

press release

15 March 2010

6 out of 10 investors will take advantage of increases ISA limit

- 75% of investors have made use of their current ISA allowance
- 2 out of 10 investors aged 50 or over have taken advantage of the ISA increase
- 6 out of 10 investors plan to utilise the new ISA increase come the new tax year
 - 3 shares to help maximise your ISA

New research from retail stockbroker The Share Centre reveals the majority of investors have made use of their current ISA allowance, but a smaller proportion plan to take full advantage of the increased limit in the new tax year.

The survey* of 845 private investors showed that three quarters have taken advantage of the tax benefits offered by ISAs. While only 37% have already fully subscribed their 2009/2010 ISA another 18% plan to invest more before the end of the current tax year.

Interestingly, only two out of 10 investors aged 50 or over, had chosen to take full advantage of the increased Stocks and Shares ISA limit, thereby investing the maximum £10,200. A further 16% chose to invest above the current £7,200 limit.

As of the 6 April 2010 all investors aged 18 or over will be able to benefit from the increased Stocks and Shares ISA limit. Encouragingly, six out of 10 of all investors polled said that they plan to utilise the increased limit come the new tax year.

Explaining why investors should make the most of their ISA, Graham Spooner, investment adviser at The Share Centre, said: "With interest rates at historic lows, its vital investors take advantage of the increased allowance and protect what they can from the taxman. The new Stocks and Shares ISA limit will mean investors can stash away an additional £3,000 from the taxman.

“While see-sawing markets have left some wary of investing in equities, it is worth bearing in mind that returns from equities have consistently outperformed cash, decade-on-decade over the last century, apart from the 2000’s. This underperformance could be excused when you consider the stock market was extremely volatile during this decade.”

The Share Centre’s top 3 shares to maximise your ISA

Lower Risk

Tesco

Tesco remains a favourite of ours for long-term, low-risk growth investors. Despite its vast size, Tesco remains one of the most dynamic companies in British retailing. Its latest trading update further cemented the strength of the company in spite of increased competition within the sector. Although the outlook for general retailers is likely to remain tough we expect this heavyweight supermarket to continue to rise to the challenge, thanks to its focus on low prices, special offers and its growing International presence.

Tesco is currently trading at 436.95p and offering a yield of 2.6%.

Medium Risk

Vodafone

Vodafone continues to offer attractions for both income and growth seekers. Its last update was broadly positive, as revenues for the quarter ending 31 December 2009 increased by 10.3% to £11.5bn. In addition, its service revenue rose by 11% to £10.7bn. Vodafone is still offering a generous yield and we believe it will continue to deliver steady growth for shareholders as demand for data-intensive smart phones grows.

Vodafone is currently trading at 151.8p and offering a yield of 5%.

Higher Risk

Marston’s

We currently view Marston’s as a higher risk recovery-stock, offering a reasonable dividend. Back in July 2009, the group raised £176m through a discounted rights issue, helping to secure its short-term future. Marston’s final results (December 2009) continued to support the improving trend. Food sales helped to boost revenues and are expected to prove essential to Marston’s growth in 2010. The brewer is one to keep an eye on particularly given this year’s World Cup, which is likely to help increase footfall.

Marston's is currently trading at 93.85p and offering a yield of around 5%.

The Share Centre's DIY stocks and shares ISA

For investors who like to have complete control over their investments, The Share Centre's DIY Stocks and Shares ISA offers a great solution. Unlike other brokers, The Share Centre does not insist upon minimum investment or trading volumes. Trades start from just £7.50 online. The Share Centre will cover up to £300 in switching costs for investors wishing to transfer an existing ISA to The Share Centre.

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Note to editors:

Figures correct as of 12.00 15 March 2010.

*About the ISA survey

The Share Centre surveyed 845 investors during February 2010.

Equity versus cash returns by decade

	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000
Equities	4.9%	-3.8%	7.8%	4.3%	3.8%	12.9%	4.4%	-2.3%	15.6%	10.7%	-1.2%
Cash	1.6%	-4.9%	7.4%	0.9%	-2.0%	-1.2%	1.9%	-3.3%	4.8%	4.5%	1.8%

Source: Barclays Equity Gilt Study 2010

The Share Centre DIY ISA costs:

The Share Centre charges a 0.125% (£5 minimum) + VAT quarterly administration fee on its DIY Stocks and Shares ISA. This is based on the total value of the account, less the value of any unit trusts or OEICs held as of the valuation date (on or around 5 January, April, July and October). It is payable in arrears and debited from the account.

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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 SIPPs 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 SIPPs 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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