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From: Barrett, Paul S
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Subject: Apple

Apple up 6 to 578, on the highs of the day. The move is likely on optimism heading into next week's conference.

Some of the things to expect from AAPL next week

- AAPL OS X ("Mountain Lion") - likely - this is the new OS for AAPL's desktops and notebooks. AAPL first revealed a preview for developers back in Feb and will announce details on the full release and pricing on Mon. Overall this should be a non-event - a lot of the details from this OS have been in the press before. Price could be one wildcard - recall the last big update ("Lion") cost \$29.99 (people think that prob. stays unchanged for "Mountain Lion").

- AAPL iOS 6 - likely - this will be the next update for iPads and iPhones and investors will be watching closely given how AAPL hasn't provided a ton of details on this software so far. Among the biggest changes could concern maps - AAPL is widely expected to replace Google Maps as the default option within iOS w/an internally developed product (this has been in the press for at least the last couple weeks and shouldn't be a huge neg. for GOOG). Other changes could involve search (Bloomberg has reported that BIDU would be offered as a default search option for iOS devices in China in addition to GOOG), Siri (integration w/3rd party apps?), etc.

- Big hardware refresh - likely - AAPL is expected to refresh its desktop and pretty much entire notebook lineup (in fact, the biggest news from the WWDC will prob. be on the notebook side of things). For the desktop, the highest end Mac Pros haven't really been touched in two years and many think it will see an update. On the notebook side of things, the MacBook Pro and MacBook Air are both anticipated to see some adjustments (all notebooks will prob. get Retina displays and the MacBook Pros could get more SSD options - either an outright SSD or an SSD/HDD hybrid). Finally, AAPL is expected to resurrect the MacBook w/two new models.

- Apple TV (software) - maybe - there have been some rumblings of AAPL moving forward w/a more robust 3rd party app system for the existing Apple TV product.

- Apple TV (hardware) - very unlikely. There has been a lot of press noise around AAPL working on an actual TV set and while this may be the case it doesn't seem like AAPL will have anything ready for the WWDC.

- New iOS devices - very unlikely. A new iPhone is prob. in the works but isn't expected to hit until later this Sept or Oct.

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