We continue to view CRH as a core portfolio play for 2005, with a 12 month price target of €24 (25% upside), based on 13x consensus 2006 eps of €1.85. From current levels, even a modest multiple of 12x consensus forward earnings generates significant upside potential for investors : **BUY**.

Business Press

- MCI picks Verizon (FT)
- Adidas to sell Salomon arm (FT)
- AIG to restate over 4 years (WSJE)
- Agcert to float on London market at €400m (IT)
- No shortlist of bidders yet for B&W (II)

Investment Press— Lex

- Italian banks: If ABN Amro does finally lose in its bid to buy Antonveneta, the biggest blow will not be to the Dutch, but to the credibility of Italy's banking industry and Brussels' hopes of creating a pan-European market in financial services.



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