

# THE IBERIAN QUANT OBSERVER

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**Jesús Gómez**  
(34) 91-289-3315  
jegomez@gruposantander.com

**Antonio Espasa**  
(34) 91-289-3313  
aespasa@gruposantander.com

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# I. MACROECONOMIC ESTIMATES AND FORECASTS

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

<b>GDP</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005E</b>	<b>Cons</b>	<b>2006F</b>	<b>Cons</b>
Germany	0.1	-0.1	1.0	<b>1.3</b>	1.1	<b>2.1</b>	1.6
France	1.1	0.5	2.3	<b>1.6</b>	1.9	<b>2.4</b>	2.1
Italy	0.4	0.4	1.1	<b>1.4</b>	1.2	<b>2.0</b>	1.7
Spain	2.4	2.5	2.7	<b>2.4</b>	2.6	<b>2.5</b>	2.5
Portugal	0.4	-1.2	1.0	<b>2.3</b>	1.9	<b>2.6</b>	2.4
<b>Euro-12</b>	<b>0.6</b>	<b>0.5</b>	<b>1.8</b>	<b>1.5</b>	<b>1.6</b>	<b>2.2</b>	<b>2.0</b>
UK	1.8	2.2	4.9	–	2.5	–	2.4
Argentina	(10.9)	8.8	9.0	<b>4.7</b>	6.7	<b>4.5</b>	4.1
Brazil	1.9	0.5	5.2	<b>3.6</b>	3.7	<b>3.5</b>	3.7
México	0.9	1.6	4.4	<b>4.0</b>	3.9	<b>4.0</b>	3.5
Japan	-0.3	2.5	2.9	–	1.1	–	1.8
<b>US</b>	<b>1.9</b>	<b>3.0</b>	<b>4.4</b>	<b>2.9</b>	<b>3.5</b>	<b>3.1</b>	<b>3.4</b>

<b>CPI</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005E</b>	<b>Cons</b>	<b>2006F</b>	<b>Cons</b>
Germany	1.4	1.1	1.8	<b>1.2</b>	1.4	<b>1.3</b>	1.3
France	1.9	2.2	2.3	<b>1.8</b>	1.7	<b>1.8</b>	1.6
Italy	2.6	2.8	2.3	<b>2.0</b>	2.0	<b>2.0</b>	1.9
Spain	3.6	3.1	3.1	<b>2.8</b>	2.7	<b>2.3</b>	2.5
Portugal	3.6	3.3	2.5	<b>2.2</b>	2.3	<b>2.2</b>	2.3
<b>Euro-12</b>	<b>2.3</b>	<b>2.1</b>	<b>2.1</b>	<b>1.7</b>	<b>1.8</b>	<b>1.7</b>	<b>1.7</b>
UK	1.3	1.3	1.60	–	1.7	–	1.8
Argentina	41.0	3.7	6.1	<b>9.0</b>	9.3	<b>6.0</b>	7.1
Brazil	12.5	9.3	7.6	<b>6.2</b>	6.0	<b>5.0</b>	5.4
México	5.7	4.0	5.2	<b>4.0</b>	3.9	<b>4.0</b>	3.9
Japan	-1.0	-0.3	0.0	–	0.0	–	0.3
<b>US</b>	<b>1.6</b>	<b>2.3</b>	<b>2.7</b>	<b>2.2</b>	<b>2.4</b>	<b>2.3</b>	<b>2.2</b>

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

(\*) Annual averages in brackets.

Source: Consensus forecasts (March 2005). Euro Zone Barometer (March 2005). Santander Central Hispano Investment and Santander Central Hispano 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)	
		04E	05F	06F		04E	05F	06F	04E		05F	06F	05F		06F	05F	06F	
France (CAC40)	872,355	14.9	13.8	12.5	11.7	7.5	7.1	6.5	9.1	9.7	8.8	8.2	8.5	2.9	3.2	2.3	2.1	
Germany (DAX30)	595,440	15.1	13.8	11.9	23.2	6.3	5.7	5.0	8.1	7.5	7.3	6.6	7.1	2.9	3.2	2.0	1.7	
Italy (MIB30)	495,460	19.3	16.0	14.7	17.7	6.5	6.5	6.2	5.6	7.6	7.3	7.1	5.0	3.9	4.0	2.8	2.6	
Portugal (PSI20)	167	7.7	25.9	9.4	29.9	8.7	8.1	7.4	6.6	5.4	9.7	7.5	-6.7	0.0	0.0	2.1	1.7	
Spain (IBEX35)	415,693	15.9	15.3	12.7	13.8	8.6	7.5	7.2	5.6	8.8	7.8	7.2	6.1	3.3	3.7	3.2	2.8	
DJ Stoxx 600	6,547,546	16.7	14.8	13.2	11.9	6.5	6.5	20.7	8.6	8.8	8.1	7.4	5.8	3.1	3.4	3.1	2.5	
DJ Stoxx 50	2,766,845	14.8	13.6	12.7	11.3	7.8	7.4	6.9	6.4	10.2	9.6	9.0	7.2	3.4	3.7	2.7	2.5	
DJ Euro Stoxx 50	1,893,017	14.8	13.5	12.4	13.5	6.6	6.3	5.9	6.4	8.4	7.9	7.5	7.2	3.5	3.8	2.4	2.2	
Iberia Capital Goods	27,751	9.1	8.7	12.2	29.9	5.5	4.6	5.9	11.8	5.7	5.6	6.8	4.3	3.2	2.8	1.6	1.6	
Iberia Construction	23,810	16.2	14.5	13.1	-15.6	9.2	8.5	7.8	13.3	9.4	8.6	7.6	-11.8	3.3	2.1	2.3	2.1	
Iberia Consumer Goods	33,339	22.3	20.0	18.4	20.0	10.2	9.2	8.9	11.0	13.0	11.7	11.5	13.8	2.5	3.0	4.4	4.2	
Iberia Consumer Services	42,600	18.0	14.8	17.3	5.6	11.1	10.2	11.7	2.1	8.7	8.9	10.0	-4.2	2.4	2.1	2.4	2.5	
Iberia Financials	157,037	17.3	14.3	13.1	16.8	NA	NA	NA	NA	NA	NA	NA	NA	3.1	3.7	1.9	2.0	
Iberia Oil & Gas	46,920	16.8	14.5	12.4	11.5	6.9	6.9	6.6	6.6	7.2	7.2	6.4	5.2	2.5	2.7	2.1	1.9	
Iberia TMTs	137,789	50.1	38.6	28.9	49.0	18.0	15.3	13.5	14.6	24.0	16.6	16.0	18.9	1.3	1.4	9.6	8.1	
Iberia Utilities	54,666	15.3	13.8	13.8	6.9	8.3	6.7	7.2	2.5	6.3	8.0	7.7	11.1	4.1	4.1	2.7	3.5	
Total Iberia	523,911	19.7	16.8	16.0	14.1	13.2	11.8	12.0	8.0	14.6	14.2	14.0	5.8	2.6	2.8	2.7	2.8	

