

# UK Value Investor

For Defensive Value Investors

## The advantages of self-imposed constraints

Over the past two years the model portfolio has gradually expanded from 20 to 30 holdings in order to reduce risk. This somewhat lengthy process has finally come to an end this month with the addition of Petrofac as the 30<sup>th</sup> holding.

From next month I will switch to selling one company one month and using the proceeds of that sale to buy another company the following month. In many respects this is the most unusual part of the UKVI investment strategy. I think it's fair to say that most investors I mention it to think it's bizarre. But there is method behind the apparent madness, and the reason for this rigid, plodding approach to buying and selling is twofold:

The first reason is that it allows investors to improve their portfolios over time. If an investor can do this successfully then they should be able to consistently move from lower growth or lower yielding stocks into higher growth and higher yielding stocks. It's like gardening; when a stock grows too fast it can be trimmed back by rebalancing or selling entirely, and the proceeds taken as income or reinvested for further growth. By methodically selling a holding every other month 6 holdings will be sold each year, which is 20% of the 30 holdings in the model portfolio. I think that's a good balance between active investing and buy-and-hold.

The second reason for making the trades at a set time each month is that the impulsive side of the human mind is not well suited to making investment decisions. Daniel Kahneman's book "Thinking, Fast & Slow" covers this in some detail; decisions which are made under any kind of time pressure are likely to be dominated by "System 1", the way we think when we make quick, automatic decisions. The problem is that System 1 is very bad at investing for all manner of reasons.

So by making investment decisions just once a month (or perhaps once every week or two when a portfolio is being built up from scratch) the brain's "system 2" side - which is the deliberate, effortful kind of thinking we associate with logical "thinking" - can have the time and space it needs to do the sort of methodical, unemotional analysis required to get good returns from the stock market.

Of course you can make your own trades however you like, but I think having a fixed trading schedule is a powerful tool in the investor's toolbox.

*"System 1 is a storyteller. It tells the best stories that it can from the information available, even when the information is sparse or unreliable. And that makes stories that are based on very different qualities of evidence equally compelling. Our measure of how "good" a story is—how confident we are in its accuracy—is not an evaluation of the reliability of the evidence and its quality, it's a measure of the coherence of the story."*

- Daniel Kahneman

John Kingham, 1st March 2014

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**IMPORTANT NOTICE:** UK Value Investor provides information, not advice. It is for investors who want to make their own investment decisions and are capable of doing so without advice. If you think you need advice then you should seek a professional advisor. Please see the important notes on the back page for further information.

## Market valuation, forecast and asset allocation

The FTSE 100 ended February at 6,810, up 4.6% from 6,510 at the end of January. The story is more or less the same as it has been since we hit 6,840 in May 2013; the large-cap market is stuck below the “resistance” level which exists close to 7,000.

This resistance exists partly because the market peaked at around 6,800 just before the credit crunch back in 2007, but also that it peaked at around 6,800 at the time of the dot-com boom back in 1999 and 2000. Of course those events don’t actually have anything to do with how companies are performing today, and therefore how they should be valued today; but 7,000 is a nice round number that traders (I won’t call them

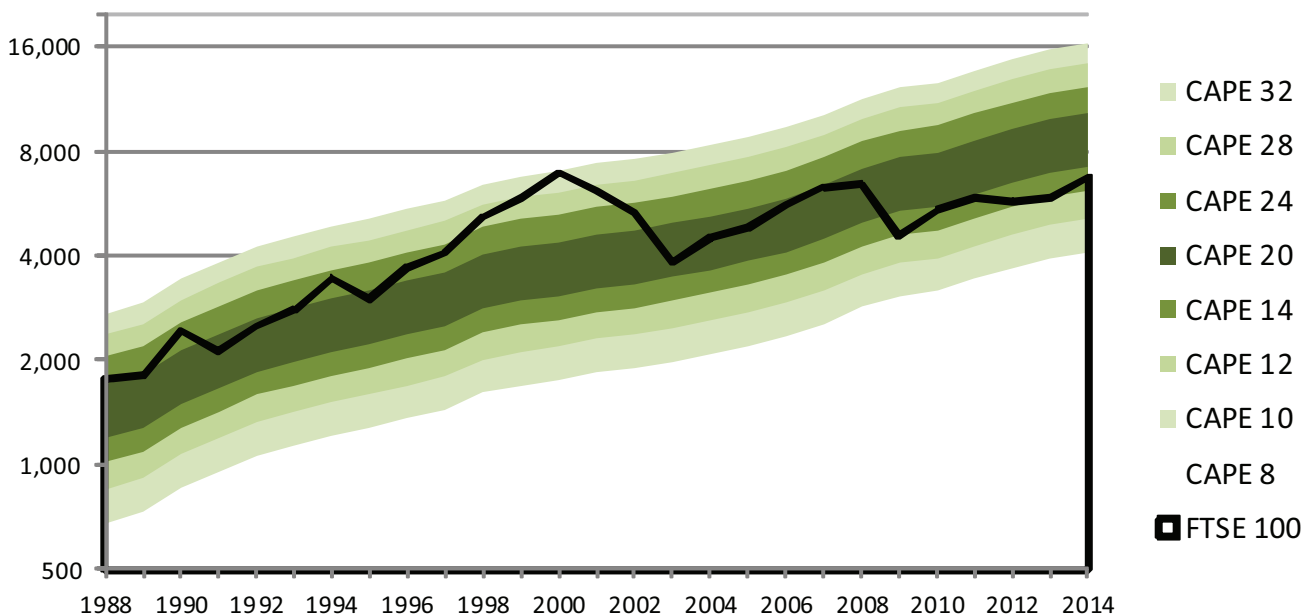
FTSE 100 at 6,810	Cyclically Adjusted P/E Ratio	Description	Ben Graham Equity Allocation (%)	7 Year Annualised Return Forecast (%)
14,200 - 16,300	28 - 32	Very expensive	25	-3.6 to -1.7
12,200 - 14,200	24 - 28	Expensive	25 to 35	-1.7 to 0.5
10,200 - 12,200	20 - 24	Slightly expensive	35 to 45	0.5 to 3.1
7,200 - 10,200	14 - 20	Normal	45 to 55	3.1 to 8.3
<b>6,100 - 7,200</b>	<b>12 - 14</b>	<b>Slightly cheap</b>	<b>55 to 65</b>	<b>8.3 to 10.9</b>
5,100 - 6,100	10 - 12	Cheap	65 to 75	10.9 to 13.8
4,100 - 5,100	8 - 10	Very cheap	75	13.8 to 17.4

investors) can fixate on. Unfortunately such mind-bogglingly irrelevant facts can have a significant impact on the level of both individual stocks as well as market indices, and so the fact that we are near record highs is enough to keep the large-cap market’s value below that 7,000 level.

However, the game plan for long-term investors should be the same as it always is: To focus on valuations above everything else and to ignore the endless ramblings of most of the investment media.

And so in regard to valuations, at 6,810, the FTSE 100 has a CAPE of 13.4, which is towards the upper end of the “slightly cheap” range as it’s defined in the table above. The ballpark estimate of future returns over the next 7 years is around 8.5% a year, which is pretty close to the long-run average return from equities

### FTSE 100 Valuations - 1988 to 2014



# Model portfolio review

## Last month's buy decision

In February Reckitt Benckiser became the first company to re-join the model portfolio having been previously sold in April 2013. 50 shares were added to the model portfolio at £48.105 each. The total consideration was £2,427.28 including stamp duty and broker fees, which is around 1/30<sup>th</sup> of the whole portfolio.

## Overall performance

Over the last year the model portfolio has increased in value by 19.6% compared to 12.5% for the FTSE All-Share benchmark, while annualised returns from inception are 13.2% versus 10.1%. As for risk the model portfolio has a 2-year Beta of 0.59, making it approximately 41% less volatile than the wider market.

## Vodafone and Verizon

The first part of the payout from Vodafone's sale of its stake in Verizon has now been completed. The model portfolio received 39 Verizon shares and they were sold on 25<sup>th</sup> February for £27.8213 per share, for a total of £1,075.03 after all trading expenses. This amount is now sitting in cash ready to be reinvested. I won't be considering this as a dividend because I want the portfolio's yield to be representative of what income might be expected next year, and this won't be the case if I include the large Verizon payments in the historic dividend figure. An additional cash payout is due to be paid on 4<sup>th</sup> March.

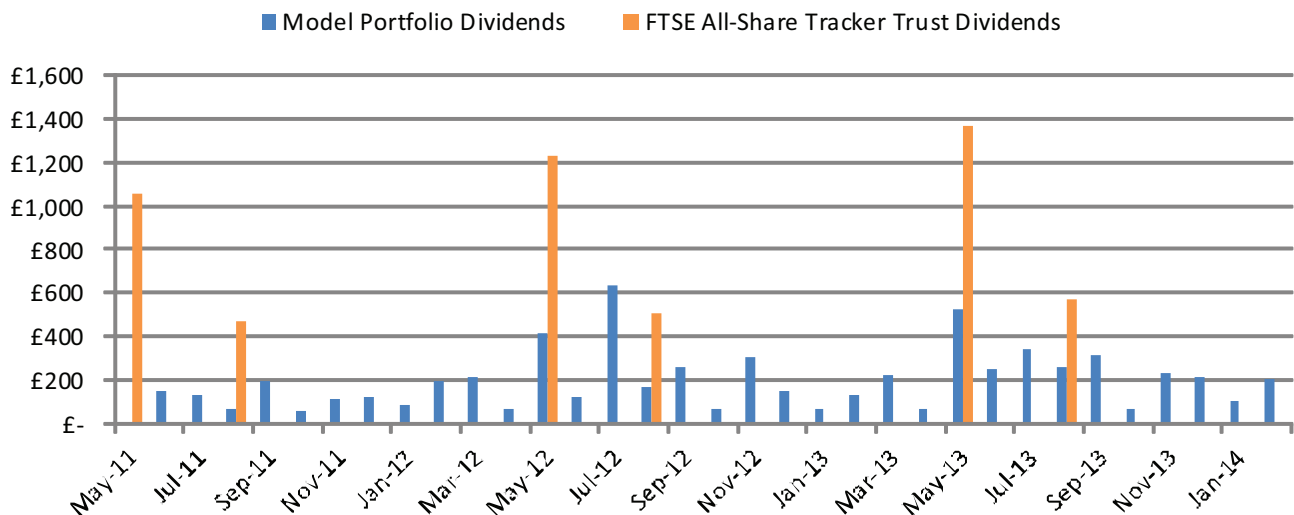
## RSA dividend suspension and rights issue

Unfortunately, problems with RSA's Irish business and a generally weak overall financial performance have resulted in the suspension of the final dividend for 2013 and a 20% rights issue. I will not be taking any direct action because of these events, i.e. RSA will not be sold immediately and no additional shares will be added as part of the rights issue (which is fully underwritten). As is usually the case, I don't have firm convictions on how things will pan out over the next few years because it is impossible to know. These events could easily prove to be positive for RSA shareholders in the long-term, although the company is now the least attractively valued holding in the model portfolio.

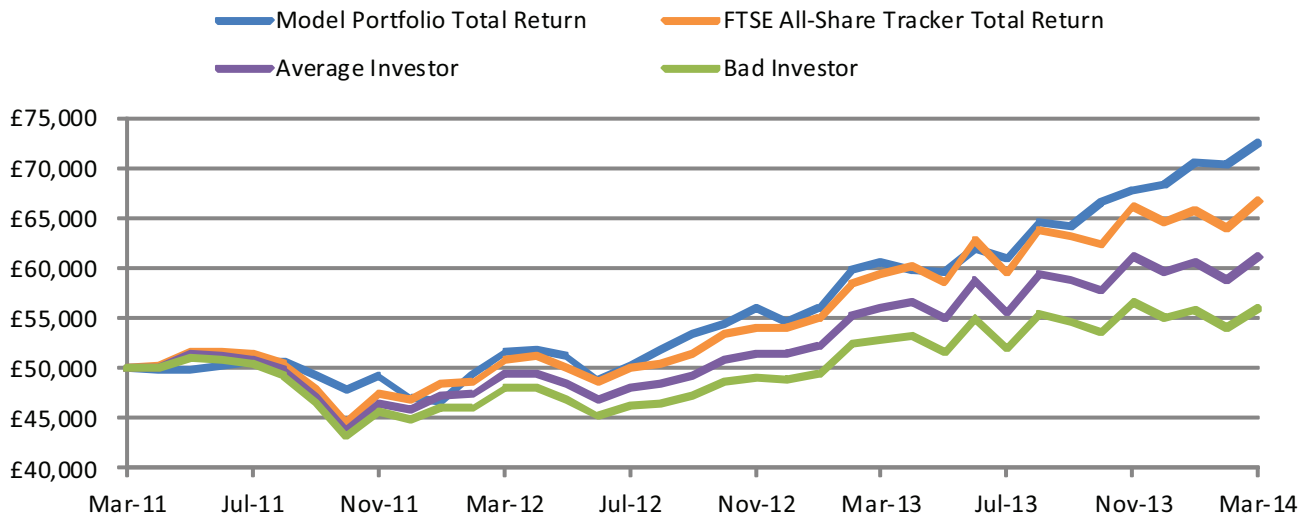
## Dividends

Dividends came in from MITIE, Vodafone (not the Verizon windfall), ICAP and Imperial Tobacco. Dividends in the last year now total £2,782 compared to £1,937 from the FTSE All-Share tracker trust benchmark, an almost 44% improvement.

Currently the model portfolio has a historic dividend yield of 3.8% compared to 2.9% for the FTSE All-Share tracker, so the high yield goal of the portfolio is still firmly on track.



# Model portfolio performance and statistics

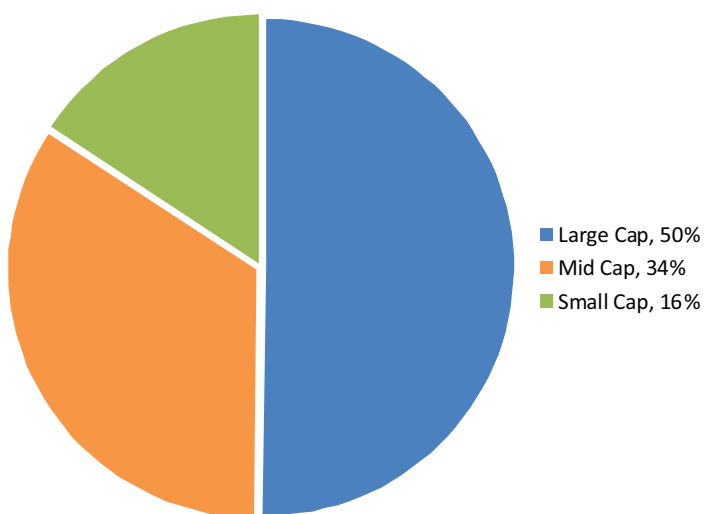


Note that the “average investor” and “bad investor” underperform the market by 3% and 6% per year respectively due to overtrading, buying high and selling low. These figures are based on research cited by Barclays and the book, *Monkey with a Pin*.

