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EQUITIES	Close	Change	% +/-	P/E '07	YTD
ISEQ	8347 ↑	-354	-4.07%	14.1	-11.28%
FTSE 100	6038 ↑	-233	-3.71%	13.2	-2.93%
DAX 30	7343 ↑	-110	-1.48%	14.2	11.31%
DOW	13240 ↑	-31	-0.23%	15.2	6.23%
NASDAQ	2545 ↑	-12	-0.45%	26.1	5.37%
S&P	1454 ↑	1	0.04%	15.9	2.49%

CURRENCIES & RATES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.3684	0.6767	162.0900
Dollar	1.3684	1.0000	2.0235	118.3000
Sterling	0.6767	2.0235	1.0000	239.5700
Interest Rates (%)	4.0000	5.2500	5.7500	0.5000
Oil (Nymex)	71.4700			

## This Week's Research

## Today's Research British Land

## Breaking News

### Breaking News

#### RBS shareholders vote in favour of ABN takeover

The consortium led by Royal Bank of Scotland today moved a step closer to acquiring Dutch Bank ABN Amro after RBS shareholders voted overwhelmingly in favour of the €71.1bn bid. RBS shareholders representing 71.7m shares voted in favour of the transaction, at a special EGM on Friday. Earlier this week, shareholders in Fortis also voted in favour of the deal and backed a rights issue to help finance the transaction. Santander shareholders passed their own bid vote on July 27. Tom McKillop, RBS' chairman, told shareholders that if the takeover is completed, the total transactional benefits of the deal will amount to €1.8bn by the third year after it is completed.

#### ICI agrees to £8bn takeover offer from Akzo Nobel

Akzo Nobel has agreed to buy Britain's ICI Plc for £8bn to boost its position as the world's biggest industrial coatings maker. However, Akzo still has to secure shareholder support for the deal and faces opposition from at least one major investor, US fund TPG-Axon. Akzo, whose coatings are used on Airbus's A380 superjumbo, said it would pay 670p a share in cash for ICI. That is 22% above ICI's closing share price on June 15, the day before it announced a bid approach from Akzo. ICI shares were up 1.7% at 635p today, around 5% below the offer price and reflecting some doubts whether Akzo shareholders will back the deal. In a side deal, German consumer products group Henkel agreed to buy ICI's adhesives and electronic materials businesses for 2.7 billion pounds, conditional on Akzo buying ICI.

#### Fire destroys Glanbia's pork processing factory

A fire has completely destroyed a Glanbia meat packing plant in Offaly over the weekend. This is the second time in 5 years that a fire has destroyed a Glanbia factory. The fire reduces Glanbia pork processing to just one factory in Roscrea. The fire is not expected to negatively affect Glanbia's profitability with less than 5% of group profit coming from pork processing and the company is insured against any losses arising from the closure of the Factory.

#### British Land (£11.72) Preview of Q1 results Stuart Draper Target : £17.50 (11/01/07; previously £17, issued 21/11/06)

- Results preview : This Thursday, 16th August, British Land (BL) will announce its results for the 3 months ended 30/06/07. We are expecting net asset value (NAV) per share of £17.16 as at 30/06/07 to be announced, representing 2% growth on the £16.82 per share reported as at 31/03/07. This would keep the group on target to achieve full year NAV per share growth of 9% to £18.33 as at 31/03/08. The results' announcement should also provide some important reassurance that the UK office property market remains buoyant currently, and that the UK retail property market also remains solid.
- Buyback resumption : Following the Q1 results' announcement, BL will be able to resume its share buyback programme, with a further c.£200m worth of its shares currently expected to be bought back over the next 12 months. The £1 bn of asset sales completed over the 3 months ended 30/06/07 create the potential for an increase in this buyback programme should the group's share price remain at its current c.32% discount to NAV.
- NAV discount : Such a discount to NAV would appear excessive, given that the historical UK property sector average over the past 25 years has been 10% to account for CGT, and given that a lower NAV discount is now justified as a result of the elimination of this tax through REIT conversion. BL is also committed to accelerating its portfolio repositioning under the new REIT legislation. Further such activity over the rest of 2007 should help expose the significant discount to NAV at which the shares are now trading. The value of BL's office properties showed a 13.6% increase for the year ended 31/03/07 and the value of its retail properties showed a 7.6% increase.
- Major upside : With c.3 msf of office development projects delivering over the next 2 years, the vast majority of which is located in the fast-improving London City area, we are still forecasting further 9% NAV per share growth over the next 12 months to £18.33 as at 31/03/08. As a result, our current 12 month target price remains £17.50 (49% upside), which is based on a 5% discount to year end NAV per share of £18.33. In line with this REIT conversion on 01/01/07, BL increased its full year dividend to at least 33p, representing a dividend yield of c.3% on the current share price : **BUY**.

### Business Press

- Aer Lingus goes for peace dividend (FT)
- Apple ushers in new Mac generation (FT)
- Mannion rules out reversal of decision (IE)

### Investment Press

- Taking stock: It won't be pretty when equity investors return to their screens on Monday to trawl through the wreckage. The FTSE All World index has dropped about 8 per cent since mid-July.

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