Note: CAGRs are calculated over 2003-06F.

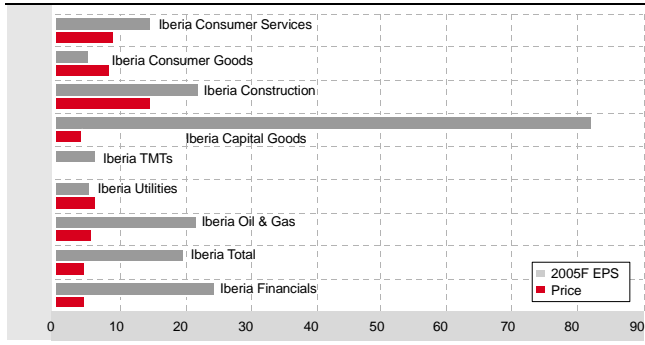
Source: Bloomberg, JCF and Santander Central Hispano Bolsa estimates and forecasts.

### Market Performance (%)

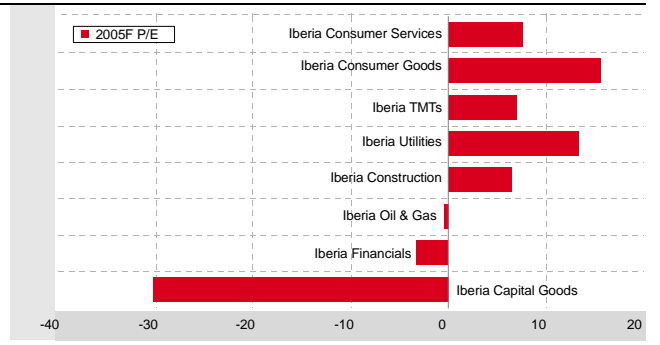
Index	Close 7-April	Last 12M			-1W	-1M	-3M	-6M	-12M	QTD	YTD	From	
		High	Low	12M High								12M Low	
France (CAC40)	4,140	4,144	3,452	1.5	1.3	6.8	10.8	10.7	1.8	8.3	-0.1	19.9	
Germany (DAX30)	4,410	4,435	3,619	0.8	0.3	2.2	9.8	9.9	1.4	3.6	-0.6	21.9	
Italy (MIB30)	33,082	33,179	26,185	1.2	2.7	5.2	15.1	17.5	1.8	6.0	-0.3	26.3	
Portugal (PSI20)	7,795	8,107	6,952	0.1	-1.7	0.1	4.7	2.1	0.1	2.6	-3.9	12.1	
Spain (IBEX35)	9,414	9,648	7,539	1.3	-0.7	4.1	13.1	12.2	1.7	3.7	-2.4	24.9	
DJ Stoxx 600	267	268	225	1.3	0.3	4.8	9.8	9.2	1.8	6.4	-0.5	18.6	
DJ Stoxx 50	2,912	2,947	2,523	1.2	-0.3	3.3	6.5	5.8	1.6	4.9	-1.2	15.4	
DJ Euro Stoxx 50	3,095	3,118	2,560	1.1	-0.1	3.9	9.9	8.2	1.3	4.9	-0.7	20.9	
Iberia Capital Goods	NA	NA	NA	0.8	-2.7	6.4	10.5	16.6	0.6	4.0	-8.3	32.8	
Iberia Construction	NA	NA	NA	1.1	0.5	12.2	29.2	36.6	2.5	14.6	-3.9	46.1	
Iberia Consumer Goods	NA	NA	NA	1.2	1.0	10.9	21.7	31.8	2.8	8.3	-3.1	41.6	
Iberia Consumer Services	NA	NA	NA	1.2	0.9	8.1	18.9	25.5	1.3	8.8	-5.8	39.5	
Iberia Financials	NA	NA	NA	1.5	-0.9	4.4	14.1	7.9	1.8	4.6	-3.6	25.4	
Iberia Oil & Gas	NA	NA	NA	1.4	-0.1	6.8	13.8	15.0	2.0	5.6	-3.3	25.8	
Iberia TMTs	NA	NA	NA	1.0	-2.5	-0.9	6.1	5.2	1.1	0.1	-8.3	22.4	
Iberia Utilities	NA	NA	NA	0.5	2.2	7.4	14.3	15.1	1.3	6.3	-4.2	23.9	
Total Iberia	NA	NA	NA	1.1	-0.7	4.6	13.1	12.6	1.6	4.6	-5.3	27.6	

Source: Bloomberg.

