ETX CAPITAL

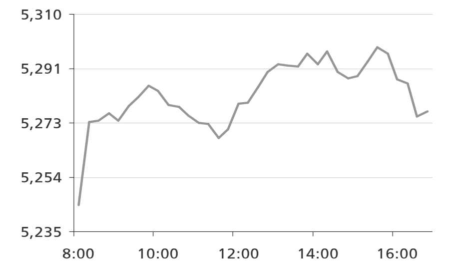
From The Floor

18 February 2010

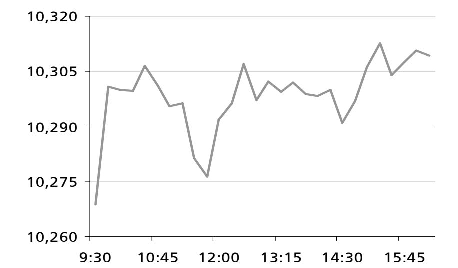
Key Global Indices

	Last Close		1D% Chg	5D% Chg	1M% Chg	1Y% Chg
FTSE 100	5,276.6	⇧	0.6%	2.8%	-3.3%	30.8%
DJSTOXX 50	2,494.6	⇧	1.2%	3.3%	-3.7%	31.8%
FTSE Eurofirst 300	1,015.1	⇧	1.3%	2.8%	-3.5%	32.6%
German DAX 30	5,648.3	⇧	1.0%	2.0%	-3.9%	34.0%
France CAC 40	3,725.2	⇧	1.5%	2.5%	-5.8%	29.6%
Russia RTS Index	1,422.0	⇧	0.3%	2.5%	-8.8%	157.6%
S&P 500	1,099.5	⇧	0.4%	2.9%	-3.2%	39.3%
Dow Jones Industrials	10,309.2	⇧	0.4%	2.7%	-2.8%	36.5%
Nasdaq Composite	2,226.3	⇧	0.5%	3.7%	-2.7%	51.4%
Brazil Bovespa	67,284.6	⇧	2.2%	3.4%	-2.5%	68.9%
Nikkei 225*	10,297.8	⇩	-0.1%	3.4%	-6.1%	34.8%
Shanghai Composite	3,018.1		1.1%	1.2%	-6.4%	30.1%
Sensex*	16,361.8	⇩	-0.4%	3.2%	-6.4%	81.8%
*Time - BST	5:15:53 AM					

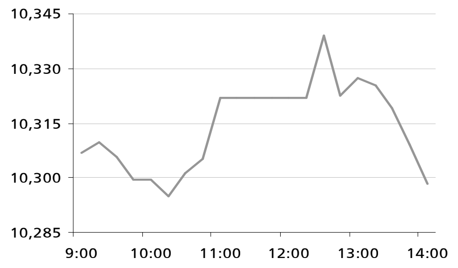
FTSE 100 Intraday



DJIA Intraday



Nikkei Intraday



Contact Details

Manoj Ladwa	0207 392 1487
Index and Equity Desk	0207 392 1479
Institutional Equities	0207 392 1477
Commodities	0207 392 1403
Options	0207 392 1472
Currencies	0207 392 1455
Internet Dealing Desk	0207 392 1434

UK Market Snapshot

⇨ UK markets closed higher yesterday, with the FTSE 100 index rising for the third consecutive session, as banks, miners and retailers recorded gains. Banks, Lloyds Banking Group, Barclays and Standard Chartered, rose between 1.9% and 3.2%, led by strong results posted by their European peers, BNP Paribas and ING Groep, indicating that the financial sector might be in better position. Miners, ENRC, Xstrata and Anglo American, gained between 0.2% and 4.1%, as US industrial output rose by a higher-than-expected 0.9% in January, which boosted the metal prices. Retailers were in the positive territory, led by Home Retail Group which rose 2.9%, after Investec upgraded the stock to "Buy" from "Hold", citing current valuation parameters. FTSE 100 rose 0.6% to 5,276.6. FTSE 250 gained 1.7% to 9,329.9.

