

Wednesday October 4, 2006

Structured Products

ALL U.S. STOCK AND EQUITY INDEX DEALS

Year to Date:

\$14.620 billion in 898 deals

Quarter to Date:

\$0.004 billion in 1 deal

Month to Date:

\$0.004 billion in 1 deal

Week to Date:

\$0.004 billion in 1 deal

SINGLE-STOCK U.S. STRUCTURED PRODUCTS

Year to Date:

\$8.451 billion in 530 deals

Quarter to Date:

\$0.004 billion in 1 deal

Month to Date:

\$0.004 billion in 1 deal

Week to Date:

\$0.004 billion in 1 deal

STOCK INDEX U.S. STRUCTURED PRODUCTS

Year to Date:

\$6.030 billion in 353 deals

Quarter to Date:

\$0.000 billion in 0 deals

Month to Date:

\$0.000 billion in 0 deals

Week to Date:

\$0.000 billion in 0 deals

BASKET OF STOCKS U.S. STRUCTURED PRODUCTS

Year to Date:

\$0.140 billion in 15 deals

Quarter to Date:

\$0.000 billion in 0 deals

Month to Date:

\$0.000 billion in 0 deals

Week to Date:

\$0.000 billion in 0 deals

Prospect News

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Income seen propelling surge in reverse convertibles; Barclays prices \$7 million notes linked to Peabody

By Sheri Kasprzak

New York, Oct. 3 – Reverse convertibles led structured product action yet again Tuesday and one market source said he feels the income-oriented appeal of the structure is driving the influx of offerings.

“We think the market is still in its infancy,” said one market source when asked about the growing popularity of reverse convertibles.

“Investors are demanding higher income-producing investments. The baby boom generation is beginning to shift from equity-driven assets into more income-oriented investments. People are living longer and the majority of investors have not saved enough money to live a comfortable retirement that will last their lifetime.

“The current 5% interest-rate world does not help.

“Reverse convertibles now offer investors high-coupon income in exchange for the downside risk associated with these products.

“Investors are also purchasing portfo-

lios of these securities and using the dollar cost averaging techniques they employ in the equity world. This helps them reduce market risk and focus more on building well-diversified portfolio in multiple securities over time. In summary, we think the industry is simply meeting the increased demand for income.”

Another market source said that makes some sense, especially when the coupons on these notes are substantial.

“I’d say that’s pretty accurate for the majority of these [reverse convertibles],” he noted.

“It really depends on the coupon. Don’t get me wrong, even a 10% coupon is better than what you could hope for [in other investments] given current the interest rate environment we’re in.”

Barclays hits 20%

In fact, **Barclays Bank plc** priced a \$7 million reverse convertible note linked to **Peabody Energy Corp.** with a 20% coupon Tuesday.

Continued on page 2

Merrill to price 10% knock-in notes linked to Oil Service HOLDERS

By Jennifer Chiou

New York, Oct. 3 – **Merrill Lynch & Co., Inc.** plans to price an issue of 10% knock-in notes due October 2007 linked to Oil Service HOLDERS, according to a 424B3 filing with the Securities and Exchange Commission.

Interest will be payable monthly.

Payout at maturity will be par in cash unless the Oil Service HOLDERS hit the knock-in level – 80% of the initial price – during the life of the notes and finish below the initial price, in which case the payout will be a number of Oil Service HOLDERS equal to \$1,000 divided by the initial price.

Merrill Lynch will be the underwriter.

Wachovia to sell enhanced growth notes linked to Russell 1000

By Jennifer Chiou

New York, Oct. 3 – **Wachovia Corp.** plans to price an offering of 0% enhanced growth securities due May 5, 2008 linked to the Russell 1000 index, according to a 424B5 filing with the Securities and Exchange Commission.

Payout at maturity will be par plus double any positive return

on the index. The payout will be capped at between \$11.40 and \$11.50 per \$10.00 security, with the exact cap to be determined at pricing.

Investors will participate fully in any decline.

Wachovia Securities will be the underwriter.

Wachovia to price 0% commodity-linked notes due 2010

By Jennifer Chiou

New York, Oct. 3 – **Wachovia Corp.** plans to price an issue of 0% principal-protected notes linked to a basket of six commodities, according to a 424B5 filing with the Securities and Exchange Commission.

The underlying basket includes equal weights of WTI crude

oil, gold, copper, aluminum, nickel and lead.

At maturity, investors will receive par plus the basket return times a to-be-determined participation rate. Investors will receive at least par.

Wachovia Securities will be the underwriter.

Income seen propelling surge in reverse convertibles; Barclays prices \$7 million notes linked to Peabody

Continued from page 1

Those notes are due Jan. 4, 2007 and have an 80% threshold on the trigger.

The Peabody-linked note is just one of several energy-related reverse convertible offerings announced recently. Barclays also priced \$1 million in 15.25% reverse convertibles linked to Southwestern Energy Co. late last week and **Rabobank Financial Products BV** said it plans to price reverse convertibles linked to Chesapeake Energy Corp. and Schlumberger Ltd. The Chesapeake notes will carry an 11.25% coupon and the Schlumberger notes a 10.5% coupon.

Sources earlier this week noted that dropping oil prices may be fueling reverse convertible offerings connected to energy companies.

Credit Suisse's Nutri/System notes

Another planned reverse convertible also carries a substantial coupon. **Credit Suisse (USA), Inc.** intends to price 19.5% reverse convertible notes linked to **Nutri/System, Inc.**

The notes carry a knock-in level of 60% of the initial price and are due April 30, 2007.

The notes will be distributed by FIS Securities.

FIS will distribute another note for Credit Suisse with a large

coupon. These notes are linked to the Nasdaq Stock Market, Inc. and carry an 18.25% coupon.

Those notes are due April 30, 2007 and have a knock-in level of 80% of the initial share price.

Wachovia principal-protected notes

Elsewhere, **Wachovia Corp.** announced its plans to issue 0% principal-protected notes on Monday that continues the recent popularity of emerging markets deals – but varies from most offerings in the last few months which have linked to indexes or currencies.

Those notes, due Sept. 30, 2011, are linked to a basket of Chinese and Indian companies.

The basket includes the American depositary shares of PetroChina Co. Ltd., China Mobile Ltd., China Petroleum & Chemical Corp., China Telecom Corp. Ltd., Infosys Technologies Ltd., Wipro Ltd., Dr. Reddy's Laboratories Ltd. and Tata Motors Ltd.

Payout at maturity is par plus the sum of the quarterly returns on the basket with a floor of 105% of par. Each quarterly return will be capped at 7% to 7.5%, with the exact cap to be determined at pricing.

