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EQUITIES	Close	Change	% +/-	P/E '07	YTD
ISEQ	7591 ↑	25	0.32%	11.0	3.09%
FTSE 100	5861 ↑	3	0.06%	12.4	4.30%
DAX 30	5638 ↑	22	0.39%	15.0	4.24%
DOW	11013 ↓	-122	-1.09%	19.5	2.13%
NASDAQ	2090 ↓	-39	-1.81%	15.6	-5.22%
S&P	1259 ↓	-14	-1.09%	21.0	1.09%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.2702	0.6926	146.5800
Dollar	1.2702	1.0000	1.8338	115.4000
Sterling	0.6926	1.8338	1.0000	211.6100
Yen	146.5800	115.4000	211.6100	1.0000
Oil (Nymex)	74.9500			

This Week's Research
Aviva
Standard Life

Today's Research
Blackrock

Breaking News

Blackrock (38c)

Initiating Coverage

Stuart Draper

- Recent performance : The share price of Blackrock International Land, the Fyffes's property spin-off has outperformed the Irish market since its listing on 15th May (+11% v -1%). Even though the share price may have limited further upside in the short term, an examination of the company's property portfolio indicates the potential to create substantial further NAV growth over the next 2 years.
- Buoyant markets : Given the buoyant outlook over the next 2 years for the property markets of Ireland, Northern Ireland and the UK, the company's property portfolio would appear to have significant upside potential from the April 2006 valuation reports compiled by Lisney, BTW Shiels and Lambert Smith Hampton. These valuations are contained in Blackrock's prospectus dated 13/04/06, and the buoyancy of these property markets continues to result in achieved market prices significantly exceeding valuations contained in such reports.
- Limited downside : Despite the out-performance of recent months, Blackrock's current NAV per share of 37c limits downside risk for the share price. This NAV per share is made up of properties worth €215.5m (after the recent acquisitions of €9m), net cash of c.€11m and a deferred tax liability of €10m, divided by the 583.26m Blackrock shares in issue.
- Attractive upside : However, in addition to there being limited downside risk to the share price from current levels, there would appear to be attractive upside potential over the next 2 years from synergistic bolt-on acquisitions, combined with more efficient utilisation of the company's existing sites. An example of such a synergistic acquisition was the recent purchase of 31 acres at Broxburn, 13 miles west of Edinburgh, as part of a €9m announcement, which also included the purchase of a 34,000 sq ft warehouse in the Dublin's Wilsborough Industrial Estate.
- NAV growth : Our recommendation is based on a 2 year investment horizon as a result of the lengthy time periods required by the planning process. Our view is that Blackrock's current NAV per share of 37c has the potential to grow by 20% per annum over the next 2 years to 53c. Given that the UK property sector average currently trades at a 10% discount to NAV and that the UK property sector historical average discount to NAV over the past 25 years has been c.10%, our initial 2 year price target of 48c (26% upside) is based on a 10% discount to NAV per share of 53c as at 30/06/08 : **Long term BUY.**

Breaking News

Aviva to raise £900m in shares for AmerUs

Aviva PLC has confirmed the acquisition of US life insurer AmerUS Group Co for \$2.9bn, a move that will boost the U.K. insurer's reach into the U.S. market. Aviva said it will raise £900m in new shares to finance the cash purchase, with the remainder to be paid with debt and money it has on hand. It will pay \$69 in cash per AmerUs share, a 10% premium to AmerUs' closing price on July 6 and representing 12.5 times the estimated earnings per share of AmerUs in 2007. Aviva said the purchase of AmerUs, which has been recommended by the Iowa company's board, will transform its U.S. business and gives it a top position in the world's largest savings market. It will combine AmerUs with its Aviva U.S. unit, and the business will use the Aviva name.

Greencore angry at share of EU sugar compensation

Greencore criticised a government decision Wednesday allocating it less than 70% of a European Union restructuring fund intended to compensate producers affected by EU sugar reforms. Greencore, once Ireland's sole sugar producer, shut down its factories with the loss of hundreds of jobs following last year's changes to EU subsidies which it said had rendered its sugar business unviable. On Wednesday, the Irish government allocated nearly €100m of a €144m EU aid package to Greencore with the remainder going to Ireland's 3,700 beet growers who have been forced to cease production. Greencore said that under EU rules it was entitled to 90% of the fund and described the government's proposal as flawed. It said that the Board will protect the legitimate interests of its shareholders and will act to preserve the company's entitlement. Greencore added that the Board will consider the options open to it and will decide on and pursue a definitive course of action in due course.

Business Press

- High Court rejects Ryanair bullying claim (IT)
- Premier buys Campbell business (IE)
- ESBI sells 50% equity stake in British power plant (IE)

Investment Press

- The world's equity markets may have taken a tumble, but its stock exchanges are firing on all cylinders. On Wednesday the London Stock Exchange said sales for the past quarter rose by 25% year-on-year to a new record.



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