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EQUITIES	Close	Change	% +/-	P/E '06	YTD
ISEQ	8007 ↑	102	1.29%	11.0	8.73%
FTSE 100	6015 ↑	56	0.94%	13.5	7.05%
DAX 30	5984 ↑	69	1.17%	15.0	10.65%
DOW	11151 ↓	-65	-0.58%	19.5	3.41%
NASDAQ	2341 ↑	3	0.13%	15.6	6.14%
S&P	1300 ↓	-3	-0.20%	21.0	4.44%

CURRENCIES	Euro	Dollar	Stg	Yen
Euro	1.0000	1.2139	0.6964	142.6100
Dollar	1.2139	1.0000	1.7434	117.4700
Sterling	0.6964	1.7434	1.0000	204.7800
Yen	142.6100	117.4700	204.7800	1.0000
Oil (Nymex)	67.1500			

This Week's Research
Rank Group Adidas
Bank of Ireland
Tullow Oil

Today's Research
GSK

Today's Recommendation

GSK (£15.06)

Catalysts Ahead

Owen Turner

- Cancer data: GSK is expected to present important data at a high-profile cancer conference in the first week of June and we believe that this will be the next major catalyst for GSK's share price. The company will announce data for its key cancer drug, Tykerb. The drug is estimated to have potential for over \$3bn in sales, and in anticipation of good news we can see shares enjoying a decent run in the weeks leading up to this conference. In the nearer term, the next major news due from GSK will be the announcement of their Q1 results on 27 April.
- Upgraded guidance: In February GSK reported results for year ended 31st December 2005. The company reported revenues of £21,660m and EPS of 82.6p, representing year on year increases of 8% and 21% respectively, and beating consensus forecasts of £21,196m and 81p. The company also increased its guidance for 2006 EPS growth. Consensus forecasts had indicated high single digit earnings growth for 2006, but the company now expects this figure to be around 10%.
- Cervarix update: The company also confirmed that Cervarix will be filed in the US before the end of 06. This confirmation is a positive for the company as there had been some speculation of a potential delay until 2007. While in Europe the company expects to hear back from European regulators within 12 months on its submission for Cervarix approval.
- R&D upside: The company also reiterated its exciting R&D outlook for 2006. The next 12 months will see a host of key updates hitting the market, including 8 new products expected to enter Phase III development, 7 regulatory filings and 7 important product launches. These updates will keep sales forecasts ticking upwards over the course of 2006. Over the next 4-5 years, c.83% of the company's pharmaceutical revenues are likely to remain immune from competitive threat.
- Further upside: Given that the sector is currently trading at 19x 07 EPS we believe that no more than a 10% discount for GSK is appropriate to reflect its slightly slower than average earnings growth and therefore, our 12-month price target of 1,650p is based on 17x 07 EPS of 97p. The strength of GSK's pipeline remains the key driver of our investment case, and we expect to receive further evidence of its positive impact on earnings over the coming months, and therefore we reiterate our **BUY** recommendation on the stock.

Breaking News

Ryanair comments from Reuters forum

At a Reuters forum in Dublin yesterday Ryanair Chief Financial Officer, Howard Millar said that he is expecting a higher fuel bill this year but higher yields and a 20 percent rise in passenger numbers would help offset soaring oil prices. He also said that the airline was planning three new bases in Europe later this year and the introduction of in-flight gambling was imminent. Millar also reiterated current guidance for €295m in net profit for the year to March 2006.

Permanent TSB sees above-market mortgage growth

Permanent TSB expects its mortgage lending to grow faster than the market this year and next, its chief executive said on Thursday. Denis Casey told a Reuters news forum he saw new business growth in mortgage lending in the "high 20s" percent this year, compared with 25 percent for the market as a whole and in the high teens next year versus mid teens growth for the overall market. Casey said he thinks the market will begin to slow somewhat next year and that the impact of rising interest rates could see our market growing at maybe 15 percent next year.

ICS reports 24% jump in profit

ICS Building Society, a subsidiary of Bank of Ireland, today reported pre-tax profits of €113.4m for 2005, up 24 percent on the previous year as mortgage lending soared. The Building Society also said that it has had a strong start to the year and expects a robust set of figures for 2006. ICS said that new mortgage advances surged 22.1 percent to €1.7 billion in the year as the Society took advantage of the booming property market.

Business Press

- Qualceram in red after costs of restructuring (IT)
- Vodafone makes board appointments (IT)
- Cosmetics group IWP delists from stock exchange (IT)
- Irish Estates' biggest ever gain (II)

Investment Press

- Google: Google has already established its paper fortune. Now it seems set on climbing the internet rich list on another measure: hard cash. The search giant is again taking advantage of a strong share price to raise capital.



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