

## press release

13 March 2009

### Next's results highlight winners and losers on the high street

- Next results are good news for investors says The Share Centre
- Low expectations for forthcoming M&S and Sainsbury results means the high street is only for the brave investor

The retail sector kicked off a busy results period this morning with Next reporting a 7% decrease in sales in the run-up to Christmas. **Nick Raynor, investment adviser at retail stockbroker The Share Centre** comments on why shareholders should be happy with today's results:

"The high street will breathe a sigh of relief as despite Next's results being negative, some were expecting worse news from Next today. Shareholders will be happy with the rise in share price this morning, and the outlook is positive as Next is confident it will meet profit forecasts for 2009.

"This Christmas, Next bucked the high street trend by not having any pre-Christmas sales and subsequently its first day of sales after the festive period were the retailer's best ever trading day. Looking forward to this year's trading figures this is a great start for the company and shareholders. However for the shorter-term we would suggest investors take this opportunity and sell, with a view to buying back in after any weakness."

Marks & Spencer and Sainsbury are among other big names to announce results this week.

**Raynor continues:** "This is going to be a big week for retail and we will find out whether Marks & Spencer and Sainsbury have weathered the storm.

"With news of potential job cuts and Christmas sales figures rumored to be down we expect Marks & Spencer's figures will be poor. If its share price rallies at any point on the release of these figures then, as with Next, we'll be recommending investors take the opportunity to sell up and move on.

"We are also eagerly awaiting Sainsbury's results following the festive period. We doubt if Sainsbury will be able to increase its market share as competition over the Christmas period has

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been extremely tough. Therefore, for shareholders who want to invest in this sector, we recommend looking at either Tesco or Morrisons.

“Looking at the high street as a whole, we advise that only the brave consider investing. We don't see any immediate turnaround in fortunes and the expected base rate cut later this week isn't predicted in the shorter-term to make much difference. The high street is facing a tough 2009 and shareholders will need to be patient to make any returns.”

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Investing in general, and the products and services mentioned above, may not be suitable for all: if in doubt, individuals should seek independent financial advice. The value of investments and the income from them can go down as well as up and investors may not get back their original investment.

The bases and levels of taxation relating to ISAs, CTFs and SIPP's are subject to change and the value of these tax allowances may depend upon the circumstances of the individual.

## **About The Share Centre:**

The Share Centre was established in 1990 to provide value-for-money share services for private investors. Its range of services includes buying and selling shares (by Internet, telephone and post) and a comprehensive share administration and safe custody service. Tax-efficient investment 'wrappers' including ISAs, CTFs and SIPP's are also available.

The Share Centre's Advice team provides comment on market sectors and individual shares, including all of the post-privatisation/demutualization companies, on [www.share.com](http://www.share.com). Access is available to customers and registered users of the site. Registration is free. To understand how our Advice team arrive at their views please read our [Investment Research Policy](#).

In addition, account customers can receive individual telephone advice on UK-listed shares and on funds traded via the CoFunds trading platform.

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