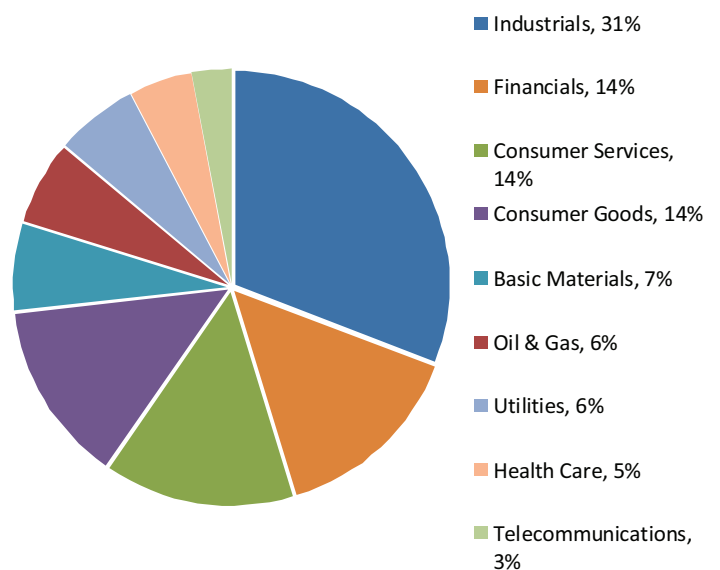
Performance (%)	Model Portfolio (A)	FTSE All-Share Tracker Trust (B)	Difference (A) - (B)
1 Year	19.6	12.5	7.1
3 Year	44.9	33.4	11.5
Total return from inception (March 2011)	44.9	33.4	11.5
Annualised return from inception	13.2	10.1	3.1
Current cash value	£72,459	£66,703	£5,756
Historic dividend yield	3.8	2.9	0.9
Trailing 2 year beta (lower = less risk)	0.59	1	41% less volatile

<b>UK Revenue</b>	<b>52.5%</b>	<b>International Revenue</b>	<b>47.5%</b>
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## Size Allocation



## Industry Allocation





# Recent Annual Results

4<sup>th</sup> February 2014 - BP PLC (added on 4<sup>th</sup> March 2011)

*“BP is one of the world’s leading international oil and gas companies. Through our work we provide customers with fuel for transportation, energy for heat and light, lubricants to keep engines moving, and the petrochemicals products used to make everyday items” ([www.bp.com](http://www.bp.com))*

<b>Revenue</b> <b>Down 1%</b>	<b>10 Year average earnings</b> <b>Up 7%</b>	<b>Dividend per share</b> <b>Up 6%</b>
<b>Debt ratio (max 5)</b> <b>2.0</b>	<b>Pension liability ratio (max 10)</b> <b>3.6</b>	<b>Does it still pass the buy tests?</b> <b>Yes</b>

## Quotes from the annual results

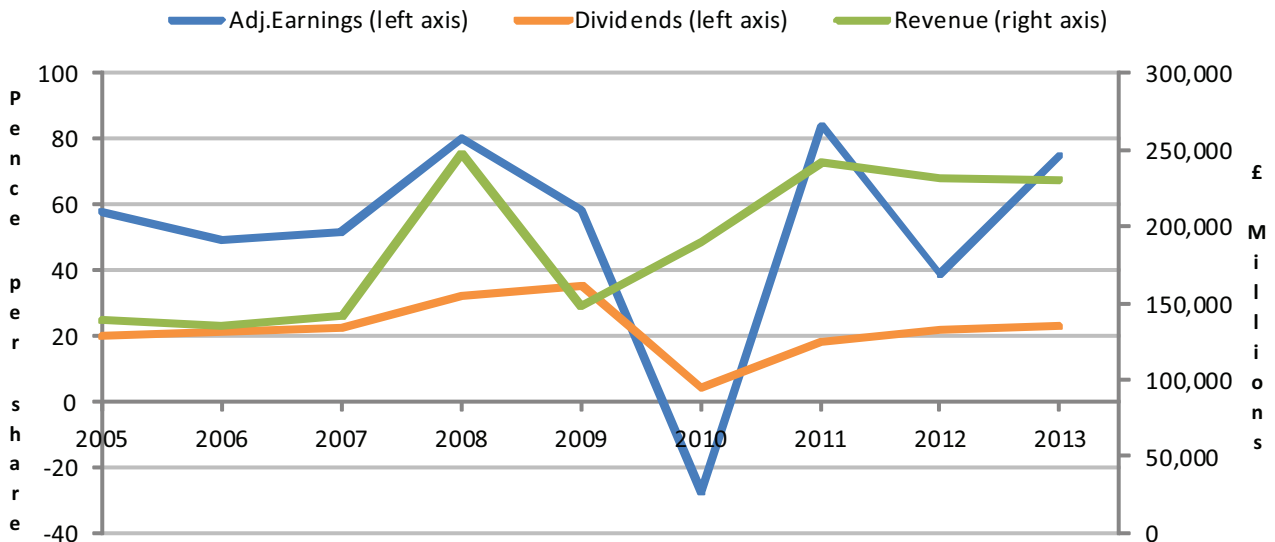
*BP delivered strong operating performance throughout 2013, with increased asset reliability and major project delivery in both our Upstream and Downstream businesses. These achievements underpin our financial targets for 2014 and lay the foundation for continued growth in sustainable free cash flow.*

*Following the completion of its \$38 billion divestment programme, BP announced in October 2013 that it expects to divest a further \$10 billion of assets by the end of 2015 and to use the post-tax proceeds predominantly for additional distributions, with a bias to share buybacks. To date, it has agreed around \$1.7 billion of such further divestments.*

*2013 was BP’s most successful year for exploration drilling for almost a decade. BP participated in 17 completed exploration wells, which made seven discoveries. Three discoveries were announced in the fourth quarter: the Gila discovery in the Paleogene trend in the Gulf of Mexico; the pre-salt Lontra discovery in Angola, operated by Cobalt International Energy; and the Petrobras-operated Pitu discovery in Brazil’s Equatorial Margin. BP was awarded licence interests in 14 blocks in the UK’s 27th licensing round, and was also awarded an interest in a block off north-east Greenland.*

*Looking ahead, BP expects underlying production in 2014 to be higher than 2013. Reported production, however, is expected to be lower, reflecting both divestments and a reduction of around 140 thousand boe/d due to the expiry in January of the Abu Dhabi onshore concession.*

*The cumulative pre-tax charge for the Gulf of Mexico oil spill was \$42.7 billion at the end of 2013, having increased by \$0.2 billion in the fourth quarter to reflect an increase in the provision for legal costs, and ongoing Gulf Coast Restoration Organisation costs.*



# Recent Annual Results

6<sup>th</sup> February 2014 - AstraZeneca PLC (added on 21<sup>st</sup> June 2011)

*“We are a global innovation-driven biopharmaceutical company specialising in the discovery, development, manufacturing and marketing of prescription medicines that make a meaningful difference in healthcare.” ([www.astrazeneca.com](http://www.astrazeneca.com))*

<b>Revenue</b> <b>Down 9%</b>	<b>10 Year average earnings</b> <b>Up 1%</b>	<b>Dividend per share</b> <b>Down 1%</b>
<b>Debt ratio (max 5)</b> <b>1.0</b>	<b>Pension liability ratio (max 10)</b> <b>1.2</b>	<b>Does it still pass the buy tests?</b> <b>Yes</b>

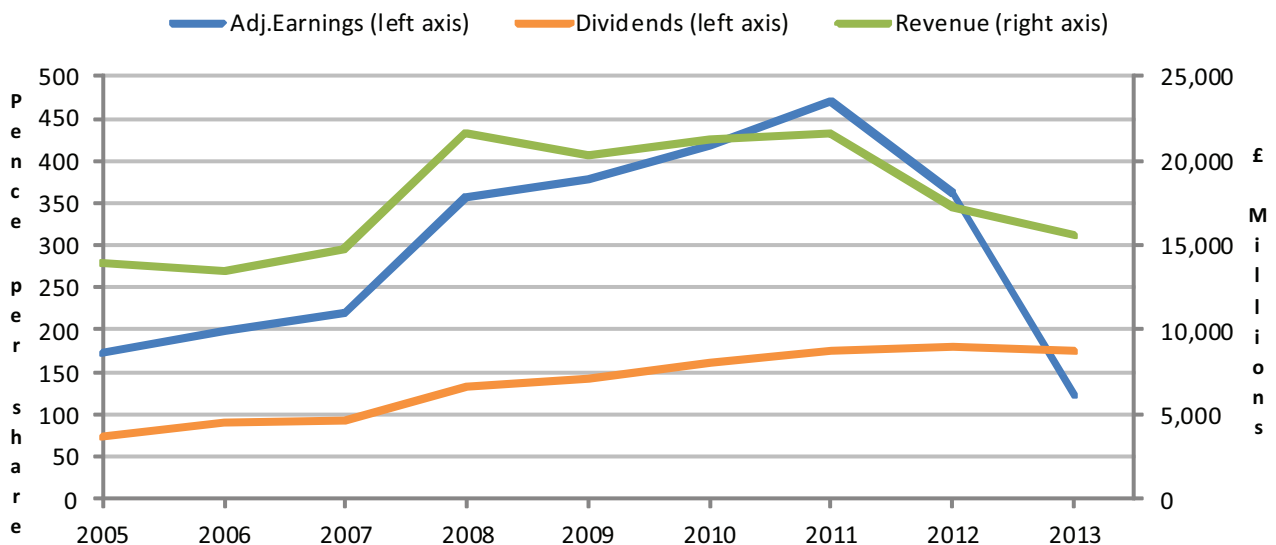
## Quotes from the annual results

*As expected, our financial performance for 2013 reflects the ongoing impact from the loss of exclusivity for several key brands. In the near term these headwinds will remain challenging, however I am confident that we can return to growth faster than anticipated and expect our 2017 revenues will be broadly in line with 2013.*

*I'm pleased with the momentum we have built in 2013 against our strategic priorities, in particular our objective of achieving scientific leadership. We continue to focus our organisation on the areas that will drive growth, redeploying our resources to fund the promising late-stage pipeline, which nearly doubled in size over the last 12 months. The acquisition of Bristol-Myers Squibb's share of our diabetes alliance strengthens our position in this important area and I am delighted that the business integration is progressing with such pace.*

*In March 2013 the Company described how transforming the way it works is crucial to delivering its strategy. The Company committed to dramatically simplifying its organisation and processes, while creating an innovative environment, including through co-location on a more focused footprint. AstraZeneca continues to drive productivity improvements across the organisation, removing complexity and creating additional headroom to invest in growing its business and ensuring returns to its shareholders.*

*As previously announced, the Company combined the restructuring announced on 21 March 2013 with a previously announced programme to create a combined Phase 4 programme that entails an estimated global headcount reduction of about 5,050 over the 2013-2016 period. The combined programme of changes was estimated to incur \$2.3 billion in one-time restructuring charges to the P&L, of which \$1.7 billion are expected to be cash costs. In 2013, the Company continued to implement the Phase 4 programme with speed, incurring costs of \$1.4 billion and delivering approximately \$400 million of annualised benefits. The overall programme remains on track to deliver the approximately \$800 million anticipated annual benefits by the end of 2016.*





# Recent Annual Results

12<sup>th</sup> February 2014 - Reckitt Benckiser PLC (added on 21<sup>st</sup> June 2011)

*“RB’s health, home and hygiene brands are sold in nearly 200 countries around the world. RB’s entrepreneurial and creative people drive its marketing, sales, research and development. RB’s vision is a world where people are healthier and live better.” ([www.rb.com](http://www.rb.com))*

<b>Revenue</b>  <b>Up 5%</b>	<b>10 Year average earnings</b>  <b>Up 11%</b>	<b>Dividend per share</b>  <b>Up 2%</b>
<b>Debt ratio (max 5)</b>  <b>1.4</b>	<b>Pension liability ratio (max 10)</b>  <b>0.7</b>	<b>Does it still pass the buy tests?</b>  <b>Yes</b>

## Quotes from the annual results

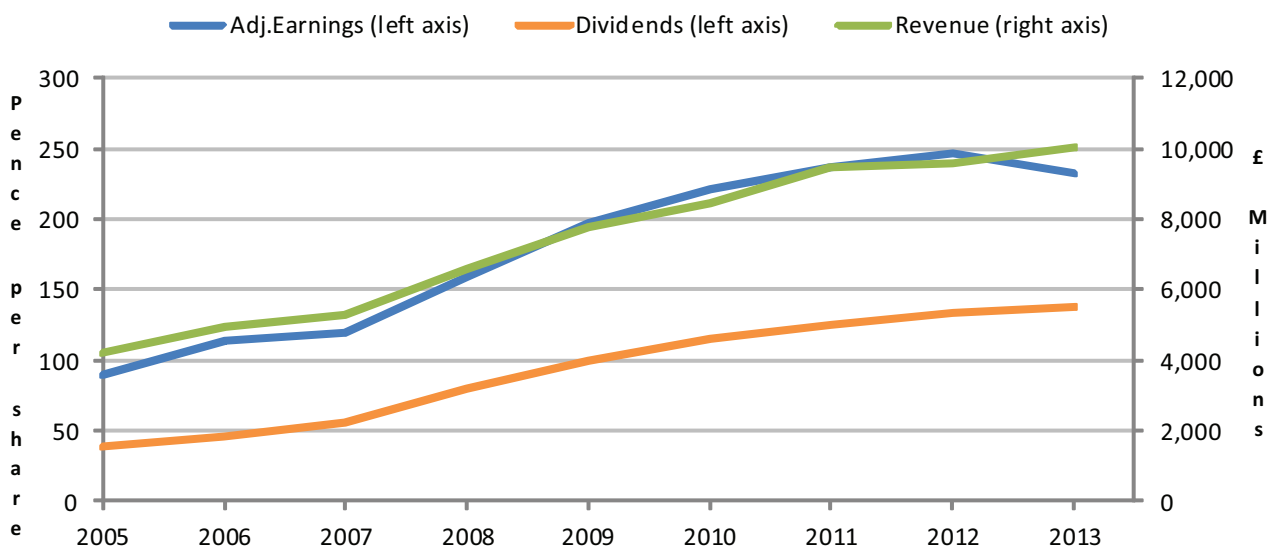
*Our strategy for growth and outperformance through driving Health and Hygiene Powerbrands together with our focus on 16 Powermarkets is delivering results. We are pleased with the continued strength of our ENA - Europe and North America performance. And while emerging markets continue to slow, we delivered very strong results in India and China.*

*We continue to invest in our business to drive sustainable value creation. In 2013, we invested an incremental £100m behind building our brands. We also made substantial investments in building capabilities to compete and win in consumer health and emerging markets.*

*We made excellent progress with our acquired businesses. The effective integration of Schiff, BMS and Guilong, once again reinforces RB’s proven strengths in acquiring high quality businesses and delivering superior shareholder value. I am especially pleased with our performance on Schiff brands. Our decision to roll out MegaRed in 20 markets in 2014 is a reflection of our confidence in the future potential of this category.*

*For our pharmaceutical business, RBP, the advantages of our Suboxone film are widely recognised by patients and physicians, and this gives our product strength as it faces branded challenge and generic price challenge. Our film share in the US exited the year at 68%, which is an exceptional result. As announced in October, the strategic review of RBP is underway. We will provide an update during the course of 2014.*

*Market conditions are more challenging now than at the beginning of last year, particularly in some emerging markets. However, we have confidence that our pipeline of innovations, Powerbrand roll-outs and brand investments will deliver another year of high quality growth. Accordingly, we are targeting net revenue growth of 4-5% and flat to moderate operating margin expansion. Both targets exclude RBP.*





# Recent Annual Results

13<sup>th</sup> February 2014 - Rio Tinto PLC (added on 7<sup>th</sup> September 2012)

*“Rio Tinto is a leading global mining and metals company. Our focus is on finding, mining and processing the Earth's mineral resources in order to maximise value for our shareholders.”*  
 ([www.riotinto.com](http://www.riotinto.com))

<b>Revenue</b> <b>Down 1%</b>	<b>10 Year average earnings</b> <b>Up 9%</b>	<b>Dividend per share</b> <b>Up 12%</b>
<b>Debt ratio (max 5)</b> <b>2.2</b>	<b>Pension liability ratio (max 10)</b> <b>2.5</b>	<b>Does it still pass the buy tests?</b> <b>Yes</b>

## Quotes from the annual results

*These strong results reflect the progress we are making to transform our business and demonstrate how we are fulfilling our commitments to improve performance, strengthen the balance sheet and deliver greater value for shareholders. We have achieved underlying earnings of \$10.2 billion, exceeded our cost reduction targets and set production records. In turn, this has enhanced our cash flow generation and lowered net debt.*

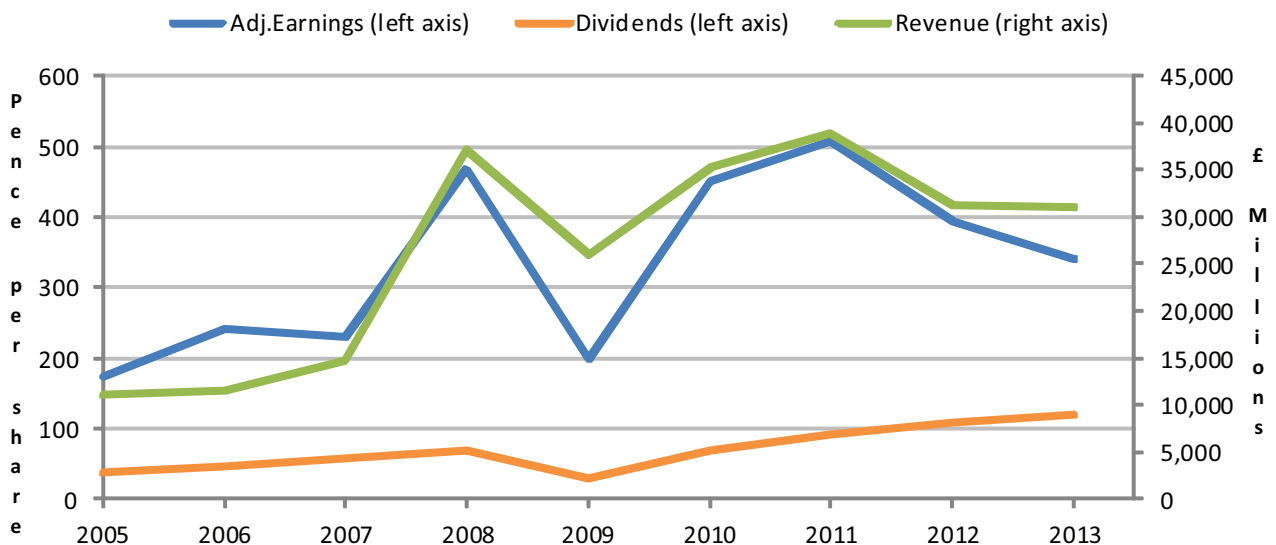
*The 15 per cent increase [in US Dollar terms] in our dividend reflects our confidence in the business and its attractive prospects. The aim of Rio Tinto's progressive dividend policy is to increase the US dollar value of ordinary dividends over time.*

*Our performance in 2013 reflects the efforts of all of our 67,000 employees to turn this business around. We said that we would reduce costs. We have. We said that we would reduce capital. We have. We said that we would act like owners. And we are.*

*We've achieved record production in bauxite, thermal coal and iron ore, despite operational and weather related challenges. We've built a more accountable and disciplined business, and we've strengthened our systems and processes. Importantly, we've delivered strong underlying earnings and improved cash flows, against a backdrop of weaker commodity prices.*

*Of course, there is more to do and the journey is not over. And 2014 will be a year that builds on our achievements, locking in the gains as we further strengthen our balance sheet.*

