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## IRISH PAPERS TODAY

Bank shares hit 2009 high after Nama move  
*(The Irish Times)*

INM seeks to stop vote on O'Brien motions ahead of €200m bond deal  
*(The Irish Times)*

Cost of servicing debt falls as NAMA news lifts markets  
*(Irish Independent)*

## INTERNATIONAL PAPERS TODAY

Lloyds likely to join government scheme to ringfence toxic assets  
*(Financial Times)*

UK raises 'subsidiary war' fear over Opel  
*(Financial Times)*

## Market View

Analyst : Stephen Taylor

European equity markets are mixed this morning following slightly lower closes in the US and Asia overnight. Yesterday's economic data points towards further improvement in the outlook for the US economy, however should be tempered with some caution. Manufacturing in the Philadelphia region remained in positive territory for the second month running and rose to 14.1 in September from 4.2 in August and well ahead of expectations. It is the first time since the end of 2007 that back months have been positive. The shipments component of the index was the standout performer. There were some negatives however with the new orders index falling month on month and all importantly the employment index also showing a decline. With unemployment levels likely to remain at elevated levels for some time, the consumer will remain weak. The billions of dollars that have been added to the system through quantitative easing have found their way into riskier asset classes, however (excl. housing credit programs and clash for clunkers) have yet in any meaningful way found their way into the consumer. In relation today it is relatively quiet on the economic and corporate front with little in the way of market moving data expected to be released.

### Lloyds: GAPS alternatives

Current Price (108p)

Analyst : Oliver Gilvarry

Lloyds Banking Group has said this morning that it is in discussions with the Treasury over possible alternatives to the Government Asset Protection Scheme (GAPS). The company pointed out that in light of improving economic conditions and the results of a detailed review of its loan portfolios and their expected performance, it and the Treasury are discussing changes to the commercial terms on which Lloyds might enter into GAPS from those announced in March 2009, including the possibility of reducing the amount of assets covered by the scheme.

### GSK : Buy

Current Price (1208p)

Price Target (1250p)

Analyst : David Dunk

The Economic Times has reported that GlaxoSmithKline is in talks to acquire a 5% stake in Indian based Dr. Reddy's Laboratories. The move would strengthen the marketing alliance agreed between the two companies four months ago. A 5% stake in Dr. Reddys would cost in the region of \$150m. Separately, a former Glaxo drug-safety executive has testified that company officials were "almost certain" that a birth defect in a pregnant woman was caused by its Paxil drug. The testimony is part of a lawsuit brought by a different Paxil user in relation to a birth defect suffered by her now 3 year old son. The lawsuit is the first of approximately 600 similar cases to be heard. GlaxoSmithKline maintains that it isn't responsible for defects in the child, and that it acted responsibly in testing the drug, and maintaining safety information. We do not anticipate a negative stock reaction following today's news



### International Equity Markets

Index	Value	1-Day	YTD
ISEQ	3,469	3.1%	45.5%
FTSE	5,164	0.8%	16.6%
Dow Jones	9,792	1.1%	11.5%
S&P	1,069	1.5%	18.0%
Nikkei	10,444	1.7%	17.1%
Stoxx 50	2,895	0.5%	18.5%

### Sector Performances

Sector	Index	1-Day	YTD
Construction	272	1.1%	1.7%
Technology	196	-0.5%	3.7%
Oil & Gas	316	0.6%	2.9%
Financials	239	1.2%	2.4%
Retail	229	-0.1%	1.8%
Food & Drink	270	0.6%	4.0%

### Commodity Prices

Commodity	Index	1-Day	YTD
Crude Oil	72.5	-0.1%	25.7%
Copper	289.6	-1.4%	99.4%
Gold	1,013.6	-0.4%	15.0%
Silver	17.3	-0.9%	51.9%
Wheat	461.8	-1.2%	-31.6%
Cattle	85.4	-1.5%	-5.8%