Morgan Stanley plans issue of 0% notes linked to Asian index basket

By Angela McDaniels

Seattle, Oct. 3 – **Morgan Stanley** plans to price an issue of 0% performance-enhanced notes due Nov. 6, 2013 linked to a basket of Asian indexes, according to an 424B2 filing with the Securities and Exchange Commission.

The basket will include the Nikkei 225 index with a 30% weight, the MSCI China index with a 20% weight, the Kospi 200 index with a 20% weight, the MSCI Singapore index with a 20% weight and the MSCI Taiwan index with a 10% weight.

The payout at maturity will be based on the performance of the basket:

- If the basket finishes above its initial level, the payout will be par plus the return on the basket. The basket return will be multiplied by an additional percentage, which is expected to be between 135% and 145% and will be determined at pricing;

- If the basket finishes at or below its initial level but has not hit the trigger level – 75% of the initial basket level – during the life of the notes, the payout will be par;

- If the basket falls below the trigger level during the life of the notes and finishes below its initial level, investors will be fully exposed to any decline in the basket.

The final average basket value will equal the average of the basket closing values on the 30th of April, May, June, July, August, September and October of 2013.

Morgan Stanley will be the agent for the offering.

Credit Suisse plans 14.5% reverse convertibles linked to Eagle Materials via FIS

By Jennifer Chiou

New York, Oct. 3 – **Credit Suisse (USA), Inc.** plans to price an issue of 14.5% reverse convertible notes due Oct. 31, 2007 linked to **Eagle Materials, Inc.** stock via Fixed Income Securities, accord-

ing to a term sheet.

Interest will be payable quarterly.

Payout at maturity will be par in cash unless Eagle Materials stock hits the knock-in level – 70% of the initial price – during the life of the notes and finishes below

the initial price, in which case the payout will be a number of Eagle Materials shares equal to \$1,000 divided by the initial price.

The notes will price on Oct. 26 and settle on Oct. 31.

The issuer ratings are Aa3 and AA-.

Credit Suisse plans 18.25% reverse convertibles linked to Nasdaq via FIS

By Jennifer Chiou

New York, Oct. 3 – **Credit Suisse (USA), Inc.** plans to price an issue of 18.25% reverse convertible notes due April 30, 2007 linked to **Nasdaq Stock Market, Inc.** stock via Fixed Income Securities,

according to a term sheet.

Interest will be payable quarterly.

Payout at maturity will be par in cash unless Nasdaq stock hits the knock-in level – 80% of the initial price – during the life of the notes and finishes below the initial

price, in which case the payout will be a number of Nasdaq shares equal to \$1,000 divided by the initial price.

The notes will price on Oct. 26 and settle on Oct. 31.

The issuer ratings are Aa3 and AA-.

Barclays to issue 12.25% reverse convertibles linked to Circuit City

By Laura Lutz

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 12.25% reverse convertible notes due Oct. 24, 2007 linked to the common stock of **Circuit City Stores, Inc.**, according to an FWP filing with the Securities and Exchange

Commission.

Interest will be paid monthly. At maturity, investors will receive par unless Circuit City stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which

case the payout will be a number of Circuit City shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 24 and settle on Oct. 27.

Barclays Capital Inc. will be the agent.

JPMorgan plans issue of 0% annual review notes linked to Nikkei 225

By Angela McDaniels

Seattle, Oct. 3 – **JPMorgan Chase & Co.** plans to price an issue of 0% annual review notes due Oct. 21, 2009 linked to the Nikkei 225 index, according to an FWP filing with the Securities and Exchange Commission.

The pricing date is expected to be on or about Oct. 5 with settlement on Oct. 11.

The notes will be automatically called at increasing premiums if the index level shows a positive return on any of three annual review dates.

For each \$1,000 principal amount, the redemption amount will be at least 12.5% if called on Oct. 16, 2007, at least 25% if called on Oct. 16, 2008 and at least 37.5% if called on Oct. 16, 2009. The exact

redemption amounts will be determined at pricing.

If the notes are not called, investors will receive par unless the index declines by more than 10%. Investors will lose 1.1111% of the principal amount for every 1% decline in the index beyond 10%.

J.P. Morgan Securities Inc. will be agent for the offering.

IXIS to price 10.1% notes linked to Tyson Foods for Eksportfinans

By Angela McDaniels

Seattle, Oct. 3 – **IXIS Securities North America Inc.** plans to arrange an issue of one-year 10.1% knock-in reverse convertible securities linked to the common stock of **Tyson Foods, Inc.** for issuer

Eksportfinans ASA, according to a 424B3 filing with the Securities and Exchange Commission.

Interest will be payable monthly. The payout at maturity will be par unless Tyson Foods stock trades below the

knock-in level – 80% of the initial share price – and finishes below the initial share price, in which case the payout will be a number of shares of Tyson Foods stock equal to \$1,000 divided by the initial price.

Barclays to issue 11% reverse convertibles linked to Yahoo!

By Laura Lutz

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 11% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Yahoo! Inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly. At maturity, investors will receive par unless Yahoo! stock falls below the protection price - 75% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of

Yahoo! shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 11.8% reverse convertibles linked to Wynn

By Laura Lutz

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 11.8% reverse convertible notes due Oct. 24, 2007 linked to the common stock of **Wynn Resorts, Ltd.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.
At maturity, investors will receive par unless Wynn stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of Wynn shares

equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 24 and settle on Oct. 27.

Barclays Capital Inc. will be the agent.

Barclays to issue 10.5% reverse convertibles linked to Tellabs

By Laura Lutz

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 10.5% reverse convertible notes due Oct. 24, 2007 linked to the common stock of **Tellabs, Inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.
At maturity, investors will receive par unless Tellabs stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of Tellabs

shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 24 and settle on Oct. 27.

Barclays Capital Inc. will be the agent.

Barclays to issue 11% reverse convertibles linked to Suncor

By Laura Lutz

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 11% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Suncor Energy Inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.
At maturity, investors will receive par unless Suncor stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of Suncor

shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 14% reverse convertibles linked to Marvell

By Laura Lutz

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 14% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Marvell Technology Group Ltd.**, according to an FWP filing with the Securities and

Exchange Commission.
Interest will be paid monthly.
At maturity, investors will receive par unless Marvell stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in

which case the payout will be a number of Marvell shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 9% reverse convertibles linked to Lehman Brothers

By *Laura Lutz*

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 9% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Lehman Brothers Holdings Inc.**, according to an FWP filing with the Securities and Exchange

Commission.

Interest will be paid monthly. At maturity, investors will receive par unless Lehman Brothers stock falls below the protection price - 80% of the initial share price - during the life of the notes and finishes below the initial share price,

in which case the payout will be a number of Lehman Brothers shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 8.5% reverse convertibles linked to Hilton

By *Laura Lutz*

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 8.5% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Hilton Hotels Corp.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.