*Our over-riding priority is to deliver greater value for shareholders, through the disciplined allocation of our capital.*



# Recent Annual Results

13<sup>th</sup> February 2014 - Centrica PLC (added on 10<sup>th</sup> August 2012)

*“We are active at every stage in the energy chain from sourcing energy to saving it. Our aim is to meet our customers’ energy needs and deliver long-term value to our shareholders.” (www.centrica.com)*

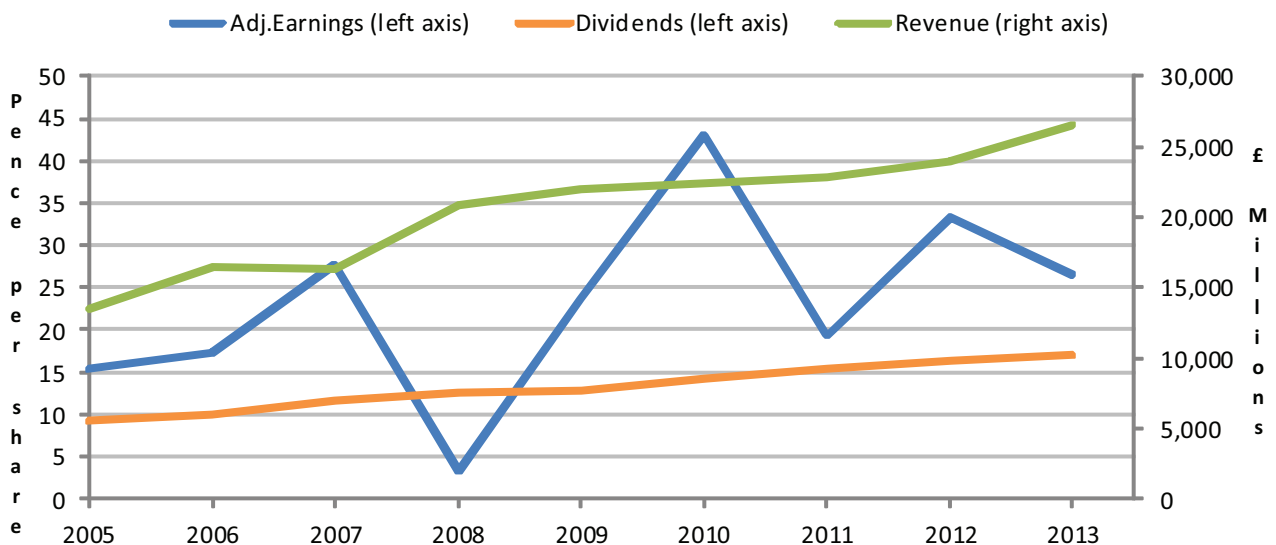
<b>Revenue</b> <b>Up 11%</b>	<b>10 Year average earnings</b> <b>Up 6%</b>	<b>Dividend per share</b> <b>Up 4%</b>
<b>Debt ratio (max 5)</b> <b>2.5</b>	<b>Pension liability ratio (max 10)</b> <b>2.4</b>	<b>Does it still pass the buy tests?</b> <b>Yes</b>

## Quotes from the annual results

*We have made good strategic progress across the Group in 2013, investing along the gas value chain to secure long term, affordable energy supplies for our customers. We have completed strategic reviews in both British Gas and Direct Energy, and introduced new management structures. These will help us deliver consistent, high quality customer service, reduce costs and drive growth through innovation. In Centrica Energy, we entered into a number of key strategic transactions to drive long term growth and we also added reserves from the drill-bit, mainly in Norway.*

*Recently we have seen unprecedented focus on the energy sector in the UK, with intense political and media scrutiny at a time when many customers have faced declining real disposable income. In British Gas, we have simplified our energy product range to just four residential tariffs, we have made further improvements to the transparency of our reporting, and we were the first energy company to reduce retail tariffs following proposed changes to the ECO programme.*

*Market conditions are set to remain challenging in 2014 with margin pressures and unusual weather patterns on both sides of the Atlantic, rising unit costs in the North Sea and weak economics for gas storage and gas-fired power generation. However in the short term, we are focused in our downstream businesses on improving service levels, reducing costs and returning to growth through innovation, technology and customer propositions. Upstream, we will continue to drive efficiencies and will be increasingly selective in our investments, focusing on the projects that offer the best returns and the lowest political risk. The acquisitions we announced in 2013 are performing well and together with the positive action we are taking across the Group, position Centrica well for the future, for the benefit of both customers and shareholders*



# Recent Annual Results

13<sup>th</sup> February 2014 - BAE Systems PLC (added on 21<sup>st</sup> June 2011)

*“We operate in the defence, aerospace and security markets, which in turn have their own unique market drivers. Our strategy is to understand and respond to the needs of our customers in each of these markets, and anticipate that these needs may be subject to rapid change.” (www.baesystems.com)*

<b>Revenue</b>  <b>Up 2%</b>	<b>10 Year average earnings</b>  <b>Up 7%</b>	<b>Dividend per share</b>  <b>Up 3%</b>
<b>Debt ratio (max 5)</b>  <b>1.6</b>	<b>Pension liability ratio (max 10)</b>  <b>13.0</b>	<b>Does it still pass the buy tests?</b>  <b>No*</b>

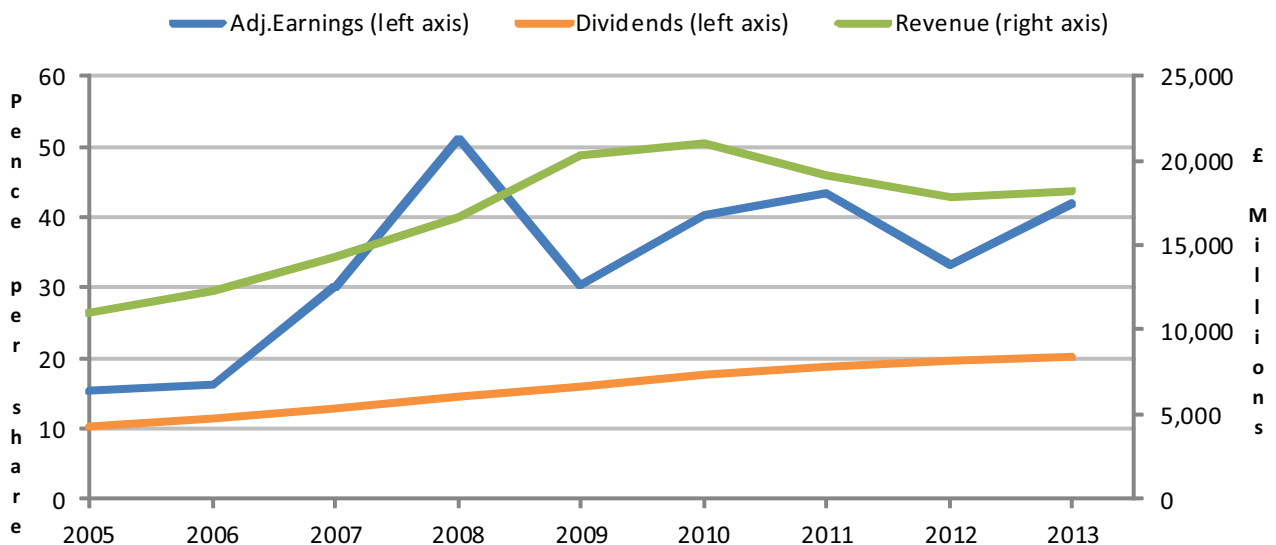
\* BAE fails the pension liability check, but that particular check is still undergoing ‘calibration’ to see at what level pensions become a predictable problem. BAE is a useful test to see if 10 is a reasonable maximum for this ratio, or if it should be higher or lower.

## Quotes from the annual results

*Overall, the Group delivered a solid performance in 2013, against the background of reduced government spending and challenging market conditions. A proactive focus on costs and enhanced competitiveness protected our margins across the majority of the business and we secured further contract wins in the US, Saudi Arabia and internationally. We have started 2014 with good momentum with a settlement on Salam pricing, US budgets in place and a well-defined UK Maritime sector plan. Budget pressures in some of the Group's larger markets are expected to prevail but BAE Systems has a broad-based portfolio. Our strong order backlog and robust balance sheet provide a solid basis for growth over the medium term.*

*In the US, budget uncertainties continued to impact government spending and procurement decisions throughout 2013. We based our planning assumptions on a progressive reduction in our US defence and security businesses of approximately 15% for 2013 and 2014. The recent budget developments return some clarity to near-term US government spending, although pressures to reduce spending and address the US deficit are expected to continue. Notwithstanding the continued pressure on many areas of government spend in the UK, our business is in good shape and the outlook remains stable. Building on the strong international order intake performance in 2012, a further £9.3bn of non-UK/US order intake was achieved in the year.*

*The Group's balance sheet continues to be managed conservatively in line with our policy to retain an investment grade credit rating and to ensure operating flexibility. The Board has recommended a final dividend of 12.1p per share making a total of 20.1p per share for the year, an increase of 3% over 2012. At this level, the annual dividend is covered 2.1 times by underlying earnings.*



# Recent Annual Results

26<sup>th</sup> February 2014 - Greggs PLC (added on 7<sup>th</sup> December 2012)

*“Greggs is the leading bakery food-on-the-go retailer in the UK. Expert bakers for the last 75 years, we serve delicious, freshly baked, quality food at great value prices to a million customers each day, in over 1,671 shops around the UK.” (corporate.greggs.co.uk)*

<b>Revenue</b>  <b>Up 4%</b>	<b>10 Year average earnings</b>  <b>Up 1%</b>	<b>Dividend per share</b>  <b>Unchanged</b>
<b>Debt ratio (max 5)</b>  <b>0.0</b>	<b>Pension liability ratio (max 10)</b>  <b>1.6</b>	<b>Does it still pass the buy tests?</b>  <b>Yes</b>

## Quotes from the annual results

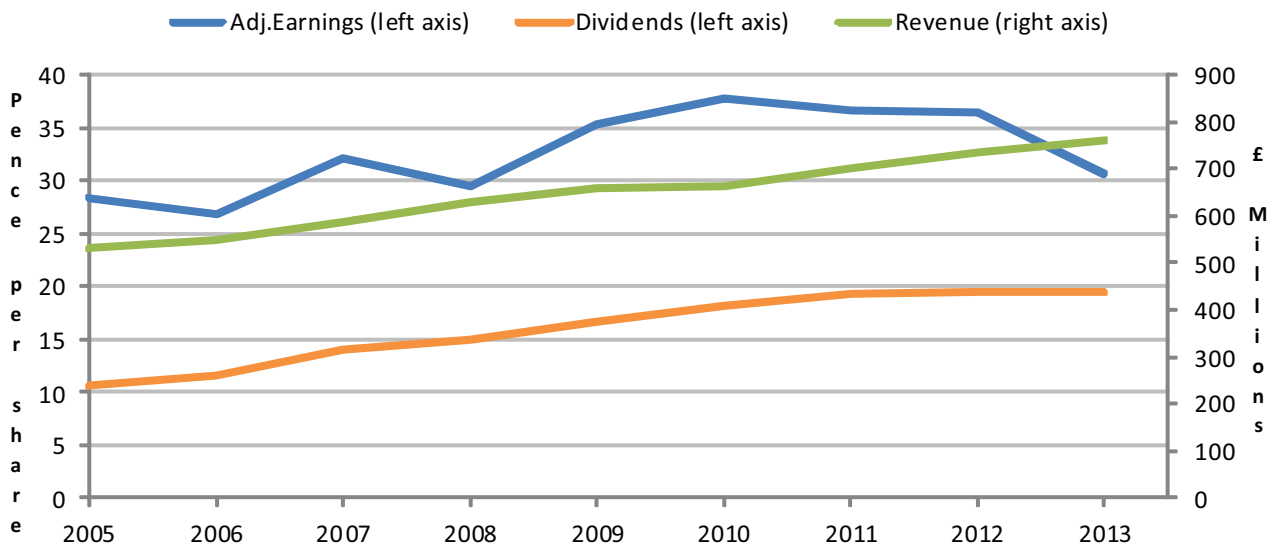
*2013 has been a year of significant change for Greggs. Market conditions continued to be challenging and sales and profit were below expectations, particularly in the first half. We conducted a strategic review and announced our plans to prepare Greggs for long-term profitable growth.*

*As a result of the strategic review and the attractive fundamentals of the food-on-the-go market a change programme was instigated to refocus our operations on this opportunity. The change programme will take a number of years to complete and will be underpinned by activity focusing on great tasting fresh food, a great shopping experience, simple and efficient operations and improvement through change. Through this programme we will be targeting a sustained improvement in like-for-like sales together with simpler and more efficient operations, and thus preparing Greggs for long-term profitable growth.*

*Although economic activity across the UK is showing some signs of improvement, management is planning for continued pressure on footfall and consumer spending and an increasingly competitive food-on-the-go market. The 2013 strategic review has brought a new focus to the business as Greggs' position in the food-on-the-go market is developed and improvements to the quality of the shop estate and customer experience are delivered. The plan involves major changes and investment in the business over a number of years and, as previously announced, will incur some exceptional costs.*

*It is encouraging to see that these changes are already beginning to deliver a stronger performance in the core business with an improving trend in like-for-like sales and strong returns from our shop refurbishment programme.*

*The business continues to generate strong cash returns with which we intend to fund capital investment and dividend payments to shareholders. In the short term, so long as cash flow allows, it is the Board's intention to maintain the dividend at or around this level with the intention of adopting, in the medium term, a progressive dividend policy with the dividend around two times covered by underlying earnings.*



# Recent Annual Results

27<sup>th</sup> February 2014 - British American Tobacco PLC (added on 9<sup>th</sup> September 2013)

*“British American Tobacco is a leading tobacco group, with brands sold in around 180 markets. We employ more than 55,000 people and, with over 200 brands in our portfolio, we make the cigarette chosen by one in eight of the world’s one billion adult smokers.” ([www.bat.com](http://www.bat.com))*

<b>Revenue</b>  Unchanged	<b>10 Year average earnings</b>  Up 11%	<b>Dividend per share</b>  Up 6%
<b>Debt ratio (max 5)</b>  2.0	<b>Pension liability ratio (max 10)</b>  1.1	<b>Does it still pass the buy tests?</b>  Yes

## Quotes from the annual results

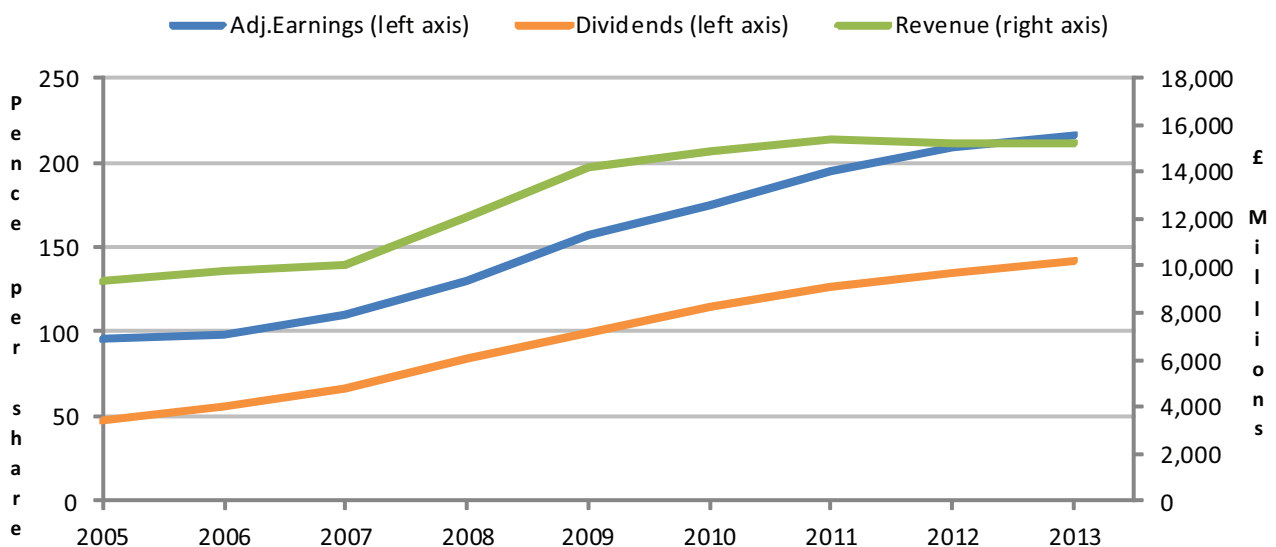
*British American Tobacco continued to perform strongly in 2013, with another year of excellent earnings growth and cash flow, partially offset by currency headwinds. The Group’s Global Drive Brands (GDBs) also achieved outstanding growth in market share and volume. Difficult trading conditions persist in some parts of the world, notably southern Europe, but these results demonstrate that the Group’s strategy continues to deliver robust profit and dividend growth.*

*Our return on capital employed (ROCE) has improved considerably over the past few years. We have seen a steady increase in ROCE from 23% in 2009 to 31% in 2013, demonstrating that our investments are delivering growth.*

*In 2013 we successfully grew our market share in our key markets by 20 basis points, driven by the success of our GDBs, which were up by 60 basis points. Our share of the premium segment also grew, up by 80 basis points. However, cigarette volume from subsidiaries was lower by 2.7%, mainly as a result of industry declines.*

