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**BOI** : Announces new reporting period

## Market Movers

## IRISH PAPERS TODAY

Ryanair chief says 300 jobs lost as no agreement possible  
*(The Irish Times)*

Possibility of EU Greek intervention a step closer  
*(The Irish Times)*

Greek crisis fails to dent demand for Irish bonds  
*(Irish Independent)*

## INTERNATIONAL PAPERS TODAY

Barclays chiefs seek lead role in reforms  
*(Financial Times)*

Investors back Shell's executive pay freeze  
*(Financial Times)*

EU tells Athens to fix its budget as strikes begin  
*(The Wall Street Journal)*

## Market View

**Analyst : Stephen Taylor**

European equity markets are continuing to make gains this morning following a strong finish in the US and Asia overnight. Credit Default Swap spreads are edging tighter (a positive for equity markets) as the appetite for riskier asset classes is beginning to return. Throughout the downturn in equity markets over the last 4 weeks, we have maintained our positive outlook due to the improved economic environment, corporate profit outlook and increased M&A activity. Newsflow yesterday confirmed that all three points remain. Empire manufacturing data showed further improvement, coming in well ahead of expectations. Results from Barclays also surprised to the upside with the company commenting that the recovery in the US is gathering momentum. On the M&A front in the US, Simon Property Group offered to buy General Growth properties for c. \$10bn that had filed for bankruptcy last year. While clearly risks in equity markets do remain due in part to the sovereign debt issues in peripheral Europe, we continue to retain our positive stance on markets. As for today the main focus will be on economic data. In the UK, Bank of England minutes will provide further light into whether more quantitative easing is on the cards, while unemployment data is expected to show further signs of stabilisation. In the US housing data and industrial production data will also be closely watched, while minutes from the FOMC's most recent meeting will also be released after European markets close. On the earnings front, results from Hewlett-Packard are due to be released after the US market closes and will provide a key insight into the current trends in the PC market.

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**Aviva : Buy**      **Previous Close** 371p      **Target** 520p      **Analyst** Oliver Gilvarry

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Legal and General (LGEN) released full year sales figures this morning that were in line with expectations at £1.388bn. As seen in Aviva's release a number of weeks ago, UK sales have improved over the year and LGEN sales in that area were better than expected. UK sales were impacted by the slow down in the housing market, but this was offset by protection and risk sales. Its Investment Management area also recorded stronger than expected inflows. International sales disappointed with US and Dutch business underperforming. The group reported a very strong net cash generation of £650m or 11p per share almost double what it achieved in 2008 and 3.1x the estimated dividend in 2009. Cost savings targets were also exceeded with savings of £65m achieved in 2009 compared to a target of £50m. Capital levels beat expectations with an IGD surplus of £3.1bn before payment of final dividend. Defaults on assets held in the annuity portfolio were minor with only a hit of £1m net of recoveries. The sales figures today are good with management commenting they expect the Risk and Savings markets to improve this year. They believe the UK economy will experience modest growth and that housing market activity will remain "subdued". These good UK sales figures, which follow similar figures from Aviva last week are a good signal for the year ahead.

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**Barclays : Buy**      **Previous Close** 275p      **Target** 415p      **Analyst** Oliver Gilvarry

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BNP Paribas reported fourth quarter results this morning and France's largest bank beat market consensus forecasts which can primarily be attributed to lower loan loss provisions than expected. Net profit for the period rose 4.6% to €1.36bn. This compares with a loss of €1.37bn a year earlier and analysts' estimates of €1.02bn. Revenue came in at €10.1bn in line with expectations. The group's capital position remains strong, with a core Tier 1 position of 8%. As a result it has increased its dividend from €1 share up to €1.50. Its investment banking operations performed strongly, while its domestic retail business exhibited strong loan growth, providing a good outlook for 2010. Overall these results provide a positive read through for Barclays and following on from Barclays' strong results yesterday, we reiterate our Buy recommendation.

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**BOI : Buy**      **Previous Close** €1.30      **Target** €1.50      **Analyst** Oliver Gilvarry

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Bank of Ireland (BOI) released a statement this morning announcing that it will change its reporting year end. BOI is moving in line with its other Irish peers and will now have a financial year in line with the calendar year. The group will release accounts for the 9-month period up to the end of December 2009 to be released in late March. From then on the reporting period will be the calendar year.

