

press release

15 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 15 February 2010.

■ **Monday - N/a**

■ **Tuesday**

Barclays (full year results)

Next week Barclays kicks off the banking season with its full year results. Many investors will be looking for signs that the sector is over the worse, but equally at the level of bonuses being dished out. We expect Barclays to show a good performance and that it has recovered quickly, given it avoided Government handouts. However, we remain concerned about the bank's European exposure to the 'PIGS' group (Portugal, Italy, Greece and Spain) and the countries' potential problems with budget deficits.

We currently list Barclays as a HOLD

InterContinental Hotels (full year results)

As the industry continues to suffer from a slowdown in consumer spending, InterContinental's results are not expected to bring much cheer. Investors looking to pick up underperforming stocks could take a punt of the hotel group in light of early bookings the 2012 Olympics could bring. However, we are unlikely to change our opinion on the InterContinental Hotels anytime soon.

We currently list InterContinental Hotels as a SELL

■ **Wednesday**

Legal & General (Q4 results)

Recently there have been rumours that L&G could be a potential target for takeover, which might over-shadow next week's results. With markets picking up over the last three months we expect figures to be good, but if not eyebrows will certainly be raised. Dividend confirmation will also be welcomed.

We currently list Legal & General as a HOLD

■ Thursday

Reed Elsevier (full year results)

Reed Elsevier's earnings are likely to show the company has suffered as a result of recent weakness in the dollar; dollar earnings make up a significant part of the company's business. The company has also had to streamline its operations, but has experienced some difficulty in selling its unwanted assets.

We currently list Reed as a SELL

BAE Systems (full year results)

Defense budgets are being cut and after BAE had to pay out nearly \$500m in settlement fees next week's figures may not make for good reading. In the US contracts have started to be awarded to home grown companies. As a UK-based defense and aerospace company, BAE is missing out. BAE is also waiting for the go ahead from the UK Government to build one or two of the 'super carriers' it has on order. Hopefully, there will be something in next week's results for investors to cheer about.

We currently list BAE Systems as a HOLD

Kingfisher (Q4 trading statement)

Customers unable to reach Kingfisher's B&Q stores, due to poor weather may well prove to have affected its Q4 figures. However, recent weakness in its share price is starting to appeal to investors. Plus, as gardeners start to stock up for the spring and summer months, Kingfisher could begin to see an upturn in sales.

We currently list Kingfisher as a HOLD

■ Friday

Shire Pharmaceuticals (full year results)

Shire has been a favourite of ours within the pharmaceutical sector for a long time. We expect next week's results to back this up as Shire's dependency on AdderalXR, its drug to treat narcolepsy and attention deficit hyperactivity disorder continues to wane. There is also the potential for consolidation within the sector, thus the potential for Shire to be mentioned, which could add to its attraction.

We currently list Shire as a BUY

Economic diary

Economic announcements w/c 15 February 2010

16 February: Consumer Price Indices for January; 17 February: Minutes of MPC meeting and preliminary estimates of broad money

December CPI inflation rose from 1.9% to 2.9%. Analysts expect another rise for January and many expect the figures to warrant a letter from the Bank of England Governor to the Chancellor. Attention will focus on the extent of the rise. While inflation increases, the broad money supply, which is supposed to provide an indication of underlying medium-term inflationary pressures, contracted in December, while M4 lending excluding the effects of securitisation has contracted for two months in a row. Is the central bank worried that inflation is rising faster than expected, or more concerned about contracting money supply? The minutes will provide a clue.

19 February: Retail Sales for January

According to the BRC, retail sales in January saw their lowest monthly growth rate in 15 years. The monthly performance was affected by the bad weather. Will the ONS data support the findings of the BRC? In the past, ONS data on retail sales has come in for criticism as it reported better sales than anecdotal evidence suggested was likely.

---Ends---

For further information please contact:

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

Risk Warnings:

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. Past performance is not a reliable indicator of future performance.

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.

thesharecentre:

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.

The Share Centre Limited is a member of the London Stock Exchange and is authorised and regulated by the Financial Services Authority under reference 146768.

Registered in England No. 2461949. Registered office: Oxford House, Oxford Road, Aylesbury, Bucks. HP21 8SZ.