

THE IBERIAN QUANT OBSERVER

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I. MACROECONOMIC ESTIMATES AND FORECASTS

Europe, the US and Japan – Estimates and Forecasts, 2002-06F

GDP	2002	2003	2004	2005E	Cons	2006F	Cons
Germany	0.1	-0.1	1.0	1.3	0.9	2.1	1.4
France	1.1	0.5	2.3	1.6	1.6	2.4	2.0
Italy	0.4	0.4	1.1	1.4	0.0	2.0	1.3
Spain	2.4	2.5	2.7	2.6	3.1	2.5	2.9
Portugal	0.4	-1.2	1.0	0.5	1.2	2.6	1.9
Euro-12	0.6	0.5	1.8	1.5	1.3	2.2	1.8
UK	1.8	2.2	4.9	–	2.5	–	2.4
Argentina	-10.9	8.8	9.0	4.7	6.7	4.5	4.1
Brazil	1.9	0.5	5.2	3.6	3.7	3.5	3.7
México	0.9	1.6	4.4	4.0	3.9	4.0	3.5
Japan	-0.3	2.5	2.9	–	1.1	–	1.8
US	1.9	3.0	4.4	2.9	3.5	3.1	3.3

CPI	2002	2003	2004	2005E	Cons	2006F	Cons
Germany	1.4	1.1	1.8	1.2	1.5	1.3	1.3
France	1.9	2.2	2.3	1.8	1.7	1.8	1.6
Italy	2.6	2.8	2.3	2.0	2.0	2.0	1.9
Spain	3.6	3.1	3.1	2.8	3.0	2.3	2.7
Portugal	3.6	3.3	2.5	2.2	2.2	2.2	2.0
Euro-12	2.3	2.1	2.1	1.7	1.9	1.7	1.7
UK	1.3	1.3	1.60	–	1.7	–	1.8
Argentina	41.0	3.7	6.1	9.0	9.3	6.0	7.1
Brazil	12.5	9.3	7.6	6.2	6.0	5.0	5.4
Mexico	5.7	4.0	5.2	4.0	3.9	4.0	3.9
Japan	-1.0	-0.3	0.0	–	0.0	–	0.3
US	1.6	2.3	2.7	2.2	2.9	2.3	2.5

Financial Indicators	2002	2003	2004	2005E	Cons	2006F	Cons
Intervention rates							
Euro-zone	2.75 (3.21)	2.00 (2.25)	2.00 (2.00)	2.25 (2.06)	2.75	3.25 (2.88)	3.50
US	1.25 (1.67)	1.00 (1.10)	2.25 (1.40)	3.50 (2.63)	3.50	4.25 (4.13)	–
3M rates							
Euro-zone	2.86 (3.26)	2.11 (2.26)	2.13 (2.08)	2.50 (2.23)	2.40	3.65 (3.18)	3.02
US	1.29 (1.72)	1.09 (1.14)	2.52 (1.56)	3.74 (2.93)	3.50	4.05 (4.15)	–
2Y bond yields							
Euro-zone	2.72 (3.62)	2.61 (2.46)	2.48 (2.48)	3.25 (2.83)	–	4.35 (3.93)	–
US	1.60 (2.55)	1.82 (1.64)	3.06 (2.36)	4.50 (3.59)	–	3.75 (3.99)	–
10Y bond yields							
Euro-zone	4.20 (4.77)	4.29 (4.09)	3.68 (4.06)	4.20 (4.05)	4.09	4.90 (4.60)	4.50
US	3.82 (4.53)	4.25 (3.99)	4.22 (4.25)	5.15 (4.60)	5.10	5.00 (4.18)	5.50
Currencies							
Euro-dollar	1.05 (0.95)	1.26 (1.14)	1.36 (1.24)	1.23 (1.22)	1.339	1.15 (1.18)	1.336

(*) Annual averages in brackets.

Source: Consensus forecasts (June 2005), Euro Zone Barometer (May 2005), SIS and Santander Investment Bolsa estimates and forecasts.