European Market Snapshot

⇨ Other European markets finished higher yesterday, with the FTSE Eurofirst 300 index extending its winning streak to three consecutive sessions, as encouraging economic data, better-than-expected earnings from the financial sector and fading fears on the European sovereign debt situation spurred investors to increase their exposure to risky assets. BNP Paribas, up 4%, led the European financial sector higher, as it swung to fourth-quarter net income of €1.37 billion, surpassing market consensus, and after the company stated that it had taken less-than-expected bad debt provisions. Among other financials, shares of ING Groep rallied 5.6%, as its fourth quarter loss narrowed to €712 million from €3.71 billion recorded in the same quarter a year ago. Adding to the positive sentiment, Eurozone exports rose by a seasonally adjusted 3.1% in December. FTSE Eurofirst 300 index advanced 1.3% to close at 1,015.1. German DAX Xetra 30 rallied 1.0% to 5,648.3. French CAC-40 edged up 1.5% to settle at 3,725.2.

US Market Snapshot

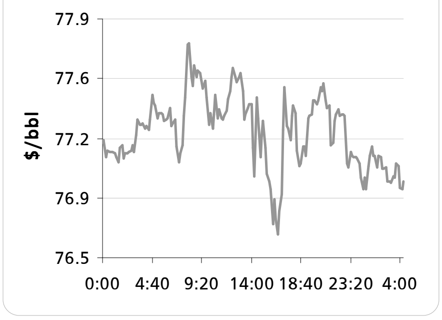
⇨ US markets closed higher yesterday, amid stronger-than-expected corporate results and upbeat economic data. Healthcare stocks, WellPoint and Aetna were among the biggest gainers, as health insurance providers surged after their recent decline. Among industrial stocks, shares of Deere & Co and United Technologies gained 5% and 2.2% respectively, as the former's first quarter profit exceeded market expectations and after it raised its full-year net income forecast to about $1.3 billion from $900 million, while the latter was boosted by its better output data and hints of possible buyback of shares by its CEO. The industrial sector also got a lift from a higher-than-expected 0.9% rise in US industrial production for January. Investor sentiment was also buoyed, after housing starts rose 2.8% to an annual rate of 591,000 units in January, a six-month high. DJIA added 0.4% to 10,309.2. NASDAQ was up 0.6% to 2,226.3. S&P 500 index rose 0.4% to 1,099.5.

Asian Market Snapshot

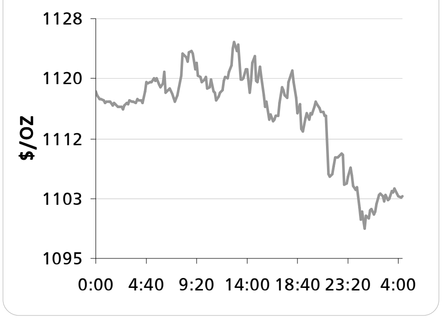
⇨ Asian markets are trading lower this morning, amid concerns that the pace of the global economic recovery may slacken, after minutes of the recent US Federal Reserve meeting revived speculation that the central bank is moving closer to pulling economic stimulus measures. Profit booking in steel and shipping stocks such as Kobe Steel and Mitsui O.S.K. Lines kept the Nikkei 225 index in the red. The strengthening of the yen against the dollar weighed on the exporters. In Hong Kong, shares of Sands China traded lower, after quarterly results from its parent company, Las Vegas Sands, revealed a fourth quarter loss, belying market expectations for a small profit. In South Korea, weak sentiment in some steelmakers and refiners such as Posco and SK Energy led the Kospi index lower. Nikkei 225 index is trading 0.1% lower, at 10,297.8. Hang Seng index is down 0.1%, at 20,521.9, while the Kospi index is trading 0.4% lower, at 1,620.2.