At maturity, investors will receive par unless Hilton stock falls below the protection price - 80% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of Hilton

shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 15.5% reverse convertibles linked to General Motors

By *Laura Lutz*

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 15.5% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **General Motors Corp.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.

At maturity, investors will receive par unless General Motors stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of General

Motors shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 8.5% reverse convertibles linked to Gap

By *Laura Lutz*

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 8.5% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **The Gap, Inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.

At maturity, investors will receive par unless Gap stock falls below the protection price - 75% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of Gap shares

equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 16.5% reverse convertibles linked to eBay

By Laura Lutz

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 16.5% reverse convertible notes due April 18, 2007 linked to the common stock of **eBay Inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.
At maturity, investors will receive par unless eBay stock falls below the protection price - 80% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of eBay shares

equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 13% reverse convertibles linked to Diamond Offshore

By Laura Lutz

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 13% reverse convertible notes due Oct. 24, 2007 linked to the common stock of **Diamond Offshore Drilling, Inc.**, according to an FWP filing with the Securities and Exchange

Commission.
Interest will be paid monthly.
At maturity, investors will receive par unless Diamond stock falls below the protection price - 80% of the initial share price - during the life of the notes and finishes below the initial share price, in which case

the payout will be a number of Diamond shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 24 and settle on Oct. 27.

Barclays Capital Inc. will be the agent.

Barclays to issue 8.5% reverse convertibles linked to Darden

By Laura Lutz

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 8.5% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Darden Restaurants, Inc.**, according to an FWP filing with the Securities and Exchange

Commission.
Interest will be paid monthly.
At maturity, investors will receive par unless Darden stock falls below the protection price - 80% of the initial share price - during the life of the notes and finishes below the initial share price, in which case

the payout will be a number of Darden shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 10.75% reverse convertibles linked to Countrywide

By Laura Lutz

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 10.75% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Countrywide Financial Corp.**, according to an FWP filing with the Securities and

Exchange Commission.
Interest will be paid monthly.
At maturity, investors will receive par unless Countrywide stock falls below the protection price - 75% of the initial share price - during the life of the notes and finishes below the initial share price,

in which case the payout will be a number of Countrywide shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 11.5% reverse convertibles linked to Apple

By *Laura Lutz*

Des Moines, Oct. 3 – **Barclays Bank plc** plans to price an issue of 11.5% reverse convertible notes due Oct. 17, 2007 linked to the common stock of **Apple Computer, Inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.
At maturity, investors will receive par unless Apple stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of Apple shares

equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 13 and settle on Oct. 18.

Barclays Capital Inc. will be the agent.

Barclays to issue 14.25% reverse convertibles linked to bebe

By *Laura Lutz*

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 14.25% reverse convertible notes due Oct. 24, 2007 linked to the common stock of **bebe stores, inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.
At maturity, investors will receive par unless bebe stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of bebe shares

equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 24 and settle on Oct. 27.

Barclays Capital Inc. will be the agent.

Barclays to issue 11.55% reverse convertibles linked to Amazon

By *Laura Lutz*

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 11.55% reverse convertible notes due Oct. 24, 2007 linked to the common stock of **Amazon.com, Inc.**, according to an FWP filing with the Securities and Exchange Commission.

Interest will be paid monthly.
At maturity, investors will receive par unless Amazon stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in which case the payout will be a number of Amazon

shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 24 and settle on Oct. 27.

Barclays Capital Inc. will be the agent.

Barclays to issue 14.35% reverse convertibles linked to Allegheny Technologies

By *Laura Lutz*

Des Moines, Oct. 2 – **Barclays Bank plc** plans to price an issue of 14.35% reverse convertible notes due Oct. 24, 2007 linked to the common stock of **Allegheny Technologies Inc.**, according to an FWP filing with the Securities and

Exchange Commission.
Interest will be paid monthly.
At maturity, investors will receive par unless Allegheny stock falls below the protection price - 70% of the initial share price - during the life of the notes and finishes below the initial share price, in

which case the payout will be a number of Allegheny shares equal to \$1,000 divided by the initial share price.

The notes will price on Oct. 24 and settle on Oct. 27.

Barclays Capital Inc. will be the agent.

Bank of America to price 0% Eagles linked to Amex Biotech index

By Angela McDaniels

Seattle, Oct. 3 – **Bank of America** plans to price an issue of 0% notes structured as Minimum Return Equity Appreciation Growth LinkEd Securities (Index Eagles) due Oct. 8, 2011 linked to the performance of the Amex Biotechnology index, according to a 424B5 filing with the Securities and Exchange

Commission.

The notes are expected to price on Oct. 23.

Payout at maturity will be par plus the return on the index during each of the 20 three-month periods making up the life of the notes. The return in each period will be capped at between 6% and 8%, with the exact cap to be determined at pricing. The

minimum payout at maturity will be par plus 5%.

Banc of America Securities LLC and Banc of America Investment Services Inc. will be agents for the offering, and they will receive a 3% commission.

Bank of America said it will apply to list the securities under “BOR.P” on the American Stock Exchange.

Credit Suisse plans 19.5% reverse convertibles linked to Nutri/System via FIS

By Jennifer Chiou

New York, Oct. 3 – **Credit Suisse (USA), Inc.** plans to price an issue of 19.5% reverse convertible notes due April 30, 2007 linked to **Nutri/System, Inc.** stock via Fixed Income Securities, according to a

term sheet.

Interest will be payable quarterly.

Payout at maturity will be par in cash unless Nutri/System stock hits the knock-in level – 60% of the initial price – during the life of the notes and finishes below the ini-

tial price, in which case the payout will be a number of Nutri/System shares equal to \$1,000 divided by the initial price.

The notes will price on Oct. 26 and settle on Oct. 31.

The issuer ratings are Aa3 and AA-

Credit Suisse plans 18.75% reverse convertibles linked to Hansen Natural via FIS

By Jennifer Chiou

New York, Oct. 3 – **Credit Suisse (USA), Inc.** plans to price an issue of 18.75% reverse convertible notes due April 30, 2007 linked to **Hansen Natural Corp.** stock via Fixed Income Securities, according to a term sheet.

Interest will be payable quarterly.

Payout at maturity will be par in cash unless Hansen Natural stock hits the knock-in level – 60% of the initial price – during the life of the notes and finishes below the initial price, in which case the payout will be a number of Hansen

Natural shares equal to \$1,000 divided by the initial price.

The notes will price on Oct. 26 and settle on Oct. 31.

