

CONTENTS

Market View :

AIB : Media reports suggest Canadian bank approach

British Land : Bid speculation

Sterling Energy : Announces share pricing

Market Movers

IRISH PAPERS TODAY

Canadian bank makes surprise approach for stake in AIB
(The Irish Times)

Retail sales increase for the first time in four months
(The Irish Times)

Greencore shares slip back after high of €1.55
(Irish Independent)

INTERNATIONAL PAPERS TODAY

Data raise hopes for eurozone recovery

(Financial Times)

Tucker's farewell boost for pru

(Financial Times)

Europe outlook brightens
(The Wall Street Journal)

DOLMEN DOZEN

Company	1-day %	YTD %
Aryzta	-0.2%	6.5%
BP	-0.3%	-2.4%
CRH	3.1%	13.6%
DCC	0.5%	49.3%
E.ON	0.6%	-2.3%
HPQ	0.4%	22.2%
IL&P	6.9%	154.0%
INM	0.0%	-41.2%
J&J	-0.4%	0.8%
JPMorgan	1.6%	36.1%
Microsoft	0.4%	21.5%
Vodafone	-0.2%	-8.0%

Market View

Analyst : Stephen Taylor

European equity markets are higher this morning adding to yesterday's gains after better than expected GDP figures out of the Euro-Zone in particular France and Germany that showed positive growth quarter on quarter. We were surprised by the resilience of the European economy during the second quarter. We had expected it to be last out of recession when compared to the US and UK economy given the lateness of the ECB in its rate cutting cycle. Yesterday's weaker than expected retail sales data out of the US was a surprise given the expected boost that was due from the auto stimulus cash for clunkers program and highlights that while the unemployment rate remains at elevated levels consumer spending is likely to remain weak. As for today, the main focus today will be on economic data out of the US with both Michigan Confidence and Industrial production figures expected to show monthly increases. On the corporate front retailers Abercrombie & Fitch and JCPenny are both expected to report earnings before the US market opens.

AIB : Neutral Current Price (€2.30) Price target (€1.55) Analyst : Oliver Gilvarry

The Irish Times reported this morning that a Canadian bank has made an approach for a stake in AIB. The name of the Canadian bank has not been released, but it is one of the big five. The five largest Canadian banks are, CIBC, TD, Bank of Nova Scotia, RBC and Bank of Montreal all have operations in Ireland, but these mainly relate to IFSC operations and would be relatively small. The approach was made two weeks ago to the Government and AIB, with the Canadian bank wanting to take an equity stake. According to the Irish Times, their source stated "We deem this to be of a lot higher standard than other approaches." The investment will only take place after the creation of NAMA and the problem loans are removed from the balance sheet of AIB. Canadian banks have weathered the credit crisis significantly better than US and European peers. Their lower level of leverage, lack of a significant housing bubble and risk adverse attitude helped them avoid problems. The approach, if serious, is a positive for AIB and the Government. For the Government, it would reduce the need for the state to provide more capital for AIB after the transfer of loans into NAMA, reducing pressure on state finances. It would also be a positive signal to the market on the Irish financial system and could lead to further international capital to follow into the other Irish banks. Such a situation would help stabilise the financial system. NAMA is still key to the Irish banking system and the report this morning highlights this further. The Canadian interest is only in investing in the bank once NAMA has stabilised the balance sheet of AIB by removing the problem loans. The approach has given no indication of what price would be paid for the stake and any price will be dependant on the haircut imposed on AIB's loan book. Therefore, we remain cautious on the details of the approach and we would not be a buyer of AIB at these levels and we retain our price target of €1.55.

British Land : Bid speculation Current Price (525p) Analyst : Oliver Gilvarry

The Daily Telegraph reports this morning that British Land may be a takeover target for a group of foreign investors, including Lakshmi Mittal and Abu Dhabi's ruling family, citing unidentified people familiar with the situations. The report suggests that investors from India and Abu Dhabi approached bankers from Credit Suisse about bidding for British Land after an initial interest in Broadgate Circle. The report also notes that the plans are at an early stage and investors have not yet approached British Land.

Sterling Energy : Buy Current Price (3p) Price target (10p) Analyst : David Dunk

Sterling Energy has announced the placing of 4.8bn new shares at 1.3p each which will raise £62.5m for the group. It will be used to repay £35m of debt and will provide a stronger negotiating position for the company in the ongoing sale process relating to the company's US assets. The working capital of the group will strengthen and the funds will allow the group to focus on the highly prospective Sangaw north block in Kurdistan. In addition the company has announced that by mid November the company intends to undertake an open offer to raise approximately £20.6m at the placing price which give private shareholders the opportunity to participate in the fund raising. Despite the dilutive nature of the equity raise, it will secure the company's future and encouragingly it will allow for more emphasis to be placed on its exploration process.



