

(RTTNews) - Turkey has made the first significant ground offensive into Iraq since the fall of Saddam Hussein's regime five years ago, as Turkish warplanes and artillery bombed suspected Kurdish rebel targets across the border on Thursday, the Turkish military said. Ahmad Danas, a spokesman for the Kurdistan Workers' Party, or PKK, said on Friday that two Turkish troops were killed and eight wounded in clashes along the 240-mile border, a claim that the Turkish military did not comment on. After the successful bombing, a cross-border ground incursion backed by the Turkish Air Force started at 7 p.m. local time on Thursday, the Turkish military said. The military promised its forces would "return home in the shortest time possible after its goals have been achieved." "The executed operation will prevent the region from being a permanent and safe base for the terrorists and will contribute to Iraq's stability and internal peace," the military said in a statement. Washington said it had been informed of the incursion in advance and said it has urged the Turks to limit their action to precise targeting of rebel Kurdish targets. Downplaying the scope of the operation, deputy State Department spokesman Tom Casey said Friday that Iraqi Foreign Minister Hoshyar Zebari called the incursion "limited in nature and not major." "The PKK is a common enemy of the U.S., Turkey and Iraq. We need to work together to resolve it," Casey said. The Kurdish militants are fighting for autonomy in Turkey's predominantly Kurdish southeast, and they have carried out attacks on Turkish targets from bases in northern Iraq. The U.S., the EU and Turkey consider the PKK to be a "terrorist" organization. While a section of the media and the Turkish military confirmed that about 10,000 soldiers have crossed the border, the BBC quoted a senior Iraqi Kurdish leader as saying that the Turkish side has exaggerated the operation, which they believe to be "very, very limited", and in a remote border area. Meanwhile, the European Commission on Friday urged Turkey to refrain from taking any "disproportionate military action" following its incursion into northern Iraq, adding that it was watching the situation "closely." Turkish forces have conducted smaller ground incursions as well as frequent air and artillery strikes against suspected PKK targets in Iraq since parliament authorized the army to act in October 2007. For comments and feedback: contact editorial@rttnews.com Copyright(c) 2008 RealTimeTraders.com, Inc. All Rights Reserved

(RTTNews) - The Canadian dollar declined further against its major counterparts at about 1:00a pm ET. Currently, the loonie is trading near 1.0166 versus the greenback, 1.5064 versus the euro and 0.9361 against the Aussie. Against the yen, the loonie declined to a 15-day low of 105.10 by about 1:05 pm ET. For comments and feedback: contact editorial@rttnews.com Copyright(c) 2008 RealTimeTraders.com, Inc. All Rights Reserved

(RTTNews) - Recent disappointing economic news is prompting investors to sell stocks in early afternoon trading on Friday. With little economic news to go on, traders are digesting yesterday's manufacturing report while also looking ahead to next week's data. The only economic event set for today is a speech by Dallas Fed president Richard Fisher, whose staunch anti-inflation stance led him to vote against the FOMC's January rate cut. On Thursday, the Philadelphia Federal Reserve released its regional report on activity in the manufacturing sector in the month of February. The report showed that the future general activity index turned negative for the first time since January of 2001 and hit its lowest level since 1990. Investors may be waiting on the sidelines until next week to get a clearer picture of the economy. Among the economic reports set to be released next week, the Labor Department will release its wholesale inflation report and the Commerce Department will release its personal income and spending report. In recent trading, the major averages have set fresh intraday lows. The Dow is currently down 110.31 at 12,173.99, the Nasdaq is down 33.03 at 2,266.75 and the S&P 500 is down 12.96 at 1,329.57. Sector News Airline stocks are turning in some of the worst performances, hurt by a major winter storm in the northeast. The Amex Airline Index is down 2.7 percent. The index has been trending lower, and earlier in the session it fell to a three-week intraday low. Software stocks are also seeing significant selling pressure, with the decline seen mostly in Intuit (INTU). The Amex Software index is 2.6 percent lower, adding to a recent downward move. Bank stocks are substantially lower as well. Earlier, Merrell Lynch downgraded both Fannie Mae (FNM) and Freddie Mac (FRE) to Sell ratings. Freddie Mac is currently trading 8.9 percent lower while Fannie Mae is down 5.4 percent. The S&P Bank Index is declining 1.5 percent. Health insurance stocks are also seeing sharp declines, with the Morgan Stanley Healthcare Payor Index falling 1.8 percent, extending a recent downward move. Among declining healthcare stocks, Amerigroup (AGP) and Molina Healthcare (MOH) are seeing the biggest losses. Stocks In The News Intuit is seeing significant selling pressure after the company saw a 21 percent decline in its second quarter profits. Additionally, the financial software maker forecast third-quarter profits below analysts' expectations and lowered its full year outlook. Shares of Intuit are down 12.8 percent, adding to a sharp decline in the previous session. Earlier, the stock fell to its worst intraday level in well over a year. OSI Pharmaceuticals (OSIP) is also substantially lower, as the company reported fourth-quarter earnings that disappointed

