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Market Movers

IRISH PAPERS TODAY

Anglo's wavier from capital rules extended
(The Irish Times)

Firms claim plan makes strong case for survival
(The Irish Times)

Banks tighten screws on credit
(Irish Independent)

INTERNATIONAL PAPERS TODAY

Rio backs reform of ore pricing system
(Financial Times)

Glimmer of hope in economic data
(Financial Times)

UK borrowing rises as tax receipts fall
(The Wall Street Journal)

DOLMEN DOZEN

Company	1-day %	YTD %
Aryzta	3.6%	8.3%
BP	1.4%	-0.8%
CRH	3.9%	12.3%
DCC	1.1%	52.0%
E.ON	2.2%	0.3%
HPQ	0.3%	21.2%
IL&P	-4.1%	125.4%
INM	-1.9%	-37.0%
J&J	1.0%	1.9%
JPMorgan	2.4%	34.5%
Microsoft	0.1%	21.8%
Vodafone	2.3%	-6.2%

Market View

Analyst : David Dunk

Trading was weak overnight, with the Japanese and Australian markets trading down, although the Shanghai composite posted a modest gain. Concerns continue over a possible pullback in Chinese bank lending, and the resultant affect on a Chinese recovery. US markets were strong yesterday, with the S&P 500 finishing up over 1%, on the back of a stronger than expected Philadelphia Fed reading. However it was not all good news with a relatively weak initial jobless claims reading of 576,000, compared to 551,000 expected. The focus in the US today will be on the existing home sales figures at 15.00GMT. The market expects an increase in sales of 2.1% in July to 5 million. Fed chief Ben Bernanke is also scheduled to speak at 15.00GMT, with the market likely to be paying close attention to his comments. Closer to home, the main economic data today comes in the form of European PMI data, which has come in stronger than expected. In particular, German Services PMI was 54.1 compared to an estimate of 48.6. Given the lack of corporate earnings scheduled for today, news flow is expected to be light.

Irish Financials : Anglo's wavier extended

Analyst : Oliver Gilvarry

The Irish Times this morning has reported that the Financial Regulator extended part of Anglo Irish Bank's wavier from its capital rules until the end of the year. Despite being below the minimum capital requirement set out by the regulator, this legislation implemented by the government allows for the nationalised bank to postpone recapitalisation until a later date. When granting the most recent wavier on July 31st, the Regulator also extended the bank's requirement to maintain a 4% core tier-one ratio. In order to satisfy this condition, Anglo received an additional €872m from the government, in addition to the €3bn injection it had received in June. This news does not come as a surprise and it is appropriate if Anglo is to benefit the establishment of NAMA. What is more questionable is if and by how much Anglo's will need a further cash injection post the transfer of its toxic debts to NAMA.

IN&M : Neutral Current Price (€0.25) Price target (€0.45) Analyst : Stephen Taylor

Independent News & Media (INM)'s Australian subsidiary APN has announced interim results. The group reported a 53% drop in first half profit to A\$33.6m below its own guidance for a profit of A\$40m. Revenue declined to A\$516.7 from A\$630.5m a year earlier. The group pointed out that it missed its own estimate for profit as there had been no improvement in trading in June. APN was however more positive going into the remainder of the year and is confident that it has seen the bottom of the cycle with forward bookings post balance-date pointing to a 'significantly better' second half particularly for its New Zealand division and outdoor advertising business. Shares in APN were 5% lower in Australia following the release of the results. INM is due to report interim results on August 28th and we expect the group to announce early next week an extension to the repayment on its €200m bond refinancing.

Tesco : Buy Current Price (365p) Price target (400p) Analyst : Stephen Taylor

Yesterday Tesco announced that it is to expand its personal finance unit with the opening of a call centre in Scotland that brings the company closer to providing full banking services. The call centre will manage sales and services for Tesco Personal Finance. Tesco assumed full control of its Tesco Personal Finance unit from Royal Bank of Scotland for £950m last year. The new call centre will be based in Glasgow and will employ up to 800 people adding to the 400 jobs already in Edinburgh. We view the expansion as a positive for Tesco and expect the company to continue to roll out financial services over the coming years. We believe the Tesco brand will provide consumers with confidence as the reputation of many of UK high street banks has been tarnished over the last number of years.

BHP Billiton : Buy Current Price (1552p) Price target (1800p) Analyst : David Dunk

BHP CEO Marius Kloppers made some comments yesterday, in relation to global commodity demand. Mr. Kloppers does not expect to see clean demand until early next year. He expects that demand over the next 6 months will be driven by stocking, as opposed to end user demand. It is his opinion that restocking is almost complete in China, and that Western markets have almost depleted their inventories, and will be replenished in the coming months. These comments support our view of a short term pullback in commodity prices, and the mining sector, although the long term outlook for both remains bullish.