II. COUNTRY AND SECTOR MONITOR

Valuation Multiples

	Mkt Cap (€ mn)	P/E (x)			EPS CAGR (%)	EV/EBITDA (x)				EBITDA CAGR (%)	P/CF (x)				CF CAGR (%)	GDY (%)		P/BV (x)	
		04	05E	06F		04	05E	06F	04		05E	06F	04	05E		06F	05E	06F	05E
France (CAC40)	890,101	15.3	14.0	12.6	14.0	7.4	7.2	6.6	9.2	10.0	8.8	8.3	9.6	2.9	3.2	2.3	2.1		
Germany (DAX30)	610,732	16.0	14.1	12.6	24.5	6.4	6.3	5.5	6.8	8.2	8.0	7.2	7.1	2.8	3.2	2.1	1.9		
Italy (MIB30)	481,821	17.2	16.0	14.4	19.9	6.6	6.4	6.2	4.2	7.3	7.2	7.0	5.5	4.4	4.3	2.7	2.5		
Portugal (PSI20)	46,773	15.1	13.4	11.6	21.4	9.0	8.1	7.6	8.2	6.2	5.8	5.4	10.3	4.0	4.5	2.1	1.9		
Spain (IBEX35)	424,992	16.4	15.3	13.2	14.3	9.2	7.9	7.6	5.0	9.2	8.1	7.5	5.0	3.3	3.6	3.3	2.9		
DJ Stoxx 600	6,782,934	55.6	15.8	13.7	14.3	6.7	6.6	6.3	9.3	9.4	8.8	7.7	6.1	3.1	3.4	3.3	2.8		
DJ Stoxx 50	2,875,555	15.7	13.9	12.9	13.8	7.9	7.8	7.3	7.5	11.2	10.1	9.5	8.6	3.4	3.6	3.0	2.7		
DJ Eurostoxx 50	1,923,891	15.1	13.4	12.2	15.9	6.5	6.4	6.0	6.7	8.7	7.9	7.6	8.2	3.5	3.8	2.4	2.2		
Iberia Capital Goods	28,640	9.4	9.0	12.6	29.9	5.6	4.7	6.0	11.8	5.9	5.8	7.1	4.3	3.1	2.7	1.7	1.6		
Iberia Construction	28,084	19.0	16.9	15.2	-15.2	10.3	9.4	8.6	13.2	11.4	10.1	9.0	-11.9	3.0	1.8	2.7	2.4		
Iberia Consumer Goods	33,382	22.2	20.2	18.5	19.8	10.3	9.3	8.9	10.9	13.0	11.9	11.6	13.3	2.4	3.0	4.4	4.2		
Iberia Consumer Services	49,432	17.5	15.2	17.9	6.8	11.6	10.7	12.2	3.1	9.5	9.4	10.0	-1.5	2.1	1.9	2.8	2.8		
Iberia Financials	158,367	12.3	9.3	8.6	35.3	NA	NA	NA	NA	NA	NA	NA	NA	3.3	3.8	1.1	1.0		
Iberia Oil & Gas	50,666	18.2	15.6	13.4	11.5	7.3	7.3	7.0	6.6	7.8	7.8	7.0	5.2	2.3	2.5	2.3	2.0		
Iberia TMTs	133,352	48.3	37.2	27.8	49.1	17.6	14.9	13.1	14.6	23.2	16.1	15.4	19.0	1.4	1.5	9.3	7.8		
Iberia Utilities	57,651	16.1	14.6	14.7	6.7	8.5	7.1	7.6	2.6	6.5	7.3	8.1	11.1	3.9	3.8	2.9	3.9		
Total Iberia	539,574	17.5	14.3	13.6	21.2	13.4	12.0	12.2	8.1	14.9	14.0	14.2	6.1	2.6	2.7	2.2	2.1		

Note: CAGRs are calculated over 2003-06F.

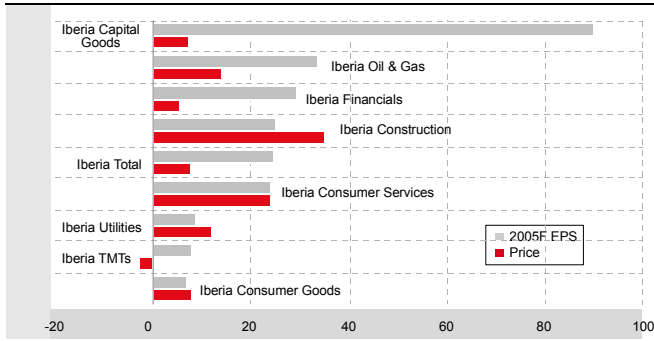
Source: Bloomberg, JCF and Santander Investment Bolsa estimates and forecasts.

Market Performance (%)

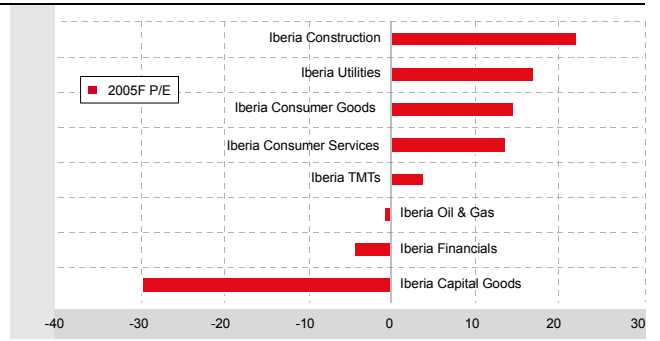
Index	Close 16-June	Last 12M		-1W	-1M	-3M	-6M	-12M	QTD	YTD	From	
		High	Low								12M High	12M Low
France (CAC40)	4,270	4,270	3,452	1.7	2.6	5.4	10.5	15.9	1.0	11.7	0.0	23.7
Germany (DAX30)	4,617	4,637	3,619	1.1	2.4	6.4	7.6	15.5	0.7	8.5	-0.4	27.6
Italy (MIB30)	32,541	33,179	26,185	1.6	1.7	-0.1	3.7	16.0	0.6	4.2	-1.9	24.3
Portugal (PSI20)	7,556	8,107	6,952	0.7	0.6	-2.7	-1.3	3.4	0.6	-0.6	-6.8	8.7
Spain (IBEX35)	9,829	9,829	7,539	1.6	3.5	6.8	7.8	22.3	0.5	8.2	0.0	30.4
DJ Stoxx 600	278	279	225	0.6	2.9	6.0	9.7	16.6	0.8	10.8	-0.2	23.5
DJ Stoxx 50	3,062	3,073	2,523	0.4	3.1	6.9	9.3	15.1	0.9	10.4	-0.4	21.4
DJ Eurostoxx 50	3,209	3,209	2,560	1.5	3.0	5.5	8.0	15.3	0.9	8.7	0.0	25.3
Iberia Capital Goods	NA	NA	NA	3.0	4.0	4.8	8.4	23.4	0.2	7.4	-10.2	32.9
Iberia Construction	NA	NA	NA	3.7	7.9	20.7	31.9	59.2	0.6	35.2	-1.2	67.6
Iberia Consumer Goods	NA	NA	NA	-0.3	-3.8	1.4	8.4	26.2	0.3	7.9	-8.1	33.8
Iberia Consumer Services	NA	NA	NA	2.8	7.1	15.7	22.9	45.5	0.4	23.9	-5.2	53.4
Iberia Financials	NA	NA	NA	1.9	1.9	3.2	4.7	15.9	0.7	5.4	-3.4	25.7
Iberia Oil & Gas	NA	NA	NA	1.6	8.3	9.6	14.0	27.2	1.6	14.0	-0.8	34.1
Iberia TMTs	NA	NA	NA	2.0	-0.6	-1.2	-4.2	8.0	0.2	-2.9	-10.9	19.2
Iberia Utilities	NA	NA	NA	0.9	3.2	7.4	12.8	23.5	-1.6	12.1	-3.7	29.3
Total Iberia	NA	NA	NA	1.9	2.4	4.8	6.9	20.5	0.3	7.6	-5.9	29.8

