

YESTERDAY: The euro fell to a seven-week low in thin trade after German chancellor Angela Merkel said she still does not think common eurozone bonds are necessary

http://breaking.tcm.ie/business

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TODAY: The Central Statistics Office will issue Trade Statistics for July 2011

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ISEQ ends day in positive territory

THE ISEQ index ended the day in positive territory yesterday to close up 0.89 points to 2,512.66.

In Germany there was an unexpected rise in business sentiment in November, suggesting that Europe's powerhouse economy is faring better than some had feared, and providing some relief to markets after Wednesday's poor Bund auction.

In the financial sector, Bank of Ireland slipped 0.1c to 7.6c. AIB dropped 0.3c to 5.8c, while Irish Life & Permanent were unchanged at 3.1c.

In the construction sector, press reports in Russia suggest that CRH remains the main contender to purchase the assets of BaselCement. The reported price is in the region of \$500-\$600m (circa €400m). CRH gained 2.5c to €12.32. Grafton slipped 3.3c to €2.327, while Kingspan advanced 15c to €6.10.

In other news, Kerry Group shares increased 67c to €25.77, Greencore added 0.3c to 70c, while Fyffes decreased 1c to 38c.

Company	Close	Change	12 mth High	12 mth Low	P/E Ratio	Dividend Yield (%)	Market Cap (m)	Volume (000s)
Abbey	5.18	0.03	5.38	4.43	10.50	2.00	114	1.6
Aer Lingus	0.65	-1.15	0.57	-	-	-	348	65.5
AGI Therapeutics	0.05	-	0.07	0.03	-	-	3	-
AIB	0.06	-0.50	0.04	0.10	-	-	29,754	1,901.2
American Intl Grp	-	-	-	-	-	-	-	-
Aminex	0.03	-0.13	0.01	-	-	-	25	-
Aryzta AG	33.25	-0.03	38.95	30.30	16.80	-	2,786	21.6
Bank of Ire	0.08	-3.01	0.07	0.70	-	-	2,290	35,019.4
C&C	2.70	-0.05	3.69	0.05	14.80	7.00	908	3,495.3
Canroy Diam & Gold	0.03	-	0.33	0.00	-	-	8	-
Confl Farmers Grp	0.26	-	0.36	0.26	-	-	43	-
CPL Res'ces	2.65	-0.07	3.10	2.27	15.00	2.00	99	3.6
CRH	12.32	0.03	17.00	10.50	6.00	5.00	8,857	1,694.4
Datalex	0.33	-0.01	0.41	0.17	-	-	24	61.3
DCC	17.07	-0.18	24.10	16.70	10.80	3.00	1,423	78.8
Diageo	14.42	-	14.42	14.42	-	-	36,031	-
Donegal C.	3.22	0.22	4.65	3.00	3.00	5.00	33	0.6
Dragon Oil	5.54	-0.11	7.05	4.80	11.60	-	2,834	72.5
Elan	7.33	-0.17	8.80	3.88	-	-	4,304	307.9
FBD	6.35	-	8.10	5.78	4.10	6.00	211	4
First Derivatives	5.30	-	7.40	4.94	-	-	88	-
Fyffes	0.38	-0.01	0.44	0.31	10.70	4.00	117	3.7
Glanbia	4.45	-0.10	5.02	3.15	12.40	1.00	1,311	13.2
Grafton	2.33	-0.03	3.88	2.33	7.60	9.00	538	374.3
Great West Mining	0.11	-	0.11	0.11	-	-	5	-
Greencore	0.70	-	1.47	0.55	3.70	18.00	269	34.5
Icon	12.34	0.84	18.55	10.65	12.10	-	728	7.6
IFG	1.07	-0.01	1.95	1.00	4.60	3.00	135	2.4
Independent	0.23	-0.01	0.64	0.20	1.80	62.00	124	38.4
Ir Life & Perm't	0.03	-	1.26	0.02	-	-	1,132	112.9
Irish Contin'l	14.20	-	18.15	14.00	8.10	-	353	90.9
ISEQ 20 ETF	4.88	-0.03	6.00	4.45	-	-	14	7.8
Karelian Diam Res	0.03	-	0.05	0.03	-	-	2	-
Kenmare	0.39	0.03	0.72	0.28	104.30	-	945	2,017
Kerry	25.77	0.67	30.11	23.67	16.70	1.00	4,526	1,143.4
Kingspan	6.10	0.15	7.70	5.65	7.90	4.00	1,017	70.9
Merrion Pharm	0.22	0.01	3.45	0.15	-	-	4	2
Origin Enterprises	3.01	-0.08	4.00	2.95	-	-	400	2.9
Ormonde	0.09	-0.01	0.15	0.06	-	-	30	20
Ovoca Gold	0.29	-	0.48	0.26	-	-	25	-
Paddy Power	39.73	-0.17	43.28	28.10	30.70	1.00	1,935	219.8
Petrocitic Intl	0.08	-	0.19	0.05	-	-	178	64
Petronetf	0.26	-	0.87	0.21	-	-	107	-
Prime Active Cap	0.13	-	0.18	0.05	-	-	3	-
Providence	2.21	-	3.65	1.75	-	-	110	3.4
Readmix	0.07	-	0.26	0.07	0.40	97.00	8	-
Ryanair	3.50	-0.01	3.98	2.82	68.50	-	5,175	2,258.2
Siteserv	0.03	-	0.07	0.03	-	-	4	-
Smurfit Kappa Grp	4.10	-0.01	9.45	4.05	3.50	7.00	909	2,169.2
Tesco	4.14	-	4.14	4.14	-	-	31,599	-
Total Produce	0.38	-0.01	0.46	0.35	-	-	4.00	125
Tullow	14.43	-0.12	17.44	10.40	69.50	-	13,049	0.1
TVC	0.74	-0.02	0.88	0.50	-	-	7.00	26
United Drug	1.91	-0.03	2.46	1.91	8.10	4.00	456	179.8
UTV Media	1.30	-	1.67	1.25	9.20	3.00	125	-
Worldspreads	0.40	-	0.76	0.05	13.30	-	16	-
Zamano	0.02	-	0.27	0.02	-	-	2	-

