

## press release

1 February 2010

### 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 1 February 2010.**

■ **Monday - N/a**

■ **Tuesday**

#### **BP (Q4 trading update)**

The price of oil has been holding steadily above \$70 for sometime now and at these levels there is a nice profit to be had per barrel of oil. Always looking for new markets, BP's CEO recently said that the company would like to be part of the exploration process in the Russian Arctic; there is no doubt that there is plenty of opportunity here, but at what cost?

**We currently list BP as a BUY**

■ **Wednesday**

#### **Standard Life (Q4 Trading statement)**

Recent press has not been favourable for Standard Life; the company were fined £2.45m by the FSA for misleading investors about the level of risk of certain investments. Next week's update will hopefully contain some positive news to help placate shareholders.

**We currently list Standard Life as a HOLD**

#### **Autonomy (Q4 results)**

Autonomy has won plenty of contracts recently including, a sizeable 7 year deal with BAE Systems. The technology sector has experienced a positive resurgence recently and as such Autonomy has seen an impressive rise in its share price. Next week's results will need to back up this increase and we wouldn't be surprised if Autonomy step-up to the mark.

**We currently list Autonomy as a HOLD**

■ **Thursday**

#### **Unilever (Q4 Results)**

Unilever has been finding favour in the market recently; those shareholders who are unhappy with the Cadbury takeover are selling their shares and buying into this food and product provider. Next week's Q4 announcement will have to justify this switch, but if the figures are good we may well see more Cadbury shareholders follow suit.

**We currently list Unilever as a HOLD**

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## **Vodafone (Q3 Interim management statement)**

Investors will be hoping that next week's update will contain news on sales of the iPhone, as Vodafone were unable to offer this product before Christmas. Early indications are that sales are good, but we will have to wait and see.

**We currently list Vodafone as a BUY**

■ Friday

## **BG (Full year results)**

Oil is now fast becoming a more pivotal market for the gas and oil exploration company. Finds in Brazil back in 2009 gave BG's share price a good boost, but costs for delivering the oil could be high. However, as long as the price of oil remains high BG is likely to remain attractive for investors. Despite the low price of natural gas at present, more and more power stations are looking to use natural gas. With this in mind, BG's gas operations should also appeal to investors as we feel it is only a matter of time before the price of natural gas rebounds.

**We currently list BG as a BUY**

## **British Airways (Q3 results)**

Regardless of how good or bad next week's figures are, attention is likely to remain on the possibility of staff strikes. Although there was no strike over the Christmas period sales still suffered as passengers were unwilling to risk ruining their Christmas break by flying with BA.

**We currently list British Airways as a HOLD**

## **Compass Group (Interim management statement)**

Retailers have found the start to the year tough and many predict a gloomy 2010. If companies are looking at ways to reduce costs corporate hospitality could still suffer as in previous years. This could impact on Compass' trade so next week's update will hopefully clarify the current situation.

**We currently list Compass as a BUY**

## **Scottish & Southern Energy (Interim management statement)**

Other utility companies have notified shareholders that they intend to cut dividends due to the recent OFWAT review, something that was previously stated that wouldn't happen. SSE has yet to do this and we would expect clarification of its intentions in next week's statement.

**We currently list SSE as a HOLD**

## Economic diary 1 – 5 February

### **Economic announcements w/c 1 February 2010**

#### **UK Purchasing Managers Indices and latest economic forecasts from NIESR**

Following last week's ONS data on Q4 growth, attention will focus on the likelihood of an upward revision in the data.

Indices from CIPS/Markit tracking services and manufacturing were strong last month, with the PMI index climbing to its highest level since 2007. However, will the indices continue to contradict ONS data?

NIESR research will add to the debate. Last month it recorded a 0.3% expansion in the UK in Q4. Its quarterly economic review will shed more light.

#### **MPC meeting 4 February**

Few economists expect to hear that the Bank of England Monetary Policy Committee will be changing either interest rates or policy regarding quantitative easing. But many expect inflation to rise by more than a full percentage point above target soon, prompting another letter from the Bank of England's governor to the chancellor.

With producer price inflation data being released on Friday, and the Bank of England inflation report being aired next week, markets are beginning to watch for signs of a tightening in monetary policy.

#### **Other economic announcements**

1 February

- Lending to individuals, December 2009, Bank of England

3 February

- Consumer confidence, Nationwide
- Survey for Services, CIPS/Markit

5 February

- Producer Prices for January, ONS

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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](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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