*Our international brands grew volume by 2.1%, of which our GDBs grew by 1.9%. Dunhill volume was up by 9.7% and Pall Mall grew by 4.4%. Kent’s was 2.9% lower while Lucky Strike volume was down by 6.5%. Collectively, our GDBs now account for 35% of our total volume. From 2014, we have added Rothmans to our portfolio of GDBs, recognising the brand’s strategic value to the Group.*

*Challenges persist in 2014. Economic recovery is still fragile, particularly across southern Europe. However, we have shown a consistent ability to improve our operating margin and grow market share. We have a great brand portfolio, market-leading innovations and an outstanding range of high quality products. We maintain our firm commitment to invest in key growth markets and new product categories.*



# Recent Annual Results

27<sup>th</sup> February 2014 - RSA Insurance Group PLC (added on 9<sup>th</sup> January 2012)

*“With a 300-year heritage, RSA is one of the world’s leading multinational insurance groups. Today, we employ around 23,000 people, serving 17 million customers in over 140 countries.” ([www.rsagroup.com](http://www.rsagroup.com))*

<b>Net written premium</b>	<b>10 Year average earnings</b>	<b>Dividend per share</b>
<b>Up 4%</b>	<b>Up 6%</b>	<b>Down 69%</b>
<b>IGD Cov. (no explicit min.)</b>	<b>Pension liability ratio (max 10)</b>	<b>Does it still pass the buy tests?</b>
<b>1.1</b>	<b>1.1</b>	<b>No*</b>

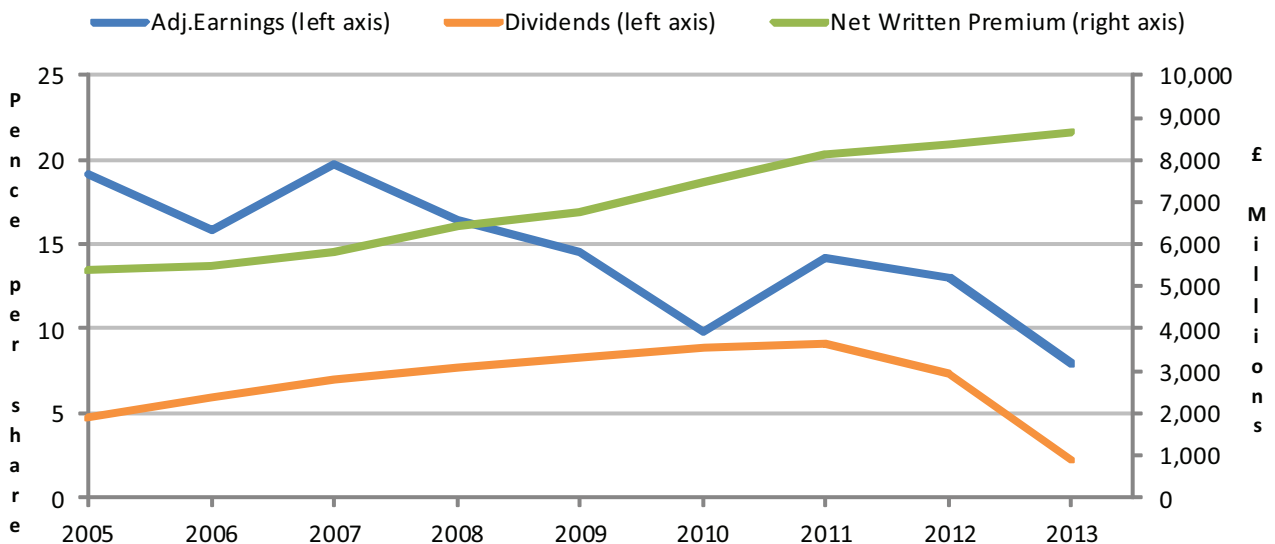
\* Although RSA passes the quantitative tests I would not add it to the model portfolio today due to the impending rights issue.

## Quotes from the annual results

*RSA’s 2013 results are poor and we need to grasp the nettles of both underperformance and undercapitalisation. As part of this we intend to launch a rights issue [£775m, ~20% of market cap] to help ensure we have the appropriate level of capital behind the Group. Together with a series of significant ‘self-help’ measures, we believe this will put the Group’s capital in the right place for the future. It will give us the necessary platform to focus aggressively on tightening strategy, improving customer service in core businesses and delivering operational improvements; and from these actions deliver attractive returns on a stronger tangible equity base. Serve customers well. Operate with capital strength. Focus on driving shareholder value. This is our agenda.*

*Our base plan is that RSA will be operated with discipline and effectiveness to serve customers well, and build shareholder value from a strong capital platform across its main core businesses. These are in the UK & Ireland, Scandinavia, Canada and Latin America. Our geographical spread will reduce considerably outside this core group over the next few years. There will also be business lines within the core group which we adjust significantly. We target business where we can sustain leadership positions with customers whilst earning better than cost of capital for shareholders. We value diversity and balance provided it does not come at the expense of those core disciplines and provided our Group has the resources and capitalisation to properly succeed with the business we take on.*

*We are clear that dividends are an important component of shareholder returns for companies in the general insurance industry, and RSA will be managed with that goal in mind. Looked at in this early stage of RSA’s recovery actions, a medium term goal of paying out 40-50% of earnings in dividends seems sensible. The pace with which dividends return to this target range will be determined by the pace and success of execution of our recovery plans, by markets and by the evolution of capital requirements from rating agencies and regulators. Any 2014 interim dividend, so soon after the proposed rights issue proceeds are received, is likely to be modest.*





## Recent Interim Results

19<sup>th</sup> November 2013 - BHP Billiton (added to the model portfolio on 12<sup>th</sup> September 2011)

*“We are a leading global resources company. Our purpose is to create long-term shareholder value through the discovery, acquisition, development and marketing of natural resources.”*  
[www.bhpbilliton.com](http://www.bhpbilliton.com)

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<b>Revenue up 6%</b>	<b>Adjusted EPS up 30%</b>	<b>Dividend up 3%</b>
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### Quotes from the interim results and presentation

*Our commitment to produce more tonnes and more barrels from existing infrastructure at lower cost is delivering. We've achieved an increase in production of 10 per cent. We've embedded productivity-led volume and cost efficiencies of \$4.9 billion. Full-year capital and exploration expenditure is expected to decline by 25 per cent, and this sharp reduction has increased competition for capital and driven investment returns higher.*

*By reducing annual expenditure we have sharpened our focus on our core commodities and our higher-margin businesses. Fewer projects now pass through our toll gates. Design inefficiencies are exposed and re-engineered, and this has raised the bar and lowered capital intensity. As a result the average rate of return for our favoured major growth projects has increased; increased to the point where an average, ungeared, after-tax rate of return of more than 20% is achievable.*

*At the period end, our net debt position was \$27.1 billion. Our solid A balance sheet is strong. We've delivered substantial growth in free cash flow. But there is more that can and will be done to maximise the value of our high quality portfolio, so as to consistently grow shareholder returns.*

*BHP Billiton has a progressive dividend policy. The aim of this policy is to steadily increase or at least maintain our base dividend in US dollars at each half yearly payment.*

***“Few people (if any) have the ability to switch tactics to match market conditions on a timely basis. So investors should commit to an approach - hopefully one that will serve them through a variety of scenarios. They can be aggressive, hoping they'll make a lot on the winners and not give it back on the losers. They can emphasize defence, hoping to keep up in good times and excel by losing less than others in bad times. Or they can balance offence and defence, largely giving up on tactical timing but aiming to win through superior security selection in both up and down markets.”***

***- Howard Marks, The Most Important Thing***



## Buying: Petrofac Ltd (PFC)

<b>Price on 1st Mar 2014</b>	<b>Index</b>	<b>Sector</b>
1,368p	FTSE 100	Oil Equipment, Services & Distribution
<b>Market Cap</b>	<b>Revenue</b>	<b>Pre-tax Profit</b>
£4.7 billion	£3.8 billion	£475 million

*“Petrofac is a leading provider of oilfield services to the international oil and gas industry. We support our customers to unlock the potential of their assets; on and offshore, new and old.” ([www.petrofac.com](http://www.petrofac.com))*

### Overview

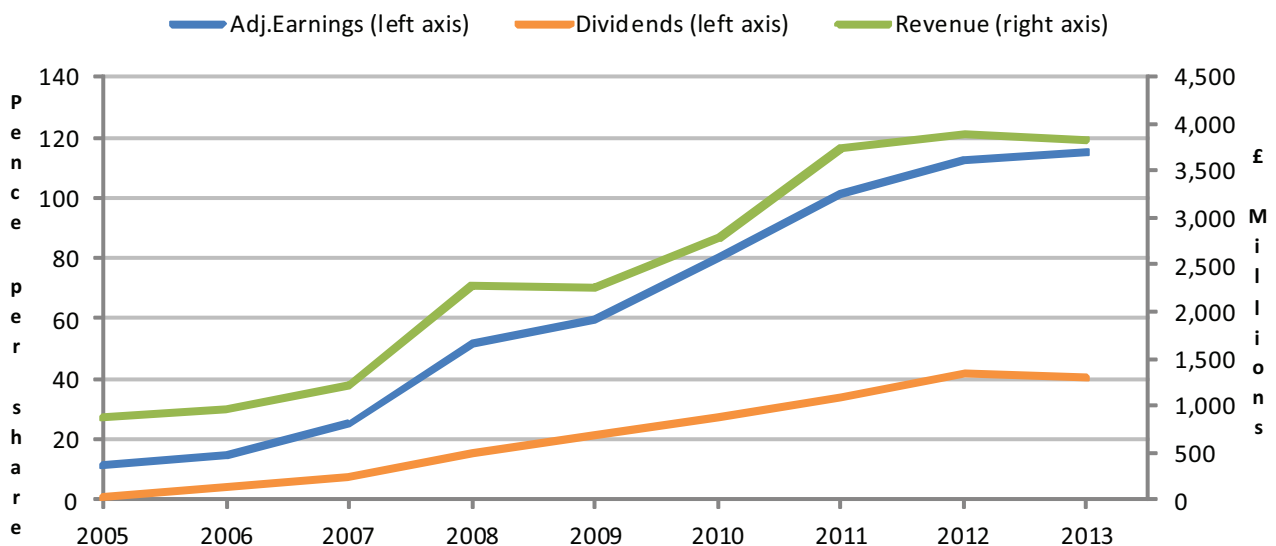
Petrofac is a relatively new company, having started life in 1981 with just 25 members of staff. Since then it has grown very rapidly, listing on the London Stock Exchange with a market cap of around £750 million and continuing to grow to the near £5 billion market cap it carries today.

The key functions of the business are to design and build oil and gas facilities, and to operate, maintain, manage and develop hydrocarbon resource assets on behalf of asset owners. It is involved with training asset owner personnel so they can operate new facilities if and when required, and it also co-invests alongside asset owners in upstream and infrastructure projects.

These functions are carried out through two divisions - ECOM (Engineering, Construction, Operations & Maintenance) and IES (Integrated Energy Services) with revenues and profits split approximately 85% to 15% between the two. ECOM provides a range of stand-alone services to all manner of asset owners, as well as sub-contracting for other oil and gas service providers, while IES provides integrated services through long contracts primarily to state-owned, national oil companies.

<b>10Yr Growth rate</b>	<b>Dividend yield</b>		<b>Valuation (PE10)</b>
35.2%	2.9%		21.6
<b>Growth quality</b>	<b>Debt ratio (max 5)</b>	<b>Pension ratio (max 10)</b>	<b>Rank</b>
93%	0.6	0	23 (out of 236)

Green = Better than FTSE 100, Red = Equal to or worse than FTSE 100



## Investment analysis

Successful investing requires the methodical application of a systematic approach in order to achieve specific objectives, and a checklist is a great aid towards that end. This checklist helps to ensure that the company under investigation is high quality, and that its shares are likely to improve the portfolio in the long-run.

### **Industrial diversity: Are there less than three companies from this FTSE sector already in the portfolio?**

**YES** Petrofac will be the first company from the Oil Equipment, Services & Distribution sector.

### **Geographic diversity: Will this company increase the geographic diversity of the portfolio?**

**YES** Petrofac generates just 19% of its revenues from the UK, so it will make the model portfolio more internationally diverse than it currently is.

### **Operational diversity: Does the company have low dependency risk by not relying on a small number of key customers, suppliers or employees?**

**YES** It has no obvious large dependency risk from customers, suppliers or staff. The IES business is somewhat concentrated on a small number of customers, but there are efforts to diversify the customer base further.

### **Market strength: Is the company in the leading group within its markets?**

**YES** Petrofac is a global market leader in the provision of engineering, procurement, construction and other services to the oil & gas sector.

### **Consistent strength: Does the company have a consistent and successful history within the same industry?**

**YES** Although quite a new company, Petrofac has been in the same industry for a long time. The chart on the previous page shows just how successful they have been since listing on the stock exchange in 2005.

### **Competitive strength: Does the company have any low cost and durable competitive advantages?**

**NO** Although the company has been very successful over many years, there does not appear to be a sustainable competitive advantage. There are some barriers to entry in terms of the scale of expertise and capital required to carry out many of the projects that they bid for, but there is no obvious barrier to stop other companies doing what Petrofac does.

### **Past problems: Has the company been free of major crises during the last decade? If there were any, were they resolved successfully?**

**YES** There have been no major problems in the last decade.

### **Current problems: Is the company free of current problems or risks (including excessive debt) which could materially impact its future prosperity?**

**YES** There is no significant crisis surrounding Petrofac. Instead it seems to me that there are (at least) a couple of reasons for the low valuation (low relative to its history of growth and continued expectations for future growth).

First, Petrofac's share price has been more or less flat through 2011, 2012 and 2013 as valuations changed from a PE of almost 17 and a dividend yield of 2.1% to a PE of 11 and a dividend yield of 3%.

A prolonged period of flat share prices removes any "momentum" from the stock, and greedy investors looking for a quick buck will take their demand elsewhere, which can further suppress the share price.

The second - and far more important - reason is the relatively weak fundamental growth the company produced in 2013, and is now expected to produce in 2014. Having grown at double digit rates for many years, 2013 saw revenues, profits and dividends all increase by just a few percent. This current period of weak growth is primarily a consequence of major projects being "rephased" further into the future.

However, the projects have not been cancelled and I don't think cancellation is the most likely outcome. Petrofac still expects these projects to begin sooner rather than very much later, and has reiterated its belief and its goal that it can double 2010 recurring profits by 2015.

**Future problems: Is it likely that the company's economic engine will continue to grow and avoid becoming obsolete in the next decade?**

**YES** In the very long-run any company that sticks with the fossil fuel industry is in for a hard time because those fuels will eventually become uneconomic to exploit. However, I think that on any reasonable timescale that investors are likely to care about (perhaps up to a few decades) I cannot see any obvious reason why Petrofac would fail or shrink significantly over that timescale, other than through the sort of unforeseeable risks that all companies are subject to.

For now the world still need vast amounts of oil and gas, and Petrofac seem to be one of the best companies in the world at designing, building, operating and maintaining oil and gas assets and infrastructure.

Therefore my baseline assumption is that it will continue to grow at least as fast as the average company over the medium-term.

**Making the trade**

I will be adding Petrofac to the model portfolio a few days after this issue is published, with the usual position size of approximately 1/30<sup>th</sup> of the portfolio's total value.

*“If my universe of business possibilities was limited, say, to private companies in Omaha, I would, first, try to assess the long-term economic characteristics of each business; second, assess the quality of the people in charge of running it; and, third, try to buy into a few of the best operations at a sensible price. I certainly would not wish to own an equal part of every business in town. Why, then, should Berkshire take a different tact when dealing with the larger universe of public companies?”*

*- Warren Buffett*

Higher ranked companies that were not selected	Reason for not investing
Vedanta Resources	Too much debt
FirstGroup	Recent large rights issue means that past “per share” results do not relate well to future “per share” results.
Phoenix IT	Too UK focused and too small
Sainsbury	Already hold 3 Food & Drugs Retailers
Carillion	Already hold 3 Support Services companies
Pennon Group	Debt ratio too high
Smiths News	Already hold 3 Support Services companies

**IMPORTANT NOTICE:** This investment analysis is for information only. It should not be construed as advice and should not be relied upon before investing. You should perform your own investment analysis and factual verification before making investment decisions. If you need advice you should seek a financial advisor. See the important notes on the last page.

# A quick guide to the model portfolio and stock screen

## Portfolio management policies and procedures

**Deliberate Diversification** - To reduce the risks that come with each individual company and its shares, it is generally considered a good idea to hold a widely diversified portfolio.

The model portfolio is diversified in terms of the number of companies (with a target of 30 equally weighted holdings), the industrial spread of those companies (no more than 2 or 3 from the same Sector) and their geographic spread (no more than 50% of portfolio revenue to be generated in the UK).

**Continuous Portfolio Improvement** - A portfolio of stocks is a dynamic entity much like a garden. If it is left unmanaged (as with a pure buy-and-hold portfolio) there is a risk that over time the portfolio will drift away from its original goal. For example a high yield portfolio may become an average yield portfolio if the share prices of all the holdings increase faster than the dividends.

To avoid this, the portfolio is actively managed to make sure that it only contains high quality companies with attractively valued shares. Each month a company is either added to or removed from the portfolio based on its Stock Screen rank and various other factors.