ISEQ INDICES	ISEQ Overall	ISEQ Financial	ISEQ General	ISEQ Small Cap.	ISEQ ESM
Index Value	2,512.66	112.49	3,469.66	1,652.57	1,269.81
Change	0.89	0.94	-0.04	-18.01	-24.68
Change %	0.04%	0.84%	0.00%	-1.08%	-1.91%
Index High	3,037.89	534.14	4,146.84	2,175.60	2,225.25
(12 Months to Date)	11/05/2011	09/12/2010	04/07/2011	09/03/2011	20/01/2011
Index Low	2,333.35	101.54	3,188.68	1,643.06	1,120.98
(12 Months to Date)	09/08/2011	22/09/2011	09/08/2011	25/10/2011	03/10/2011
Market Cap. (m)	74,127.30	33,522.69	40,604.61	2,657.68	32,381.04
ISEQ Return	4,782.78	270.95	5,524.44	2,145.57	1,326.90
Turnover (m)	97.81	2.83	94.98	0.43	0.34

IRISH INTEREST INTERNATIONAL STOCKS	Company	Price	Chng	Company	Price	Chng
Abbott Labs	USD 52.35	-0.34	Johnson & Johnson	USD 61.99	-0.91	
Alicat-Lucent	USD 1.54	0.02	Johnston Press	GBP 4.83	0.29	
Allergan	USD 78.94	-0.85	Kedco	GBP 2.00	-0.25	
AIB	USD -	-	Lundin Mining	CAD 3.46	0.12	
American Intl	USD 20.10	-0.91	Mcfee	USD -	-	
Amgen	USD 54.94	-0.72	Medtronic	USD 33.95	-0.80	
Analog Devices	USD 32.51	-0.81	Merck & Co.	USD 33.19	-0.62	
Apple	USD 366.99	-9.52	Microsoft	USD 24.47	-0.32	
B of I	USD 4.03	-0.16	Minco	GBP 2.63	0.00	
Boston Sc.	USD 5.32	0.01	Missys	GBP 249.80	-2.80	
Bristol-Myers Squibb	USD 30.15	-0.36	Molex	USD 22.31	-0.73	
Ceva	USD 27.00	-1.14	Motorola	USD -	-	
Coca-Cola	USD 64.87	-1.10	Novartis	CHF 47.80	-0.80	
Colgate-Palmolive	USD 86.48	-1.72	Oracle	USD 29.00	-0.81	
Danone	EUR 45.37	0.08	Pepsico	USD 62.40	-0.78	
Dell	USD 14.30	-0.53	Petrel Res	GBP 6.75	0.00	
Ebay	USD 28.55	-0.49	Petrocitic Intl	GBP 6.00	0.11	
Elan	USD 9.92	-0.50	Pfizer	USD 18.45	-0.45	
Eli Lilly &	USD 35.65	-0.49	Quest Software	USD 17.04	-0.60	
EMC	USD 22.06	-0.41	Ryanair	USD 28.82	-0.17	
Ericsson	SEK 65.50	-0.45	Standard Life	GBP 185.20	-0.50	
First Derivatives	GBP 480.00	0.00	State Street	USD 36.33	-0.92	
General Derivatives	GBP 480.00	0.00	Stryker	USD 45.47	-0.89	
General Electric	USD 14.73	-0.26	Time Warner	USD 32.17	-0.56	
Google -Cl A	USD 570.11	-9.89	Trend Micro	JPY 2194.00	-91.00	
Great-West Lifeco	CAD 19.36	-0.12	Trinity Bio.	USD 9.53	-0.22	
Heineken	EUR 32.29	0.07	Trintech	USD 44.48	-	
HP	USD 25.78	-0.87	Tyco Intl	USD 49.40	-0.96	
Icon	USD 16.79	0.28	Vmware	USD 90.76	-1.74	
Intel	USD 22.70	-0.54	Vodafone	GBP 166.00	-0.30	
IBM	USD 177.95	-3.36				

Retail sector wants action on rents

by Niamh Hennessy

RETAILERS claim rents have fallen just 4% in the last two years while sales have plunged 30%.