Source: Bloomberg.

DJ Stoxx 600 – YTD Changes in Prices and 2005E EPS Estimates by Sector (%)

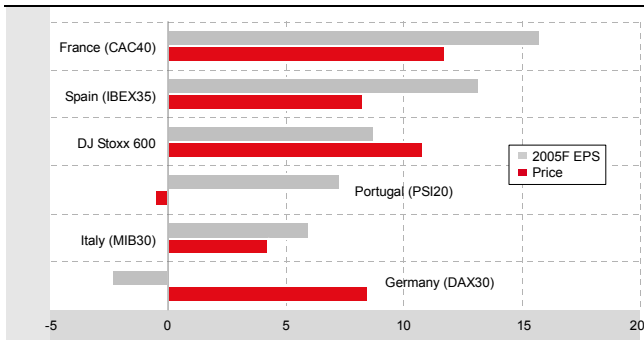


DJ Stoxx 600 – Relative Re-Rating/De-Rating in 2005E P/E by Sector (%)

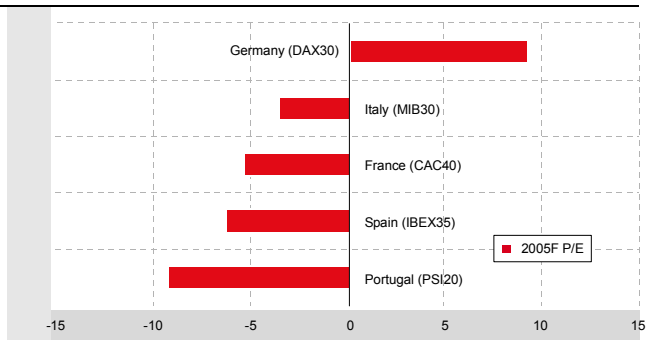


Source: Bloomberg, JCF and Santander Investment Bolsa estimates.

DJ Stoxx 600 – YTD Changes in Prices and 2005E EPS Estimates by Country (%)



DJ Stoxx 600 – Relative Re-Rating/De-Rating in 2005E P/E by Country (%)



Source: Bloomberg, JCF and Santander Investment Bolsa estimates.