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### International Equity Markets

Index	Value	1-Day	YTD
ISEQ	2,863	0.0%	-2.6%
FTSE	5,167	0.5%	-3.1%
Dow Jones	10,269	1.7%	-1.5%
S&P	1,095	1.8%	-1.8%
Nikkei	10,034	0.2%	-2.3%
Stoxx 50	2,684	0.4%	-8.2%

### Sector Performances

Sector	Index	1-Day	YTD
Construction	252	0.1%	-8.8%
Technology	189	-0.3%	2.4%
Oil & Gas	322	0.4%	-2.8%
Financials	202	1.0%	-8.9%
Retail	245	-0.4%	0.6%
Food & Drink	303	-0.4%	-0.6%

### Commodity Prices

Commodity	Index	1-Day	YTD
Crude Oil	77.0	3.9%	-3.2%
Copper	324.0	4.4%	-3.2%
Gold	1,119.5	1.7%	2.1%
Silver	16.1	4.5%	-3.5%
Wheat	519.5	3.6%	-6.6%
Cattle	92.2	1.5%	2.6%

### Currency Exchange Rates

Currency	Index	1-Day	YTD
€/\$	1.377	1.3%	4.0%
€/£	0.872	0.4%	1.7%
£/\$	1.579	0.8%	2.3%
\$/JPY	90.140	0.1%	3.0%
€/JPY	124.100	1.4%	7.2%
€/SFR	1.468	0.2%	1.0%

### 5Yr Credit Spreads

Product	Index	1-Day	YTD
Invest Grade	90.8	0.4%	29.4%
High Yield	520.4	0.3%	18.2%
Financials	101.3	3.9%	44.3%
BoI	235.1	0.1%	-4.5%
AIB	253.6	1.0%	-8.3%
RBS	173.7	5.2%	23.5%

### Money Market Rates

Rate	EUR	UK	US
Overnight	0.3%	0.5%	0.2%
3-Month	0.7%	0.6%	0.3%
1-Year	1.1%	0.9%	0.5%
2-Year	1.5%	1.6%	1.1%
5-Year	2.5%	3.0%	2.6%
10-Year	3.4%	3.9%	3.8%

Date	Company	Region	Event
17/02/2010	Analog Devices	US	Q1
17/02/2010	Deere & Co.	US	Q1
17/02/2010	Hewlett-Packard	US	Q4
17/02/2010	Devon Energy Corp.	US	Q4
17/02/2010	BNP Paribas SA	FR	FINAL
17/02/2010	Euler Hermes SA	FR	FINAL
17/02/2010	PUMA AG Rudolf Dassler Sport	DE	FINAL
17/02/2010	ING Groep NV	NL	Q4
17/02/2010	Assura Group Ltd	GB	TRADE
17/02/2010	Thorntons PLC	GB	INTERIM
17/02/2010	Legal and General Group PLC	GB	NEW BIZ
17/02/2010	Acergy SA	GB	FINAL
18/02/2010	Chesapeake Energy Corp.	US	Q4
18/02/2010	Ameren Corp.	US	Q4
18/02/2010	Apache Corp.	US	Q4
18/02/2010	CBS Corp.	US	Q4
18/02/2010	Noble Energy	US	Q4
18/02/2010	The NASDAQ OMX Grp	US	Q4
18/02/2010	Wal-Mart Stores	US	Q4
18/02/2010	Axa SA	FR	FINAL
18/02/2010	Cap Gemini SA	FR	FINAL
18/02/2010	Schneider Electric SA	FR	FINAL

Date	Event	Region	Estimate
17/02/2010	Bank of England Minutes	UK	--
17/02/2010	ILO Unemployment Rate (3mths)	UK	--
17/02/2010	Construction Output SA MoM	EC	--
17/02/2010	Euro-Zone Trade Balance	EC	--
17/02/2010	MBA Mortgage Applications	US	--
17/02/2010	Import Price Index (MoM)	US	--
17/02/2010	Housing Starts	US	--
17/02/2010	Building Permits	US	--
17/02/2010	Industrial Production	US	--
17/02/2010	Capacity Utilization	US	--
17/02/2010	Minutes of FOMC Meeting	US	--
18/02/2010	Public Sector Net Borrowing	UK	--
18/02/2010	M4 Money Supply (MoM)	UK	--
18/02/2010	Euro-Zone Consumer Confidence	EC	--
18/02/2010	Producer Price Index (MoM)	US	--
18/02/2010	Initial Jobless Claims	US	--
18/02/2010	Philadelphia Fed.	US	--
18/02/2010	Leading Indicators	US	--
19/02/2010	Producer Prices (MoM)	GE	--
19/02/2010	ECB Euro-Zone Current Account	EC	--
19/02/2010	Retail Sales (MoM)	UK	--
19/02/2010	Consumer Price Index (MoM)	US	--

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