



December 16, 2005

Contact Details:

Email : [research@dsl.ie](mailto:research@dsl.ie)  
[info@dsl.ie](mailto:info@dsl.ie)

Tel : +353 1 633 3800  
Fax : +353 1 677 4708

| EQUITIES | Close   | Change | % +/-  | P/E '05 | YTD    |
|----------|---------|--------|--------|---------|--------|
| ISEQ     | 7159 ↑  | 30     | 0.42%  | 11.0    | 15.51% |
| FTSE 100 | 5495 ↓  | -26    | -0.47% | 13.5    | 14.15% |
| DAX 30   | 5296 ↑  | 9      | 0.17%  | 15.0    | 24.43% |
| DOW      | 10882 ↓ | -2     | -0.02% | 19.5    | 0.92%  |
| NASDAQ   | 2261 ↓  | -2     | -0.09% | 15.6    | 8.22%  |
| S&P      | 1271 ↓  | -2     | -0.14% | 21.0    | 4.86%  |

| CURRENCIES  | Euro     | Dollar   | Stg      | Yen      |
|-------------|----------|----------|----------|----------|
| Euro        | 1.0000   | 1.1988   | 0.6781   | 139.4600 |
| Dollar      | 1.1988   | 1.0000   | 1.7678   | 116.3600 |
| Sterling    | 0.6781   | 1.7678   | 1.0000   | 205.6400 |
| Yen         | 139.4600 | 116.3600 | 205.6400 | 1.0000   |
| Oil (Nymex) | 59.9900  |          |          |          |

## This Week's Research

PAREF  
Fyffes

## Today's Research

## Breaking News

### WW awards share options to managers

On Thursday Waterford Wedgwood granted nearly 330m share options to senior management at a price of 6c per share. As part of the Share Price Recovery Incentive Plan, the group has granted options over 328,431,342 ordinary shares to certain executive directors and senior managers. Chief executive Peter Cameron has been granted just over 104m shares, while a number of other managers have been granted options over 14.5m shares. These include Patrick Dowling, John Foley, Ottmar Kuesel, Moira Gavin, Wayne Nutbeen and Frank Johnston. Chairman Dr Tony O'Reilly said the new structure would ensure that the interests of senior management were even more closely aligned with the business. "

### US CPI falls in November

The latest figures from the US Labour Department has shown that consumer prices fell by 0.6% in November, the biggest decline since 1949. November's headline consumer price index fell by 0.6 percent after being forecast to fall by 0.4 percent. Core CPI, stripped of food and energy costs, advanced 0.2 percent for a second straight month, as expected, and was up 2.1 percent for the year, a level that the Fed would appear to be uncomfortable with.

### UK retail sales up 0.7%

UK retail sales rose at their sharpest rate in five months in November, in a further sign that consumer demand is picking up and boding well for the key Christmas shopping season. The Office for National Statistics said on Thursday that sales rose 0.7 percent last month after an upwardly revised 0.4 percent in October. This was more than double market expectations and took the annual rate to 2.1 percent.

## IL&P trading statement

On Thursday Irish Life & Permanent released a strong year end pre-close period trading statement, in line with expectations. New life business in Ireland has grown at a high teen's rate (a little better than expected), and life margins have shown a significant improvement on 2004 (19% v 14.9%). Mortgage lending growth has not surprisingly been very strong again in 2005 at over 20%, even though earnings growth here has been offset by further margin erosion of c.0.12% (in line). Overall, a strong trading statement and 2005 performance, but trading at more than a 10% premium now to the European sector, it is a set of good news which is now in the price. The statement also revealed that earnings will only be "in line with market expectations", and that guidance has not been raised. At €16.60 we recommend taking profits. **NEUTRAL**

## Persimmon expects strong FY results

British housebuilder Persimmon expects to announce another strong set of annual results, with turnover up 8 percent in line with its expectations, the company said today. It said turnover for the year to end-December was expected to be around £2.3bn pounds, with carried forward sales into 2006 at similar levels to 2005 at around £550m. The group, said it had achieved satisfactory operating margins in the second half of 2005 and had more than 120 new outlet openings planned for the first half of 2006. Persimmon said the average selling price for the year was up about 5 percent at 180,500 pounds and that legal completions had increased slightly to 12,600 compared to 12,360 a year ago.

## Business Press

- WTO talks deadlocked as EU, US disagree on subsidies (IT)
- Fyffes to set up €200m listed property firm (IT)
- ESOT members fail to attend Eircom meeting (IT)
- US court reverses \$10bn Philip Morris judgement (II)

## Investment Press— Lex

- Philips: Turning a supertanker around takes a very long time. Philips' portfolio restructuring, away from its more cyclical businesses to less volatile operations, is a sensible, but slow, process.



DOLMEN SECURITIES

DOLMEN SECURITIES → Website : [www.dolmensecurities.com](http://www.dolmensecurities.com)

Dolmen House, 4 Earlsfort Terrace, Dublin 2, Ireland.  
45 South Mall, Cork, Ireland.

• Tel : +353 1 633 3800  
• Tel : +353 21 422 2122

• Fax : +353 1 677 7044  
• Fax : +353 21 422 2123

• Email : [info@dbb.ie](mailto:info@dbb.ie)  
• Email : [cork@dbb.ie](mailto:cork@dbb.ie)

Disclaimer: The information in this document has been obtained from sources, which we believe to be reliable. We cannot guarantee its accuracy or completeness. It does not constitute a solicitation for the purchase or sale of any investment. Any person acting on the information contained in this document does so at their own risk. Recommendations in this document may not be suitable for all investors. Individual circumstances should be considered before a decision to invest is taken. Investors should note the following: Past experience is not necessarily a guide to future performance. The value of investments may fall or rise against investors' interests. Income levels from investments may fluctuate. Changes in exchange rates may have an adverse effect on the value of, or income from, investments denominated in foreign currencies. Dolmen Securities is a Member Firm of the London Stock Exchange, and is authorised by the Financial Regulator under the Investment Intermediaries Act 1995. Dolmen Stockbrokers is a Member Firm of The Irish Stock Exchange, The London Stock Exchange, and is authorised by the Financial Regulator under the Stock Exchange Act 1995. Dolmen Stockbrokers is regulated by the Financial Regulator as a Mortgage Intermediary.