### Currency Exchange Rates

Commodity	Index	1-Day	YTD
€/\$	1.474	0.2%	-5.0%
€/£	0.896	0.4%	6.3%
£/\$	1.645	-0.2%	-10.6%
\$/JPY	91.090	0.2%	-0.7%
€/JPY	134.285	0.4%	-5.6%
€/SFR	1.516	-0.1%	-1.4%

### 5Yr Credit Spreads

Commodity	Index	1-Day	YTD
Invest Grade	95.1	0.8%	-45.0%
High Yield	578.6	0.0%	-43.5%
Financials	76.7	0.2%	-34.8%
BoI	184.4	-10.9%	-25.6%
AIB	183.4	-16.1%	-9.9%
RBS	111.6	-0.4%	-18.6%

### Money Market Rates

Rate	EUR	UK	US
Overnight	0.4%	0.4%	0.2%
3-Month	0.8%	0.6%	0.3%
1-Year	1.2%	0.8%	0.6%
2-Year	1.7%	1.9%	1.3%
5-Year	2.8%	3.3%	2.7%
10-Year	3.6%	4.0%	3.6%

### Date Company Region Event

Date	Company	Region	Event
21/09/2009	Alliance Trust PLC	GB	INTERIM
21/09/2009	Total Systems PLC	GB	AGM
22/09/2009	Bank of Ireland	IE	TRADE
22/09/2009	AGI Therapeutics Plc	IE	INTERIM
22/09/2009	Imperial Tobacco Group	GB	TRADE
22/09/2009	JD Sports Fashion PLC	GB	INTERIM
22/09/2009	Ridge Mining Plc	GB	INTERIM
22/09/2009	ConAgra Foods	US	Q1
23/09/2009	Game Group PLC	GB	INTERIM
23/09/2009	TEG Group (The) PLC	GB	PRELIM
23/09/2009	United Utilities Group Pl	GB	TRADE
23/09/2009	Bed Bath & Beyond Inc.	US	Q2
23/09/2009	Red Hat, Inc.	US	Q2
23/09/2009	AutoZone Inc.	US	Q4
24/09/2009	Ryanair	IE	AGM
24/09/2009	Escada AG	DE	Q3
24/09/2009	Scisys Plc	GB	INTERIM
24/09/2009	Mitchells & Butlers Plc	GB	TRADE
24/09/2009	Peter Hambro Mining Pl	GB	MEE TING
24/09/2009	McCormick & Co., Inc.	US	Q3
25/09/2009	Alexon Group PLC	GB	INTERIM

### Date Event Region Estimate

Date	Event	Region	Estimate
18/09/2009	Producer Prices (MoM)	GE	0.20%
18/09/2009	ECB Euro-Zone Current Aco	EC	--
18/09/2009	Public Sector Net Borrowing	UK	18.0B
18/09/2009	M4 Money Supply (MoM)	UK	0.60%
21/09/2009	Rightmove House Prices (M	UK	--
21/09/2009	Leading Indicators	US	--
22/09/2009	Richmond Fed Manufact. Ind	US	--
22/09/2009	House Price Index MoM	US	--
22/09/2009	ABC Consumer Confidenc e	US	--
23/09/2009	PMI Manufacturing	GE	--
23/09/2009	PMI Services	GE	--
23/09/2009	PMI Manufacturing	EC	--
23/09/2009	PMI Services	EC	--
23/09/2009	Bank of England Minutes	UK	--
23/09/2009	Industrial New Orders SA (M	EC	--
23/09/2009	MBA Mortgage Applications	US	--
23/09/2009	FOMC Rate Decision	US	--
24/09/2009	IFO - Business Climate	GE	--
24/09/2009	Initial Jobless Claims	US	--
24/09/2009	Existing Home Sales MoM	US	--
25/09/2009	Euro-Zone M3 s.a. 3 mth ave	EC	--

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