In what has been described as the most "in-depth research of rent reduction activity ever" retailers said that commercial landlords have not reduced retail rents "to even close" to market rates. They said government action to

abolish upward-only rent is "urgently required".

The Retail Excellence Ireland (REI) survey of 1,418 retailers found that between 2009 and 2011 rents were cut by an average of only 3.83% and over the same period more than 50,000 retail jobs were lost, with employment in the sector falling to 255,000.

In 2009 an average rent reduction of 3.1% of all lease rents was granted by

landlords, this increased to 4.4% in 2010, and increased marginally to 4.4% in 2011.

REI said that over the three-year period total rent of €680m was paid by the 1,418 stores, or €159,000 a year on average.

Gross rent reductions granted over the period amounted to €27m or an average of €6,300 a year.

Retail Excellence Ireland chief executive, David Fitzsimons, said the survey is

"clear proof" that the vast majority of commercial landlords have no intention of adjusting rents and are holding onto Celtic Tiger lease agreements.

"Every other cost faced by retailers has decreased over the past three years, with the exception of rents. What is most concerning is the fact that new market entrants can command rent at rates 50% lower than legacy tenants, thus many long-es-

tablished professional retailers are being forced out of business."

Mr Fitzsimons said the vested interests opposing the abolition of upward-only rent reviews consistently refer to anecdotal evidence that landlords are engaging with retailers on rent. He said this research clearly illustrates the vast majority of landlords have proven that they are unwilling to reduce commercial rents to rates

reflecting the market reality. "Indeed, the pension funds have claimed that they are legally prohibited from reducing commercial rents. All landlords will at some time have to bear the market realities, whether through strong government legislation to deal with the matter or retail tenant failure."

From 2000 to 2007 rent increased 240% while consumer prices rose 30%, according to REI.

First-half losses widen at Dixons

by Geoff Percival

FALLING consumption levels led first-half losses at electrical goods retailer, Dixons Retail to widen by over £18 million (€21m).

The group — which operates the Currys, PC World and Dixons Travel brands — yesterday reported an underlying pre-tax loss of £25.3m for the six months up to the middle of October.

This was up from a loss of £6.9m on the corresponding period in the previous year. Total underlying group sales were up by 1%, year-on-year, but down by 5% when measured on a like-for-like basis.

Dixons management said that the period saw it deliver "an encouraging financial performance", despite the challenging market conditions.

This was mainly due to a near £7m reduction in underlying losses in its core British & Ireland operations, to £3.9m (down from £10.7m from the previous year).

"Our focus on building a service-led business model is differentiating our offer for customers and suppliers. In what remains a challenging environment, the pace and impact of improvements in our operating model is driving outperformance versus our competitors and market share gains," said John Browett, Dixons Retail chief executive.

Business fell across Dixons international operations and in its e-commerce division.

However, the group's half-year figures show a fall from £215.1m to £143.2m in first-half net debt.

It added that it is on course to realise £60m in cost reductions for its current full year, while customer satisfaction continues to show "encouraging progress".

Meanwhile, further evidence of a drying up of high-street spending came yesterday via the full-year results from the Arcadia group.

The owner of the likes of Top Man, Dorothy Perkins, Miss Selfridge, Burton, Wallis and BHS posted a pre-tax profit of £133.1m for the 12 months to the end of August; down from a profit of £213.2m for the previous year.

Despite the 38% profit fall and "extremely challenging" trading conditions, Arcadia owner Philip Green said that the group's youth-focused fashion brands — such as Top Shop, Top Man and Miss Selfridge — are currently trading positively.

Imports through Irish ports continue to decline

by Geoff Percival

THE volume of freight traffic through Ireland's ports continued to fall in the third quarter of the year.

New figures published by the Irish Maritime Development Office (IMDO) show import volumes, through the country's ports, have now consistently fallen for 15 quarters, with continuing weak consumption the main reason. Furthermore, the situation does not seem



At last night's it@Cork awards ceremony were: Trend Micro EMEA (sponsors) president Anthony O'Mara, chairman of it@Cork, Denis Collins, Sr Shelia Kelleher, principal, Presentation Secondary School, Ballyphehane, Cork, (winner of Excellence in Education category) and Berkley Group managing director, Fergal Brosnan.

Picture: Gerard McCarthy

'IT industry an integral part of growth for Ireland Inc'

by Niamh Hennessy

THE IT industry is alive and well in Ireland and will continue to grow.

This was the message that emerged from the annual it@cork awards ceremony last night. The awards recognise leaders in technology and business innovation in Munster.

Chair of it@cork board of directors, Denis Collins, said: "This is a unique event for tech companies and clearly demonstrates that Ireland Inc is open for business, driving global thought leadership, collaboration and

value to the marketplace.

"This is just the start of further emergence onto the global stage, our IT industry is alive and well and will continue to be an integral part of growth for Ireland Inc," Mr Collins said.

Chair of the organising committee, John Wall, said they received over 100 nominations across seven categories and the standard was "fantastic".

"The number of good projects with great people and strong aspirations should give us confidence that the future of the tech sector in Munster is in good