The issuer ratings are Aa3 and AA-

Credit Suisse plans 12.25% reverse convertibles linked to Gold Fields via FIS

By Jennifer Chiou

New York, Oct. 3 – **Credit Suisse (USA), Inc.** plans to price an issue of 12.25% reverse convertible notes due Oct. 31, 2007 linked to American Depositary Receipts representing **Gold Fields Ltd.** stock via Fixed Income Securities, accord-

ing to a term sheet.

Interest will be payable quarterly. Payout at maturity will be par in cash unless Gold Fields ADRs hit the knock-in level – 60% of the initial price – during the life of the notes and finishes below the initial price, in which case the payout will

be a number of Gold Fields shares equal to \$1,000 divided by the initial price.

The notes will price on Oct. 26 and settle on Oct. 31.

The issuer ratings are Aa3 and AA-.

Credit Suisse plans 16.15% reverse convertibles linked to eBay via FIS

By Jennifer Chiou

New York, Oct. 3 – **Credit Suisse (USA), Inc.** plans to price an issue of 16.15% reverse convertible notes due April 30, 2007 linked to **eBay, Inc.** stock via Fixed Income Securities, according to a

term sheet.

Interest will be payable quarterly. Payout at maturity will be par in cash unless eBay stock hits the knock-in level – 80% of the initial price – during the life of the notes and finishes below the initial

price, in which case the payout will be a number of eBay shares equal to \$1,000 divided by the initial price.

The notes will price on Oct. 26 and settle on Oct. 31.

The issuer ratings are Aa3 and AA-.

Credit Suisse plans 11.15% reverse convertibles linked to Bill Barrett via FIS

By Jennifer Chiou

New York, Oct. 3 – **Credit Suisse (USA), Inc.** plans to price an issue of 11.15% reverse convertible notes due Oct. 31, 2007 linked to **Bill Barrett Corp.** stock via Fixed Income Securities, according to a

term sheet.

Interest will be payable quarterly. Payout at maturity will be par in cash unless Bill Barrett stock hits the knock-in level – 70% of the initial price – during the life of the notes and finishes below the

initial price, in which case the payout will be a number of Bill Barrett shares equal to \$1,000 divided by the initial price.

The notes will price on Oct. 26 and settle on Oct. 31.

The issuer ratings are Aa3 and AA-.

New Issue:

Barclays sells \$7 mln of 20% reverse convertibles linked to Peabody

By Laura Lutz

Des Moines, Oct. 3 - **Barclays Bank plc** priced \$7 million of 20% reverse convertible notes due Jan. 4, 2007 linked to Peabody Energy Corp. stock, according

to a 424B2 filing with the Securities and Exchange Commission.

Payout at maturity will be par in cash if Peabody stock stays at or above the protection price, 80% of the initial price

of \$36.78, between Sept. 29 and Dec. 29, and finishes at or above the initial price. Otherwise, the payout will be in Peabody stock, with the number of shares equal to \$1,000 divided by the initial share price.

Issuer:	Barclays Bank plc	price; otherwise shares of Peabody
Issue:	Reverse convertible notes	stock equal to \$1,000 divided by the
Underlying stock:	Peabody Energy Corp.	initial price
Amount:	\$7 million	Initial price:
Maturity:	Jan. 4, 2007	\$36.78
Coupon:	20%, payable monthly	Protection price:
Price:	Par	\$29.42, 80% of \$36.78
Payout at maturity:	Par in cash if Peabody stock stays at or above the protection price of \$29.42 and finishes at or above the initial	Pricing date:
		Sept. 29
		Settlement date:
		Oct. 4
		Agent:
		Barclays Capital
		Agent's fee:
		1.9%

New Issue:

Wachovia prices \$10 million 0% notes linked to currency basket

By Angela McDaniels

Seattle, Oct. 3 – **Wachovia Corp.** priced \$10,027,650 of 0% principal-protected notes due April 6, 2008 linked to a basket of four emerging market currencies, according to a 424B5 filing with the Securities and Exchange Commission.

The basket contains equal weights of four currencies relative to the dollar: the Brazilian real, the Russian ruble, the Indian rupee and the Chinese renminbi.

The payout at maturity will be par plus 155% of any positive gain on the basket. Investors will receive at least par.

Issuer:	Wachovia Corp.	Payout at maturity:	Par plus 155% of any basket gain; floor of par
Issue:	Principal-protected notes	Pricing date:	Sept. 29
Underlying currencies:	Equal weights of the Brazilian real, Russian ruble, Indian rupee and Chinese renminbi relative to the dollar	Settlement date:	Oct. 6
Amount:	\$10,027,650	Underwriter:	Wachovia Securities
Maturity:	April 6, 2008	Underwriting discount:	160 basis points
Coupon:	0%	Listing:	“ECN” on the American Stock Exchange
Price:	Par of \$10.00		

New Issue:

AIG prices \$25 million notes linked to Dow Jones – AIG Commodity index for Svensk

By Angela McDaniels

Seattle, Oct. 3 – AIG Financial Securities Corp. arranged a \$25 million issue of notes due Nov. 9, 2007 linked to the Dow Jones – AIG Commodity Index Total Return for issuer **AB Svensk Exportkredit**, according to a 424B2 filing with the Securities and Exchange Commission.

tive return on the index, less fees and an amount based on the 91-day Treasury bill yield.

The notes will be called if on any business day the index closes at 10% or more below its initial level. If the index declines by 10% or more intraday, then the calculation agent may, at its option, call the notes. In both cases, the payout calculation will be the same as that to be used at maturity.

Interest is Libor minus 26 basis points and will be payable quarterly.

Holder can put the notes back at any time and receive a payout calculated in the same way as that at maturity.

At maturity, investors will receive triple the positive or nega-

Issuer:	AB Svensk Exportkredit	Price:	Par of \$100,000
Agent:	AIG Financial Securities Corp.	Payout at maturity:	Par plus triple the positive or negative return on the index, less fees and less the 91-day Treasury bill yield
Issue:	Index linked notes	Call:	Automatic if index hits 90% of the initial level
Underlying index:	Dow Jones – AIG Commodity Index Total Return	Initial index level:	297.94
Amount:	\$25 million	Pricing date:	Sept. 29
Maturity:	Nov. 9, 2007	Settlement date:	Oct. 6
Coupon:	Libor minus 26 basis points, payable quarterly		

New Issue:

Merrill Lynch prices \$166.5 million Proceeds linked to the Select 25 Proceeds index

By Jennifer Chiou

New York, Oct. 3 – **Merrill Lynch & Co., Inc.** priced a \$166.5 million issue of Protected Covered Call Enhanced Income Notes (Proceeds) due Oct. 4, 2011 linked to the Select 25 Proceeds index, according to a 424B5 filing with the Securities and Exchange Commission.