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

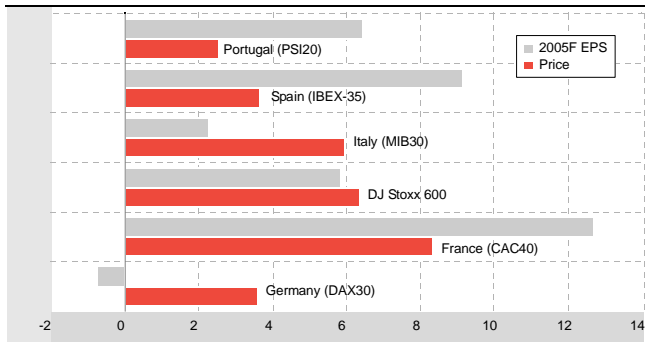


**DJ Stoxx 600 – Relative Re-Rating/De-Rating in 2005F P/E by Sector (%)**

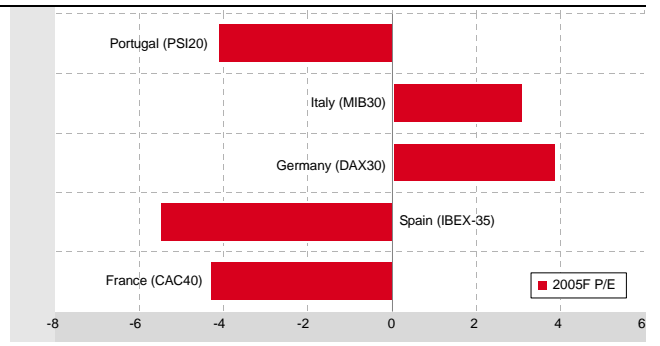


Source: Bloomberg, JCF and Santander Central Hispano Bolsa estimates.

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



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



Source: Bloomberg, JCF and Santander Central Hispano Bolsa estimates.