## Buy and sell procedures

**Buy Decisions** - Each buy decision starts by looking through the Stock Screen for the highest ranked stock which is not already in the portfolio and which has a debt ratio of less than five (a debt ratio of more than five is highlighted in red).

The second step is to enter the companies results from the past decade into the investment analysis worksheet or spreadsheet which are available on the website. This makes it easier to see if the past results do actually match what the stock screen suggests, in terms of profitability, growth and consistency.

If all of that looks okay then the next step is to check the total defined pension benefit liabilities to see if they are excessive relative to the company's earnings power.

Another step is to review the qualitative history of the company over the past decade, i.e. to read its annual reports in order to get a picture of what it has been doing and what problems it has faced in recent years.

Finally, all these strands are pulled together to try to answer the questions in the investment analysis checklist about the company's past, its present and its potential future.

**Sell Decisions** - Sell decisions are made primarily on an existing holdings rank, with the lowest ranked shares most likely to be sold. However, there is a degree of subjectivity involved and it isn't a purely mechanical process. For example, companies which are surrounded by a reasonable amount of good news are more likely to be sold than those which are still unloved, or which are still in the middle of a turnaround strategy.

## The Stock Screen

The stock screen ranks stocks based on a combination of their cyclically adjusted earnings and dividend yields, as well as the long-term growth rate and quality of that growth.

Each of these factors is based on academic research and together create a unique screen which focuses high yield shares from companies which have produced high quality results in the past.

# Stock Screen - Sorted by Rank

Colour key: Green = better than FTSE 100, Light Red = worse than FTSE 100, Dark Red = Debt ratio too high

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	(Value) Div.Yield	(Value) PE10	(Growth) Rate	(Growth) Quality	Debt Ratio	Earnings Power (m)
1	Vedanta Resources PLC	VED	FTSE 250	Mining	£8.45	26.1	4.4%	8.5	15.6%	90%	22.1	£494
2	Phoenix IT Group PLC	PNX	Small Cap	Software & Computer Services	£1.14	7.8	6.8%	4.9	11.3%	86%	2.9	£30
3	Morrison (Wm) Supermarkets PLC	MRW	FTSE 100	Food & Drug Retailers	£2.35	9.2	5.0%	14.4	17.3%	93%	3.4	£708
4	Chemring Group PLC	CHG	Small Cap	Aerospace & Defense	£2.75	11.8	2.6%	9.9	18.6%	88%	2.8	£94
5	FirstGroup PLC	FGP	FTSE 250	Travel & Leisure	£1.41	6.5	4.4%	4.8	6.3%	90%	4.3	£646
6	Tesco PLC	TSCO	FTSE 100	Food & Drug Retailers	£3.29	8.7	4.5%	12.6	9.3%	95%	2.7	£4,026
7	Sainsbury (J) PLC	SBRY	FTSE 100	Food & Drug Retailers	£3.43	12.4	4.9%	20.4	23.4%	90%	4.8	£578
8	SSE PLC	SSE	FTSE 100	Electricity	£14.03	17.5	6.0%	15.5	12.8%	88%	3.9	£1,541
9	BHP Billiton PLC	BLT	FTSE 100	Mining	£19.28	13.1	3.9%	13.3	18.3%	90%	4.2	£5,530
10	Tullett Prebon PLC	TLPR	FTSE 250	Financial Services	£3.35	8.1	5.0%	8.9	12.2%	86%	1.8	£141
11	Balfour Beatty PLC	BBY	FTSE 250	Construction & Materials	£3.19	11.8	4.4%	12.6	11.1%	88%	2.8	£307
12	Admiral Group PLC	ADM	FTSE 100	Nonlife Insurance	£14.35	15.1	6.3%	24.9	12.8%	96%	0.0	£307
13	Braemar Shipping Services PLC	BMS	Small Cap	Industrial Transportation	£5.08	15.3	5.1%	12.4	7.2%	88%	0.0	£16
14	Vodafone Group PLC	VOD	FTSE 100	Mobile Telecommunications	£2.49	14.6	4.3%	16.1	8.6%	95%	5.3	£7,772
15	British American Tobacco PLC	BATS	FTSE 100	Tobacco	£32.50	15.9	4.4%	21.3	11.9%	95%	2.0	£5,490
16	Centrica PLC	CNA	FTSE 100	Gas, Water & Multiutilities	£3.19	18.6	5.3%	14.3	6.2%	90%	2.6	£2,045
17	MITIE Group PLC	MTO	FTSE 250	Support Services	£3.46	15.7	3.0%	21.8	13.2%	98%	2.5	£114
18	Carillion PLC	CLLN	FTSE 250	Support Services	£3.79	10.9	4.6%	14.1	11.1%	86%	4.1	£198
19	Homeserve PLC	HSV	FTSE 250	Support Services	£3.30	16.2	3.4%	18.9	12.7%	93%	1.2	£107
20	Imperial Tobacco Group PLC	IMT	FTSE 100	Tobacco	£24.37	12.7	4.8%	17.7	12.5%	88%	4.8	£2,339
21	Smiths News PLC	NWS	Small Cap	Support Services	£2.06	10.2	4.5%	13.8	6.7%	88%	2.2	£50
22	Pennon Group PLC	PNN	FTSE 250	Gas, Water & Multiutilities	£7.43	13.4	3.8%	21.9	10.9%	95%	11.0	£239
23	Petrofac Ltd	PFC	FTSE 100	Oil Equipment, Services & Distribution	£13.68	11.9	2.9%	21.6	35.2%	93%	0.6	£401
24	ICAP PLC	IAP	FTSE 250	Financial Services	£4.39	16.0	5.0%	16.2	10.4%	86%	1.9	£301
25	Sercos Group PLC	SRP	FTSE 250	Support Services	£4.61	12.2	2.2%	20.3	17.4%	100%	3.4	£226
26	BAE Systems PLC	BA.	FTSE 100	Aerospace & Defense	£4.11	79.0	4.9%	13.9	6.7%	86%	1.9	£1,610
27	Hyder Consulting PLC	HYC	Small Cap	Support Services	£4.33	9.2	2.8%	13.6	22.7%	88%	0.4	£22
28	Halfords Group PLC	HFD	FTSE 250	General Retailers	£4.71	16.7	3.6%	15.0	6.1%	88%	1.1	£110
29	Reckitt Benckiser Group PLC	RB.	FTSE 100	Household Goods & Home Construction	£49.14	21.1	2.8%	27.4	15.3%	98%	1.3	£2,525
30	G4S PLC	GFS	FTSE 100	Support Services	£2.37	11.9	3.8%	17.7	12.2%	88%	6.7	£367
31	Menzies (John) PLC	MINZS	Small Cap	Support Services	£6.84	10.1	3.7%	15.1	4.4%	93%	2.5	£51
32	National Grid PLC	NG.	FTSE 100	Gas, Water & Multiutilities	£8.35	13.7	4.9%	15.9	7.5%	86%	8.4	£3,360
33	Hill & Smith Holdings PLC	HILS	Small Cap	Industrial Engineering	£5.57	15.9	2.7%	19.9	11.3%	93%	2.4	£40
34	AstraZeneca PLC	AZN	FTSE 100	Pharmaceuticals & Biotechnology	£40.84	33.0	4.3%	13.6	8.5%	83%	1.0	£6,292
35	Rio Tinto PLC	RIO	FTSE 100	Mining	£34.33	28.6	3.5%	11.1	13.6%	81%	2.3	£7,072
36	Chesnara PLC	CSN	Small Cap	Life Insurance	£3.52	12.4	4.9%	18.5	4.2%	89%	0.0	£39
37	Intermediate Capital Group PLC	ICP	FTSE 250	Financial Services	£4.50	13.8	4.4%	10.2	-2.3%	87%	3.8	£309
38	Beazley PLC	BEZ	FTSE 250	Nonlife Insurance	£2.64	8.1	3.3%	13.6	5.3%	89%	0.0	£180
39	Royal Dutch Shell PLC	RDSB	FTSE 100	Oil & Gas Producers	£23.27	12.2	4.8%	10.6	6.8%	79%	1.1	£21,002
40	British Sky Broadcasting Group PLC	BSY	FTSE 100	Media	£9.40	15.7	3.2%	26.4	10.8%	98%	2.7	£1,094
41	Standard Chartered PLC	STAN	FTSE 100	Banks	£12.65	10.7	4.2%	12.9	5.9%	86%	0.0	£4,095
42	Cranswick PLC	CWK	FTSE 250	Food Producers	£12.55	16.2	2.4%	21.3	9.9%	95%	0.5	£55
43	Amlin PLC	AML	FTSE 250	Nonlife Insurance	£4.50	8.3	5.3%	11.1	2.7%	83%	0.0	£337
44	GlaxoSmithKline PLC	GSK	FTSE 100	Pharmaceuticals & Biotechnology	£16.72	15.1	4.7%	17.6	3.8%	88%	2.3	£8,129
45	Aberdeen Asset Management PLC	ADN	FTSE 100	Financial Services	£3.91	13.9	4.1%	32.6	19.7%	93%	0.3	£267
46	Stagecoach Group PLC	SGC	FTSE 250	Travel & Leisure	£3.90	13.5	2.2%	21.8	14.3%	90%	4.4	£186
47	Huntsworth PLC	HNT	Small Cap	Media	£0.72	11.9	4.9%	7.8	5.1%	81%	1.5	£48
48	Wood Group (John) PLC	WG.	FTSE 250	Oil Equipment, Services & Distribution	£7.63	15.9	1.8%	11.7	25.9%	83%	0.5	£407
49	Catlin Group Ltd	CGL	FTSE 250	Nonlife Insurance	£5.31	9.0	5.8%	12.1	1.0%	83%	0.0	£266
50	AMEC PLC	AMEC	FTSE 100	Oil Equipment, Services & Distribution	£11.23	18.8	3.7%	24.4	16.7%	88%	0.7	£242
51	JD Sports Fashion PLC	JD.	FTSE 250	General Retailers	£15.62	17.2	1.7%	21.2	20.8%	93%	0.1	£66
52	Compass Group PLC	CPG	FTSE 100	Travel & Leisure	£9.44	20.1	2.5%	34.3	14.7%	98%	2.4	£963
53	Pearson PLC	PSON	FTSE 100	Media	£10.13	19.8	4.4%	21.2	6.7%	88%	3.3	£689
54	Fenner PLC	FENR	FTSE 250	Industrial Engineering	£4.25	17.5	2.6%	23.8	12.6%	90%	3.5	£63
55	Croda International PLC	CRDA	FTSE 250	Chemicals	£25.41	19.5	2.5%	34.6	22.4%	98%	1.3	£195
56	Brown (N) Group PLC	BWNG	FTSE 250	General Retailers	£5.90	20.7	2.3%	28.6	11.9%	95%	2.2	£111
57	Primary Health Properties PLC	PHP	Small Cap	Real Estate Investment Trusts	£3.58	15.8	5.3%	14.3	-0.5%	83%	8.6	£46
58	Marston's PLC	MARS	FTSE 250	Travel & Leisure	£1.50	11.1	4.3%	10.0	-1.2%	81%	9.3	£139
59	BP PLC	BP.	FTSE 100	Oil & Gas Producers	£5.04	6.8	4.6%	9.7	4.2%	76%	2.1	£14,586
60	Aggreko PLC	AGK	FTSE 100	Support Services	£15.60	15.6	1.5%	30.7	26.5%	100%	2.3	£273
61	Cobham PLC	COB	FTSE 250	Aerospace & Defense	£2.98	15.3	3.0%	22.5	12.7%	88%	2.5	£252
62	Domino's Pizza UK & IRL PLC	DOM	FTSE 250	Travel & Leisure	£5.59	47.8	2.8%	42.9	21.8%	98%	1.2	£42
63	Greggs PLC	GRG	Small Cap	Food & Drug Retailers	£5.03	20.0	3.9%	15.7	5.0%	86%	0.0	£56
64	ITE Group PLC	ITE	FTSE 250	Media	£2.82	20.2	2.5%	27.0	11.0%	93%	0.4	£48
65	Management Consulting Group PLC	MMC	Small Cap	Support Services	£0.25	7.7	3.3%	5.1	1.5%	81%	1.1	£40
66	Meggitt PLC	MGGT	FTSE 100	Aerospace & Defense	£5.04	15.5	2.3%	25.2	11.6%	90%	2.6	£288
67	Investec PLC	INVP	FTSE 250	Financial Services	£4.45	13.1	4.0%	11.1	-1.1%	82%	0.0	£400
68	WPP Group PLC	WPP	FTSE 100	Media	£13.08	18.8	2.6%	26.2	12.5%	93%	3.8	£1,247
69	Barclays PLC	BARC	FTSE 100	Banks	£2.52	68.1	2.6%	8.8	-12.1%	82%	0.0	£7,561
70	Headlam Group PLC	HEAD	Small Cap	Household Goods & Home Construction	£4.76	18.8	3.1%	16.4	-2.4%	88%	0.8	£43
71	DCC PLC	DCC	FTSE 250	Support Services	£31.63	19.0	2.1%	24.4	13.8%	88%	4.3	£191
72	Marks & Spencer Group PLC	MKS	FTSE 100	General Retailers	£3.00	10.1	5.7%	8.9	2.8%	83%	1.5	£1,541
73	Mears Group PLC	MER	Small Cap	Support Services	£5.10	21.4	1.6%	30.2	16.3%	98%	2.2	£33
74	Charles Taylor PLC	CTR	Small Cap	Financial Services	£2.63	16.4	3.8%	11.9	-1.0%	81%	2.8	£15
75	IMI PLC	IMI	FTSE 100	Industrial Engineering	£15.25	18.8	2.1%	30.5	10.9%	98%	0.9	£279
76	Diageo PLC	DGE	FTSE 100	Beverages	£18.78	17.7	2.5%	28.3	8.1%	95%	3.2	£3,176
77	Sage Group (The) PLC	SGE	FTSE 100	Software & Computer Services	£4.32	21.7	2.6%	27.2	10.0%	93%	1.4	£324
78	Morgan Advance Material PLC	MGAM	FTSE 250	Electronic & Electrical Equipment	£3.45	23.5	3.0%	17.8	8.3%	86%	2.9	£95
79	Ladbroke's PLC	LAD	FTSE 250	Travel & Leisure	£1.67	23.2	5.3%	7.3	-3.6%	76%	1.3	£322
80	HSBC Holdings PLC	HSBA	FTSE 100	Banks	£6.30	14.6	4.8%	11.7	-2.3%	79%	0.0	£15,941
81	RSA Insurance Group PLC	RSA	FTSE 100	Nonlife Insurance	£0.97	12.3	2.4%	6.7	-2.0%	71%	0.0	£765
82	BG Group PLC	BG.	FTSE 100	Oil & Gas Producers	£10.89	25.2	1.7%	15.4	10.2%	88%	2.3	£4,238
83	SABMiller PLC	SAB	FTSE 100	Beverages	£29.27	20.8	2.2%	33.7	13.6%	95%	4.6	£2,657
84	Domino Printing Sciences PLC	DNO	FTSE 250	Electronic & Electrical Equipment	£8.04	22.9	2.7%	29.7	11.3%	90%	0.6	£55
85	Greene King PLC	GNK	FTSE 250	Travel & Leisure	£9.19	18.0	2.9%	18.7	5.5%	88%	7.8	£189



# Stock Screen - Sorted by Rank

Colour key: Green = better than FTSE 100, Light Red = worse than FTSE 100, Dark Red = Debt ratio too high