Payout at maturity will be par in cash if the index level finishes at 103.09% of its initial level or lower. Otherwise, payout will be par plus any gain on the index.

The Select 25 Proceeds index is a com-

posite index that measures the performance of a strategy that allocates hypothetical funds among three index components:

- Basket Units representing the value of hypothetical purchases of certain stocks and sales of call options on those stocks in the Select 25 Basket using a covered-call strategy. Merrill Lynch International will select the stocks to be included in the basket by determining which 25 stocks in the S&P 500 index have the highest liquidity, highest dividend yield and highest dividend yield across their sector;

- Zero-Coupon Bond Units representing the value of hypothetical zero-coupon bonds; and

- Leverage Units representing the cost of hypothetical borrowed funds, which may increase allocations to the Basket Units.

Merrill Lynch said the index will be rebalanced periodically, which will reflect changes in the performance of the Basket Units, prevailing interest rates and market conditions.

Merrill Lynch, Pierce Fenner & Smith Inc. will be the underwriter.

Issuer:	Merrill Lynch & Co., Inc.		otherwise par plus any gain on the index.
Issue:	Protected Covered Call Enhanced Income Notes (Proceeds)		
Underlying index:	Select 25 Proceeds index	Pricing date:	Sept. 28
Amount:	\$166.5 million	Settlement date:	Oct. 4
Maturity:	Oct. 4, 2011	Underwriter:	Merrill Lynch, Pierce Fenner & Smith Inc.
Payout at maturity:	Par in cash if the index level finishes at 103.09% of its initial level or lower;	Underwriting fee:	3%

New Issue:

JPMorgan sells \$5.13 million 0% buffered notes linked to S&P 500

By Angela McDaniels

Seattle, Oct. 3 – **JPMorgan Chase & Co.** priced a \$5.13 million issue of 0% buffered return enhanced senior notes due March 12, 2008 linked to the S&P 500 index, according to a 424B2 filing with the Securities and Exchange Commission.

The payout at maturity will be par plus twice any positive return on the index, capped at a maximum payout of 14.4%.

If the ending index level declines by 10% or less, the payout will be par. Holders will lose 1.1111% for each 1% decline beyond 10%.

Issuer:	JPMorgan Chase & Co.		capped at a 14.4% payout; par if the ending basket level declines by 10% or less; investors will lose 1.1111% for each 1% the index falls beyond 10%
Issue:	Buffered return enhanced senior notes		
Underlying index:	S&P 500	Pricing date:	Sept. 29
Amount:	\$5.13 million	Settlement date:	Oct. 4
Maturity:	March 12, 2008	Agent:	J.P. Morgan Securities Inc.
Coupon:	0%	Agent fees:	182 basis points
Price:	Par		
Payout at maturity:	Par plus twice any return on the index,		

New Issue:

JPMorgan prices \$15.725 million 0% notes linked to Russell 2000

By Angela McDaniels

Seattle, Oct. 3 – **JPMorgan Chase & Co.** priced \$15.725 million of 0% return enhanced notes due Oct. 11, 2007 linked

to the Russell 2000 index, according to a 424B2 filing with the Securities and Exchange Commission. Payout at maturity will be par plus

double any positive return on the index, up to a maximum return of 21.5%. Investors will be fully exposed to any decline in the index.

Issuer:	JPMorgan Chase & Co.		the index, capped at 21.5%; full exposure to any decline
Issue:	Return enhanced senior notes		
Underlying index:	Russell 2000	Initial index level:	725.59
Amount:	\$15.725 million	Pricing date:	Sept. 29
Maturity:	Oct. 11, 2007	Settlement date:	Oct. 4
Coupon:	0%	Agent:	J.P. Morgan Securities Inc.
Price:	Par	Agent fees:	138 basis points
Payout at maturity:	Par plus double any positive return on		

New Issue:

JPMorgan sells \$6.1 million 0% buffered notes linked to Russell 2000

By Angela McDaniels

Seattle, Oct. 3 – **JPMorgan Chase & Co.** priced a \$6.1 million issue of 0% buffered return enhanced senior notes due Oct. 11, 2007 linked to the Russell 2000 index, according to a 424B2 filing with the Securities and Exchange Commission.

The payout at maturity will be par plus twice any positive return on the index, capped at a maximum payout of 12.7%.

If the ending index level declines by 15% or less, the payout will be par. Holders will lose 1.1765% for each 1% decline beyond 15%.

Issuer:	JPMorgan Chase & Co.		capped at a 12.7% payout; par if the ending basket level declines by 15% or less; investors will lose 1.1765% for each 1% the index falls beyond 15%
Issue:	Buffered return enhanced senior notes		
Underlying index:	Russell 2000	Pricing date:	Sept. 29
Amount:	\$6.1 million	Settlement date:	Oct. 4
Maturity:	Oct. 11, 2007	Agent:	J.P. Morgan Securities Inc.
Coupon:	0%	Agent fees:	135 basis points
Price:	Par		
Payout at maturity:	Par plus twice any return on the index,		

New Issue:

JPMorgan prices \$3.5 million annual review notes linked to Nikkei

By Jennifer Chiou

New York, Oct. 3 – **JPMorgan Chase & Co.** priced a \$3.5 million issue of 0% annual review notes due Oct. 15, 2009 linked to the Nikkei 225 index, according to a 424B2 filing with the Securities and Exchange Commission.

The notes will be automatically called at increasing premiums if the level of the index is at or above the initial index level on any of three annual review dates. For each \$1,000 principal amount, the redemption amount will be 11.75% if called on Oct. 9, 2007, 23.5% if called on

Oct. 9, 2008 and 35.25% if called on Oct. 9, 2009.

If the notes are not called, investors will receive par unless the index declines by more than 15%. Investors will lose 1.1765% of the principal amount for every 1% decline in the index beyond 15%.

Issuer:	JPMorgan Chase & Co.		23.5% if called on Oct. 9, 2008 and 35.25% if called on Oct. 9, 2009
Issue:	Annual review senior unsecured notes		
Underlying index:	Nikkei 225	Payout at maturity:	If the notes are not called, investors will receive par unless the index declines by more than 15%. Investors will lose 1.7651% of the principal amount for every 1% decline in the index beyond 15%
Amount:	\$3.5 million		
Maturity:	Oct. 15, 2009		
Coupon:	0%		
Price:	Par		
Call:	Automatically called at increasing premiums if the index is at or above the initial index level on the annual review dates; redemption amount will be 11.75% if called on Oct. 9, 2007,	Initial index level:	16,127.58
		Pricing date:	Sept. 29
		Settlement date:	Oct. 4
		Agent:	J.P. Morgan Securities Inc.