Commodities

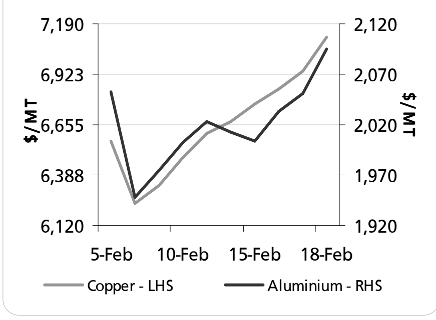
Energy - Light Crude Oil Spot



Precious Metals - Gold Spot



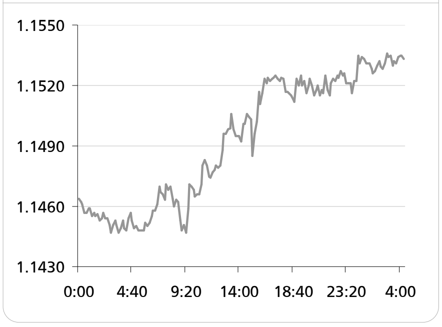
LME Copper & Aluminium Spot—2Week



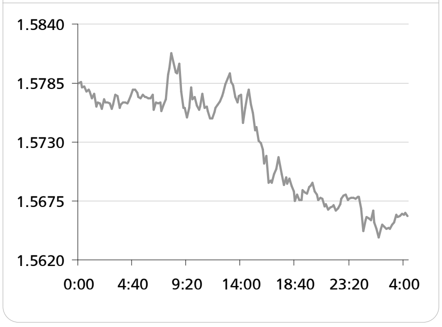
- In Asia, crude oil for March delivery is trading 35 cents lower at $76.98 per barrel, as the American Petroleum Institute reported that US gasoline inventories rose to the highest level since March 1999 during the previous week. Yesterday, crude oil for March delivery closed 0.4% or 32 cents higher at $77.33 per barrel, as positive US economic data in the form of better-than-expected housing starts and industrial production boosted prospects of higher energy demand.
- Gold for immediate delivery is trading 0.1% lower today, at $1,103.50 per ounce, from New York's notional close of $1104.93 per ounce yesterday. The IMF stated that it would begin selling 191.3 tons of gold on the open market, raising concerns that supply would increase. Gold prices for April delivery rose 30 cents to $1,120.10 per ounce yesterday, as noted billionaire investor, George Soros, doubled his investment in the precious metal in the fourth quarter of 2009, while the World Gold Council stated that the demand for gold climbed 2.6% in the fourth quarter from the prior three-month period. However, a strong dollar restricted the gains in the precious metal.

Currencies

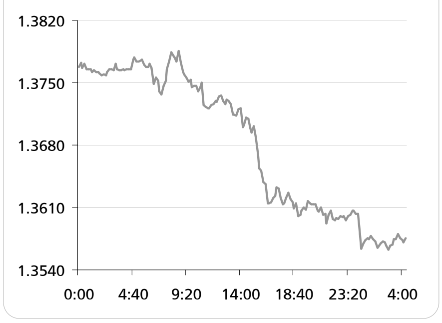
GBP/EUR Movement



GBP/USD Movement



EUR/USD Movement



- At 0420 BST today, the GBP is trading 0.1% lower against the USD at $1.5661, 0.1% higher against the EUR at €1.1533 and 0.2% lower against the JPY at ¥142.46. According to a Bloomberg News survey, UK probably had the smallest budget surplus for any January since 1995, as the recession hit tax receipts across the economy and welfare costs climbed.
- The USD is trading 0.2% higher against the EUR at $1.3576, as investors speculated that a likely rise in an index of US leading indicators and manufacturing in the Philadelphia area may give more reasons for the Federal Reserve to withdrawing stimulus measures.
- The EUR is trading 0.4% lower against the JPY at ¥123.49, amid concerns that banks in the Eurozone region would need to raise more funds from the European Central Bank due to Greece's fiscal deficit. The JPY is trading higher against the USD, as the Bank of Japan refrained from expanding its lending and asset-purchase programs.
- Yesterday, the GBP fell against the USD, as UK jobless claims unexpectedly jumped by 23,500 to 1.64 million in January, the highest level since April 1997. According to minutes of the recent Bank of England meeting, policy makers were unanimous in their decision to pause their £200 billion ($313 billion) bond-purchase plan.
- The USD ended higher against the major currencies, amid prospects of an unwinding of existing stimulus measures, after minutes from the Federal Reserve's last meeting on monetary policy revealed that several members wanted the central bank to sell assets in the near future. The EUR slipped against the major currencies, as a political ally of German Chancellor, Angela Merkel stated that "not a single euro" should go to Greece.

