

## CONTENTS

### Market View

**Financials** : Fortis to postpone shareholder vote

**CRH** : Lafarge announces details of rights issue

**Qualceram Shires** : Shares suspended

### Market Movers

## IRISH PAPERS TODAY

S&P moves to clarify comments on state of Government  
*(The Irish Times)*

G20 to prove make or break moment for Brown  
*(The Irish Times)*

Bol completes €3.5bn share deal  
*(Irish Independent)*

## INTERNATIONAL PAPERS TODAY

Barclays in talks to sell shares arm for €3bn  
*(Financial Times)*

Japan plans new stimulus  
*(The Wall Street Journal)*

## DOLMEN DOZEN

Company	1-day %	YTD %
Aryzta	2.8%	-24.3%
BP	2.6%	-11.9%
CRH	3.3%	-1.3%
E.ON	2.1%	-27.3%
HPQ	-0.2%	-11.7%
IL&P	13.4%	-28.1%
INM *	-10.3%	-66.7%
J&J	-0.8%	-12.1%
JPMorgan	7.0%	-15.7%
Microsoft	5.1%	-5.5%
Paddy Power	-0.8%	-10.3%
Vodafone	5.5%	-9.3%

\* We are currently Neutral on IN&M

## Market View

**Analyst : Stephen Taylor**

European equity markets are lower this morning giving back some of yesterday's strong gains. Despite yesterday's rally we remain cautious on markets as fundamentals continue to remain weak with no sign of a recovery in the short-term. We recommend selling into any strength in markets at the moment. Last night speculation was mounting that President Obama believes that a negotiated bankruptcy is the most likely way for General Motors to restructure and become a competitive automaker, while he is prepared to let Chrysler go bankrupt and be sold off piece meal. We expect concerns around the automakers to weigh on markets over the next number of weeks. As for today, there is a raft of economic data out today with the main focus being in the US. ADP Employment figures will be closely watched for a read across into Friday's key non-farm payrolls number. The ADP report which primarily focuses on the private sector is expected to show a decline of 663,000 a slight improvement on the 697,000 decline in February. ISM Manufacturing data and Pending Home sales figures will also be closely watched. We have seen an improvement in housing figures out of the US recently with better than expected existing and new home sales data, so today's figures will be important to see if this trend is continuing. In Ireland employment figures are also due for release with an additional 23,000 expected to have been added to the live register.

### Financials : Fortis to postpone shareholder vote

**Analyst : Oliver Gilvarry**

It is expected that Belgian based financial services company Fortis is likely to postpone a shareholder vote over the sale of its banking assets to BNP Paribas. Fortis shareholders previously rejected a takeover by BNP Paribas last month. The revised deal was to be voted on at meetings to be held on the 8th and 9th of April. A court ruling on Tuesday means that only shareholders that held Fortis stock, at the time of Fortis failing in October, are eligible to vote. This will likely lead to another rejection of the attempted takeover by BNP. If the deal were to be approved, BNP would buy 75% of Fortis Bank.

Meanwhile the UK Treasury minister Paul Myners made comments on Tuesday regarding the possibility of a reduction in the required levels of capital to be injected into Lloyds by the government. Lloyds shareholders have the right to buy £4bn of shares at £0.3843 each per share. The UK government will buy any shares for which the rights aren't exercised. Given that Lloyds is currently trading at about £0.68 per share, the likelihood of investors taking up their rights is significant. Mr. Myners also made comments regarding exit strategies for its bank shareholdings, noting that doing so is dependent on financial stability, as well as value of its investments.

### CRH : Buy Current Price (€16.00) Price target (€19.00)

**Analyst : Stephen Taylor**

Lafarge, the French cement and building material company and peer of CRH, has announced the details of its planned €1.5bn capital raising. In a statement issued this morning, the group indicated the subscription price will be €16.65, made up of €4 par value and €12.65 issue premium on the basis of six new shares for 13 existing. Lafarge's two largest shareholders, Belgium's Groupe Brueelles Lambert and Egypt's NNS holding will each fully subscribe to their rights, totalling €450m, while the remainder of the rights have been underwritten by a syndicate of banks. The issue represents a 46.2% discount to its closing price on March 30th however the price is adjusted for the 2008 expected dividend of €2. CRH remains our preferred pick from within the sector. It is the strongest company in the European construction sector due to its underleveraged balance sheet. The group's rights issue will further reduce debt and also enhance the company's ability to make earnings enhancing acquisitions as its peers sell assets to reduce their leveraged balance sheets. Our price target of €19 is based on the stock trading at 14x 2010 EPS. The group also provides an attractive dividend yield of 4.6%.

### Qualceram Shires : Shares suspended

**Analyst : Edward Keeling**

Qualceram Shires has this morning announced that it has appointed Ernst & Young as receivers as it attempts to seek protection from its creditors. Qualceram, the Irish bathroom suite producer, requested the suspension of its shares yesterday from both the London and Irish stock exchange yesterday. The group have been in discussions with its landlords and banks since last year about disposing surplus properties and renegotiating rents. However the group has indicated that trading continues to be difficult and that a satisfactory outcome from its talks with banks and landlords is unlikely.