### III. STOCK RATING AND VALUATION MULTIPLES

Company	Ctry	Cury	Price 07/04/05	Mkt Cap (€ mn)	SCH Bolsa Recom	Target Price	Upside Potential (%)	Weighting (%)		Mkt Perform (%)			P/E (x)			03-06F EPS CAGR (%)			EV/EBITDA (x)			03-06F EBITDA CAGR (%)			P/CF (x)			03-06F CFPS CAGR (%)			GDY (%)			P/BV (x)			Company
								IBEX 35	PSI 20	-1W	QTD	YTD	04	05F	06F	04	05F	06F	04	05F	06F	04	05F	06F	04	05F	06F	05F	06F	05F	06F	05F	06F				
Acerinox	SP	EUR	12.6	3,311	U/W	12.2	-3.0	0.9		-0.6	-0.6	6.5	10.9	8.6	17.2	15.3	6.5	5.1	8.3	16.4	6.5	6.1	9.4	12.3	2.7	2.7	1.6	1.5	Acerinox								
Arcelor	SP	EUR	17.5	11,215	U/W	15.2	-13.6	1.9		0.6	-0.2	-0.7	5.2	5.6	7.9	66.1	4.0	3.3	4.0	20.5	3.5	3.8	4.4	-1.8	3.4	3.4	1.0	0.9	Arcelor								
Cementos Portland	SP	EUR	51.2	1,425	Buy	67.4	31.6			2.1	3.0	6.7	12.3	11.3	10.4	-2.5	5.6	5.2	4.7	2.4	7.2	6.7	6.4	3.2	3.5	1.5	1.4	Cementos Portland									
Cimpor	POR	EUR	4.4	2,930	Hold	12.4	12.4			0.5	0.7	5.1	20.5	14.7	NA	NA	NA	NA	NA	7.4	7.3	4.9	NA	4.4	NA	NA	NA	4.4	Cimpor								
Ence	SP	EUR	23.6	600	Buy	28.0	18.9			1.2	1.0	5.5	14.6	6.6	6.6	29.7	15.1	7.2	6.0	19.7	7.3	4.5	4.4	14.1	3.2	3.0	1.3	1.1	Ence								
Gamesa	SP	EUR	10.6	2,589	Buy	12.5	17.5	0.6		2.8	3.8	3.3	11.7	14.9	12.7	0.4	9.6	8.7	7.7	12.4	7.0	7.0	6.2	8.3	2.2	2.5	3.2	2.7	Gamesa								
Tubacex	SP	EUR	2.5	330	U/W	1.9	-23.4			0.4	0.4	31.2	24.4	16.4	14.2	56.5	10.3	8.8	8.0	26.4	11.2	9.5	8.1	18.0	2.0	2.9	1.7	1.6	Tubacex								
Uralita	SP	EUR	4.5	881	Buy	4.7	4.3			2.5	5.7	19.6	20.3	21.4	18.6	-20.2	6.4	6.4	5.9	1.9	5.3	7.3	6.7	39.4	1.9	2.2	3.8	3.4	Uralita								
Zardoya Otis	SP	EUR	20.7	4,470	U/W	19.6	-5.1			2.9	0.0	9.4	31.3	31.5	28.6	29.9	20.4	18.5	16.8	11.1	31.1	28.7	26.4	6.1	3.1	3.4	31.3	28.5	Zardoya Otis								
<b>Capital Goods</b>				<b>27,751</b>				<b>3.3</b>	<b>3.4</b>	<b>0.8</b>	<b>0.6</b>	<b>4.0</b>	<b>9.1</b>	<b>8.7</b>	<b>12.2</b>	<b>29.9</b>	<b>5.5</b>	<b>4.6</b>	<b>5.9</b>	<b>11.8</b>	<b>5.7</b>	<b>5.6</b>	<b>6.8</b>	<b>4.3</b>	<b>3.2</b>	<b>2.8</b>	<b>1.6</b>	<b>1.6</b>	<b>Capital Goods</b>								
Acciona	SP	EUR	70.0	4,449	Buy	82.0	17.1	1.0		-0.4	0.6	7.5	18.2	16.5	14.1	-45.5	8.2	7.3	6.9	25.9	11.7	8.1	6.9	-36.5	3.0	3.5	1.5	1.5	Acciona								
ACS	SP	EUR	19.8	6,973	Buy	20.5	3.7	1.9		2.4	3.5	17.6	15.1	13.0	11.5	16.7	7.5	6.7	6.0	8.7	9.7	9.0	8.4	-0.8	1.9	2.2	2.7	2.3	ACS								
FCC	SP	EUR	40.0	5,221	Hold	34.5	-13.7	0.9		0.6	1.4	12.9	14.6	13.7	13.0	9.2	7.5	7.0	6.3	6.1	8.4	7.8	7.5	14.8	3.8	4.0	2.4	2.2	FCC								
Ferrovial	SP	EUR	45.3	6,351	Buy	56.7	25.2	1.4		1.1	3.6	15.2	18.5	16.6	15.0	9.8	13.2	12.7	11.7	16.7	9.9	10.2	8.5	6.4	1.6	1.8	2.6	2.3	Ferrovial								
OHL	SP	EUR	9.1	817	U/W	9.5	4.2			0.0	44.8		14.2	10.8	9.8	10.9	8.2	8.1	7.7	17.6	4.7	4.4	3.8	19.9	2.3	2.6	1.4	1.4	OHL								
<b>Construction</b>				<b>23,810</b>				<b>5.2</b>	<b>0.0</b>	<b>1.1</b>	<b>2.5</b>	<b>14.6</b>	<b>16.3</b>	<b>14.5</b>	<b>13.0</b>	<b>-15.4</b>	<b>9.2</b>	<b>8.6</b>	<b>8.0</b>	<b>13.3</b>	<b>9.4</b>	<b>8.5</b>	<b>7.6</b>	<b>-11.8</b>	<b>3.4</b>	<b>2.1</b>	<b>2.2</b>	<b>2.0</b>	<b>Construction</b>								
Aldeasa	SP	EUR	36.5	766	U/W	34.5	-5.4			-0.2	-0.1	17.3	23.0	20.6	19.5	11.2	10.5	9.7	8.7	8.7	14.3	12.7	11.7	10.7	3.2	3.2	3.7	3.4	Aldeasa								
Altadis	SP	EUR	32.8	9,275	U/W	30.7	-6.3	2.6		-1.4	3.8	-2.8	18.7	16.2	14.4	31.1	9.4	8.3	7.7	7.1	11.5	10.5	9.5	21.4	3.1	3.5	6.1	5.9	Altadis								
Barón de Ley	SP	EUR	37.5	290	U/W	34.4	-3.7			0.7	-1.2	23.3	13.4	16.4	16.1	-5.7	8.8	8.2	7.6	-3.7	8.6	10.5	10.1	-0.7	0.0	0.0	1.7	1.5	Barón de Ley								
