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EQUITIES	Close	Change	% +/-	P/E '05	YTD
ISEQ	6892	↑ 8	0.12%	11.0	11.20%
FTSE 100	5524	↑ 13	0.23%	13.5	14.74%
DAX 30	5194	↑ 6	0.12%	15.0	22.05%
DOW	10932	↑ 16	0.14%	19.5	1.38%
NASDAQ	2263	↑ 3	0.13%	15.6	8.33%
S&P	1268	↑ 2	0.18%	21.0	4.64%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.1692	0.6839	140.1400
Dollar	1.1692	1.0000	1.7091	119.8400
Sterling	0.6839	1.7091	1.0000	204.8500
Yen	140.1400	119.8400	204.8500	1.0000
Oil (Nymex)	57.9200			

This Week's Research

Today's Research Fyffes

Breaking News

Swiss government to block Eircom deal

The Swiss government said on Friday it would veto any plans by Swisscom to buy Eircom. The Swiss government said it would block any major attempts by Swisscom to expand abroad as long as it remained a majority shareholder. The Swiss government said on Thursday it planned to privatise Swisscom, a process that requires a change in Switzerland's law and will therefore take at least a year. In the meantime, the Swiss government insisted that foreign acquisitions would be too risky. However, despite the government's wishes, Swisscom may go ahead with its plans to acquire Eircom, Swiss daily Tages-Anzeiger said, citing sources in Ireland involved in the negotiations.

BOI increases mortgage rates

Bank of Ireland announced a rise in mortgage rates on Friday. BOI said that the move came in response to the increased cost of funds on the financial markets. BOI announced that the rate on a three-year fixed mortgage will go up by 0.6% to 4.09%, with the one-year rate for new customers rising by 0.34% to 3.09%. The increases came into effect as of the close of business on Friday.

Jurys Doyle appointment

On Friday Jurys Doyle announced the appointment of Mr Conor Roche as alternate director to Mr Thomas J. Roche, a non-executive directors of the Company. This appointment is effective from November 23, 2005. Conor Roche is the Business Development Manager for NTR plc in the U.K.

Fyffes (€2.10) Quota fears appear overdone Stuart Draper

- **Tariff increase** : According to EU Agriculture spokesman, Michael Mann, EU Ministers are due to give their final approval this week on an increase in the EU banana tariff from 7.5c per kg currently to 17.6c. According to Mr. Mann, agreement was reached on Friday by representatives of the various governments on the tariff level. Such a figure would represent a further compromise on the most recent 18.7c figure mentioned, which had been previously reduced from an initial 23c.
- **Quota removal** : However, even though such a figure would be a more benign tariff than had been originally feared, a more important feature of this week's expected announcement will be whether the current system of quota and tariff is replaced by a tariff only system.
- **Supply fears** : If the current quota and tariff system is removed, as currently looks most likely, then there will be further fears about increased banana supply into the European market and the resultant price reductions starting next year.
- **Impact manageable** : While such an announcement could result in some further near term share price weakness, our view is that much of the likely margin squeeze from this potential supply increase may now be reflected in the current share price following its 22% fall over the past 2 months. Even if the supply increase reduced the group's 2006 banana profits by 20%, the 2006 group eps would only fall by c.9% to 21c. Fyffes also has a strong record of adapting to regulatory change having operated in the regulated UK market prior to establishment of the EU banana regulated market in 1993.
- **Pineapple diversification** : As a result of Fyffes' investment in its Guatemalan pineapple joint venture, its operating profit dependency on bananas has already reduced to c.60%. As this high margin business is further developed, this banana dependency should further reduce.
- **Property diversification** : Over the past 3 years, Fyffes has generated "once off" gains of €30m by maximising the development potential of its existing surplus property sites. Its 28 acre site in Navan, as well as its existing surplus sites in Belfast and Edinburgh all have strong development potential for both commercial and retail use. As a result, further strong gains from such activity are likely to be achieved over the next 2 years. Two important positive catalysts for share price recovery over the next 6 months are a trading statement, expected in the second week of December, and a property portfolio revaluation, likely to be included in the 2005 annual report : **BUY**.

Business Press

- Swisscom's board in disarray over ban (IT)
- Top Irish bosses predict growth of over 2% in GDP (II)
- Plexus to float on Aim with valuation of £45m (FT)
- Investment banks' revenue up (FT)

Investment Press— Lex

- **Going private**: Talk about coming full circle. In the boom days of 2000, US investors pumped \$102bn into initial public offerings. Equity was the financing option of choice and going public was the Holy Grail. Already this year, more than that total has flowed in the opposite direction.



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