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EQUITIES	Close	Change	% +/-	P/E '05	YTD
ISEQ	6643	↓ 24	-0.36%	11.0	7.18%
FTSE 100	5275	↑ 10	0.19%	13.5	9.58%
DAX 30	4976	↑ 25	0.51%	15.0	16.91%
DOW	10287	↑ 71	0.69%	19.5	-4.60%
NASDAQ	2065	↑ 18	0.86%	15.6	-1.16%
S&P	1187	↑ 10	0.83%	21.0	-2.10%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.2085	0.6839	137.6000
Dollar	1.2085	1.0000	1.7456	114.2300
Sterling	0.6839	1.7456	1.0000	200.3800
Yen	137.6000	114.2300	200.3800	1.0000
Oil (Nymex)	62.6300			

This Week's Research

Today's Research British Land

Breaking News

Elan says Tysabri clears new safety study

Elan Corp and Biogen Idec said on Monday a new safety study of their Tysabri drug in patients with Crohn's disease and rheumatoid arthritis (RA) showed no new cases of PML. The companies said there were no new confirmed cases of progressive multifocal leukoencephalopathy (PML), mirroring the results of a similar safety study of Tysabri in patients with multiple sclerosis (MS).

CRH more confident on US construction

On Monday and Tuesday of last week CRH hosted a visit to the United States for investors and sector analysts commencing. The trip comprised of visits to CRH's Northeastern US locations and presentations by management. While no material new information was disclosed in the presentations and no new trading information was provided, analysts were pleased with upbeat comments from management. Some reports have indicated that CRH is more confident than expected on US residential construction, adding that the US residential 'bubble' has been overestimated.

Ryanair to appeal High Court's decision

Ryanair is to appeal the decision made against it by the High Court on Friday to the Supreme Court. The High Court said that the Labour Court should be allowed to carry out an investigation into pilots' complaints at the airline. Ryanair had challenged the Labour Court's entitlement to hear the complaints under new industrial relations legislation. The airline had argued that the industrial relations law effectively introduces compulsory union recognition by the back door and should not apply to a high pay multi-national like Ryanair.

Business Press

- Banking sector in Republic 'compares favourably' (IT)
- Quinn group raises €248.5 million (IE)
- BP and US oil majors fight for Bengal gas field (FT)
- Lloyd's chief to lead Pru expansion (FT)

British Land (£8.99)

BUY ahead of results

Stuart Draper

- Upcoming results : British Land will announce results for the 6 months ended 30/09/05 on Thursday 24th November. Most importantly for the share price, the results could contain some further plans for the sale of properties over the next 12 months, which could act as further catalysts in realising the hidden value in the current share price.
- Property sales : Following a recent strategic review of its property portfolio, British Land has already started selling some of its high street retail properties as a result of the buoyant market for such properties. The sale of 9 retail properties from its High Street portfolio for a total of £52.25m was recently announced, which was above their combined book value, and in September, its interest in 2-16 Baker Street, London W1, was sold for £57.2m, which was significantly above its book value.
- Ilac sale : In early September, the company also sold its 50% interest in the Ilac Shopping Centre, Dublin, for €121.32m, having purchased the stake in 2001 for €56.6m. Also sold in early September was 10 Fleet Place, London EC4, for £109.12m. Such disposals of the group's lower yield properties shows how the group's true net asset value per share is likely to be higher than the most recent stated book value per share of £11.11.
- Historic average : We also recently examined the historical average discounts to NAV at which both British Land and the UK property sector have traded over the past 25 years. The sector has traded at a range of between a 52% discount and a 28% premium, giving a midpoint of a 12% discount, and British Land has traded at a similar range of between a 55% discount and a 35% premium, giving a midpoint of a 10% discount.
- Sector average : However, what is notable now is that while the current sector average discount of 10% is in line with its historic sector average of 12%, British Land's current discount of 19% is still well below this level and well below its historic average discount of 10%. A NAV per share of £11.11 was reported as at 31/03/05, representing 15% year on year growth, and 8% profit before tax growth to £201.8m was also achieved.
- Rate cycle : It also appears that the peak in the UK interest rate cycle has now been reached following the recent 0.25% cut in the MPC rate to 4.5%. Our current 12 month price target for British Land of £10 (11% further upside) is based on a sector average discount of 10% to the company's NAV per share of £11.11 as at 31/03/05. British Land's share price has risen by 5% since our last BUY note of 24/08/05 : **BUY**.

Investment Press— Lex

- European Airlines: Goldman Sachs uses the amount its investment bankers travel as an indicator of where British Airways' share price is heading. Indeed, BA's exposure to London's investment banks is one reason why demand has proved resilient to sustained high fuel prices.



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