III. STOCK RATING AND VALUATION MULTIPLES

Company	Ctry	Cury	Price 03/07/05	Mkt Cap (€ mn)	SI Bolsa Recom	Target Price	Upside Potential (%)	Weighting (%)		Mkt Perfom (YTD)			P/E (x)			EV/EBITDA (x)			03-06F EPS CAGR (%)			P/Cf (x)			03-06F CFPS CAGR (%)			GDY (%)			P/BV (x)			Company
								IBEX 35	PSI 20	-1W	QTD	YTD	04E	05F	06F	04E	05F	06F	03-06F CAGR (%)	04E	05F	06F	03-06F CAGR (%)	04E	05F	06F	05F	06F	05F	06F				
Acerinox	SP	EUR	11.3	2,985	U/W	12.2	7.6	0.8	-0.8	0.6	-4.0	9.9	7.8	15.5	15.3	6.0	4.7	7.6	16.4	5.8	5.5	8.5	12.3	3.0	3.0	1.4	1.4	Acerinox						
Arcelor	SP	EUR	16.3	10,454	U/W	15.2	-7.3	1.7	2.1	1.2	-7.4	4.8	5.2	7.4	66.1	3.8	3.1	3.8	20.5	3.2	3.6	4.1	1.1	3.7	3.7	0.9	0.9	Arcelor						
Cementos Portland	SP	EUR	66.4	1,848	Buy	67.4	1.5		4.9	2.1	38.3	15.9	14.6	13.4	-2.5	7.2	6.7	6.2	2.4	9.3	8.7	8.2	-0.8	2.5	2.7	2.0	1.8	Cementos Portland						
Cimpor	POR	EUR	4.6	3,111	Hold	4.9	5.8	3.6	0.7	-0.2	-1.6	17.3	15.6	NA	NA	NA	NA	NA	NA	7.5	7.1	NA	NA	4.2	NA	2.4	NA	Cimpor						
Ence	SP	EUR	22.5	572	Buy	28.0	24.7		1.4	0.5	11.4	13.9	6.3	6.3	29.7	14.6	7.0	5.8	19.7	7.0	4.3	4.2	14.1	3.3	3.1	1.2	1.1	Ence						
Gamesa	SP	EUR	11.2	2,727	Buy	12.5	11.5	0.6	2.3	3.0	8.8	12.2	10.4	NA	10.4	10.8	10.0	8.0	12.4	7.4	7.4	6.5	8.3	2.1	2.4	3.4	2.9	Gamesa						
Tubacex	SP	EUR	3.2	422	U/W	1.9	-40.1		7.5	3.9	87.7	31.2	20.9	18.2	56.5	12.6	10.7	8.8	26.4	14.3	12.2	10.3	18.0	1.6	2.3	3.6	2.0	Tubacex						
Uralita	SP	EUR	4.2	829	Buy	4.7	10.7		1.2	-2.6	12.6	19.2	20.1	17.5	-202.4	6.2	6.1	5.6	1.9	5.0	6.9	6.3	39.4	2.0	2.3	3.6	3.2	Uralita						
Zardoya Otis	SP	EUR	23.9	5,691	U/W	19.6	-18.0		8.0	-1.8	39.3	36.3	36.5	33.2	3.9	26.2	23.8	21.6	10.1	36.0	33.3	30.5	6.1	2.7	2.9	36.2	33.0	Zardoya Otis						
Capital Goods				28,640				3.1	3.6	3.0	0.2	7.4	9.4	9.0	29.9	5.6	4.7	6.0	11.8	5.9	5.8	7.1	4.3	3.1	2.7	1.7	1.6	Capital Goods						
Acciona	SP	EUR	83.8	5,325	Buy	82.0	-2.1	1.1	4.6	2.2	28.7	21.8	19.8	16.9	-45.5	9.8	8.6	8.0	25.9	14.0	9.7	8.2	-36.5	2.5	3.0	1.9	1.8	Acciona						
ACS	SP	EUR	23.3	8,208	Buy	22.3	-4.1		4.3	0.5	38.5	17.8	15.2	13.5	17.3	8.7	7.7	6.9	14.0	10.8	10.1	-1.4	1.6	1.9	3.2	2.7	ACS							
FCC	SP	EUR	46.3	6,044	Hold	NA	NA	1.0	1.0	-0.6	30.7	15.6	14.7	13.9	12.0	8.1	7.4	6.7	6.6	9.1	8.9	8.4	18.4	3.5	3.7	2.7	2.5	FCC						
Ferrovial	SP	EUR	53.7	7,532	Buy	56.7	5.6	1.6	4.4	0.8	36.6	21.9	19.7	17.8	7.9	14.4	13.8	12.7	16.7	11.7	12.1	10.1	6.4	1.3	1.5	3.0	2.8	Ferrovial						
Construction				28,084				5.9	0.0	3.7	0.6	35.2	19.0	16.9	15.2	-15.2	10.3	9.4	8.6	13.2	11.4	10.1	9.0	-11.9	3.0	1.8	2.7	2.4	Construction					
Aldeasa	SP	EUR	36.5	767	U/W	34.5	-5.5		2.0	0.0	17.4	23.0	20.6	19.5	11.2	10.5	9.7	8.7	8.7	14.3	12.7	11.7	10.7	3.1	3.1	3.7	3.4	Aldeasa						
Altadis	SP	EUR	35.0	9,899	U/W	30.7	-12.2	2.6	1.7	0.8	3.7	19.9	17.3	15.4	31.1	9.9	8.8	8.2	7.1	12.3	11.2	10.2	21.4	2.9	3.3	6.5	6.3	Altadis						
Barón de Ley	SP	EUR	37.8	292	U/W	34.4	-1.0		0.1	-0.5	0.0	13.5	16.3	16.4	10.2	10.8	8.2	7.7	3.2	7.4	10.6	10.2	-0.7	2.1	2.0	1.7	1.5	Barón de Ley						
Cortefiel	SP	EUR	18.9	1,477	U/R	NA	NA		-0.8	-0.2	62.3	23.4	17.8	15.7	46.3	10.8	8.8	7.8	27.4	12.8	10.5	9.3	25.5	2.2	2.4	3.6	3.1	Cortefiel						
Ebro Puleva	SP	EUR	14.9	2,286	Buy	15.9	7.0		-1.1	1.1	41.5	18.9	16.1	13.2	19.9	9.2	9.4	8.0	14.4	9.3	7.5	7.4	13.3	2.4	2.6	2.0	1.8	Ebro Puleva						
Faes	SP	EUR	15.9	886	U/W	11.5	-27.8		-0.4	-0.4	31.8	30.6	39.4	37.0	-2.3	24.7	25.7	24.9	-4.1	18.4	22.5	21.6	-3.8	0.0	0.0	5.7	5.3	Faes						
