

## press release

19 April 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 19 April 2010.**

■ **Monday - n/a**

■ **Tuesday**

### **AB Foods (interim results)**

Hopes are high that the group will report an encouraging start to the year, helped by lower input costs. Profits are expected to be around the £317 million mark. Once again its retail chain Primark is expected to be the standout part of the business. Analysts will be concentrating on margins in the grocery business, news on new store openings, especially in Spain, and the performance of its African sugar operations.

**We currently list AB Foods as a HOLD**

### **Tesco (final results)**

Investors will be keen to note comments from the group about its future growth plans and how they can be sustained. The international operations continue to grow in importance and this is another area that analysts will concentrate on. Following on from its positive Christmas report we expect another very solid update.

**We currently list Tesco as a BUY**

### **Reed Elsevier (trading update)**

The Anglo- Dutch media group is unlikely to set pulses racing as the last update pointed to a difficult 2010. It also reported that it would be some time before measures taken by the new CEO would start to see results. Analysts hope that the problems are cyclical and not structural.

**We currently list Reed Elsevier as a SELL**

■ **Wednesday - n/a**

## ■ Thursday

### **Punch Taverns (interim results)**

Can the group demonstrate signs that the fall in sales is set to stop? The long suffering investors will be eager to hear if there is any news on a new CEO. Any comments on the Labour Party legislation plans that affect the pub industry will also be of interest. In particular the party want to stop pub groups leasing to individual landlords, who are then obliged to buy drinks direct from the company.

### **We do not currently hold an opinion on Punch Taverns**

### **Anglo American (first quarter statement)**

Mining group Anglo American's main commodities are platinum, diamonds, copper, nickel, Iron ore, manganese and coal. With the rise in commodity prices, a positive first quarter update is expected. Production growth targets are always key for mining groups as well as comments on future pricing for the various commodities the group operates.

### **We currently list Anglo American as a SELL**

## ■ Friday - n/a

## **Economic diary**

### **Economic announcements w/c 19 April 2010**

#### **Latest news on inflation: CPI – 20 April; average earnings, 21 April**

Last month saw the CPI inflation index fall from 3.5% to 3.1%. CPIY, that's inflation with the effect of taxation taken out, stood at 1.4 per cent. Average wages including bonuses were up just 0.9% for the year. According to the BRC, food inflation fell to 1.2 per cent, which was the lowest level in three years. On the other hand, producer prices have been rising sharply, with input prices rising 3.6% in March. Markets will be hoping to see another fall in the inflation rate.

#### **Preliminary estimate of GDP Q1 2010 – 23 April**

The bad weather and reversal of last year's drop in VAT had a negative impact on growth in the first quarter. Despite this, expectations are for growth to be around 0.4% to 0.5%. However, preliminary estimates of growth from the ONS are often upgraded significantly, and regardless of what Q1 growth actually was, the preliminary estimate may indicate something quite different.

#### **Other economic announcements include:**

21 April

- Labour Market Statistics – LMS April 2010, ONS
- Average Weekly Earnings – February 2010, ONS
- Minutes of the Monetary Policy committee Meeting held on 7 & 8 April, Bank of England

22 April

- Retail Sales – March 2010, ONS
- Provisional Estimates of Broad Money (M4) and Credit (M4 Lending) March 2010, Bank of England
- Quarterly Industrial Trends, CBI
- EU General government deficit and debt, Eurostat

23 April

- Gross Domestic Product: Preliminary Estimate – Q1 2010, ONS

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The bases and levels of taxation relating to ISAs, CTFs and SIPP 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](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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