International Equity Markets

Index	Value	1-Day	YTD
ISEQ	2,945	2.4%	26.0%
FTSE	4,757	1.4%	7.5%
Dow Jones	9,279	0.7%	6.5%
S&P	996	0.7%	11.5%
Nikkei	10,383	1.8%	15.6%
Stoxx 50	2,664	1.6%	9.1%

Sector Performances

Sector	Index	1-Day	YTD
Construction	246	3.3%	2.0%
Technology	174	1.5%	4.1%
Oil & Gas	297	1.7%	3.1%
Financials	221	1.5%	2.6%
Retail	225	1.2%	1.9%
Food & Drink	257	0.5%	4.4%

Commodity Prices

Commodity	Index	1-Day	YTD
Crude Oil	72.9	-1.2%	27.6%
Copper	151.2	-0.6%	90.7%
Gold	843.0	-0.1%	6.7%
Silver	11.1	0.0%	22.4%
Wheat	613.3	0.6%	-26.4%
Cattle	85.8	0.2%	-0.5%

Currency Exchange Rates

Commodity	Index	1-Day	YTD
€/\$	1.425	0.2%	-2.2%
€/£	0.864	0.4%	10.2%
£/\$	1.651	-0.1%	-11.3%
\$/JPY	94.185	0.1%	-3.4%
€/JPY	134.245	0.3%	-5.6%
€/SFR	1.515	-0.1%	-1.4%

5Yr Credit Spreads

Commodity	Index	1-Day	YTD
Invest Grade	110.1	-3.1%	-37.3%
High Yield	151.2	-1.9%	-34.1%
Financials	843.0	-7.0%	-21.4%
BoI	11.1	-1.1%	8.0%
AIB	613.3	-6.3%	38.8%
RBS	85.8	-1.5%	1.5%

Money Market Rates

Rate	EUR	UK	US
Overnight	0.3%	0.4%	0.2%
3-Month	0.9%	0.7%	0.4%
1-Year	1.3%	1.0%	0.7%
2-Year	1.8%	2.0%	1.4%
5-Year	2.8%	3.5%	2.8%
10-Year	3.5%	4.1%	3.7%

Date Company Region Event

Date	Company	Region	Event
21/08/2009	Rightmove Group	GB	INTERIM
21/08/2009	T Clarke	GB	INTERIM
24/08/2009	Kingspan	IE	INTERIM
24/08/2009	Bovis Homes	GB	INTERIM
25/08/2009	CRH	IE	INTERIM
25/08/2009	Kerry Group	IE	INTERIM
25/08/2009	Burger King	US	Q2
25/08/2009	Persimmon	GB	INTERIM
26/08/2009	Aminex Plc	IE	EGM
26/08/2009	FBD	IE	INTERIM
26/08/2009	Glanbia	IE	INTERIM
26/08/2009	Irish Life & Permanent	IE	INTERIM
26/08/2009	Paddy Power	IE	INTERIM
26/08/2009	Tullow Oil	GB	INTERIM
27/08/2009	Aer Lingus	IE	INTERIM
27/08/2009	Dell	US	Q2
28/08/2009	C&C Group Plc	IE	AGM
28/08/2009	Independent News & Media	IE	INTERIM
28/08/2009	Tiffany & Co.	US	Q2
28/08/2009	Iberia	ES	Q2
28/08/2009	PartyGaming	DE	INTERIM

Date Event Region Estimate

Date	Event	Region	Estimate
21/08/2009	PMI Manufacturing	EC	47.5
21/08/2009	PMI Services	EC	46.5
21/08/2009	Existing Home Sales MoM	US	5.0m
24/08/2009	Industrial New Orders SA (M	EC	--
25/08/2009	GDP s.a. (QOQ)	GE	--
25/08/2009	Private Consumption	GE	--
25/08/2009	Capital Investment	GE	--
25/08/2009	BBA Loans for House Purchase	UK	--
25/08/2009	S&P/CS Composite-20 YoY	US	--
25/08/2009	Consumer Confidence	US	--
25/08/2009	Richmond Fed Manufact. Ind	US	--
26/08/2009	IFO - Business Climate	GE	--
26/08/2009	MBA Mortgage Applications	GE	--
26/08/2009	Durable Goods Orders	US	--
26/08/2009	Durables Ex Transportation	US	--
27/08/2009	New Home Sales MoM	US	--
27/08/2009	GfK Consumer Confidence S	GE	--
27/08/2009	Euro-Zone M3 s.a. (YoY)	EC	--
27/08/2009	Euro-Zone M3 s.a. 3 mth ave	EC	--
27/08/2009	Total Business Investment(C	UK	--
27/08/2009	U.K. CBI Quarterly Distributi	UK	--

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