analysts. OSI Pharmaceuticals reported earnings of \$0.18 per share, while analysts expected the company to report earnings of \$0.29 per share. The stock is down 6.8 percent, adding to Thursday's decline. On the other hand, Chemed Corp (CHE) is seeing considerable buying interest after reporting better than expected fourth-quarter earnings. The stock fell at the start of trading, but it quickly reversed course within the first 30 minutes of trading. Currently, Shares of Chemed are up 3.1 percent. Other Markets The major Asian averages receded on Friday. Japan's Nikkei 225 average gap-opened lower and moved sideways for the rest of the session before closing down 1.4 percent. The major European averages fell lower as well. France's CAC 40 averages fell 0.7 percent, Germany's DAX average closed down 1.4 percent and the U.K.'s FTSE 100 average declined 0.7 percent. Meanwhile, treasuries have been lingering near their best levels of the day. Consequently, the benchmark ten-year yield is down 4.6 basis points at 3.738 percent. For comments and feedback: contact editorial@rttnews.com Copyright(c) 2008 RealTimeTraders.com, Inc. All Rights Reserved

(RTTNews) - at least 12 killed as Bombs hit multiple targets in Iraq For comments and feedback: contact editorial@rttnews.com Copyright(c) 2008 RealTimeTraders.com, Inc. All Rights Reserved

(RTTNews) - The New Zealand dollar climbed against most of its major counterparts at about 11:35 am ET. The kiwi spiked to 0.8067 against the US dollar and 86.33 against the yen. Against the Aussie, kiwi hit 9-day high of 1.1404. For comments and feedback: contact editorial@rttnews.com Copyright(c) 2008 RealTimeTraders.com, Inc. All Rights Reserved

(RTTNews) - Treasuries are holding steady in mid-day trading Friday, with the yield on the benchmark 10-year note modestly lower following a spate of buying in morning trading. Investors are turning to fixed income following a week which contained a good deal of disappointing economic news. The only economic event set for Friday is a speech by Dallas Fed president Richard Fisher, whose staunch anti-inflation stance led him to vote against the FOMC's January rate cut. At 11:30 am ET, the yield on the benchmark 10-year note was down 3.8 basis points to 3.746 percent. For comments and feedback: contact editorial@rttnews.com Copyright(c) 2008 RealTimeTraders.com, Inc. All Rights Reserved

(RTTNews) - The United States' auto industry is in a recession, and there is a possibility that the rest of the economy is also headed in that direction if it is not already in one, the head of Nissan Motor Co. (NSANY) said Friday. "We are very lucid on the situation of the industry that there is a recession in the United States, at least in the car market," Nissan CEO Carlos Ghosn told reporters. He cited soaring costs for auto materials including iron ore, precious metals, and aluminum as a "risk for the industry." He added that the cost of these materials must come down following four straight years of increases. Although he recognizes that the markets are going through a difficult period, Ghosn expressed optimism for the future and a turnaround of the American auto market. The market "will not stay in recession for a long time," he said. Evidence that the domestic auto market is in trouble is not hard to find. In 2007, U.S. car and truck sales totaled 16.1 million vehicles, a decrease from 2006's 16.6 million. Faced with soaring gas prices and a significant industry shift, combined with a slowing economy, analysts are forecasting an even worse performance in 2008. The United States is not alone in its struggling auto market. The relatively flat performance of the former powerhouse, along with the also-stagnant Japanese market, has led automakers to focus on global markets, Ghosn told students earlier at Seoul's Korea University. Specifically, Ghosn is looking at expansion in Russia, China, India and Brazil, where growing markets will be essential in helping global automakers survive the U.S. recession. "No car manufacturer can ignore these markets," the Nissan CEO said. In Russia and Brazil, the auto market grew 25 percent in 2007, with China and India following close behind with growth rates of 23.4 and 20 percent, respectively. Ghosn placed particular emphasis on Russia, which he predicts will surge past Germany by 2010 to become Europe's largest auto market. "Nobody can ignore Russia," he said. For comments and feedback: contact editorial@rttnews.com Copyright(c) 2008 RealTimeTraders.com, Inc. All Rights Reserved