Cortefiel	SP	EUR	14.3	1,122	Buy	14.4	16.1			3.3	7.3	23.2	17.8	13.5	11.9	46.3	8.3	6.8	6.0	27.4	9.7	7.9	7.1	25.5	3.0	3.2	2.7	2.4	Cortefiel								
Ebro Puleva	SP	EUR	13.3	2,045	Buy	15.9	19.6			2.2	2.5	26.6	16.9	14.4	11.8	19.9	8.4	8.7	3.3	14.4	8.3	6.7	6.6	13.3	2.6	2.9	1.8	1.7	Ebro Puleva								
Faes	SP	EUR	15.5	766	U/W	15.5	-25.7			0.5	0.2	13.8	29.8	38.2	36.0	-2.3	21.3	22.2	21.6	-4.1	17.8	21.9	21.0	-3.8	0.0	0.0	5.5	5.2	Faes								
Inditex	SP	EUR	23.3	14,549	Buy	27.9	19.3	2.4		-0.2	1.2	7.6	23.2	20.1	17.5	23.0	11.3	9.8	8.4	23.4	14.6	12.9	11.2	23.3	2.9	4.2	5.0	4.4	Inditex								
Jerónimo Martins	POR	EUR	12.4	1,563	Buy	11.6	-6.6	1.8		4.8	5.7	28.0	20.5	21.0	NA	NA	NA	NA	NA	23.7	7.3	7.2	NA	NA	1.9	NA	4.6	NA	Jerónimo Martins								
Sos Cuétara	SP	EUR	40.9	1,171	U/W	24.0	-41.3			4.8	5.2	24.5	34.7	30.0	24.9	26.7	17.4	13.6	11.6	23.7	17.9	15.6	13.9	3.6	7.0	7.0	3.2	2.8	Sos Cuétara								
Viscofán	SP	EUR	8.9	388	U/W	8.5	0.6			3.9	4.2	6.7	36.2	52.0	41.4	-14.5	9.2	8.3	7.0	1.4	16.3	15.2	14.8	-6.9	0.8	1.0	1.5	1.4	Viscofán								
Zelitia	SP	EUR	7.0	1,405	U/W	4.7	-33.6			6.4	8.4	35.9	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0	0.0	4.6	0.0	Zelitia								
<b>Consumer Goods</b>				<b>33,339</b>				<b>5.0</b>	<b>1.8</b>	<b>1.2</b>	<b>2.8</b>	<b>8.3</b>	<b>22.3</b>	<b>20.0</b>	<b>18.4</b>	<b>20.0</b>	<b>10.2</b>	<b>9.2</b>	<b>8.9</b>	<b>11.0</b>	<b>13.0</b>	<b>11.7</b>	<b>11.5</b>	<b>13.8</b>	<b>2.5</b>	<b>3.0</b>	<b>4.4</b>	<b>4.2</b>	<b>Consumer Goods</b>								
NH Hoteles	SP	EUR	10.2	1,222	Buy	12.1	18.4	0.3		2.7	3.0	4.7	28.9	30.0	14.8	17.3	10.7	11.5	8.7	12.7	11.8	10.3	7.9	-0.3	1.7	3.4	1.9	1.7	NH Hoteles								
Sol Meliá	SP	EUR	9.1	1,680	Buy	10.4	13.9			1.0	-0.8	24.5	27.9	14.5	11.4	56.7	11.5	9.6	7.8	8.5	8.9	6.5	5.7	16.0	1.1	1.3	1.9	1.7	Sol Meliá								
TelePizzer	SP	EUR	1.8	398	U/W	1.4	-24.2			3.0	0.5	18.7	20.5	14.7	13.7	-21.3	9.4	8.7	8.0	3.8	10.2	10.7	9.0	2.7	2.0	2.7	2.0	2.0	TelePizzer								
Amadeus	SP	EUR	7.3	4,306	U/W	7.4	-1.1	1.2		0.0	-0.1	0.0	22.2	22.0	14.8	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	2.6	2,419	Hold	2.9	10.5	0.7		0.4	0.0	1.2	11.0	4.9	29.3	-17.5	11.8	14.3	16.3	-6.3	6.0	4.7	8.7	-9.1	9.7	1.9	1.3	1.3	Iberia								
Logista	SP	EUR	39.8	1,817	Buy	47.0	18.2			0.0	-0.3	-0.3	20.3	18.8	16.1	12.8	13.1	8.4	7.4	17.7	11.8	10.9	9.8	25.4	2.7	3.1	3.8	3.4	Logista								
Abertis	SP	EUR	17.8	9,798	U/W	18.2	2.3	2.5		1.7	2.1	9.8	11.6	NA	NA	NA	10.8	10.2	9.7	10.1	9.7	NA	NA	NA	3.2	3.5	2.7	NA	Abertis								
Brsia	POR	EUR	6.5	3,910	U/W	7.5	15.0	8.1		-1.2	0.2	-3.4	19.4	19.4	NA	NA	NA	NA	NA	NA	12.1	11.6	NA	NA	3.9	NA	2.6	NA	Brsia								
Inm. Colonial	SP	EUR	37.0	2,070	Buy	41.0	11.0			-0.7	-1.5	24.8	17.4	13.7	13.7	20.7	16.7	13.7	13.7	30.8	6.0	6.0	8.9	27.8	2.9	3.1	2.4	2.2	Inm. Colonial								
Inm. Urbis	SP	EUR	12.2	1,559	U/W	12.5	2.3			-6.1	5.3	14.4	17.0	12.6	11.1	24.2	13.7	12.5	11.9	21.0	9.4	19.5	9.8	2.9	2.6	0.0	2.0	1.8	Inm. Urbis								
Metrovacesa	SP	EUR	43.1	3,055	U/W	39.5	-8.4	0.8		4.2	4.6	26.1	13.2	11.4	10.8	13.6	16.1	16.0	14.8	14.0	16.5	9.8	9.3	-1.3	2.2	2.5	3.4	2.7	Metrovacesa								
Sacyr Vallehermoso	SP	EUR	14.0	3,713	Hold	14.9	-6.8	0.8		1.0	0.9	14.8	9.9	9.4	10.4	-0.5	15.4	14.2	13.1	15.9	4.8	5.9	6.1	-13.6	2.7	2.4	1.5	1.3	Sacyr Vallehermoso								
Abengoa	SP	EUR	8.5	765	Buy	9.6	13.5			2.2	0.0	16.4	14.8	13.5	10.7	-14.9	6.1	5.7	4.6	10.5	6.2	4.7	4.2	15.3	1.7	1.7	1.8	1.6	Abengoa								
Aguas Barcelona	SP	EUR	16.7	2,452	Buy	17.5	4.7			4.0	4.2	6.7	12.3	13.7	12.5	-0.2	8.8	7.1	6.6	7.7	7.2	15.4	6.7	0.9	2.1	2.2	1.8	1.6	Aguas Barcelona								
Prosegur	SP	EUR	17.4	1,076	Buy	20.0																															