Inditex	SP	EUR	21.2	13,208	Buy	27.9	31.4	2.1	-2.2	-0.4	-2.4	20.7	18.6	16.0	22.7	10.3	9.1	7.7	23.0	13.3	12.3	10.5	22.1	3.2	4.6	4.5	4.0	Inditex						
Jerónimo Martins	POR	EUR	11.9	1,498	U/W	12.4	4.2	1.7	0.3	0.4	22.7	15.6	13.8	13.1	8.3	7.7	7.6	7.2	-3.3	5.7	6.8	6.4	5.9	3.7	3.6	3.1	2.5	Jerónimo Martins						
Sos Cuétara	SP	EUR	10.6	1,454	U/W	6.0	-43.3		4.4	0.4	39.0	9.0	7.8	6.4	-8.7	20.9	16.2	13.9	23.7	4.6	4.0	3.1	3.6	2.9	2.9	0.2	0.7	Sos Cuétara						
Viscofan	SP	EUR	8.0	390	U/W	8.0	0.1		0.8	0.8	32.2	36.4	52.2	44.6	-14.5	9.3	8.7	7.1	16.3	15.3	14.9	14.9	6.0	0.8	0.0	1.9	1.4	Viscofan						
Zelitia	SP	EUR	5.8	1,224	U/W	4.7	-19.7		-0.5	3.4	12.4	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0	0.0	3.8	0.0	Zelitia						
Consumer Goods				33,382				4.8	1.7	-0.3	0.3	7.9	22.2	20.2	18.5	19.8	10.3	9.3	8.9	10.9	13.0	11.9	11.6	13.3	2.4	3.0	4.4	4.2	Consumer Goods					
NH Hoteles	SP	EUR	11.6	1,384	Buy	12.1	4.5		6.9	2.0	18.6	32.7	34.0	16.8	17.3	11.6	12.5	9.4	12.7	13.4	11.7	8.9	-0.3	1.5	3.0	2.2	2.0	NH Hoteles						
Sol Meliá	SP	EUR	9.9	1,837	Buy	10.4	4.1		8.9	3.8	36.2	30.6	15.8	12.5	56.7	12.1	10.2	8.3	8.5	9.7	7.1	6.2	16.0	1.0	1.2	2.1	1.8	Sol Meliá						
Telefizza	SP	EUR	1.7	371	U/W	1.4	-18.7		1.8	0.0	10.7	19.2	17.0	16.5	-218.3	8.9	8.2	7.5	4.4	10.3	9.3	9.1	71.2	2.7	2.7	4.2	3.7	Telefizza						
Amadeus	SP	EUR	7.3	4,306	U/W	7.4	0.1		0.6	0.6	0.0	22.2	24.0	18.0	14.6	7.5	7.2	6.1	3.8	10.3	10.0	9.3	0.6	1.4	1.7	4.0	3.4	Amadeus						
Iberia	SP	EUR	2.4	2,245	Hold	2.9	19.7	0.6	0.4	0.4	-6.7	10.1	4.5	27.0	-17.5	11.3	13.8	15.7	-6.3	5.5	4.3	8.1	-9.1	10.5	2.1	1.2	1.2	Iberia						
Logista	SP	EUR	42.6	1,947	Buy	47.0	10.3		-0.6	1.2	6.8	21.8	20.1	17.3	12.8	14.0	9.1	8.0	17.7	12.6	11.7	10.5	25.4	2.5	2.9	4.1	3.6	Logista						
Abertris	SP	EUR	20.4	11,825	U/W	18.2	-11.0	3.0	7.5	1.9	32.5	13.3	NA	NA	NA	12.3	11.7	11.1	10.1	11.2	NA	NA	NA	2.8	3.1	3.1	NA	Abertris						
Brisa	POR	EUR	6.5	3,900	Buy	7.5	15.4	8.1	2.2	0.2	-3.7	19.4	19.3	NA	NA	NA	NA	NA	12.0	11.5	NA	NA	NA	3.9	NA	2.6	NA	Brisa						
Inm. Colonial	SP	EUR	43.4	2,431	Buy	41.0	-5.5		1.9	-1.4	48.6	20.5	16.1	16.0	20.7	17.9	14.6	14.7	30.8	7.1	10.5	10.4	27.8	2.4	2.7	2.8	2.5	Inm. Colonial						
Inm. Urbis	SP	EUR	15.7	2,001	U/W	12.5	-20.3		4.3	0.0	46.8	21.9	18.2	14.3	24.2	16.4	14.6	13.7	21.0	12.0	25.0	12.6	2.9	2.0	2.3	0.6	2.3	Inm. Urbis						
Metrovacesa	SP	EUR	47.3	4,986	U/W	39.5	-16.5	1.3	-3.3	-3.0	58.7	14.4	12.5	11.8	13.6	22.1	21.9	20.3	14.0	18.0	10.7	10.2	-1.3	2.0	2.2	3.7	3.0	Metrovacesa						
Sacyr Vallehermoso	SP	EUR	19.3	5,300	Hold	0.0	-100.0	1.1	1.4	-0.9	63.9	13.7	11.5	15.7	-3.2	17.6	16.0	14.9	17.5	6.7	7.5	8.8	-15.0	2.2	1.6	2.1	1.9	Sacyr Vallehermoso						
Abengoa	SP	EUR	9.8	888	Buy	9.6	-2.1		5.5	2.2	34.9	17.2	15.7	12.4	14.9	6.7	6.2	5.1	10.5	7.2	5.4	4.9	15.3	1.4	1.4	2.1	1.9	Abengoa						
Aguas Barcelona	SP	EUR	17.8	2,635	Buy	17.5	-1.7		1.4	-0.1	15.7	13.1	14.6	13.3	-0.2	9.2	7.5	6.9	7.7	7.6	16.4	7.1	0.9	2.0	2.1	1.9	1.7	Aguas Barcelona						
Prosegur	SP	EUR	17.5	1,078	Buy	20.0	14.5		-0.6	0.0	50.6	52.3	17.2	14.6	17.6	8.9	7.9	6.8	11.2	14.7	8.5	7.7	11.6	97.4	114.3	3.8	3.2	Prosegur						
Sonae SGPS	POR	EUR	1.2	2,300	Buy	1.5	30.4	5.3	0.9	0.9	7.5	41.8	329.9	NA	NA	NA	NA	NA	NA	4.3	4.6	NA	NA	0.0	NA	3.7	NA	Sonae SGPS						
Consumer Services				49,432				6.0	13.4	2.8	0.4	23.9	17.5	15.2	17.9	6.8	11.6	10.7	12.2	3.1	9.5	9.4	10.0	-1.5	2.1	1.9	2.8	2.8	Consumer Services					
B. Guipuzcoano	SP	EUR																																