### International Equity Markets

Index	Value	1-Day	YTD
ISEQ	2,194	3.0%	-6.8%
FTSE	3,926	4.3%	-11.9%
Dow Jones	7,609	1.2%	-13.3%
S&P	798	1.3%	-11.7%
Nikkei	8,352	3.0%	-5.7%
Stoxx 50	2,071	3.0%	-16.3%

### Sector Performances

Sector	Index	1-Day	YTD
Construction	177	3.7%	-14.2%
Technology	146	4.0%	-5.8%
Oil & Gas	257	2.7%	-4.6%
Financials	124	5.5%	-18.4%
Retail	186	4.2%	1.5%
Food & Drink	210	3.5%	-9.7%

### Commodity Prices

Commodity	Index	1-Day	YTD
Crude Oil	49.7	2.6%	-6.8%
Copper	184.5	4.4%	28.1%
Gold	919.1	0.4%	4.2%
Silver	13.0	-0.4%	14.2%
Wheat	532.8	4.0%	-15.4%
Cattle	81.7	2.0%	-5.3%

### Currency Exchange Rates

Commodity	Index	1-Day	YTD
€/\$	1.325	0.4%	5.9%
€/£	0.925	0.0%	3.8%
£/\$	1.432	0.4%	2.0%
\$/JPY	98.98	1.8%	-8.2%
€/JPY	131.13	2.2%	-2.8%
€/SFR	1.510	-0.4%	-1.2%

### 5Yr Credit Spreads

Commodity	Index	1-Day	YTD
Invest Grade	186.6	-6.3%	10.8%
High Yield	1,140.0	-1.5%	13.7%
Financials	178.8	0.9%	50.4%
BoI	586.1	-0.1%	141.4%
AIB	566.2	-1.4%	179.2%
RBS	201.7	2.7%	46.7%

### Money Market Rates

Rate	EUR	UK	US
Overnight	1.0%	0.5%	0.3%
3-Month	1.5%	1.7%	1.2%
1-Year	1.6%	1.5%	1.2%
2-Year	1.8%	2.1%	1.4%
5-Year	2.7%	3.0%	2.2%
10-Year	3.4%	3.6%	2.9%

### Calendar of Events

Date	Company	Region	Event
01/04/2009	AGI Therapeutics Plc	IE	PRELIM
01/04/2009	Volvo AB	SE	AGM
01/04/2009	Ford Motors	US	SALES
01/04/2009	General Motors	US	SALES
02/04/2009	BTG Plc	GB	TRADE
02/04/2009	Zurich Financial Service	CH	AGM
02/04/2009	Micron Technology	US	Q2
03/04/2009	Ryanair	IE	TRAFFIC
03/04/2009	United Drug PLC	IE	IMS
03/04/2009	British Airways PLC	GB	TRAFFIC
03/04/2009	MAN AG	DE	S/HOLDERS
03/04/2009	Merck KGaA	DE	AGM
03/04/2009	Royal Bank of Scotland	GB	AGM
06/04/2009	Telecom Italia SpA	IT	S/HOLDERS
07/04/2009	AerLingus	IE	TRAFFIC
07/04/2009	ALCOA Inc	US	Q1
07/04/2009	EasyJet PLC	GB	TRAFFIC
07/04/2009	Michael Page Internatio	GB	TRADE
07/04/2009	Finnair Oyj	FI	TRAFFIC
07/04/2009	Air Berlin PLC	DE	TRAFFIC
07/04/2009	SAS AB	SE	TRAFFIC
08/04/2009	Family Dollar	US	Q2

### Calendar of Events

Date	Event	Region	Estimate
01/04/2009	Unemployment Rate	IE	--
01/04/2009	Live Register	IE	--
01/04/2009	PMI Manufacturing	GE	32.4
01/04/2009	PMI Manufacturing	EC	34
01/04/2009	PMI Manufacturing	UK	35
01/04/2009	Euro-Zone Unemployment R	EC	8.30%
01/04/2009	MBA Mortgage Applications	US	--
01/04/2009	ADP Employment Change	US	-650K
01/04/2009	ISM Manufacturing	US	35.8
01/04/2009	Pending Home Sales MoM	US	-2.00%
01/04/2009	Construction Spending MoM	US	-1.70%
02/04/2009	PMI Construction	UK	27.8
02/04/2009	ECB Announces Interest Rat	EC	1.00%
02/04/2009	Initial Jobless Claims	US	--
02/04/2009	Factory Orders	US	-1.20%
03/04/2009	PMI Services	GE	41.7
03/04/2009	PMI Services	EC	40.1
03/04/2009	PMI Services	UK	43.5
03/04/2009	Change in Nonfarm Payrolls	US	-660K
03/04/2009	ISM Non-Manf. Composite	US	42
06/04/2009	BoJ Monetary Policy Meeting	JN	--
06/04/2009	Sentix Investor Confidence	EU	--

## Disclosures

This report has been prepared by Dolmen Stockbrokers ('Dolmen') for information purposes only 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 issuers(s) in advance of publication.

Past performance is not necessarily a guide to future returns. The value of investments and the income from them can fall as well as rise. 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. Investors may not necessarily recoup the full value of their original investment. Investors should be aware that forwarding looking statements and forecasts may not be realised.

This report 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.

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.

## 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 issuers they publish research, views and recommendations on and accordingly analysts involved in the production of this report may own stocks in a company covered in it. Any own account staff trading is undertaken in strict compliance with Dolmen's own account internal rules and 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 & Edward Keeling are responsible for the production of this report. Oliver Gilvarry is Head of Research and David Dunk, Stephen Taylor & 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 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](mailto:info@dsl.ie)  
E-mail: [cork@dsl.ie](mailto:cork@dsl.ie)  
E-mail: [Limerick@dsl.ie](mailto:Limerick@dsl.ie)