New Issue:

JPMorgan sells \$8.655 million buffered notes linked to Euro Stoxx

By Angela McDaniels

Seattle, Oct. 3 – **JPMorgan Chase & Co.** priced an \$8.655 million issue of 0% buffered return enhanced senior notes due Oct. 11, 2007 linked to the Dow Jones

Euro Stoxx 50 index, according to a 424B2 filing with the Securities and Exchange Commission.

The payout at maturity will be par plus twice any positive return on the index,

capped at a maximum payout of 14.8%.

If the ending index level declines by 10% or less, the payout will be par. Holders will lose 1.1111% for each 1% decline beyond 15%.

Issuer:	JPMorgan Chase & Co.		capped at a 14.8% payout; par if the ending basket level declines by 10% or less; investors will lose 1.1111% for each 1% the index falls beyond 10%
Issue:	Buffered return enhanced senior notes		
Underlying index:	Dow Jones Euro Stoxx 50	Pricing date:	Sept. 29
Amount:	\$8.655 million	Settlement date:	Oct. 4
Maturity:	Oct. 11, 2007	Agent:	J.P. Morgan Securities Inc.
Coupon:	0%	Agent fees:	133 basis points
Price:	Par		
Payout at maturity:	Par plus twice any return on the index,		

New Issue:

Deutsche Bank prices \$2.4 million BUyS linked to S&P 500 for Eksportfinans

By Angela McDaniels

Seattle, Oct. 3 – Deutsche Bank Securities Inc. priced a \$2.4 million issue of 0% Buffered Underlying Securities (BUyS) due Oct. 5, 2011 linked to the S&P 500 index for issuer **Eksportfinans**

ASA, according to an FWP filing with the Securities and Exchange Commission.

Payout at maturity will be par plus any positive return on the index. If the index finishes below the initial level but at or above the buffer level – 80% of the initial

index level – payout will be par.

If the index finishes below the buffer level, investors will receive par minus the percentage by which the index declined, plus \$200 per \$1,000 principal amount of notes.

Issuer:	Eksportfinans ASA		index; par if the index declines by 20% or less; par minus the percentage decline in the index plus \$200 per \$1,000 principal amount of notes if the index finishes below the buffer level
Underwriter:	Deutsche Bank Securities Inc.		
Issue:	Buffered Underlying Securities (BUyS)		
Underlying index:	S&P 500		
Amount:	\$2.4 million		
Maturity:	Oct. 5, 2011	Initial index level:	1,335.85
Coupon:	0%	Buffer index level:	1,068.68, 80% of initial level
Price:	Par	Pricing date:	Sept. 29
Payout at maturity:	Par plus any positive return on the	Settlement date:	Oct. 5

New Issue:

Barclays sells \$3.5 million of 10% reverse convertibles linked to Dell

By Laura Lutz

Des Moines, Oct. 3 - **Barclays Bank plc** priced \$3.5 million of 10% reverse convertible notes due Oct. 5, 2007 linked to Dell Inc. stock, according to a 424B2

filing with the Securities and Exchange Commission.

Payout at maturity will be par in cash if Dell stock stays at or above the protection price, 70% of the initial price of \$23.04,

between Oct. 2, 2006 and Oct. 2, 2007, and finishes at or above the initial price. Otherwise, the payout will be in Dell stock, with the number of shares equal to \$1,000 divided by the initial share price.

Issuer:	Barclays Bank plc		price; otherwise shares of Dell stock equal to \$1,000 divided by the initial price
Issue:	Reverse convertible notes		
Underlying stock:	Dell Inc.		
Amount:	\$3.5 million	Initial price:	\$23.04
Maturity:	Oct. 5, 2007	Protection price:	\$16.13, 70% of \$23.04
Coupon:	10%, payable monthly	Pricing date:	Oct. 2
Price:	Par	Settlement date:	Oct. 5
Payout at maturity:	Par in cash if Dell stock stays at or above the protection price of \$16.13 and finishes at or above the initial	Agent:	Barclays Capital
		Agent's fee:	1.175%

Structured Products Calendar

BANK OF AMERICA

- 0% Minimum Return Equity Appreciation Growth LinkEd Securities (Index Eagles) due Oct. 8, 2011 linked to the Amex Biotechnology index; minimum payout of 105% of par; via Banc of America Securities LLC and Banc of America Investment Services Inc.; pricing expected on Oct. 23
- 0% unsecured senior notes due Oct. 27, 2008 in the Strategic Equity Exposure Performance Linked Securities (Steepls) structure linked to the S&P 500 index; via Banc of America Securities LLC and Banc of America Investment Services, Inc.
- 0% senior notes due 2011 linked to the S&P 500, Dow Jones Euro Stoxx 50 and Nikkei 225 indexes; via Banc of America Securities LLC and Banc of America Investment Services, Inc.

BARCLAYS BANK PLC

- Principal-protected digital plus notes due Oct. 27, 2011 linked to a equal weights of brent crude oil, silver, copper, nickel and zinc; via LaSalle StructuredProducts; pricing Oct. 24; settlement Oct. 27
- 0% Super Track Notes due 2008 linked to the Dow Jones – AIG Commodity index; via Barclays Capital; pricing Oct. 20; settlement Oct. 25
- 0% principal-protected digital plus notes due Oct. 27, 2011 linked to a basket of equal weights of brent crude, silver, zinc, nickel and copper; via Barclays Capital; pricing Oct. 24; settlement Oct. 27
- 8.5% reverse convertible notes due Oct. 17, 2007 linked to Darden Restaurants, Inc. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 8.5% reverse convertible notes due Oct. 17, 2007 linked to The Gap, Inc. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 8.5% reverse convertible notes due Oct. 17, 2007 linked to Hilton Hotels Corp. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 8.625% reverse convertible notes due Oct. 17, 2007 linked to The Black & Decker Corp. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 9% reverse convertible notes due Oct. 17, 2007 linked to Lehman Brothers Holdings Inc. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18