IV. MOMENTUM MONITOR

1M Stock Market Performance (%)			
Ten Highest		Ten Lowest	
Sacyr Valleherm	22.2	Sos Cuétara	-2.9
Cementos Portland	18.5	B. Guipuzcoano	-3.0
Sol Meliá	15.2	TelePizza	-3.5
Acciona	14.6	Acerinox	-3.5
Tubacex	13.2	Barón de Ley	-4.0
Abertis	12.6	Banesto	-4.5
Inm. Urbis	12.4	Iberia	-5.9
Indra	12.4	Jazztel	-7.3
-	-	Inditex	-8.5
Zardoya Otis	11.0	Zeltia	-10.9

Performance from 12M High (%)			
Ten Highest		Ten Lowest	
Repsol YPF	0.0	PT Multimédia	-13.8
Acciona	-0.1	Iberia	-14.4
Aldeasa	-0.2	TelePizza	-14.4
Cementos Portland	-0.2	Ence	-14.5
ACS	-0.3	Telefónica MÓV	-15.3
Abertis	-0.6	Arcelor	-15.9
Cimpor	-0.6	Acerinox	-18.1
B. Pastor	-0.9	Portugal Telecom	-18.6
Ferrovial	-0.9	Zeltia	-19.4
Tubacex	-0.9	Jazztel	-31.1

3M Consensus Recommendation ¹			
Ten Highest		Ten Lowest	
Metrovacesa	2.9	Prisa	1.6
B. Valencia	2.8	Inditex	1.5
Jazztel	2.8	Telefónica	1.4
-	-	Ferrovial	1.4
B. Guipuzcoano	2.8	Tubacex	1.4
Sos Cuétara	2.7	B. Pastor	1.3
Faes	2.7	Arcelor	1.3
Aldeasa	2.7	Cementos Portland	1.3
Abertis	2.5	PT Multimédia	1.3
Inm. Colonial	2.5	Sonae SGPS	1.1

2005 Consensus EPS / SI Bolsa 2005E EPS (%)			
Ten Highest		Ten Lowest	
		Sacyr	
Jerónimo Martins	39.7	Vallehermoso	-22.8
Logista	30.2	Ence	-25.1
-	-	Sol Meliá	-31.9
NH Hoteles	25.3	PT Multimédia	-38.8
Repsol YPF	23.7	Iberia	-46.4
Gamesa	21.7	B. Guipuzcoano	-46.6
Tubacex	20.3	BBVA	-57.9
Uralita	19.0	Sos Cuétara	-69.2
Corp. Mapfre	17.5	Sogecable	-70.2
Cimpor	16.2	Terra Lycos	-210.2

(1) 1 = Buy; 2 = Hold; 3 = Sell.

Source: Bloomberg, JCF and Santander Investment Bolsa estimates and forecasts.

3M Stock Market Performance (%)			
Ten Highest		Ten Lowest	
Sacyr Valleherm	45.5	Telefónica Móviles	-4.3
Cortefiel	36.2	Arcelor	-5.2
Inm. Urbis	35.6	Iberia	-6.3
Cementos Portland	32.8	Banesto	-7.3
Metrovacesa	31.7	Acerinox	-8.1
Tubacex	30.5	Inditex	-8.3
Zardoya Otis	27.8	PT Multimédia	-8.6
Abertis	24.1	Portugal Telecom	-11.0
Enagás	23.5	Zeltia	-13.2
Ferrovial	21.5	Jazztel	-22.8

Performance from 12M Low (%)			
Ten Highest		Ten Lowest	
Jazztel	379.2	Brisa	13.0
Cortefiel	119.7	Zeltia	12.4
Inm. Colonial	108.2	Sogecable	11.9
Tubacex	101.9	Telefónica MÓV	11.8
Sos Cuétara	88.6	PT Multimédia	7.2
-	-	Acerinox	6.2
Sacyr Valleherm	84.7	Ence	5.7
Metrovacesa	79.8	Portugal Telecom	5.7
ACS	75.4	-	-
Inm. Urbis	74.8	BES	0.9

3M Positive to Negative Recommendations (x)			
Ten Highest		Ten Lowest	
Ferrovial	13.0	Unión Fenosa	0.0
Prisa	9.0	Abertis	0.0
Inditex	9.0	Sos Cuétara	0.0
Arcelor	9.0	-	-
-	-	Aldeasa	0.0
B. Pastor	8.0	Metrovacesa	0.0
Enagás	6.0	Faes	0.0
Tubacex	6.0	B. Valencia	0.0
Logista	5.0	B. Guipuzcoano	0.0
Sogecable	4.7	Jazztel	0.0