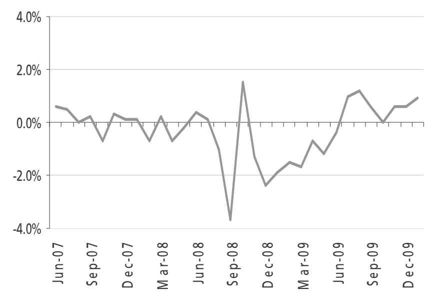
Key Economic Releases Today

Country	BST/GMT	Economic Indicator	Consensus	Previous	Frequency
UK	-	BoE MPC Board Member Fisher Gives Speech before the Association of Corporate Treasurers	-	-	-
UK	9:30	M4 Money Supply, Prelim (YoY) (Jan)	4.60%	6.40%	Monthly
UK	9:30	Public Sector Net Borrowing (Jan)	-£2.50 bn	£15.70 bn	Monthly
UK	9:30	Public Sector Net Capital Requirement (PSNCR) (Jan)	-£20.0 bn	£23.60 bn	Monthly
UK	11:00	CBI Industrial Trends Survey - Orders (Feb)	-	-39.00	Monthly
Germany	11:00	Bundesbank Release Monthly Report - Feb 2010	-	-	-
Eurozone	-	ECB Hold Non-Rate Setting Meeting	-	-	-
Eurozone	10:00	Consumer Confidence (Feb)	-	-16.00	Monthly
Switzerland	7:15	Trade Balance (Jan)	-	CHF1.36 bn	Monthly
Switzerland	7:15	Exports s.a. (MoM) (Jan)	-	-1.60%	Monthly
Switzerland	7:15	Import s.a. (MoM) (Jan)	-	-5.60%	Monthly
Switzerland	10:00	ZEW Survey - Expectations (Feb)	-	56.20	Monthly
US	-	St. Louis President Bullard Gives Speech on "The U.S Economy: A Report from Main Street" before the Economics Club of Memphis	-	-	-
US	-	Atlanta Fed President Lockhart Gives Speech on Economic Outlook before the Augusta Metro Chamber of Commerce	-	-	-
US	13:30	Initial Claims (W/E)	435.00 K	440.00 K	Weekly
US	13:30	Continuing Jobless Claims (W/E)	4500.0 K	4538.0 K	Weekly
US	13:30	Producer Price Index (YoY) (Jan)	4.40%	4.40%	Monthly
US	13:30	Producer Price Index Excluding Food & Energy (YoY) (Jan)	0.80%	0.90%	Monthly
US	15:00	Leading Indicators (MoM) (Jan)	0.60%	1.10%	Monthly
US	15:30	Philadelphia Fed Manufacturing Survey (Feb)	17.20	15.20	Monthly

Global Economic Matrix

	Real GDP - YoY	CPI - YoY	10 Year Bond Yield
UK	0.1%	3.5%	4.0%
US	5.7%	2.7%	3.7%
Japan	1.3%	-1.7%	1.3%
France	0.6%	0.9%	3.5%
Germany	0.0%	0.8%	3.2%
Brazil	0.0%	4.6%	12.8%
Russia	-8.9%	8.0%	8.2%
India	7.2%	15.0%	7.9%
China	10.7%	1.5%	3.4%

US Industrial Production Rises 0.9% in Jan.



Key Corporate Releases Today

UK

Company Name	Results	Currency	Full Year Consensus	
			Estimated EPS	Estimated Revenue (Mn)
BAE Systems Plc	Q4	GBP	41.97	21,393.60
Reed Elsevier Plc	Prelim	GBP	41.47	5,732.51
Ladbrokes Plc	Prelim	GBP	14.87	1,081.43
Morgan Crucible Co Plc	Prelim	GBP	15.49	927.20
Microgen	Prelim	GBP	5.60	32.25
Antisoma Plc	Interim	GBP	(1.66)	27.72
Note: All Estimates are for Full Year				