- 10% reverse convertible notes due Oct. 12, 2007 linked to Valero Energy Corp. common stock; via Barclays Capital; pricing Oct. 10; settlement Oct. 13
- 10.5% reverse convertible notes due Oct. 24, 2007 linked to Tellabs, Inc. common stock; via Barclays Capital Inc.; pricing Oct. 24; settlement Oct. 27
- 10.75% reverse convertible notes due Oct. 17, 2007 linked to Countrywide Financial Corp. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 11% reverse convertible notes due Oct. 17, 2007 linked to Suncor Energy Inc. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 11% reverse convertible notes due Oct. 17, 2007 linked to Yahoo! Inc. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 11.5% reverse convertible notes due Oct. 17, 2007 linked to Apple Computer, Inc. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 11.55% reverse convertible notes due Oct. 24, 2007 linked to Amazon.com, Inc. common stock; via Barclays Capital Inc.; pricing Oct. 24; settlement Oct. 27
- 11.8% reverse convertible notes due Oct. 24, 2007 linked to Wynn Resorts, Ltd. common stock; via Barclays Capital Inc.; pricing Oct. 24; settlement Oct. 27
- 12.25% reverse convertible notes due Oct. 24, 2007 linked to Circuit City Stores, Inc. common stock; via Barclays Capital Inc.; pricing Oct. 24; settlement Oct. 27
- 13% reverse convertible notes due Oct. 24, 2007 linked to Diamond Offshore Drilling, Inc. common stock; via Barclays Capital Inc.; pricing Oct. 24; settlement Oct. 27
- 14% reverse convertible notes due Oct. 17, 2007 linked to Marvell Technology Group Ltd. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 14.25% reverse convertible notes due Oct. 24, 2007 linked to bebe stores, inc. common stock; via Barclays Capital Inc.; pricing Oct. 24; settlement Oct. 27
- 14.35% reverse convertible notes due Oct. 24, 2007 linked to Allegheny Technologies Inc. common stock; via Barclays Capital

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Structured Products Calendar

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Inc.; pricing Oct. 24; settlement Oct. 27

- 15.5% reverse convertible notes due Oct. 17, 2007 linked to General Motors Corp. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18
- 16.5% reverse convertible notes due April 18, 2007 linked to eBay Inc. common stock; via Barclays Capital Inc.; pricing Oct. 13; settlement Oct. 18

THE BEAR STEARNS COS. INC.

- 0% notes linked to the U.S. Adagio Strategy index; via Bear, Stearns & Co. Inc.
- 17% reverse convertible notes due April 9, 2007 linked to USG Corp. stock; 80% trigger; agent Bear, Stearns & Co. Inc.; pricing expected Oct. 4

CITIGROUP FUNDING INC.

- Two-year Premium Mandatory Callable Equity-linked Securities (Pacers) based on the American Depositary Receipts representing Cemex SAB ordinary participation certificates; 75% trigger; agent Citigroup Global Markets Inc.
- Equity LinKed Securities (ELKS) linked to Qualcomm Inc.; 75% trigger; agent Citigroup Global Markets Inc.

CREDIT SUISSE (USA), INC.

- 0% 13-month notes due October 2007 linked to an equally weighted basket that includes the dollar/Brazilian real, dollar/Mexican peso, dollar/Russian ruble and dollar/Turkish lira spot exchange rates via Credit Suisse Securities (USA) LLC
- 0% Buffered Accelerated Return Equity Securities (Bares) due April 30, 2010 linked to an equally weighted basket containing the MSCI Singapore Free, MSCI Taiwan, Korea Stock Price 200 and FTSE/Xinhua China 25 indexes; underwriter Credit Suisse Securities (USA) LLC; pricing expected in October
- 0% ProNotes due April 30, 2010 linked to the FTSE/Xinhua China 25 index with a 15% weight, the Bovespa Brazil index with a 15% weight, the S&P CNX Nifty index with a 15% weight, the Brazilian real/dollar spot exchange rate with a 27.5% weight and the Russian ruble/dollar spot exchange rate with a 15% weight; underwriter Credit Suisse Securities (USA) LLC; pricing expected

in October

- 0% ProNotes due Oct. 29, 2010 linked to the S&P 500 index with a 40% weight, the Dow Jones Euro Stoxx 50 index with a 30% weight and the Nikkei 225 index with a 30% weight; underwriter Credit Suisse Securities (USA) LLC; pricing expected in October
- 0% ProNotes due Oct. 29, 2010 linked to the Nikkei 225 (40% weight), MSCI Singapore Free (15% weight), MSCI Taiwan (15% weight), Korea Stock Price 200 (15% weight) and FTSE/Xinhua China 25 (15% weight) indexes; underwriter Credit Suisse Securities (USA) LLC; pricing expected in October
- 11.15% reverse convertible notes due Oct. 31, 2007 linked to Bill Barrett Corp. stock; 70% trigger; via FIS; pricing Oct. 26; settlement Oct. 31
- 12.25% reverse convertible notes due Oct. 31, 2007 linked to American Depositary Receipts representing Gold Fields Ltd. stock; 60% trigger; via FIS; pricing Oct. 26; settlement Oct. 31
- 14.5% reverse convertible notes due Oct. 31, 2007 linked to Eagle Materials, Inc. stock; 70% trigger; via FIS; pricing Oct. 26; settlement Oct. 31
- 16.15% reverse convertible notes due April 30, 2007 linked to eBay, Inc. stock; 80% trigger; via FIS; pricing Oct. 26; settlement Oct. 31
- 18.25% reverse convertible notes due April 30, 2007 linked to Nasdaq Stock Market, Inc. stock; 80% trigger; via FIS; pricing Oct. 26; settlement Oct. 31
- 18.75% reverse convertible notes due April 30, 2007 linked to Hansen Natural Corp. stock; 60% trigger; via FIS; pricing Oct. 26; settlement Oct. 31
- 19.5% reverse convertible notes due April 30, 2007 linked to Nutri/System, Inc. stock; 60% trigger; via FIS; pricing Oct. 26; settlement Oct. 31

EXSPORTFINANS SA

- Five-year Buffered Underlying Securities linked to the S&P 500 index; 80% trigger; via Deutsche Bank Securities Inc.
- 10.1% one-year knock-in reverse convertible securities linked to Tyson Foods, Inc.; 80% trigger; via IXIS Securities North America

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World Acceptance richens talk; LeCroy flat in the gray; Pier 1 gains on dividend cut; Forest City plans deal

By Kenneth Lim

Boston, Oct. 3 – The convertible bond market had another quiet session on Tuesday, with a couple of new deals piquing investors' interests.

World Acceptance Corp.'s planned \$100 million of five-year convertibles was described as attractive at the mid-point of initial price talk, with some liking the deal even after price talk was tightened toward the more aggressive end.

LeCroy Corp.'s coming \$60 million offering of 20-year convertibles was bid around par in the gray market, as investors noted possible borrow problems despite attractive pricing.

The primary market continued to be active, with **Forest City Enterprises Inc.** launching a \$250 million series of five-year putable equity-linked notes that are expected to price Wednesday after the market closes.

In the secondary market, **Pier 1 Imports Inc.**'s 6.375% convertible due 2011 improved a couple of points outright from week-ago levels and on a dollar-neutral basis after the company ended its quarterly dividend and assured investors that it has enough liquidity.