Most Recommended Stocks (% of Buys)			
Ten Highest		Ten Lowest	
Sonae SGPS	100.0	Abertis	0.0
B. Pastor	88.9	Unión Fenosa	0.0
Tubacex	85.7	Sos Cuétara	0.0
Arcelor	81.8	-	-
PT Multimédia	80.0	Aldeasa	0.0
Cem Portland	80.0	Metrovacesa	0.0
Sogecable	77.8	Faes	0.0
Telefónica	73.7	B. Valencia	0.0
Ferrovial	72.2	B. Guipuzcoano	0.0
Brisa	63.6	Jazztel	0.0



V. VALUE MONITOR

2005E P/E (x)			
Ten Highest		Ten Lowest	
Viscofán	52.2	B. Guipuzcoano	11.7
Faes	39.4	Sacyr Vallehermoso	11.5
Zardoya Otis	36.5	Repsol YPF	11.2
NH Hoteles	34.0	Sos Cuétara	7.8
CF Alba	28.9	Acerinox	7.8
B. Valencia	27.7	Ence	6.3
Indra	26.1	BBVA	5.2
Prisa	23.3	Arcelor	5.2
Amadeus	21.4	Iberia	4.5
TPI	21.3	Jazztel	-8.0

2005E GDY (%)			
Ten Highest		Ten Lowest	
Prosegur	97.4	B. Valencia	0.8
Iberia	10.5	Prisa	0.6
PT Multimédia	6.8	CF Alba	0.3
Portugal Telecom	6.8	Faes	0.0
BPI	5.5	Jazztel	0.0
-	-	Zeltia	0.0
TPI	4.7	Barón de Ley	0.0
BBVA	4.2	Sogecable	0.0
Cimpor	4.2	Sonae SGPS	0.0
Iberdrola	4.1	Terra Lycos	0.0

2005E P/CF (x)			
Ten Highest		Ten Lowest	
Zardoya Otis	33.3	Acerinox	5.5
Inm. Urbis	25.0	Abengoa	5.4
Faes	22.5	Repsol YPF	5.3
Terra Lycos	20.4	Portugal Telecom	4.8
Indra	20.0	Endesa	4.8
Telecinco	17.2	Sonae SGPS	4.6
Aguas Barcelona	16.4	-	-
Iberdrola	16.1	Iberia	4.3
Antena 3	15.9	Ence	4.3
Viscofán	15.3	Sos Cuétara	4.0

2005E P/BV (x)			
Ten Highest		Ten Lowest	
Zardoya Otis	36.2	BES	1.5
TPI	10.9	Viscofán	1.5
Jazztel	10.2	Acerinox	1.4
Telecinco	8.6	Ence	1.2
Sogecable	8.2	Iberia	1.2
Antena 3	6.6	Terra Lycos	1.1
Altadis	6.5	-	-
Indra	6.2	Arcelor	0.9
Telefónica Móviles	6.0	Sos Cuétara	0.8
Faes	5.7	BBVA	0.6

Revisions to 2005E EPS YTD (%)			
Ten Highest		Ten Lowest	
Arcelor	153.2	Aguas Barcelona	-10.4
Antena 3	114.3	Altadis	-12.5
Inm. Colonial	78.6	Endesa	-12.9
CF Alba	67.3	Portugal Telecom	-14.0
Cortefiel	66.3	Ence	-21.9
Tubacex	61.8	Cimpor	-23.0
PT Multimédia	58.4	Faes	-29.2
Repsol YPF	51.2	NH Hoteles	-29.4
Inm. Urbis	50.6	Viscofán	-49.8
Acerinox	40.4	Sogecable	-91.2

2005E CFPS/DPS (%)			
Ten Highest		Ten Lowest	
Sos Cuétara	26.1	Iberia	2.2
Sol Meliá	14.1	CF Alba	2.0
Abengoa	12.9	PT Multimédia	2.0
Prisa	11.8	Inm. Urbis	2.0
-	-	Telecinco	1.6
Viscofán	8.3	Indra	1.5
Arcelor	7.7	Iberdrola	1.5
Uralita	7.3	TPI	1.5
Jerónimo Martins	7.3	Zardoya Otis	1.1
Amadeus	7.3	Prosegur	0.1

2005E D/E (%)			
Ten Highest		Ten Lowest	
Telefónica Móviles	307.5	Antena 3	-16.8
REE	292.6	Inditex	-18.4
Inm. Colonial	252.2	CF Alba	-21.1
Metrovacesa	246.1	Logista	-22.9
Sacyr Valleherm	245.4	Jazztel	-23.1
Sogecable	242.0	Indra	-25.1
-	-	Amadeus	-25.7
Sonae SGPS	225.1	Aldeasa	-28.7
Brisa	189.1	Telecinco	-61.4
Ferrovial	150.5	Iberia	-69.0

2005E ROE (%)			
Ten Highest		Ten Lowest	
Zardoya Otis	103.8	Acciona	9.5
TPI	52.6	-	-
Telecinco	51.9	CF Alba	8.2
Antena 3	45.3	NH Hoteles	6.4
Telefónica Móviles	38.0	Viscofán	6.0
Altadis	37.7	Sogecable	4.1
Metrovacesa	33.3	Sonae SGPS	1.1
Iberdrola	31.9	Terra Lycos	-0.6
Iberia	28.4	Zeltia	-5.7
TelePizza	26.9	Jazztel	-75.2

Source: Bloomberg, JCF and Santander Investment Bolsa estimates and forecasts.

