

## press release

01 December 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 6 December 2010.**

■ **Monday – n/a**

■ **Tuesday**

**Wolseley (interim management statement)**

Wolseley has had a tremendous run so far this year and the drastic measures the company took to restructure look to have paid off. However, the share price is now starting to look pretty high and this interim statement will hopefully back up the company's performance. If not we expect to see the share price fall back.

**We currently list Wolseley as a HOLD**

**Tesco (interim management statement)**

We aren't expecting much from these figures and investors will be concentrating more on the Christmas trading period. Updates regarding the company's global expansion plans will be of interest, especially regarding talk in the press that the supermarket chain may branch out into a cash and carry format in India. Tesco's global presence is fast becoming the big attraction to investors; however we won't mention its performance in America.

**We currently list Tesco as a BUY**

■ **Wednesday**

**Standard Chartered (trading statement)**

Standard Charter took the opportunity to raise funds recently and with the help of shareholders raised £3.26bn to improve the company's capital position under the new regulations that have been set for banks. The company's exposure to emerging markets has been the attraction for investors this year and those holding the stock have not been disappointed. A decent set of figures are needed to justify investors confidence in the stock.

**We currently list Standard as a HOLD**

**Carillion (trading statement)**

Carillion has continued positively throughout the year and recently secured several contracts in the Middle East. Oman was the latest destination, where Carillion won contracts worth more than £100m. Also, the company recently received an upgrade on its target share price to 440p by Goldman Sachs. If some reports are to be believed Carillion are looking to reduce the number of suppliers the company has from 25,000 to 5,000, saving the company up to £140 million. Hopefully there maybe some conformation of this in this release.

**We currently list Carillion as a BUY**

■ **Thursday**

**HMV (interim results)**

HMV recently sold the lease of one of its London stores for £13.75 million, in order to pay down some of its debt and also to help maintain the whopping dividend it is currently paying. We hope to see improvement in sales in the run up to Christmas, especially as a number of high profile albums were released this year, as well as the latest editions of some gaming stories. We hope this is a positive update which can give the much beleaguered share price a boost.

**We currently list HMV as a BUY**

■ **Friday – n/a**

## Economic Diary

### **Economic announcements for the w/c 6 December 2010:**

#### **7 December Retail Sales Monitor for November – BRC**

The data revealed in recent retail sales monitors from the British Retail Consortium has been less encouraging than the findings of recent CBI distributive trades surveys. The latest CBI survey, for example, had its headline index staying strong while a net balance of 45% of retailers said they expect strong sales in December. Last month's BRC survey, by contrast, had like for likes rising by just 0.8 per cent year on year in October, and the overall tone of the report was somewhat downbeat. But at least the BRC recorded the second half of October as stronger than the first half, and said retailers are hopeful that demand will pick up over subsequent weeks. Today's report, published in the run-up to Christmas, will garner more interest than normal, and markets will react positively to hints that retailers are becoming more optimistic about the festive season.

#### **9 December Monetary Policy Committee Announcement – Bank of England**

The Bank of England appears to be in wait and see mode. Recent minutes from the MPC and the most recent inflation report have made it clear opinion is divided within the rate-setting committee, but perhaps the most telling comment from the most recent minutes was this one: "The outlook for growth is highly uncertain." No doubt in today's meeting Andrew Sentance will vote for a modest increase in the cost of borrowing, and Adam Posen for more quantitative easing; but it seems unlikely the Bank will move on either front until the dust has settled on 2010, and both the inflation and the growth pictures become clearer.

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

6 December

- EU Retail Trade – Eurostat

7 December

- Index of Production – October 2010 - ONS
- EU Unemployment – Eurostat
- EU National accounts (GDP – Q3 2nd estimate) – Eurostat

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8 December

- Annual Survey of Hours and Earnings – ASHE Results 2010 - ONS
- November Monthly Industrial Trends – CBI

9 December

- UK Trade – October 2010 - ONS

10 December

- Producer Price Index – November 2010 - ONS
- US International Trade – October – Census and BEA

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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.

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