International Equity Markets

Index	Value	1-Day	YTD
ISEQ	2,949	2.0%	27.0%
FTSE	4,755	0.8%	7.7%
Dow Jones	9,362	1.3%	7.1%
S&P	1,006	1.2%	12.1%
Nikkei	10,517	0.8%	19.6%
Stoxx 50	2,706	0.7%	11.1%

Sector Performances

Sector	Index	1-Day	YTD
Construction	244	2.2%	2.0%
Technology	177	0.7%	4.2%
Oil & Gas	293	-0.1%	3.0%
Financials	223	2.2%	2.6%
Retail	228	0.3%	1.8%
Food & Drink	252	-1.6%	4.4%

Commodity Prices

Commodity	Index	1-Day	YTD
Crude Oil	70.5	0.5%	26.0%
Copper	151.2	3.2%	104.6%
Gold	843.0	0.8%	8.4%
Silver	11.1	2.8%	33.1%
Wheat	613.3	-1.6%	-24.3%
Cattle	85.8	-0.2%	-1.2%

Currency Exchange Rates

Commodity	Index	1-Day	YTD
€/\$	1.429	0.7%	-2.1%
€/£	0.862	0.1%	10.7%
£/\$	1.658	0.6%	-11.6%
\$/JPY	95.478	-0.6%	-4.8%
€/JPY	136.448	0.1%	-6.8%
€/SFR	1.529	-0.1%	-2.3%

5Yr Credit Spreads

Commodity	Index	1-Day	YTD
Invest Grade	106.0	-0.9%	-40.7%
High Yield	151.2	-2.6%	-36.2%
Financials	843.0	-0.1%	-24.3%
BoI	11.1	-0.9%	29.7%
AIB	613.3	-0.8%	54.3%
RBS	85.8	-1.3%	-2.5%

Money Market Rates

Rate	EUR	UK	US
Overnight	0.3%	0.4%	0.2%
3-Month	0.9%	0.8%	0.4%
1-Year	1.3%	1.0%	0.7%
2-Year	1.9%	2.1%	1.5%
5-Year	2.9%	3.6%	2.9%
10-Year	3.6%	4.2%	3.8%

Date Company Region Event

Date	Company	Region	Event
13/08/2009	Anheuser-Busch InBev I	BE	Q2
13/08/2009	Aeroports de Paris SA	FR	H1
13/08/2009	RWE AG	DE	Q2
13/08/2009	Arcandor AG	DE	Q3
13/08/2009	Prudential Plc	GB	INTERIM
13/08/2009	Tomkins PLC	GB	INTERIM
13/08/2009	Thomas Cook Group Plc	GB	TRADE
13/08/2009	Hypo Real Estate Holdir	DE	AGM
13/08/2009	Investec Plc	GB	AGM
13/08/2009	Dr Pepper Snapple Gro	US	Q2
13/08/2009	Kohls Corporation	US	Q2
13/08/2009	Nordstrom	US	Q2
13/08/2009	Wal-Mart Stores Inc.	US	Q2
13/08/2009	The Estée Lauder Co. Ir	US	Q4
14/08/2009	Bauer AG	DE	Q2
14/08/2009	ThyssenKrupp AG	DE	Q3
14/08/2009	CTT Systems AB	SE	Q2
14/08/2009	Crew Gold Corp	GB	Q2
14/08/2009	Imagination Technolog	GB	AGM
14/08/2009	Abercrombie & Fitch Co	US	Q2
14/08/2009	JCPenney	US	Q2
17/08/2009	Dragon Oil PLC	IE	INTERIM

Date Event Region Estimate

Date	Event	Region	Estimate
13/08/2009	GDP s.a. (QOQ)	GE	--
13/08/2009	ECB Publishes Aug. Monthly	EC	--
13/08/2009	Euro-Zone GDP s.a. (QoQ)	EC	--
13/08/2009	Import Price Index (MoM)	US	--
13/08/2009	Advance Retail Sales	US	--
13/08/2009	Initial Jobless Claims	US	--
13/08/2009	Business Inventories	US	--
14/08/2009	Euro-Zone CPI (MoM)	EC	--
14/08/2009	Consumer Price Index (MoM)	US	--
14/08/2009	Industrial Production	US	--
14/08/2009	Capacity Utilization	US	--
14/08/2009	U. of Michigan Confidence	US	--
17/08/2009	Rightmove House Prices (Mc	UK	--
17/08/2009	Euro-Zone Trade Balance	EC	--
17/08/2009	Empire Manufacturing	US	--
17/08/2009	Net Long-term TIC Flows	US	--
17/08/2009	NAHB Housing Market Index	US	--
18/08/2009	CPI (MoM)	UK	--
18/08/2009	RPI (MoM)	UK	--
18/08/2009	ZEW Survey (Econ. Sentime	GE	--
18/08/2009	Producer Price Index (MoM)	US	--
18/08/2009	Housing Starts	US	--

Regulatory Information

Dolmen Securities Limited is regulated by the Financial Regulator. Dolmen Securities Limited is a member firm of the London Stock Exchange. Dolmen Stockbrokers is regulated by the Financial Regulator. Dolmen Stockbrokers Limited is a member firm of the Irish Stock Exchange and the London Stock Exchange.