VI. GROWTH MONITOR

2003-06F EPS CAGR (%)		
Ten Highest		Ten Lowest
Bankinter	94.8	Gamesa 0.4
Arcelor	66.1	Aguas Barcelona -0.2
PT Multimédia	59.5	Faes -2.3
Portugal Telecom	59.0	Cementos Portland -2.5
Sol Meliá	56.7	Sacyr Valleherm -3.2
BBVA	56.6	Barón de Ley -5.7
Tubacex	56.5	Jazztel -10.3
Prisa	48.0	Viscofán -14.5
Cortefiel	46.3	Iberia -17.5
Altadis	31.1	Acciona -45.5

2003-06F DPS CAGR (%)		
Ten Highest		Ten Lowest
PT Multimédia	110.8	Corp. Mapfre 6.0
Telecinco	93.9	B. Valencia 5.6
Sol Meliá	44.2	Aguas Barcelona 5.0
Inditex	40.3	Cementos Portland 3.6
Indra	35.7	Gamesa 0.4
Cortefiel	32.8	Abengoa 0.0
Amadeus	26.0	Sacyr Valleherm -3.2
Inm. Urbis	24.2	Metrovacesa -6.8
Portugal Telecom	21.9	Uralita -7.2
Logista	20.8	Viscofán -15.4

2003-06F EBITDA CAGR (%)		
Ten Highest		Ten Lowest
Jazztel	60.3	Endesa 6.2
Antena 3	42.2	Portugal Telecom 6.2
Sogecable	37.5	Repsol YPF 4.5
Inm. Colonial	30.8	TelePizza 4.4
Cortefiel	27.4	Amadeus 3.8
Tubacex	26.4	Barón de Ley 3.7
Acciona	25.9	Cem Portland 2.4
Telecinco	25.4	Uralita 1.9
Sos Cuétara	23.7	Viscofán 1.4
Inditex	23.0	Faes -4.1

2003-06F Revenues CAGR (%)		
Ten Highest		Ten Lowest
Inm. Colonial	31.6	Repsol YPF 3.1
Bankinter	21.2	Viscofán 2.9
Jazztel	20.5	Cementos Portland 2.3
Logista	20.4	PT Multimédia 2.0
Inditex	19.7	TelePizza 1.2
Telefónica Móviles	18.5	Zeltia 1.2
Telefónica	18.5	Endesa 1.0
Gamesa	18.2	Faes 0.8
Tubacex	16.8	Enagás -4.0
Grupo Santander	16.3	Uralita -8.2

2005E Net Margin (%)		
Ten Highest		Ten Lowest
BBVA	74.4	Sos Cuétara 3.2
Abertis	41.1	Abengoa 3.1
Brisa	35.0	Corp. Mapfre 2.9
B. Popular	32.3	-
Metrovacesa	31.6	Jerónimo Martins 1.9
Telecinco	30.0	Sogecable 1.2
B. Valencia	29.8	Sonae SGPS 0.1
Bankinter	29.2	Terra Lycos -1.4
Banesto	28.4	Zeltia -22.3
B. Sabadell	27.9	Jazztel -48.2

2003-06F CFPS CAGR (%)		
Ten Highest		Ten Lowest
Jerónimo Martins	71.2	NH Hoteles -0.3
Endesa	63.6	Barón de Ley -0.7
Terra Lycos	56.9	Cementos Portland -0.8
Uralita	39.4	Metrovacesa -1.3
Inm. Colonial	27.8	ACS -1.4
Cortefiel	25.5	Faes -3.8
Logista	25.4	Viscofán -6.9
PT Multimédia	24.0	Iberia -9.1
Telecinco	23.7	Sacyr Valleherm -15.0
Inditex	22.1	Acciona -36.5

2005E EBITDA Margin (%)		
Ten Highest		Ten Lowest
Brisa	83.8	-
Abertis	72.9	Sonae SGPS 11.2
REE	50.7	Aldeasa 10.7
Telecinco	44.5	Terra Lycos 10.2
Barón de Ley	44.0	Sos Cuétara 8.9
Telefónica	43.1	ACS 8.7
Inm. Colonial	42.0	Jerónimo Martins 8.3
Portugal Telecom	40.7	Iberia 6.2
Cimpor	39.1	Zeltia -3.6
Telefónica Móviles	38.8	Jazztel -25.8

Potential to SI Bolsa Target Price (%)		
Ten Highest		Ten Lowest
B. Guipuzcoano	49.3	Telecinco -17.7
Sogecable	42.2	Zardoya Otis -18.0
Inditex	31.4	TelePizza -18.7
Sonae SGPS	30.4	Zeltia -19.7
Portugal Telecom	27.8	Inm. Urbis -20.3
Ence	24.7	Faes -27.8
BES	24.5	Jazztel -34.8
Iberia	19.7	B. Valencia -38.7
BCP	18.5	Tubacex -40.1
-	-	Sos Cuétara -43.3

Source: Bloomberg, JCF and Santander Investment Bolsa estimates and forecasts.

ANALYST CERTIFICATION: We, Jesús Gómez and Antonio Espasa, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject companies and their securities. We also certify that we have not been promised compensation, either directly or indirectly, for expressing the recommendations in this report.

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Key to Investment Codes¹

Buy	Upside of more than 15%.
Hold	Upside of 10%-15%.
Underweight	Upside of less than 10%.

Note: New investment code criteria were implemented on January 1, 2005. Target prices set from January to June are for December 31 of the current year. Target prices set from July to December are for December 31 of the following year.

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