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	(Value) Div.Yield	(Value) PE10	(Growth) Rate	(Growth) Quality	Debt Ratio	Earnings Power (m)
86	Chime Communications PLC	CHW	Small Cap	Media	£3.49	69.0	2.1%	22.6	13.8%	88%	0.5	£27
87	Tate & Lyle PLC	TATE	FTSE 100	Food Producers	£6.42	11.2	4.1%	14.5	2.2%	81%	2.7	£333
88	Victrex PLC	VCT	FTSE 250	Chemicals	£19.12	22.4	2.2%	34.4	14.2%	95%	0.0	£90
89	Capita Group (The) PLC	CPI	FTSE 100	Support Services	£11.40	42.6	2.3%	37.2	12.4%	98%	3.9	£395
90	Restaurant Group (The) PLC	RTN	FTSE 250	Travel & Leisure	£6.70	24.9	2.1%	35.4	11.2%	100%	0.7	£76
91	Spirax-Sarco Engineering PLC	SPX	FTSE 250	Industrial Engineering	£31.01	24.2	1.8%	36.4	12.8%	100%	0.4	£129
92	Antofagasta PLC	ANTO	FTSE 100	Mining	£9.01	9.3	1.5%	14.9	16.8%	83%	1.2	£994
93	Atkins (W S) PLC	ATK	FTSE 250	Support Services	£14.82	15.8	2.2%	21.0	9.2%	88%	0.9	£124
94	Unilever PLC	ULVR	FTSE 100	Food Producers	£24.41	17.6	3.7%	19.5	5.8%	86%	2.9	£2,816
95	Weir Group PLC	WEIR	FTSE 100	Industrial Engineering	£25.67	16.4	1.6%	31.9	21.8%	93%	3.4	£318
96	Morgan Sindall PLC	MGNS	Small Cap	Construction & Materials	£7.57	26.0	3.6%	10.0	0.3%	71%	0.1	£47
97	William Hill PLC	WMH	FTSE 100	Travel & Leisure	£3.98	16.2	2.6%	16.6	-8.2%	90%	1.1	£376
98	Rotork PLC	ROR	FTSE 250	Industrial Engineering	£26.82	26.4	1.6%	44.5	17.5%	100%	0.0	£105
99	Bunzl PLC	BNZL	FTSE 100	Support Services	£15.73	25.1	2.1%	32.5	8.9%	100%	2.6	£323
100	Clarkson PLC	CKN	Small Cap	Industrial Transportation	£20.90	29.8	2.4%	18.4	7.2%	86%	0.0	£37
101	PZ Cussons PLC	PZC	FTSE 250	Personal Goods	£3.67	21.7	2.0%	28.6	10.3%	93%	1.0	£102
102	Spectris PLC	SXS	FTSE 250	Electronic & Electrical Equipment	£24.57	16.5	1.7%	30.8	13.8%	93%	1.6	£176
103	Dairy Crest Group PLC	DCG	FTSE 250	Food Producers	£5.32	11.6	3.9%	13.5	1.0%	74%	4.4	£80
104	Darty PLC	DRTY	Small Cap	General Retailers	£1.16	27.2	2.6%	9.0	-10.6%	71%	1.9	£98
105	PayPoint PLC	PAY	FTSE 250	Support Services	£11.65	25.7	2.6%	36.6	12.3%	93%	0.0	£40
106	KCOM Group PLC	KCOM	FTSE 250	Fixed Line Telecommunications	£0.97	11.8	4.6%	17.0	8.3%	79%	2.2	£46
107	Go-Ahead Group (The) PLC	GOG	FTSE 250	Travel & Leisure	£21.66	17.4	3.7%	15.3	5.1%	76%	3.6	£93
108	Aviva PLC	AV.	FTSE 100	Life Insurance	£4.74	9.7	4.0%	11.9	-2.6%	73%	0.0	£1,703
109	Intertek Group PLC	ITRK	FTSE 100	Support Services	£29.41	24.4	1.4%	43.9	18.8%	100%	3.3	£216
110	Rolls-Royce Group PLC	RR.	FTSE 100	Aerospace & Defense	£9.99	13.8	2.2%	23.7	10.7%	88%	1.5	£1,398
111	Anglo-Eastern Plantations PLC	AEP	Small Cap	Food Producers	£6.74	8.1	0.4%	12.5	15.6%	81%	0.4	£34
112	De La Rue PLC	DLAR	FTSE 250	Support Services	£8.18	16.2	5.2%	18.0	5.5%	76%	1.5	£69
113	Provident Financial PLC	PGF	FTSE 250	Financial Services	£18.77	18.3	4.5%	25.7	7.3%	83%	7.1	£170
114	Segro PLC	SGRO	FTSE 250	Real Estate Investment Trusts	£3.57	12.6	4.1%	6.5	-10.8%	69%	3.7	£564
115	Severn Trent PLC	SVT	FTSE 100	Gas, Water & Multiutilities	£18.50	22.3	4.1%	23.3	2.4%	86%	14.8	£325
116	Vitec Group (The) PLC	VTC	Small Cap	Industrial Engineering	£6.27	19.7	3.7%	16.6	5.0%	81%	2.7	£27
117	Speedy Hire PLC	SDY	Small Cap	Support Services	£0.73	84.9	0.7%	10.1	-25.9%	81%	1.2	£60
118	NCC Group PLC	NCC	Small Cap	Software & Computer Services	£2.19	30.9	1.4%	53.4	23.9%	100%	1.8	£17
119	Synergy Health PLC	SYR	FTSE 250	Health Care Equipment & Services	£13.47	24.4	1.5%	37.9	16.4%	98%	5.0	£41
120	Fuller Smith & Turner PLC	FSTA	Small Cap	Travel & Leisure	£9.55	21.7	1.4%	31.4	10.5%	98%	7.2	£19
121	Mucklow (A & J) Group PLC	MKLW	Small Cap	Real Estate Investment Trusts	£5.09	22.6	3.9%	17.9	0.6%	83%	2.6	£29
122	Interserve PLC	IRV	FTSE 250	Support Services	£6.07	18.8	3.4%	21.4	6.2%	83%	0.8	£61
123	Diploma PLC	DPLM	FTSE 250	Support Services	£7.74	25.2	2.0%	44.8	16.1%	95%	0.1	£37
124	Devro PLC	DVO	FTSE 250	Food Producers	£3.10	15.7	2.7%	25.7	10.9%	86%	0.9	£35
125	Fidessa Group PLC	FDSA	FTSE 250	Software & Computer Services	£25.66	31.2	1.4%	45.0	17.6%	95%	0.0	£41
126	Senior PLC	SNR	FTSE 250	Aerospace & Defense	£2.88	15.7	1.6%	26.4	18.7%	88%	1.4	£80
127	FTSE 100				6,810	13.2	3.5%	14.3	2.4%	79%		
128	Ultra Electronics Holdings PLC	ULE	FTSE 250	Aerospace & Defense	£19.25	20.6	2.1%	28.7	13.6%	88%	0.9	£82
129	Bloomsbury Publishing PLC	BMJ	Small Cap	Media	£1.77	16.2	3.1%	15.2	1.0%	83%	0.0	£14
130	United Drug PLC	UDG	FTSE 250	Food & Drug Retailers	£3.69	16.9	2.2%	22.9	7.3%	88%	4.8	£69
131	Halma PLC	HLMA	FTSE 250	Electronic & Electrical Equipment	£6.10	26.5	1.7%	39.8	9.8%	100%	1.4	£116
132	RPC Group PLC	RPC	FTSE 250	General Industrials	£6.19	16.3	2.4%	24.9	11.5%	86%	3.0	£71
133	St Ives PLC	SIV	Small Cap	Support Services	£1.92	14.0	3.4%	10.8	-10.6%	69%	1.0	£30
134	Fisher (James) & Sons PLC	FSJ	FTSE 250	Industrial Transportation	£13.99	25.6	1.3%	35.5	12.5%	98%	2.1	£39
135	Burberry Group PLC	BRBY	FTSE 100	Personal Goods	£15.41	19.7	1.9%	37.8	17.1%	93%	0.4	£336
136	Premier Farnell PLC	PFL	FTSE 250	Support Services	£2.30	15.3	4.5%	17.4	4.8%	67%	4.5	£65
137	RPS Group PLC	RPS	FTSE 250	Support Services	£3.46	27.0	2.1%	25.8	8.8%	90%	0.5	£53
138	Tarsus PLC	TRS	Small Cap	Media	£2.13	26.5	3.2%	23.3	10.0%	81%	1.7	£15
139	Workspace Group PLC	WKP	FTSE 250	Real Estate Investment Trusts	£5.93	45.7	1.6%	3.2	-20.2%	76%	0.8	£412
140	Aveva Group PLC	AVV	FTSE 250	Software & Computer Services	£21.59	29.4	1.2%	46.1	27.1%	95%	0.0	£57
141	Cable & Wireless Communications PLC	CWC	FTSE 250	Fixed Line Telecommunications	£0.55	29.3	4.7%	20.2	1.7%	74%	11.8	£101
142	Millennium & Cophorne Hotels PLC	MLC	FTSE 250	Travel & Leisure	£5.84	8.3	2.3%	15.5	6.6%	81%	1.8	£197
143	Electrocomponents PLC	ECM	FTSE 250	Support Services	£2.69	17.2	4.4%	18.2	1.4%	71%	1.9	£93
144	Smiths Group PLC	SMIN	FTSE 100	General Industrials	£13.68	14.4	2.9%	19.2	6.0%	81%	2.5	£454
145	Hammerson PLC	HMSO	FTSE 100	Real Estate Investment Trusts	£5.74	12.7	3.3%	8.6	-5.4%	76%	2.9	£723
146	Babcock International Group PLC	BAB	FTSE 100	Support Services	£14.71	24.4	1.8%	42.4	21.9%	90%	3.1	£227
147	Infoma PLC	INF	FTSE 250	Media	£5.22	32.2	3.6%	26.4	7.9%	83%	4.2	£199
148	Communis PLC	CMS	Small Cap	Support Services	£0.71	12.7	2.3%	10.9	-9.5%	69%	2.4	£17
149	Carr's Milling Industries PLC	CRM	Small Cap	Food Producers	£18.60	14.9	1.7%	25.1	10.1%	88%	3.9	£12
150	Land Securities Group PLC	LAND	FTSE 100	Real Estate Investment Trusts	£10.86	26.9	2.7%	9.8	-15.0%	71%	3.0	£1,248
151	4imprint Group PLC	FOUR	Small Cap	Media	£6.99	30.0	2.2%	36.3	7.7%	93%	0.7	£10
152	Kier Group PLC	KIE	FTSE 250	Construction & Materials	£18.92	18.4	3.6%	18.3	4.7%	79%	1.2	£90
153	Rexam PLC	REX	FTSE 100	General Industrials	£4.94	15.6	3.5%	16.2	1.7%	76%	6.0	£367
154	Centaur Media PLC	CAU	Small Cap	Media	£0.75	21.9	3.2%	16.6	-4.0%	81%	2.2	£11
155	Smith & Nephew PLC	SN.	FTSE 100	Health Care Equipment & Services	£9.52	25.6	1.8%	25.5	12.8%	86%	0.5	£571
156	Low & Bonar PLC	LWB	Small Cap	Construction & Materials	£0.92	19.3	2.8%	17.2	0.8%	79%	3.8	£27
157	Whitbread PLC	WTB	FTSE 100	Travel & Leisure	£44.87	28.8	1.3%	50.1	14.0%	95%	1.7	£309
158	Schroder Real Estate Investment Trust	ISREI	Small Cap	Real Estate Investment & Services	£0.53	-17.7	6.6%	14.7	-16.2%	60%	7.4	£17
159	Computacenter PLC	CCC	FTSE 250	Software & Computer Services	£6.85	17.5	2.5%	24.7	9.3%	83%	0.3	£64
160	Old Mutual PLC	OML	FTSE 100	Life Insurance	£1.97	15.3	3.6%	14.1	-4.3%	79%	0.0	£1,074
161	Brammer PLC	BRAM	Small Cap	Support Services	£4.80	24.1	2.1%	31.1	11.0%	88%	1.7	£32
162	British Land Co PLC	BLND	FTSE 100	Real Estate Investment Trusts	£6.97	24.0	3.8%	6.7	-10.7%	67%	1.6	£1,400
163	Renishaw PLC	RSW	FTSE 250	Electronic & Electrical Equipment	£21.62	22.9	1.9%	41.6	12.9%	90%	0.0	£68
164	United Utilities Group PLC	UU.	FTSE 100	Gas, Water & Multiutilities	£7.80	22.0	4.4%	18.3	-4.0%	74%	14.4	£428
165	Telecom plus PLC	TEP	FTSE 250	Fixed Line Telecommunications	£18.38	48.1	1.7%	88.2	25.5%	90%	0.1	£30
166	Keller Group PLC	KLR	FTSE 250	Construction & Materials	£12.70	23.4	1.8%	20.7	5.7%	86%	1.4	£75
167	Barr (A G) PLC	BAG	FTSE 250	Beverages	£6.16	26.4	1.6%	41.5	8.5%	98%	0.8	£34
168	InterContinental Hotels Group PLC	IHG	FTSE 100	Travel & Leisure	£19.42	24.0	2.2%	26.8	11.2%	83%	2.5	£312
169	Prudential PLC	PRU	FTSE 100	Life Insurance	£13.55	15.2	2.2%	32.4	6.6%	90%	0.0	£1,939
170	F&C UK Real Estate Investment Ltd	FCRE	Small Cap	Real Estate Investment & Services	£0.85	48.3	7.8%	18.9	-2.4%	60%	9.9	£11

# Stock Screen - Sorted by Rank

Colour key: Green = better than FTSE 100, Light Red = worse than FTSE 100, Dark Red = Debt ratio too high

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	(Value) Div.Yield	(Value) PE10	(Growth) Rate	(Growth) Quality	Debt Ratio	Earnings Power (m)
171	ARM Holdings PLC	ARM	FTSE 100	Technology Hardware & Equipment	£10.10	136.5	0.6%	186.7	20.7%	93%	0.0	£141
172	Marshalls PLC	MSLH	Small Cap	Construction & Materials	£1.84	25.0	2.9%	16.1	-10.3%	69%	2.5	£31
173	London Stock Exchange Group PLC	LSE	FTSE 100	Financial Services	£20.27	26.9	1.5%	35.9	13.8%	88%	3.0	£270
174	Hays PLC	HAS	FTSE 250	Support Services	£1.43	27.9	1.7%	19.7	0.2%	79%	0.9	£161
175	Reed Elsevier PLC	REL	FTSE 100	Media	£9.15	19.0	2.7%	26.6	6.3%	83%	3.1	£667
176	Paragon Group of Companies (The) PLC	PAG	FTSE 250	Financial Services	£4.09	12.6	1.8%	6.2	-13.4%	75%	31.1	£302
177	Genus PLC	GNS	FTSE 250	Pharmaceuticals & Biotechnology	£11.68	31.6	1.4%	37.5	11.0%	93%	2.0	£35
178	Lavendon Group PLC	LVD	Small Cap	Support Services	£2.08	19.0	1.7%	12.4	-3.5%	81%	2.4	£46
179	Rathbone Brothers PLC	RAT	FTSE 250	Financial Services	£17.35	22.9	2.8%	26.6	1.8%	86%	0.0	£52
180	Shanks Group PLC	SKS	Small Cap	Support Services	£1.18	24.3	2.9%	17.9	-1.8%	76%	8.9	£40
181	Town Centre Securities PLC	TCSC	Small Cap	Real Estate Investment Trusts	£2.58	18.6	4.0%	15.6	-6.1%	71%	12.6	£13
182	Goodwin PLC	GDWN	Small Cap	Industrial Engineering	£38.29	18.1	0.9%	40.2	13.9%	90%	1.5	£12
183	Berendsen PLC	BRSN	FTSE 250	Support Services	£10.47	25.0	2.4%	32.2	5.3%	88%	5.4	£99
184	Dignity PLC	DTY	FTSE 250	General Retailers	£15.01	23.9	1.1%	36.7	11.2%	93%	8.3	£41
185	Laird PLC	LRD	FTSE 250	Technology Hardware & Equipment	£3.14	23.8	3.2%	22.8	-2.7%	83%	2.9	£61
186	Dialight PLC	DIA	Small Cap	Electronic & Electrical Equipment	£8.56	35.2	1.7%	44.7	15.6%	88%	0.0	£11
187	Savills PLC	SVS	FTSE 250	Real Estate Investment & Services	£6.11	18.9	1.6%	21.3	0.8%	83%	0.0	£64
188	Jardine Lloyd Thompson Group PLC	JLT	FTSE 250	Nonlife Insurance	£10.60	20.1	2.4%	30.3	8.2%	81%	2.0	£124
189	Henderson Group PLC	HGG	FTSE 250	Financial Services	£2.55	26.3	3.1%	34.1	7.8%	83%	1.1	£140
190	Galliford Try PLC	GFRD	FTSE 250	Construction & Materials	£12.79	18.6	2.9%	21.6	3.0%	83%	0.9	£81
191	BT Group PLC	BT.A	FTSE 100	Fixed Line Telecommunications	£4.10	18.3	2.3%	23.0	-2.2%	83%	4.3	£2,353
192	Associated British Foods PLC	ABF	FTSE 100	Food Producers	£29.98	31.2	1.1%	48.0	9.5%	98%	1.2	£966
193	British Polythene Industries PLC	BPI	Small Cap	General Industrials	£6.66	15.3	2.0%	16.5	-1.4%	74%	1.5	£16
194	CRH PLC	CRH	FTSE 100	Construction & Materials	£17.63	-51.9	3.0%	17.8	-3.6%	76%	3.6	£1,105
195	Derwent London PLC	DLN	FTSE 250	Real Estate Investment Trusts	£27.71	6.7	1.3%	18.7	6.5%	83%	3.5	£253
196	Close Brothers Group PLC	CBG	FTSE 250	Financial Services	£14.66	18.3	3.0%	22.5	0.4%	79%	0.0	£152
197	Ted Baker PLC	TED	FTSE 250	Personal Goods	£21.29	40.6	1.2%	58.0	9.7%	95%	0.7	£31
198	Johnson Matthey PLC	JMAT	FTSE 100	Chemicals	£32.62	23.0	1.7%	32.1	11.1%	83%	2.7	£347
199	Bodycote PLC	BOY	FTSE 250	Industrial Engineering	£7.56	19.6	1.8%	30.0	8.0%	86%	0.5	£83
200	Next PLC	NXT	FTSE 100	General Retailers	£67.35	23.0	1.6%	36.2	8.8%	90%	1.4	£522
201	Kingfisher PLC	KGF	FTSE 100	General Retailers	£3.94	15.7	2.4%	21.6	2.8%	76%	0.7	£661
202	BBA Aviation PLC	BBA	FTSE 250	Industrial Transportation	£3.36	19.1	2.7%	21.1	1.1%	71%	3.3	£110
203	Vp PLC	VP.	Small Cap	Support Services	£6.65	27.7	1.8%	34.4	7.6%	86%	4.1	£13
204	Dechra Pharmaceuticals PLC	DPH	FTSE 250	Pharmaceuticals & Biotechnology	£7.03	44.3	2.0%	45.0	5.7%	93%	4.5	£25
205	Hunting PLC	HTG	FTSE 250	Oil Equipment, Services & Distribution	£8.48	18.8	2.2%	32.0	2.5%	90%	3.8	£71
206	Porvair PLC	PRV	Small Cap	Alternative Energy	£3.10	24.8	0.9%	45.7	8.6%	93%	2.0	£6
207	Schroders PLC	SDR	FTSE 100	Financial Services	£27.13	26.7	1.6%	35.5	9.6%	86%	6.3	£353
208	Robert Walters PLC	RWA	Small Cap	Support Services	£3.58	53.4	1.4%	31.1	6.2%	86%	1.0	£15
209	S & U PLC	SUS	Small Cap	Financial Services	£18.15	19.8	2.5%	29.7	4.1%	81%	1.8	£12
210	Greencore Group PLC	GNC	FTSE 250	Food Producers	£2.67	13.6	1.8%	23.7	-0.3%	79%	3.5	£71
211	Ricardo PLC	RCDO	Small Cap	Support Services	£7.46	20.8	1.9%	28.1	5.4%	83%	0.0	£23
212	Euromoney Institutional Investor PLC	ERM	FTSE 250	Media	£13.19	24.0	1.7%	32.7	5.9%	86%	0.2	£87
213	Michael Page International PLC	MPI	FTSE 250	Support Services	£5.07	35.6	2.0%	31.0	7.4%	81%	0.1	£85
214	Legal & General Group PLC	LGEN	FTSE 100	Life Insurance	£2.40	17.1	3.2%	23.1	0.4%	76%	0.0	£937
215	Elementis PLC	ELM	FTSE 250	Chemicals	£2.88	20.6	1.7%	30.6	10.7%	79%	0.2	£68
216	UK Mail Group PLC	UKM	Small Cap	Industrial Transportation	£6.90	27.6	2.7%	32.9	3.3%	74%	0.1	£17
217	F&C Asset Management PLC	FCAM	FTSE 250	Financial Services	£1.26	24.7	2.4%	31.7	-11.4%	57%	9.7	£26
218	Brewin Dolphin Holdings PLC	BRW	FTSE 250	Financial Services	£3.44	26.8	2.5%	33.7	3.0%	79%	0.1	£44
219	Daejan Holdings PLC	DJAN	FTSE 250	Real Estate Investment & Services	£50.10	9.1	1.6%	27.6	2.6%	81%	6.0	£48
220	Bellway PLC	BWY	FTSE 250	Household Goods & Home Construction	£16.76	18.8	1.8%	23.7	-8.1%	83%	0.3	£143
221	Essentra PLC	ESNT	FTSE 250	Support Services	£8.90	34.6	1.7%	45.7	8.1%	86%	2.6	£78
222	Tribal Group PLC	TRB	Small Cap	Support Services	£1.98	22.7	0.6%	18.1	-8.7%	74%	1.2	£15
223	St James's Place PLC	STJ	FTSE 250	Life Insurance	£8.75	25.4	1.8%	52.0	9.9%	86%	0.0	£149
224	Consort Medical PLC	CSRT	Small Cap	Health Care Equipment & Services	£10.30	26.6	1.9%	25.2	0.9%	67%	0.0	£16
225	Smith (DS) PLC	SMDS	FTSE 250	General Industrials	£3.53	22.5	2.3%	36.0	3.7%	81%	6.5	£148
226	Tullow Oil PLC	TLW	FTSE 100	Oil & Gas Producers	£7.99	71.2	1.5%	38.5	11.7%	76%	2.6	£288
227	Boot (Henry) PLC	BHY	Small Cap	Construction & Materials	£2.25	31.4	2.1%	31.2	-1.6%	79%	1.7	£15
228	Wilmington Group PLC	WIL	Small Cap	Media	£2.50	33.2	2.8%	35.0	1.6%	67%	5.0	£8
229	Carco PLC	CAR	Small Cap	Chemicals	£2.11	30.3	1.2%	26.0	5.3%	79%	3.0	£8
230	Oxford Instruments PLC	OXIG	FTSE 250	Electronic & Electrical Equipment	£14.39	33.6	0.8%	69.5	16.9%	74%	0.0	£17
231	Standard Life Investments Property Inc	SLI	Small Cap	Real Estate Investment & Services	£0.73	0.0	6.2%	1113.6	-13.1%	56%	0.0	£0
232	Great Portland Estates PLC	GPOR	FTSE 250	Real Estate Investment Trusts	£6.45	68.4	1.3%	20.0	-7.4%	74%	4.3	£164
233	Xaar PLC	XAR	FTSE 250	Electronic & Electrical Equipment	£10.71	54.4	0.4%	118.7	9.6%	79%	0.1	£11
234	Shaftesbury PLC	SHB	FTSE 250	Real Estate Investment Trusts	£6.64	25.8	1.9%	36.5	-0.9%	76%	8.7	£70
235	Helical Bar PLC	HLCL	Small Cap	Real Estate Investment & Services	£3.73	74.6	1.5%	38.6	-12.0%	74%	15.4	£17
236	Grainger PLC	GRI	FTSE 250	Real Estate Investment & Services	£2.46	17.3	0.8%	4428.0	-6.3%	69%	3297.3	£0



