

press release

23 November 2009

The forward look from The Share Centre

Nick Raynor, investment adviser at retail stockbroker, The Share Centre, gives his thoughts on what to expect from companies announcing results w/c 23 November.

■ Monday – N/a

■ Tuesday

Details of the Lloyds Banking rights issue are announced today, shares will trade ex-rights Friday 28 November at 8:00 am. We are currently suggesting that shareholders sell ahead of the announcement and buy back in after 27 November.

Severn Trent (Interim results)

It has been a bad year for utility companies, due to investors ditching the traditionally favoured income stocks for those with more aggressive capital growth. Not much is expected from these results as all eyes will be on the OFWAT review released at the end of November.

We currently list Severn Trent as a HOLD

■ Wednesday

Johnson Matthey (Interim Results)

The strong Rand is currently having a negative impact on Matthey's operations, and with utility costs accounting for nearly 30% of overheads, this is going to affect the results. An increase in electricity prices of 45% over three years are expected but with platinum prices starting to increase, we may see some reflection of this in these figures.

We currently list Johnson Matthey as a HOLD

United Utilities (Interim results)

United Utilities has been under the same pressure as all the other utility companies and more. The yield on offer has traditionally been higher than most, but with the uncertainty of the OFWAT review still looming, the figures issued may seem irrelevant.

We currently list United Utilities as a HOLD

■ Thursday

Antofagasta (Q3 Figures)

A production report was released recently noting that copper output had fallen in the last three months but that costs were still rising. This release will hopefully show what the company is doing to make up the falling production rate and if any improvements have been made.

We currently list Antofagasta as a HOLD

■ Friday – N/a

Economic diary

Tuesday 24 November

US GDP Q3 2nd estimate, US Consumer Confidence and Case-Shiller US home prices indices

Initially the US Bureau of Economic Analysis estimated that the US expanded by an annualised rate of 3.5 per cent in Q3. Ironically, markets may react positively if the second estimate out today is worse than expected, since this will suggest the Fed may instigate even more expansionary monetary policy.

Last month the consumer confidence index from the Conference Board fell to 47.7, from 53. A further decline is likely to be greeted with disappointment by the markets, although it is worth bearing in mind the index is significantly greater than it was earlier this year, when it fell to 25.3 (February).

The closely watched Case-Shiller 20 composite measuring home prices was up 1.2% in August from the month before. This index has now been climbing steadily since it hit a crisis low in April. On an annual basis, however, it is still negative - minus 11.3 per cent year on year.

Thursday 26 November

The CBI quarterly distributive trades survey

The first hint of how the High Street performed in November will emerge today with the release of the latest CBI distributive trades survey. Last month the percentage difference between retailers who said sales volumes were up and those who said down was +8%, modest by historical standards, but even so the best score in two years.

With the latest BRC survey suggesting like for like sales rose by 3.8% in the year to October, markets will be looking for a sign from the CBI survey that the apparent retail recovery is gaining momentum.

Other announcements

24 November

- US Corporate Profits, 3rd quarter 2010 (preliminary estimate) - Bureau of Economic Analysis
- UK Business Investment - Q3 2009 Provisional Result – ONS

26 November

- Quarterly Distributive Trade – UK – CBI
- Key indicators for the euro area - Eurostat

thesharecentre:

For further information please contact:

The Share Centre
Lisa-Marie Nelson
PR Executive
01296 439 426
Lisamarie.nelson@share.co.uk

Lucy Forgan
PR Assistant
01296 439 256
Lucy.forgan@share.co.uk

Lansons Communications
Inez de Koning / Neil Gregory / Rachel Cashmore
0207 294 3623 / 0207 294 3611 / 0207 566 3663
Inezd@lansons.com / neilg@lansons.com / rachelc@lansons.com

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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, individual shares and funds on 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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