

CONTENTS

Market View :

Vodafone : In talks with Deutsche Telekom about buying its T-mobile UK unit

Elan : Court rules Elan breached collaboration agreement with Biogen

Rio Tinto : Still selling iron ore on the spot market to Chinese customers

Fyffes : Interim results

Market Movers

IRISH PAPERS TODAY

'Risk sharing' between banks and taxpayer likely - Lenihan

(The Irish Times)

Leaders to call for plans to wind-down stimulus

(The Irish Times)

Europe on the slow path to recovery

(Irish Independent)

INTERNATIONAL PAPERS TODAY

G20 plans for stimulus exit

(Financial Times)

Gold edges nearer \$1,000

(Financial Times)

OECD sees upturn in global economy

(The Wall Street Journal)

DOLMEN DOZEN

Company	1-day %	YTD %
Aryzta	0.3%	10.9%
BP	-1.0%	1.5%
CRH	-1.2%	3.4%
DCC	-1.6%	50.4%
E.ON	-1.2%	0.3%
HPQ	0.5%	22.5%
IL&P	0.0%	213.0%
INM	3.1%	-38.8%
J&J	-0.1%	-0.2%
JPMorgan	3.1%	33.6%
Microsoft	1.0%	24.0%
Vodafone	0.2%	-5.4%

Market View

Analyst : Stephen Taylor

European equity markets are higher this morning reversing some of the losses of the previous three days. Better than expected monthly sales out of a number of US retailers led to a late day rally in the US on top of the improvement in ISM Services to 48.4 in August from 46 in July. This was the ISM's highest level in 11-months and it is now close to the key breakeven level of 50 between contraction and expansion. All focus today will be on the unemployment report which is due for release at 1.30pm. Current expectations are for nonfarm payrolls to show a further decline of 230,000 in the labour force with the unemployment rate ticking up to 9.5% from 9.4% in July. Wednesday's worse than expected ADP employment report in addition to disappointing weekly jobless claims figures suggest significant risks for the number. A sustained improvement in economic outlook can only occur when unemployment levels begin to improve. Current consensus is for unemployment in the US to reach a peak of c. 10% at some point in the first half of 2010.

Vodafone : Buy Current Price (131p) Price target (150p) Analyst : Stephen Taylor

The Financial Times is reporting that Deutsche Telekom has started talks with Vodafone, France Telecom and Telefonica about selling its T-Mobile UK unit. The report suggests that all three companies have expressed interest in the unit though talks are at a preliminary stage. The report suggests that a sale could raise as much as €4bn for Deutsche Telekom. A deal between Vodafone and T-Mobile UK could potentially yield significant cost synergies, however would be subject to significant regulatory concerns given that a combination would control 40% of the UK mobile phone market.

Elan : Neutral Current Price (\$7.35) Price target (\$7.40) Analyst : David Dunk

Yesterday, a judge in the US ruled that the terms of Elan's agreement with Johnson & Johnson (J&J) constitutes a breach of contract with Biogen. Elan and Biogen have a change of ownership clause which means that in the event of one party been taken over, the other party has the right to buy the other half of the drug back. The judge ruled that J&J's agreement with Elan agreement with Elan to finance the purchase of Tysabri in the event of a Biogen takeover, represented a breach of the Biogen-Elan agreement. As a result, Elan has 23 days to fix the breach in contract. We expect Elan and J&J to renegotiate their agreement into a form that will not violate the change of ownership clause.

Rio : Buy Current Price (2387p) Price target (2800p) Analyst : David Dunk

Rio Tinto CEO Sam Walsh, made some comments regarding the iron ore earlier today. The company is still selling iron ore in the spot market to Chinese customers, as opposed to the traditional method of fixed one year contracts. Rio Tinto has agreed a 33% price cut from 2008 prices with the bulk of its customers, but the Chinese steel association has been holding out for a bigger discount. Although iron ore prices have pulled back from recent highs of \$100 per ton, to about \$80 per ton, this is still a higher price than Rio Tinto would achieve through the current years fixed contracts. Negotiations on pricing broke down following the detention of 4 Rio Tinto executives, and it is not clear when they will resume. The comments from Mr Walsh this morning are unlikely to have much effect on the share price of Rio Tinto.

Fyffes : Interim Results Current Price (€0.45) Analyst : Edward Keeling

Fyffes releases its interim results this morning and the group posted better than expected adjusted profit before tax of €18.6m, up from €15.7m last year. Total revenue including joint ventures was €400m, resulting in a 26% increase in its eps to 4.5c. The group has said that trading conditions in the summer months in continental Europe were better than anticipated and, as a result, Fyffes is increasing its full year EBIT target range to €18m - €22m. Reflecting the groups healthy net cash position of €40.4m, it has increased its interim dividend to 0.55c a share from 0.50c in 2008.