# Stock Screen - Sorted by Name

Colour key: Green = better than FTSE 100, Light Red = worse than FTSE 100, Dark Red = Debt ratio too high

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	(Value) Div.Yield	(Value) PE10	(Growth) Rate	(Growth) Quality	Debt Ratio	Earnings Power (m)
151	4imprint Group PLC	FOUR	Small Cap	Media	£6.99	30.0	2.2%	36.3	7.7%	93%	0.7	£10
45	Aberdeen Asset Management PLC	ADN	FTSE 100	Financial Services	£3.91	13.9	4.1%	32.6	19.7%	93%	0.3	£267
12	Admiral Group PLC	ADM	FTSE 100	Nonlife Insurance	£14.35	15.1	6.3%	24.9	12.8%	96%	0.0	£307
60	Aggreko PLC	AGK	FTSE 100	Support Services	£15.60	15.6	1.5%	30.7	26.5%	100%	2.3	£273
50	AMEC PLC	AMEC	FTSE 100	Oil Equipment, Services & Distribution	£11.23	18.8	3.7%	24.4	16.7%	88%	0.7	£242
43	Amlyn PLC	AML	FTSE 250	Nonlife Insurance	£4.50	8.3	5.3%	11.1	2.7%	83%	0.0	£337
111	Anglo-Eastern Plantations PLC	AEP	Small Cap	Food Producers	£6.74	8.1	0.4%	12.5	15.6%	81%	0.4	£34
92	Antofagasta PLC	ANTO	FTSE 100	Mining	£9.01	9.3	1.5%	14.9	16.8%	83%	1.2	£994
171	ARM Holdings PLC	ARM	FTSE 100	Technology Hardware & Equipment	£10.10	136.5	0.6%	186.7	20.7%	93%	0.0	£141
192	Associated British Foods PLC	ABF	FTSE 100	Food Producers	£29.98	31.2	1.1%	48.0	9.5%	98%	1.2	£966
34	AstraZeneca PLC	AZN	FTSE 100	Pharmaceuticals & Biotechnology	£40.84	33.0	4.3%	13.6	8.5%	83%	1.0	£6,292
93	Atkins (W S) PLC	ATK	FTSE 250	Support Services	£14.82	15.8	2.2%	21.0	9.2%	88%	0.9	£124
140	Aveva Group PLC	AVV	FTSE 250	Software & Computer Services	£21.59	29.4	1.2%	46.1	27.1%	95%	0.0	£57
108	Aviva PLC	AV.	FTSE 100	Life Insurance	£4.74	9.7	4.0%	11.9	-2.6%	73%	0.0	£1,703
146	Babcock International Group PLC	BAB	FTSE 100	Support Services	£14.71	24.4	1.8%	42.4	21.9%	90%	3.1	£227
26	BAE Systems PLC	BA.	FTSE 100	Aerospace & Defense	£4.11	79.0	4.9%	13.9	6.7%	86%	1.9	£1,610
11	Balfour Beatty PLC	BBY	FTSE 250	Construction & Materials	£3.19	11.8	4.4%	12.6	11.1%	88%	2.8	£307
69	Barclays PLC	BARC	FTSE 100	Banks	£2.52	68.1	2.6%	8.8	-12.1%	82%	0.0	£7,561
167	Barr (A G) PLC	BAG	FTSE 250	Beverages	£6.16	26.4	1.6%	41.5	8.5%	98%	0.8	£34
202	BBA Aviation PLC	BBA	FTSE 250	Industrial Transportation	£3.36	19.1	2.7%	21.1	1.1%	71%	3.3	£110
38	Beazley PLC	BEZ	FTSE 250	Nonlife Insurance	£2.64	8.1	3.3%	13.6	5.3%	89%	0.0	£180
220	Bellway PLC	BWY	FTSE 250	Household Goods & Home Construction	£16.76	18.8	1.8%	23.7	-8.1%	83%	0.3	£143
183	Berendsen PLC	BRSN	FTSE 250	Support Services	£10.47	25.0	2.4%	32.2	5.3%	88%	5.4	£99
82	BG Group PLC	BG.	FTSE 100	Oil & Gas Producers	£10.89	25.2	1.7%	15.4	10.2%	88%	2.3	£4,238
9	BHP Billiton PLC	BLT	FTSE 100	Mining	£19.28	13.1	3.9%	13.3	18.3%	90%	4.2	£5,530
129	Bloomsbury Publishing PLC	BMV	Small Cap	Media	£1.77	16.2	3.1%	15.2	1.0%	83%	0.0	£14
199	Bodycote PLC	BOY	FTSE 250	Industrial Engineering	£7.56	19.6	1.8%	30.0	8.0%	86%	0.5	£83
227	Boot (Henry) PLC	BHY	Small Cap	Construction & Materials	£2.25	31.4	2.1%	31.2	-1.6%	79%	1.7	£15
59	BP PLC	BP.	FTSE 100	Oil & Gas Producers	£5.04	6.8	4.6%	9.7	4.2%	76%	2.1	£14,586
13	Braemar Shipping Services PLC	BMS	Small Cap	Industrial Transportation	£5.08	15.3	5.1%	12.4	7.2%	88%	0.0	£16
161	Brammer PLC	BRAM	Small Cap	Support Services	£4.80	24.1	2.1%	31.1	11.0%	88%	1.7	£32
218	Brewin Dolphin Holdings PLC	BRW	FTSE 250	Financial Services	£3.44	26.8	2.5%	33.7	3.0%	79%	0.1	£44
15	British American Tobacco PLC	BATS	FTSE 100	Tobacco	£32.50	15.9	4.4%	21.3	11.9%	95%	2.0	£5,490
162	British Land Co PLC	BLND	FTSE 100	Real Estate Investment Trusts	£6.97	24.0	3.8%	6.7	-10.7%	67%	1.6	£1,400
193	British Polythene Industries PLC	BPI	Small Cap	General Industrials	£6.66	15.3	2.0%	16.5	-1.4%	74%	1.5	£16
40	British Sky Broadcasting Group PLC	BSY	FTSE 100	Media	£9.40	15.7	3.2%	26.4	10.8%	98%	2.7	£1,094
56	Brown (N) Group PLC	BWNG	FTSE 250	General Retailers	£5.90	20.7	2.3%	28.6	11.9%	95%	2.2	£111
191	BT Group PLC	BT.A	FTSE 100	Fixed Line Telecommunications	£4.10	18.3	2.3%	23.0	-2.2%	83%	4.3	£2,353
99	Bunzl PLC	BNZL	FTSE 100	Support Services	£15.73	25.1	2.1%	32.5	8.9%	100%	2.6	£323
135	Burberry Group PLC	BRBY	FTSE 100	Personal Goods	£15.41	19.7	1.9%	37.8	17.1%	93%	0.4	£336
141	Cable & Wireless Communications PLC	CWC	FTSE 250	Fixed Line Telecommunications	£0.55	29.3	4.7%	20.2	1.7%	74%	11.8	£101
89	Capita Group (The) PLC	CPI	FTSE 100	Support Services	£11.40	42.6	2.3%	37.2	12.4%	98%	3.9	£395
229	Carclo PLC	CAR	Small Cap	Chemicals	£2.11	30.3	1.2%	26.0	5.3%	79%	3.0	£8
18	Carillion PLC	CLLN	FTSE 250	Support Services	£3.79	10.9	4.6%	14.1	11.1%	86%	4.1	£198
149	Carr's Milling Industries PLC	CRM	Small Cap	Food Producers	£18.60	14.9	1.7%	25.1	10.1%	88%	3.9	£12
49	Catlin Group Ltd	CGL	FTSE 250	Nonlife Insurance	£5.31	9.0	5.8%	12.1	1.0%	83%	0.0	£266
154	Centaur Media PLC	CAU	Small Cap	Media	£0.75	21.9	3.2%	16.6	-4.0%	81%	2.2	£11
16	Centrica PLC	CNA	FTSE 100	Gas, Water & Multiutilities	£3.19	18.6	5.3%	14.3	6.2%	90%	2.6	£2,045
74	Charles Taylor PLC	CTR	Small Cap	Financial Services	£2.63	16.4	3.8%	11.9	-1.0%	81%	2.8	£15
4	Chemring Group PLC	CHG	Small Cap	Aerospace & Defense	£2.75	11.8	2.6%	9.9	18.6%	88%	2.8	£94
36	Chesnara PLC	CSN	Small Cap	Life Insurance	£3.52	12.4	4.9%	18.5	4.2%	89%	0.0	£39
86	Chime Communications PLC	CHW	Small Cap	Media	£3.49	69.0	2.1%	22.6	13.8%	88%	0.5	£27
100	Clarkson PLC	CKN	Small Cap	Industrial Transportation	£20.90	29.8	2.4%	18.4	7.2%	86%	0.0	£37
196	Close Brothers Group PLC	CBG	FTSE 250	Financial Services	£14.66	18.3	3.0%	22.5	0.4%	79%	0.0	£152
61	Cobham PLC	COB	FTSE 250	Aerospace & Defense	£2.98	15.3	3.0%	22.5	12.7%	88%	2.5	£252
148	Communis PLC	CMS	Small Cap	Support Services	£0.71	12.7	2.3%	10.9	-9.5%	69%	2.4	£17
52	Compass Group PLC	CPG	FTSE 100	Travel & Leisure	£9.44	20.1	2.5%	34.3	14.7%	98%	2.4	£963
159	Computacenter PLC	CCC	FTSE 250	Software & Computer Services	£6.85	17.5	2.5%	24.7	9.3%	83%	0.3	£64
224	Consort Medical PLC	CSRT	Small Cap	Health Care Equipment & Services	£10.30	26.6	1.9%	25.2	0.9%	67%	0.0	£16
42	Cranwick PLC	CWK	FTSE 250	Food Producers	£12.55	16.2	2.4%	21.3	9.9%	95%	0.5	£55
194	CRH PLC	CRH	FTSE 100	Construction & Materials	£17.63	-51.9	3.0%	17.8	-3.6%	76%	3.6	£1,105
55	Croda International PLC	CRDA	FTSE 250	Chemicals	£25.41	19.5	2.5%	34.6	22.4%	98%	1.3	£195
219	Daejan Holdings PLC	DJAN	FTSE 250	Real Estate Investment & Services	£50.10	9.1	1.6%	27.6	2.6%	81%	6.0	£48
103	Dairy Crest Group PLC	DCG	FTSE 250	Food Producers	£5.32	11.6	3.9%	13.5	1.0%	74%	4.4	£80
104	Darty PLC	DRTY	Small Cap	General Retailers	£1.16	27.2	2.6%	9.0	-10.6%	71%	1.9	£98
71	DCC PLC	DCC	FTSE 250	Support Services	£31.63	19.0	2.1%	24.4	13.8%	88%	4.3	£191
112	De La Rue PLC	DLAR	FTSE 250	Support Services	£8.18	16.2	5.2%	18.0	5.5%	76%	1.5	£69
204	Dechra Pharmaceuticals PLC	DPH	FTSE 250	Pharmaceuticals & Biotechnology	£7.03	44.3	2.0%	45.0	5.7%	93%	4.5	£25
195	Derwent London PLC	DLN	FTSE 250	Real Estate Investment Trusts	£27.71	6.7	1.3%	18.7	6.5%	83%	3.5	£253
124	Devro PLC	DVO	FTSE 250	Food Producers	£3.10	15.7	2.7%	25.7	10.9%	86%	0.9	£35
76	Diageo PLC	DGE	FTSE 100	Beverages	£18.78	17.7	2.5%	28.3	8.1%	95%	3.2	£3,176
186	Dialight PLC	DIA	Small Cap	Electronic & Electrical Equipment	£8.56	35.2	1.7%	44.7	15.6%	88%	0.0	£11
184	Dignity PLC	DTY	FTSE 250	General Retailers	£15.01	23.9	1.1%	36.7	11.2%	93%	8.3	£41
123	Diploma PLC	DPLM	FTSE 250	Support Services	£7.74	25.2	2.0%	44.8	16.1%	95%	0.1	£37
84	Domino Printing Sciences PLC	DNO	FTSE 250	Electronic & Electrical Equipment	£8.04	22.9	2.7%	29.7	11.3%	90%	0.6	£55
62	Domino's Pizza UK & IRL PLC	DOM	FTSE 250	Travel & Leisure	£5.59	47.8	2.8%	42.9	21.8%	98%	1.2	£42
143	Electrocomponents PLC	ECM	FTSE 250	Support Services	£2.69	17.2	4.4%	18.2	1.4%	71%	1.9	£93
215	Elementis PLC	ELM	FTSE 250	Chemicals	£2.88	20.6	1.7%	30.6	10.7%	79%	0.2	£68
221	Essentra PLC	ESNT	FTSE 250	Support Services	£8.90	34.6	1.7%	45.7	8.1%	86%	2.6	£78
212	Euromoney Institutional Investor PLC	ERM	FTSE 250	Media	£13.19	24.0	1.7%	32.7	5.9%	86%	0.2	£87
217	F&C Asset Management PLC	FCAM	FTSE 250	Financial Services	£1.26	24.7	2.4%	31.7	-11.4%	57%	9.7	£26
170	F&C UK Real Estate Investment Ltd	FCRE	Small Cap	Real Estate Investment & Services	£0.85	48.3	7.8%	18.9	-2.4%	60%	9.9	£11
54	Fenner PLC	FENR	FTSE 250	Industrial Engineering	£4.25	17.5	2.6%	23.8	12.6%	90%	3.5	£63
125	Fidessa Group PLC	FDSA	FTSE 250	Software & Computer Services	£25.66	31.2	1.4%	45.0	17.6%	95%	0.0	£41
5	FirstGroup PLC	FGP	FTSE 250	Travel & Leisure	£1.41	6.5	4.4%	4.8	6.3%	90%	4.3	£646