Trading Announcements

Chrysalis Group, Kingfisher

AGMs

easyJet

Final Dividend Payment Date

Intec Telecom Systems

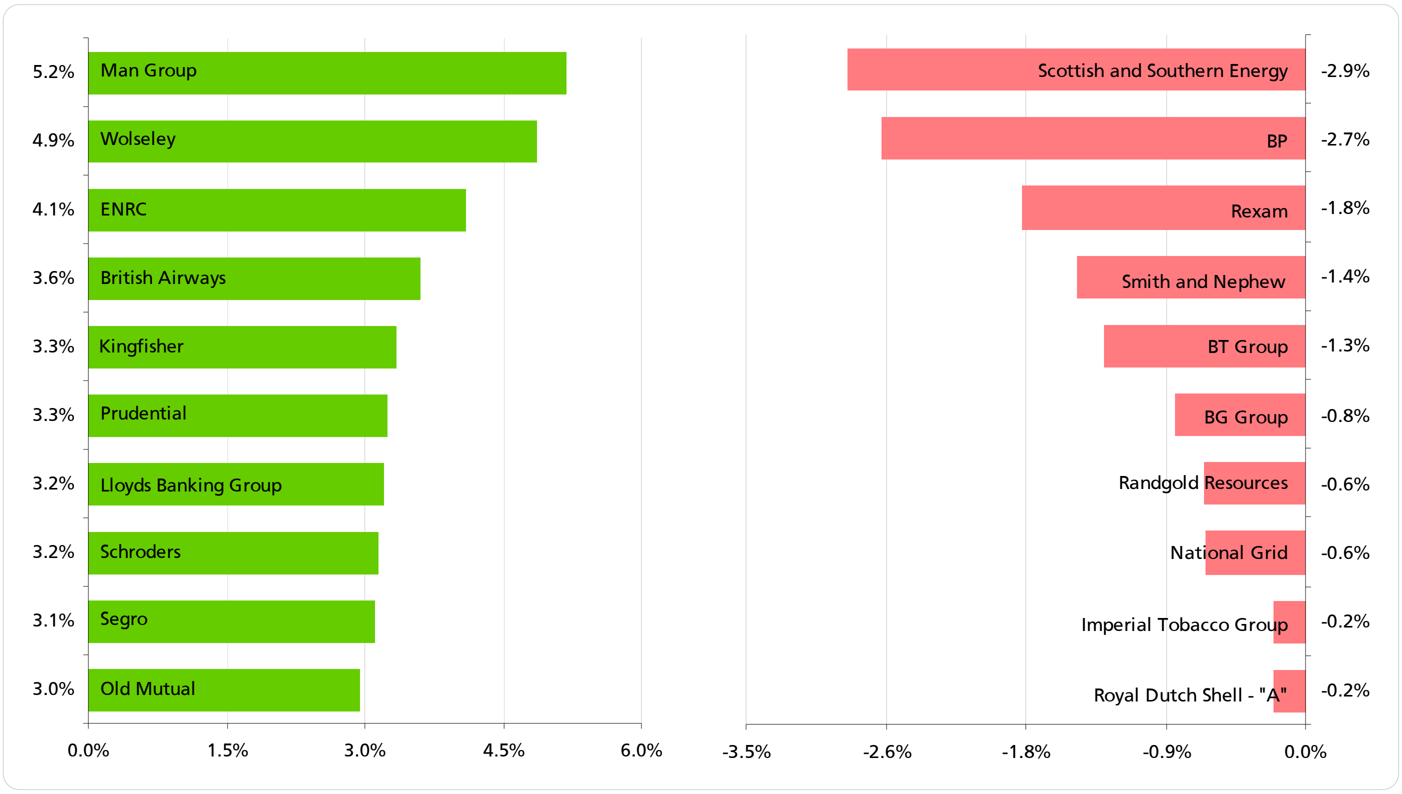
Europe

Company Name	Results	Currency	Full Year Consensus	
			Estimated EPS	Estimated Revenue (Mn)
Axa SA	Final	EUR	1.97	93,681.30
Daimler AG	Final	EUR	1.61	82,914.20
Svenska Handelsbanken AB	Q4	SEK	15.01	33,276.20
ABB Ltd	Final	CHF	1.04	30,192.30
Schweizerische Rueckversicherungs G	Final	CHF	5.58	28,271.10
Ratos AB	Final	SEK	5.63	28,211.60
Societe Generale	Q4	EUR	3.90	25,694.00
Note: All Estimates are for Full Year				

US

Company Name	Results	Currency	Full Year Consensus	
			Estimated EPS	Estimated Revenue (Mn)
Wal-Mart Stores	Q4	USD	3.97	433,630.00
Ingram Micro	Q4	USD	1.59	31,950.00
Goodyear Tire & Rubber	Q4	USD	0.73	16,990.00
PSEG	Q4	USD	3.18	15,480.00
CBS Corp.	Q4	USD	0.92	13,480.00
Note: All Estimates are for Full Year				

What's Hot & What's Not



Major Movers & Shakers

- Man Group climbed 5.2%, amid speculation that BlackRock was interested in buying a stake in the company, and after investors reacted positively to weekly results of its AHL Diversified fund.
- British Airways gained 3.6%, after Raymond James Equities added the stock to its "Focus List", on hopes of recovery.
- Kingfisher rose 3.3%, ahead of its fourth-quarter results scheduled to be released today.
- Scottish & Southern Energy and BP dropped 2.9% and 2.7% respectively, after going ex-dividend.
- Rexam slid 1.8%, after reporting worse-than-expected full-year results. Its full year profit before tax fell to £285 million from £328 million recorded in the previous year.