International Equity Markets

Index	Value	1-Day	YTD
ISEQ	2,978	0.1%	28.2%
FTSE	4,818	0.0%	9.0%
Dow Jones	9,281	-0.3%	6.5%
S&P	995	-0.3%	11.1%
Nikkei	10,215	-0.6%	15.0%
Stoxx 50	2,699	-0.2%	11.1%

Sector Performances

Sector	Index	1-Day	YTD
Construction	248	0.8%	2.0%
Technology	181	1.0%	4.0%
Oil & Gas	299	-0.3%	3.0%
Financials	223	0.7%	2.6%
Retail	222	-0.6%	1.9%
Food & Drink	258	-1.0%	4.4%

Commodity Prices

Commodity	Index	1-Day	YTD
Crude Oil	68.0	-0.1%	19.8%
Copper	151.2	1.4%	100.4%
Gold	843.0	1.4%	12.0%
Silver	11.1	6.0%	40.7%
Wheat	613.3	-1.4%	-28.8%
Cattle	85.8	-0.1%	-3.1%

Currency Exchange Rates

Commodity	Index	1-Day	YTD
€/\$	1.425	-0.1%	-2.1%
€/£	0.873	-0.4%	9.4%
£/\$	1.632	0.3%	-10.6%
\$/JPY	92.640	0.5%	-2.2%
€/JPY	132.029	0.4%	-4.3%
€/SFR	1.514	0.1%	-1.4%

5Yr Credit Spreads

Commodity	Index	1-Day	YTD
Invest Grade	111.2	1.6%	-37.1%
High Yield	151.2	1.0%	-34.5%
Financials	843.0	1.9%	-20.7%
BoI	11.1	-3.6%	9.4%
AIB	613.3	-0.1%	31.0%
RBS	85.8	-1.9%	-5.1%

Money Market Rates

Rate	EUR	UK	US
Overnight	0.3%	0.4%	0.2%
3-Month	0.8%	0.7%	0.3%
1-Year	1.2%	1.0%	0.6%
2-Year	1.7%	1.9%	1.3%
5-Year	2.7%	3.3%	2.7%
10-Year	3.5%	3.9%	3.5%

Date Company Region Event

Date	Company	Region	Event
04/09/2009	EasyJet PLC	GB	TRAFFIC
04/09/2009	RG Barry Corp	US	Q4
05/09/2009	Air Berlin PLC	DE	TRAFFIC
05/09/2009	SAS AB	SE	TRAFFIC
05/09/2009	Associated British Food	GB	TRADE
08/09/2009	Finnair Oyj	FI	TRAFFIC
08/09/2009	Ashtead Group Plc	GB	Q1
08/09/2009	DS Smith Plc	GB	TRADE
09/09/2009	Deutsche Lufthansa AG	DE	TRAFFIC
09/09/2009	WS Atkins PLC	GB	TRADE
09/09/2009	Alliance Pharma Plc	GB	INTERIM
09/09/2009	Sports Direct Internatio	GB	TRADE
10/09/2009	ESI Group SA	FR	Q2 SALES
10/09/2009	Iberia Lineas Aereas de	ES	TRAFFIC
10/09/2009	Home Retail Group plc	GB	Q2 TRADE
10/09/2009	WM Morrison Supermar	GB	INTERIM
10/09/2009	Kesa Electricals plc	GB	Q1 TRADE
10/09/2009	Redrow PLC	GB	PRELIM
10/09/2009	National Semiconductor	US	Q1
11/09/2009	JD Wetherspoon PLC	GB	PRELIM
11/09/2009	Campbell Soup	US	Q4

Date Event Region Estimate

Date	Event	Region	Estimate
03/09/2009	PMI Services	GE	54.1
03/09/2009	PMI Services	EC	49.5
03/09/2009	PMI Services	UK	53.9
03/09/2009	Euro-Zone Retail Sales (MoM)	EC	0.10%
03/09/2009	ECB Announces Interest Rat	EC	1.00%
03/09/2009	Initial Jobless Claims	US	565K
03/09/2009	ISM Non-Manf. Composite	US	48
04/09/2009	Change in Nonfarm Payrolls	US	-225K
07/09/2009	Sentix Investor Confidence	EC	--
07/09/2009	Factory Orders MoM (sa)	GE	--
08/09/2009	RICS House Price Balance	UK	--
08/09/2009	Trade Balance	GE	--
08/09/2009	Imports SA (MoM)	GE	--
08/09/2009	Exports SA (MoM)	GE	--
08/09/2009	Industrial Prod.	UK	--
08/09/2009	Manufacturing Prod.	UK	--
08/09/2009	Industrial Prod. MoM	GE	--
08/09/2009	Consumer Credit	US	--
08/09/2009	ABC Consumer Confid.	US	--
09/09/2009	Nationwide Cons. Confid.	UK	--
09/09/2009	Consumer Price Index	GE	--

Regulatory Information

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.

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

Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up. 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. The income you get from your investment may go down as well as up. Figures quoted are estimates only, they are not a reliable guide to the future performance of this investment. Investors should be aware that forward-looking statements and forecasts may not be realised.

This report is the property of Dolmen and 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.

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 the companies they publish research, views and recommendations on. Accordingly analysts involved in the production of this report may have positions in any securities herein. Dolmen ensures that all staff dealing is undertaken in strict compliance with Dolmen's internal staff dealing procedures. 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 and Edward Keeling are responsible for the production of this report. Oliver Gilvarry is Head of Research and David Dunk, Stephen Taylor and 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 Stockbrokers, 75 St. Stephen's Green, Dublin 2, Ireland.



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
E-mail: cork@dsl.ie
E-mail: Limerick@dsl.ie