## IV. MOMENTUM MONITOR

1M Stock Market Performance (%)			
Ten Highest		Ten Lowest	
Jazztel	26.4	EDP	-3.1
Prosegur	10.0	Iberia	-3.4
Metrovacesa	9.3	Terra Lycos	-3.4
Jerónimo Martins	9.2	Telefónica	-3.6
Unión Fenosa	8.6	NH Hoteles	-3.9
Telecinco	7.9	CF Alba	-3.9
Sos Cuétara	5.9	Abengoa	-4.1
Indra	5.5	Barón de Ley	-4.5
Aguas Barcelona	5.3	Arcelor	-5.2
Uralita	4.7	Ence	-5.8

Performance from 12M High (%)			
Ten Highest		Ten Lowest	
Sos Cuétara	0.0	EDP	-10.0
B. Sabadell	-0.1	Amadeus	-10.0
Aldeasa	-0.2	B. Valencia	-10.1
Iberdrola	-0.3	Iberia	-10.1
Prosegur	-0.3	Logista	-10.2
Uralita	-0.4	Ence	-10.4
Indra	-0.5	Brisa	-10.8
Metrovacesa	-0.7	Jazztel	-16.8
Cortefiel	-1.1	Gamesa	-19.4
Ebro Puleva	-1.2	Sogecable	-21.4

3M Consensus Recommendation <sup>1</sup>			
Ten Highest		Ten Lowest	
Jazztel	3.0	ACS	1.6
Faes	2.7	Prisa	1.6
OHL	2.6	B. Pastor	1.5
B. Valencia	2.6	Telefónica	1.5
BES	2.6	Inditex	1.5
Metrovacesa	2.6	Tubacex	1.4
Sos Cuétara	2.6	Ferrovial	1.4
B. Guipuzcoano	2.5	BPI	1.4
Zardoya Otis	2.5	Sonae SGPS	1.3
Aldeasa	2.5	Arcelor	1.2

2005 Consensus EPS / SCH 2005F EPS (%)			
Ten Highest		Ten Lowest	
Terra Lycos	232.7	Cortefiel	-12.1
Viscofán	171.5	Acerinox	-13.0
CF Alba	152.8	Sacyr Valleherm	-13.6
Jerónimo Martins	46.3	Metrovacesa	-15.4
NH Hoteles	30.6	Ence	-20.2
Portugal Telecom	26.4	Aguas Barcelona	-24.5
Gamesa	24.9	Jazztel	-29.7
Logista	22.1	Sol Meliá	-38.6
Uralita	21.9	Iberia	-43.3
Telefónica	17.6	Sogecable	-54.4

3M Stock Market Performance (%)			
Ten Highest		Ten Lowest	
Jazztel	85.3	Prisa	0.6
OHL	41.4	Amadeus	-0.7
B. Guipuzcoano	38.2	Iberia	-0.8
Zeltia	30.6	Gamesa	-0.8
Cortefiel	26.5	BBVA	-1.8
Tubacex	25.9	Brisa	-2.7
Inm. Colonial	25.7	Portugal Telecom	-2.8
Sos Cuétara	23.9	Telefónica	-3.4
Jerónimo Martins	23.6	EDP	-5.7
Ebro Puleva	22.8	Sogecable	-9.2

Performance from 12M Low (%)			
Ten Highest		Ten Lowest	
Jazztel	479.2	PT Multimédia	18.2
Inm. Colonial	92.1	BPI	16.1
Telecinco	82.4	Ence	16.0
Cortefiel	81.7	Sogecable	13.5
Sos Cuétara	81.7	Viscofán	12.9
Antena 3	75.4	Cimpor	12.7
Aldeasa	65.0	Gamesa	12.5
Tubacex	63.2	Portugal Telecom	10.3
Uralita	61.8	BES	4.2
Jerónimo Martins	61.6	EDP	4.1

3M Positive to Negative Recommendations (x)			
Ten Highest		Ten Lowest	
Telefónica	22.0	Bankinter	0.1
ACS	11.0	Metrovacesa	0.1
Inditex	9.0	Barón de Ley	0.0
Prisa	9.0	OHL	0.0
Iberdrola	8.0	Aldeasa	0.0
REE	8.0	Faes	0.0
Ferrovial	7.5	BES	0.0
Tubacex	7.0	B. Valencia	0.0
B. Pastor	6.0	B. Guipuzcoano	0.0
Enagás	5.5	Jazztel	0.0

Most Recommended Stocks (% of Buys)			
Ten Highest		Ten Lowest	
Arcelor	91.3	Metrovacesa	7.7
Tubacex	77.8	Bankinter	5.0
BPI	75.0	Barón de Ley	0.0
Sonae SGPS	75.0	OHL	0.0
Ferrovial	75.0	Aldeasa	0.0
B. Pastor	75.0	Faes	0.0
Jerónimo Martins	70.0	BES	0.0
Inditex	69.2	B. Valencia	0.0
Telefónica	68.8	B. Guipuzcoano	0.0
Sogecable	68.4	Jazztel	0.0

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

Source: Bloomberg, JCF and Santander Central Hispano Bolsa estimates and forecasts.