This report has been prepared by Dolmen Stockbrokers ('Dolmen') for information purposes in order to assist investors to make their own investment decisions and is not intended to and does not constitute personal recommendations nor provide the sole basis for any evaluation of the securities discussed. Specifically the information contained in this report should not be taken as an offer or solicitation of investment advice or, encourage the purchase or sale of any particular security, option, future or other derivative investment. Not all recommendations are necessarily suitable for all investors and Dolmen recommend that specific advice should always be sought prior to investment, based on the particular circumstances of the investor.

Although the information in this report has been obtained from sources, which Dolmen believes to be reliable and all reasonable efforts are made to present accurate information Dolmen give no warranty or guarantee as to, and do not accept responsibility for, the correctness, completeness, timeliness or accuracy of the information provided or its transmission. Nor shall Dolmen, or any of its employees, directors or agents, be liable to for any losses, damages, costs, claims, demands or expenses of any kind whatsoever, whether direct or indirect, suffered or incurred in consequence of any use of, or reliance upon, the information. Any person acting on the information contained in this report does so entirely at his or her own risk.

All estimates, views and opinions included in this report constitute Dolmen's judgment as of the date of the report but may be subject to change without notice. Changes to assumptions may have a material impact on any recommendations made herein.

Unless specifically indicated to the contrary this report has not been disclosed to the covered issuer(s) in advance of publication.

Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up. Investments denominated in foreign currencies are subject to fluctuations in exchange rates, which may have an adverse affect on the value of the investments, sale proceeds, and on dividend or interest income. The income you get from your investment may go down as well as up. Figures quoted are estimates only, they are not a reliable guide to the future performance of this investment. Investors should be aware that forward-looking statements and forecasts may not be realised.

This report is the property of Dolmen and may not be reproduced (in whole or in part) altered, transmitted or made available to any other person without the prior written permission of Dolmen.

Conflicts of Interest & Share Ownership Policy

Dolmen, its employees, directors or related companies, may have a shareholding in the securities (or related investments / derivatives) of certain companies covered in this report, or may provide/ solicit investment banking or other services to/ from them.

It is noted that research analysts' compensation is impacted upon by overall firm profitability and accordingly may be affected to some extent by revenues arising other Dolmen business units including Corporate Finance, Fund Management and Stockbroking. Revenues in these business units may derive in part from the recommendations or views in this report. Notwithstanding, Dolmen is satisfied that the objectivity of views and recommendations contained in this report has not been compromised.

Dolmen permits research analysts to own shares and/ or derivative positions in the companies they publish research, views and recommendations on. Accordingly analysts involved in the production of this report may have positions in any securities herein. Dolmen ensures that all staff dealing is undertaken in strict compliance with Dolmen's internal staff dealing procedures. Therefore Dolmen is satisfied that the impartiality of research, views and recommendations remains assured.

Analyst Certification

Each research analyst responsible for the content of this report, in whole or in part, certifies that: (1) all of the views expressed accurately reflect his or her personal views about those securities or issuers; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in the research report. Oliver Gilvarry, David Dunk, Stephen Taylor and Edward Keeling are responsible for the production of this report. Oliver Gilvarry is Head of Research and David Dunk, Stephen Taylor and Edward Keeling are equity analysts.

For US Persons Only

This report is only provided in the US to major institutional investors as defined by s. 15 a-6 of the Securities Exchange Act, 1934 as amended. A US recipient of this report shall not distribute or provide this report or any part thereof to any other person.

Dolmen Stockbrokers, 75 St. Stephen's Green, Dublin 2, Ireland.



DOLMEN SECURITIES LTD

75 St. Stephen's Green, Dublin 2, Ireland.
45 South Mall, Cork, Ireland
Theatre Court, Mallow St, Limerick, Ireland.

Tel : +353 1 633 3800/1890 400 300
Tel : +353 21 422 2122
Tel : +353 61 436 500

E-mail: info@dsl.ie
E-mail: cork@dsl.ie
E-mail: Limerick@dsl.ie