The convertible traded at 97 against a stock price of \$7.15 on Tuesday, while Pier 1 stock (NYSE: PIR) fell 1.81% or 14 cents to close at \$7.60.

"Pier 1 was up a couple of points on the dividend cut," a sellside convertible bond strategist said.

Pier 1, a Fort Worth, Texas-based home furnishings retailer, said Tuesday it will discontinue its quarterly dividend of 10 cents per share to improve near-term liquidity. The company, which has reported losses for six straight quarters, also said it has liquidity to meet its cash requirements for the next fiscal year.

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Structured Products Calendar

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Inc.

JPMORGAN CHASE & CO.

• 0% buffered return enhanced notes due Oct. 17, 2007 linked to the Nikkei 225 index; via J.P. Morgan Securities Inc.; pricing expected on Oct. 6

• 0% annual review notes due Oct. 21, 2009 linked to the Nikkei 225 index; via J.P. Morgan Securities Inc.; pricing expected on Oct. 5

• 0% return enhanced senior unsecured notes due Oct. 17, 2007 linked to the Russell 2000 index; via J.P. Morgan Securities Inc.; pricing Oct. 6; settlement Oct. 12

• 0% buffered return enhanced notes due March 19, 2008 linked to the S&P 500 index; agent J.P. Morgan Securities Inc.; pricing expected on Oct. 6

• 0% annual review notes due Oct. 21, 2009 linked to the S&P 500 index; via J.P. Morgan Securities Inc.; pricing expected on Oct. 6

LEHMAN BROTHERS HOLDINGS INC.

• Six-month Foreign Exchange Tiered Range Notes linked to the euro/dollar spot exchange rate; via Lehman Brothers

• One-year principal-protected notes linked to the Thai baht; via Lehman Brothers

• 0% outperformance notes due November 2007 linked to the S&P 100 and Russell 2000 indexes; via Lehman Brothers

MERRILL LYNCH & CO., INC.

• 0% Accelerated Return Notes linked to Russell 2000; via Merrill Lynch, Pierce, Fenner & Smith Inc.

Recent Structured Products Deals

Priced	Issuer	Issue	Manager	Amount	Coupon	Maturity
10/2/2006	Barclays Bank plc	reverse convertible notes (Dell Inc.)	Barclays	\$3.5	10.000%	10/5/2007
10/2/2006	Lehman Brothers Holdings Inc.	Foreign Exchange Structured Notes (baht)	Lehman	\$10	0.000%	10/8/2007
9/29/2006	Barclays Bank plc	reverse convertible notes (Peabody Energy Corp.)	Barclays	\$7	20.000%	1/4/2007
9/29/2006	Eksportfinans ASA	Buffered Underlying Securities (BUyS) (S&P 500)	Deutsche Bank	\$2.4	0.000%	10/5/2011
9/29/2006	JPMorgan Chase & Co.	annual review senior notes (Nikkei 225)	JPMorgan	\$3.5	0.000%	10/15/2009
9/29/2006	JPMorgan Chase & Co.	buffered return enhanced senior notes (indexes)	JPMorgan	\$2.45	0.000%	9/30/2011
9/29/2006	JPMorgan Chase & Co.	buffered return enhanced senior notes (indexes)	JPMorgan	\$8.232	0.000%	10/1/2009
9/29/2006	JPMorgan Chase & Co.	buffered return enhanced senior notes (Euro Stoxx 50)	JPMorgan	\$8.655	0.000%	10/11/2007
9/29/2006	JPMorgan Chase & Co.	buffered return enhanced senior notes (Russell 2000)	JPMorgan	\$6.1	0.000%	10/11/2007
9/29/2006	JPMorgan Chase & Co.	return enhanced senior notes (Russell 2000)	JPMorgan	\$15.725	0.000%	10/11/2007
9/29/2006	JPMorgan Chase & Co.	buffered return enhanced senior notes (S&P 500)	JPMorgan	\$5.13	0.000%	3/12/2008
9/29/2006	AB Svensk ExportKredit	index-linked notes (Dow Jones – AIG Commodity Index Total Return)	AIG	\$25	L-26	11/9/2007
9/28/2006	AB Svensk ExportKredit	total return linked notes (Goldman Sachs Commodity Index – Total Return)	Goldman Sachs	\$7.5	L-27	10/22/2007
9/28/2006	Wachovia Corp.	enhanced growth securities (S&P MidCap 400)	Wachovia	\$11.61056	0.000%	4/4/2008
9/28/2006	Wachovia Corp.	enhanced yield securities (Peabody Energy Corp.)	Wachovia	\$43.577	14.250%	10/1/2007
9/27/2006	Bank of America	equity-linked CD (S&P 500)	Banc of America	\$7.5	-	-
9/27/2006	Bank of America	Index Eagles senior notes (S&P 500)	Banc of America	\$20	0.000%	10/3/2011
9/27/2006	Bank of America	Steepls senior notes (Dow Jones Industrial Average)	Banc of America	\$5.5	0.000%	9/29/2008
9/27/2006	Barclays Bank plc	reverse convertible notes (Southwestern Energy Co.)	Barclays	\$1	15.250%	9/28/2007
9/27/2006	Barclays Bank plc	Super Track notes (DJ - AIG Commodity index)	Barclays	\$1	0.000%	4/1/2008
9/27/2006	JPMorgan Chase & Co.	annual review senior notes (S&P 500)	JPMorgan	\$2	0.000%	10/8/2009
9/27/2006	Royal Bank of Canada	principal-protected notes (S&P, Stoxx, Nikkei)	RBC	\$5.593	0.000%	9/30/2011
9/27/2006	Royal Bank of Canada	principal-protected notes (LatAm currencies)	RBC	\$0.982	0.000%	9/20/2007
9/27/2006	Wachovia Corp.	enhanced yield securities (United States Steel Corp.)	Wachovia	\$5.791	12.250%	10/1/2007
9/26/2006	ABN Amro Bank NV	knock-in reverse exchangeable notes (Apple Computer, Inc.)	ABN	\$1.3	11.000%	9/29/2007
9/26/2006	ABN Amro Bank NV	knock-in reverse exchangeable notes (Archer-Daniels-Midland Co.)	ABN	\$0.09	11.700%	9/29/2007
9/26/2006	ABN Amro Bank NV	knock-in reverse exchangeable notes (Capital One Financial Corp.)	ABN	\$1	8.000%	9/29/2007
9/26/2006	ABN Amro Bank NV	knock-in reverse exchangeable notes (Chevron Corp.)	ABN	\$0.7	8.000%	9/29/2007

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