## V. VALUE MONITOR

2005F P/E (x)			
Ten Highest		Ten Lowest	
Viscofán	52.0	Metrovacesa	11.4
Faes	38.2	Cementos Portl	11.3
Zardoya Otis	31.5	OHL	10.8
PT Multimédia	30.8	Repsol YPF	10.8
Sos Cuétara	30.0	Sacyr Valleherm	9.4
NH Hoteles	30.0	Acerinox	8.6
CF Alba	27.3	Ence	6.6
B. Valencia	27.2	Arcelor	5.6
Prisa	22.9	Iberia	4.9
Indra	22.0	Jazztel	-9.6

2005F GDY (%)			
Ten Highest		Ten Lowest	
Iberia	9.7	B. Valencia	0.8
Sos Cuétara	7.0	Prisa	0.6
Portugal Telecom	6.1	CF Alba	0.4
BPI	5.5	Faes	0.0
EDP	4.8	Jazztel	0.0
TPI	4.7	Zeltia	0.0
Endesa	4.4	Barón de Ley	0.0
Cimpor	4.4	Sogecable	0.0
Iberdrola	4.2	Sonae SGPS	0.0
Indra	3.9	Terra Lycos	0.0

2005F P/CF (x)			
Ten Highest		Ten Lowest	
CF Alba	141.0	Endesa	6.0
Zardoya Otis	28.7	Sacyr Valleherm	5.9
Faes	21.9	Portugal Telecom	5.4
Terra Lycos	19.5	Repsol YPF	5.1
Inm. Urbis	19.5	Sonae SGPS	4.8
Indra	16.9	Iberia	4.7
Telecinco	16.4	EDP	4.7
PT Multimédia	16.3	Abengoa	4.7
Antena 3	15.9	Ence	4.5
Iberdrola	15.7	OHL	4.4

2005F P/BV (x)			
Ten Highest		Ten Lowest	
Zardoya Otis	31.3	Acciona	1.5
Jazztel	12.4	Cementos Portland	1.5
TPI	10.9	Sacyr Vallehermoso	1.5
Sogecable	8.4	Viscofán	1.5
Telecinco	8.2	OHL	1.4
Antena 3	6.6	Iberia	1.3
Telefónica Móviles	6.5	Ence	1.3
Altadis	6.1	EDP	1.1
Faes	5.5	Terra Lycos	1.1
Indra	5.2	Arcelor	1.0

Revisions to 2005F EPS YTD (%)			
Ten Highest		Ten Lowest	
Terra Lycos	178.8	Endesa	-11.1
Arcelor	137.7	Aguas Barcelona	-13.6
Antena 3	89.7	Prosegur	-13.7
Inm. Colonial	75.1	Altadis	-13.8
Sonae SGPS	53.8	Ence	-16.8
PT Multimédia	49.6	Faes	-19.5
Cortefiel	45.7	NH Hoteles	-26.4
Inm. Urbis	42.9	Cimpor	-30.6
Acerinox	39.4	Viscofán	-32.9
Tubacex	39.0	Sogecable	-86.6

2005F CFPS/DPS (%)			
Ten Highest		Ten Lowest	
Sol Meliá	14.1	Iberia	2.2
Abengoa	12.9	CF Alba	2.0
Prisa	11.7	PT Multimédia	2.0
OHL	9.9	Inm. Urbis	2.0
Prosegur	8.4	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	Sos Cuétara	0.9

2005F D/E (%)			
Ten Highest		Ten Lowest	
Telefónica Móviles	307.5	CF Alba	-21.1
Inm. Colonial	252.2	Inditex	-21.3
Metrovacesa	246.1	Logista	-22.9
REE	242.1	Jazztel	-23.1
Sogecable	242.0	Indra	-25.1
Sacyr Valleherm	238.5	Amadeus	-25.7
Sonae SGPS	225.1	Aldeasa	-28.7
OHL	210.8	Antena 3	-52.1
Brisa	189.1	Telecinco	-61.4
Ferrovial	160.1	Iberia	-69.0

2005F ROE (%)			
Ten Highest		Ten Lowest	
Zardoya Otis	103.8	Acciona	9.5
TPI	52.3	EDP	8.4
Telecinco	51.9	CF Alba	8.2
Antena 3	42.6	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 Central Hispano Bolsa estimates and forecasts.

## VI. GROWTH MONITOR

2003-06F EPS CAGR (%)			
Ten Highest		Ten Lowest	
Arcelor	66.1	Gamesa	0.4
PT Multimédia	59.5	Aguas Barcelona	-0.2
Portugal Telecom	59.0	Sacyr Valleherm	-0.5
Sol Meliá	56.7	Faes	-2.3
Tubacex	56.5	Cementos Portl	-2.5
Prisa	46.5	Barón de Ley	-5.7
Cortefiel	46.3	Jazztel	-10.3
Altadis	31.1	Viscofán	-14.5
Ence	29.7	Iberia	-17.5
Gas Natural	28.5	Acciona	-45.5

2003-06F DPS CAGR (%)			
Ten Highest		Ten Lowest	
PT Multimédia	110.8	Corp. Mapfre	6.0
Telecinco	93.9	B. Valencia	5.8
Sol Meliá	44.2	Aguas Barcelona	5.0
Inditex	41.1	Cementos Portland	3.6
Indra	35.7	Gamesa	0.4
Cortefiel	32.8	Abengoa	0.0
Amadeus	26.0	Sacyr Valleherm	-0.5
Inm. Urbis	24.2	Metrovacesa	-6.8
Portugal Telecom	21.9	Uralita	-7.2
OHL	21.5	Viscofán	-15.4

2003-06F EBITDA CAGR (%)			
Ten Highest		Ten Lowest	
Jazztel	60.3	Portugal Telecom	6.2
Antena 3	42.8	FCC	6.1
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	Cementos Portland	2.4
Telecinco	25.4	Uralita	1.9
Sos Cuétara	23.7	Viscofán	1.4
Inditex	23.4	Faes	-4.1

2003-06F Revenues CAGR (%)			
Ten Highest		Ten Lowest	
Inm. Colonial	31.6	Barón de Ley	3.8
Jazztel	20.5	Repsol YPF	3.1
Logista	20.4	Viscofán	2.9
Inditex	19.9	Cementos Portland	2.3
Telefónica Móviles	18.5	PT Multimédia	2.0
Telefónica	18.5	TelePizza	1.2
Gamesa	18.2	Zeltia	1.2
Grupo Santander	17.3	Faes	0.8
Tubacex	16.8	Enagás	-4.0
Inm. Urbis	15.4	Uralita	-8.2

2005F Net Margin (%)			
Ten Highest		Ten Lowest	
Brisa	35.0	Sos Cuétara	3.2
B. Popular	32.3	Abengoa	3.1
Metrovacesa	31.6	OHL	3.1
Telecinco	30.0	Corp. Mapfre	2.9
B. Valencia	29.8	Jerónimo Martins	1.9
Abertis	29.5	Sogecable	1.2
Bankinter	29.5	Sonae SGPS	0.1
Banesto	29.1	Terra Lycos	-1.4
B. Sabadell	27.1	Zeltia	-22.3
BBVA	26.1	Jazztel	-48.2

2003-06F CFPS CAGR (%)			
Ten Highest		Ten Lowest	
TelePizza	71.2	NH Hoteles	-0.3
Endesa	64.0	Barón de Ley	-0.7
Terra Lycos	56.9	Cementos Portland	-0.8
Uralita	39.4	ACS	-0.8
Inm. Colonial	27.8	Metrovacesa	-1.3
Cortefiel	25.5	Faes	-3.8
Logista	25.4	Viscofán	-6.9
PT Multimédia	24.0	Iberia	-9.1
Telecinco	23.7	Sacyr Valleherm	-13.6
Inditex	23.3	Acciona	-36.5

2005F EBITDA Margin (%)			
Ten Highest		Ten Lowest	
Brisa	83.8	OHL	11.8
Abertis	69.3	Sonae SGPS	11.2
REE	52.0	Aldeasa	10.7
Telecinco	44.5	Terra Lycos	10.2
Barón de Ley	44.0	Sos Cuétara	8.9
Telefónica	43.1	ACS	8.8
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 SCH Target Price (%)			
Ten Highest		Ten Lowest	
B. Guipuzcoano	46.2	Telecinco	-13.6
Sogecable	38.8	Arcelor	-13.6
Cementos Portland	31.6	FCC	-13.7
B. Pastor	23.2	Tubacex	-23.4
EDP	22.7	TelePizza	-24.2
Ebro Puleva	19.6	Faes	-25.7
BES	19.4	Zeltia	-33.6
Inditex	19.3	B. Valencia	-38.8
Ence	18.9	Sos Cuétara	-41.3
BCP	18.5	Jazztel	-46.0

Source: Bloomberg, JCF and Santander Central Hispano 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.

## Local Offices

### Madrid

Tel: 34-91-257-2309  
Fax: 34-91-257-1811

### Lisbon

Tel: 351-21-389-3400  
Fax: 351-21-387-9133

### London

Tel: 44-207-332-6900  
Fax: 44-207-332-6909

### New York

Tel: 212-692-2550  
Fax: 212-407-4540

### Bogotá

Tel: 571-644-8006  
Fax: 571-592-0638

### Buenos Aires

Tel: 54114-341-1052  
Fax: 54114-341-1226

### Caracas

Tel: 582-401-4306  
Fax: 582-401-4219

### Lima

Tel: 511-215-8100  
Fax: 511-215-8185

### Mexico City

Tel: 5255-5629-5040  
Fax: 5255-5629-5846

### Santiago

Tel: 562-336-3300  
Fax: 562-697-3869

### São Paulo

Tel: 5511-5538-8226  
Fax: 5511-5538-8407

### Tokyo

Tel: 813-3211-0356  
Fax: 813-3211-0362

### Key to Investment Codes<sup>1</sup>

<b>Buy</b>	Upside of more than 15%.
<b>Hold</b>	Upside of 10%-15%.
<b>Underweight</b>	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.

### IMPORTANT DISCLOSURES:

Santander Central Hispano Bolsa expects to receive or intends to seek compensation for investment banking services from the following companies in the next three months: FCC, Ferrovial, Iberia, Sacyr-Vallehermoso, Corporación Mapfre, Jazztel, Sogecable, Antena 3, Telecinco, Unión Fenosa.

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