# Stock Screen - Sorted by Name

Colour key: Green = better than FTSE 100, Light Red = worse than FTSE 100, Dark Red = Debt ratio too high

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	(Value) Div.Yield	(Value) PE10	(Growth) Rate	(Growth) Quality	Debt Ratio	Earnings Power (m)
134	Fisher (James) & Sons PLC	FSJ	FTSE 250	Industrial Transportation	£13.99	25.6	1.3%	35.5	12.5%	98%	2.1	£39
127	FTSE 100				6.810	13.2	3.5%	14.3	2.4%	79%		
120	Fuller Smith & Turner PLC	FSTA	Small Cap	Travel & Leisure	£9.55	21.7	1.4%	31.4	10.5%	98%	7.2	£19
30	G4S PLC	GFS	FTSE 100	Support Services	£2.37	11.9	3.8%	17.7	12.2%	88%	6.7	£367
190	Galliford Try PLC	GFRD	FTSE 250	Construction & Materials	£12.79	18.6	2.9%	21.6	3.0%	83%	0.9	£81
177	Genus PLC	GNS	FTSE 250	Pharmaceuticals & Biotechnology	£11.68	31.6	1.4%	37.5	11.0%	93%	2.0	£35
44	GlaxoSmithKline PLC	GSK	FTSE 100	Pharmaceuticals & Biotechnology	£16.72	15.1	4.7%	17.6	3.8%	88%	2.3	£8,129
107	Go-Ahead Group (The) PLC	GOG	FTSE 250	Travel & Leisure	£21.66	17.4	3.7%	15.3	5.1%	76%	3.6	£93
182	Goodwin PLC	GDWN	Small Cap	Industrial Engineering	£38.29	18.1	0.9%	40.2	13.9%	90%	1.5	£12
236	Grainger PLC	GRI	FTSE 250	Real Estate Investment & Services	£2.46	17.3	0.8%	4428.0	-6.3%	69%	3297.3	£0
232	Great Portland Estates PLC	GPOR	FTSE 250	Real Estate Investment Trusts	£6.45	68.4	1.3%	20.0	-7.4%	74%	4.3	£164
210	Greencore Group PLC	GNC	FTSE 250	Food Producers	£2.67	13.6	1.8%	23.7	-0.3%	79%	3.5	£71
85	Greene King PLC	GNK	FTSE 250	Travel & Leisure	£9.19	18.0	2.9%	18.7	5.5%	88%	7.8	£189
63	Greggs PLC	GRG	Small Cap	Food & Drug Retailers	£5.03	20.0	3.9%	15.7	5.0%	86%	0.0	£56
28	Halfords Group PLC	HFD	FTSE 250	General Retailers	£4.71	16.7	3.6%	15.0	6.1%	88%	1.1	£110
131	Halma PLC	HLMA	FTSE 250	Electronic & Electrical Equipment	£6.10	26.5	1.7%	39.8	9.8%	100%	1.4	£116
145	Hammerson PLC	HMSO	FTSE 100	Real Estate Investment Trusts	£5.74	12.7	3.3%	8.6	-5.4%	76%	2.9	£723
174	Hays PLC	HAS	FTSE 250	Support Services	£1.43	27.9	1.7%	19.7	0.2%	79%	0.9	£161
70	Headlam Group PLC	HEAD	Small Cap	Household Goods & Home Construction	£4.76	18.8	3.1%	16.4	-2.4%	88%	0.8	£43
235	Helical Bar PLC	HLCL	Small Cap	Real Estate Investment & Services	£3.73	74.6	1.5%	38.6	-12.0%	74%	15.4	£17
189	Henderson Group PLC	HGG	FTSE 250	Financial Services	£2.55	26.3	3.1%	34.1	7.8%	83%	1.1	£140
33	Hill & Smith Holdings PLC	HILS	Small Cap	Industrial Engineering	£5.57	15.9	2.7%	19.9	11.3%	93%	2.4	£40
19	Homeserve PLC	HSV	FTSE 250	Support Services	£3.30	16.2	3.4%	18.9	12.7%	93%	1.2	£107
80	HSBC Holdings PLC	HSBA	FTSE 100	Banks	£6.30	14.6	4.8%	11.7	-2.3%	79%	0.0	£15,941
205	Hunting PLC	HTG	FTSE 250	Oil Equipment, Services & Distribution	£8.48	18.8	2.2%	32.0	2.5%	90%	3.8	£71
47	Huntsworth PLC	HNT	Small Cap	Media	£0.72	11.9	4.9%	7.8	5.1%	81%	1.5	£48
27	Hyder Consulting PLC	HYC	Small Cap	Support Services	£4.33	9.2	2.8%	13.6	22.7%	88%	0.4	£22
24	ICAP PLC	IAP	FTSE 250	Financial Services	£4.39	16.0	5.0%	16.2	10.4%	86%	1.9	£301
75	IMI PLC	IMI	FTSE 100	Industrial Engineering	£15.25	18.8	2.1%	30.5	10.9%	98%	0.9	£279
20	Imperial Tobacco Group PLC	IMT	FTSE 100	Tobacco	£24.37	12.7	4.8%	17.7	12.5%	88%	4.8	£2,339
147	Informa PLC	INF	FTSE 250	Media	£5.22	32.2	3.6%	26.4	7.9%	83%	4.2	£199
168	InterContinental Hotels Group PLC	IHG	FTSE 100	Travel & Leisure	£19.42	24.0	2.2%	26.8	11.2%	83%	2.5	£312
37	Intermediate Capital Group PLC	ICP	FTSE 250	Financial Services	£4.50	13.8	4.4%	10.2	-2.3%	87%	3.8	£309
122	Interserve PLC	IRV	FTSE 250	Support Services	£6.07	18.8	3.4%	21.4	6.2%	83%	0.8	£61
109	Intertek Group PLC	ITRK	FTSE 100	Support Services	£29.41	24.4	1.4%	43.9	18.8%	100%	3.3	£216
67	Investec PLC	INVP	FTSE 250	Financial Services	£4.45	13.1	4.0%	11.1	-1.1%	82%	0.0	£400
64	ITE Group PLC	ITE	FTSE 250	Media	£2.82	20.2	2.5%	27.0	11.0%	93%	0.4	£48
188	Jardine Lloyd Thompson Group PLC	JLT	FTSE 250	Nonlife Insurance	£10.60	20.1	2.4%	30.3	8.2%	81%	2.0	£124
51	JD Sports Fashion PLC	JD.	FTSE 250	General Retailers	£15.62	17.2	1.7%	21.2	20.8%	93%	0.1	£66
198	Johnson Matthey PLC	JMAT	FTSE 100	Chemicals	£32.62	23.0	1.7%	32.1	11.1%	83%	2.7	£347
106	KCOM Group PLC	KCOM	FTSE 250	Fixed Line Telecommunications	£0.97	11.8	4.6%	17.0	8.3%	79%	2.2	£46
166	Keller Group PLC	KLR	FTSE 250	Construction & Materials	£12.70	23.4	1.8%	20.7	5.7%	86%	1.4	£75
152	Kier Group PLC	KIE	FTSE 250	Construction & Materials	£18.92	18.4	3.6%	18.3	4.7%	79%	1.2	£90
201	Kingfisher PLC	KGF	FTSE 100	General Retailers	£3.94	15.7	2.4%	21.6	2.8%	76%	0.7	£661
79	Ladbroke's PLC	LAD	FTSE 250	Travel & Leisure	£1.67	23.2	5.3%	7.3	-3.6%	76%	1.3	£322
185	Laird PLC	LRD	FTSE 250	Technology Hardware & Equipment	£3.14	23.8	3.2%	22.8	-2.7%	83%	2.9	£61
150	Land Securities Group PLC	LAND	FTSE 100	Real Estate Investment Trusts	£10.86	26.9	2.7%	9.8	-15.0%	71%	3.0	£1,248
178	Lavendon Group PLC	LVD	Small Cap	Support Services	£2.08	19.0	1.7%	12.4	-3.5%	81%	2.4	£46
214	Legal & General Group PLC	LGEN	FTSE 100	Life Insurance	£2.40	17.1	3.2%	23.1	0.4%	76%	0.0	£937
173	London Stock Exchange Group PLC	LSE	FTSE 100	Financial Services	£20.27	26.9	1.5%	35.9	13.8%	88%	3.0	£270
156	Low & Bonar PLC	LWB	Small Cap	Construction & Materials	£0.92	19.3	2.8%	17.2	0.8%	79%	3.8	£27
65	Management Consulting Group PLC	MMC	Small Cap	Support Services	£0.25	7.7	3.3%	5.1	1.5%	81%	1.1	£40
72	Marks & Spencer Group PLC	MKS	FTSE 100	General Retailers	£3.00	10.1	5.7%	8.9	2.8%	83%	1.5	£1,541
172	Marshalls PLC	MSLH	Small Cap	Construction & Materials	£1.84	25.0	2.9%	16.1	-10.3%	69%	2.5	£31
58	Marston's PLC	MARS	FTSE 250	Travel & Leisure	£1.50	11.1	4.3%	10.0	-1.2%	81%	9.3	£139
73	Mears Group PLC	MER	Small Cap	Support Services	£5.10	21.4	1.6%	30.2	16.3%	98%	2.2	£33
66	Meggitt PLC	MGGT	FTSE 100	Aerospace & Defense	£5.04	15.5	2.3%	25.2	11.6%	90%	2.6	£288
31	Menzies (John) PLC	MNZS	Small Cap	Support Services	£6.84	10.1	3.7%	15.1	4.4%	93%	2.5	£51
213	Michael Page International PLC	MPI	FTSE 250	Support Services	£5.07	35.6	2.0%	31.0	7.4%	81%	0.1	£85
142	Millennium & Copthorne Hotels PLC	MLC	FTSE 250	Travel & Leisure	£5.84	8.3	2.3%	15.5	6.6%	81%	1.8	£197
17	MITIE Group PLC	MTO	FTSE 250	Support Services	£3.46	15.7	3.0%	21.8	13.2%	98%	2.5	£114
78	Morgan Advance Material PLC	MGAM	FTSE 250	Electronic & Electrical Equipment	£3.45	23.5	3.0%	17.8	8.3%	86%	2.9	£95
96	Morgan Sindall PLC	MGNS	Small Cap	Construction & Materials	£7.57	26.0	3.6%	10.0	0.3%	71%	0.1	£47
3	Morrison (Wm) Supermarkets PLC	MRW	FTSE 100	Food & Drug Retailers	£2.35	9.2	5.0%	14.4	17.3%	93%	3.4	£708
121	Mucklow (A & J) Group PLC	MKLW	Small Cap	Real Estate Investment Trusts	£5.09	22.6	3.9%	17.9	0.6%	83%	2.6	£29
32	National Grid PLC	NG.	FTSE 100	Gas, Water & Multiutilities	£8.35	13.7	4.9%	15.9	7.5%	86%	8.4	£3,360
118	NCC Group PLC	NCC	Small Cap	Software & Computer Services	£2.19	30.9	1.4%	53.4	23.9%	100%	1.8	£17
200	Next PLC	NXT	FTSE 100	General Retailers	£67.35	23.0	1.6%	36.2	8.8%	90%	1.4	£522
160	Old Mutual PLC	OML	FTSE 100	Life Insurance	£1.97	15.3	3.6%	14.1	-4.3%	79%	0.0	£1,074
230	Oxford Instruments PLC	OXIG	FTSE 250	Electronic & Electrical Equipment	£14.39	33.6	0.8%	69.5	16.9%	74%	0.0	£17
176	Paragon Group of Companies (The) PLC	PAG	FTSE 250	Financial Services	£4.09	12.6	1.8%	6.2	-13.4%	75%	31.1	£302
105	PayPoint PLC	PAY	FTSE 250	Support Services	£11.65	25.7	2.6%	36.6	12.3%	93%	0.0	£40
53	Pearson PLC	PSON	FTSE 100	Media	£10.13	19.8	4.4%	21.2	6.7%	88%	3.3	£689
22	Pennon Group PLC	PNN	FTSE 250	Gas, Water & Multiutilities	£7.43	13.4	3.8%	21.9	10.9%	95%	11.0	£239
23	Petrofac Ltd	PFC	FTSE 100	Oil Equipment, Services & Distribution	£13.68	11.9	2.9%	21.6	35.2%	93%	0.6	£401
2	Phoenix IT Group PLC	PNX	Small Cap	Software & Computer Services	£1.14	7.8	6.8%	4.9	11.3%	86%	2.9	£30
206	Porvair PLC	PRV	Small Cap	Alternative Energy	£3.10	24.8	0.9%	45.7	8.6%	93%	2.0	£6
136	Premier Farnell PLC	PFL	FTSE 250	Support Services	£2.30	15.3	4.5%	17.4	4.8%	67%	4.5	£65
57	Primary Health Properties PLC	PHP	Small Cap	Real Estate Investment Trusts	£3.58	15.8	5.3%	14.3	-0.5%	83%	8.6	£46
113	Provident Financial PLC	PFG	FTSE 250	Financial Services	£18.77	18.3	4.5%	25.7	7.3%	83%	7.1	£170
169	Prudential PLC	PRU	FTSE 100	Life Insurance	£13.55	15.2	2.2%	32.4	6.6%	90%	0.0	£1,939
101	PZ Cussons PLC	PZC	FTSE 250	Personal Goods	£3.67	21.7	2.0%	28.6	10.3%	93%	1.0	£102
179	Rathbone Brothers PLC	RAT	FTSE 250	Financial Services	£17.35	22.9	2.8%	26.6	1.8%	86%	0.0	£52
29	Reckitt Benckiser Group PLC	RB.	FTSE 100	Household Goods & Home Construction	£49.14	21.1	2.8%	27.4	15.3%	98%	1.3	£2,525
175	Reed Elsevier PLC	REL	FTSE 100	Media	£9.15	19.0	2.7%	26.6	6.3%	83%	3.1	£667

# Stock Screen - Sorted by Name

Colour key: Green = better than FTSE 100, Light Red = worse than FTSE 100, Dark Red = Debt ratio too high

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	(Value) Div.Yield	(Value) PE10	(Growth) Rate	(Growth) Quality	Debt Ratio	Earnings Power (m)
163	Renishaw PLC	RSW	FTSE 250	Electronic & Electrical Equipment	£21.62	22.9	1.9%	41.6	12.9%	90%	0.0	£68
90	Restaurant Group (The) PLC	RTN	FTSE 250	Travel & Leisure	£6.70	24.9	2.1%	35.4	11.2%	100%	0.7	£76
153	Rexam PLC	REX	FTSE 100	General Industrials	£4.94	15.6	3.5%	16.2	1.7%	76%	6.0	£367
211	Ricardo PLC	RCDO	Small Cap	Support Services	£7.46	20.8	1.9%	28.1	5.4%	83%	0.0	£23
35	Rio Tinto PLC	RIO	FTSE 100	Mining	£34.33	28.6	3.5%	11.1	13.6%	81%	2.3	£7,072
208	Robert Walters PLC	RWA	Small Cap	Support Services	£3.58	53.4	1.4%	31.1	6.2%	86%	1.0	£15
110	Rolls-Royce Group PLC	RR.	FTSE 100	Aerospace & Defense	£9.99	13.8	2.2%	23.7	10.7%	88%	1.5	£1,398
98	Rotork PLC	ROR	FTSE 250	Industrial Engineering	£26.82	26.4	1.6%	44.5	17.5%	100%	0.0	£105
39	Royal Dutch Shell PLC	RDSB	FTSE 100	Oil & Gas Producers	£23.27	12.2	4.8%	10.6	6.8%	79%	1.1	£21,002
132	RPC Group PLC	RPC	FTSE 250	General Industrials	£6.19	16.3	2.4%	24.9	11.5%	86%	3.0	£71
137	RPS Group PLC	RPS	FTSE 250	Support Services	£3.46	27.0	2.1%	25.8	8.8%	90%	0.5	£53
81	RSA Insurance Group PLC	RSA	FTSE 100	Nonlife Insurance	£0.97	12.3	2.4%	6.7	-2.0%	71%	0.0	£765
209	S & U PLC	SUS	Small Cap	Financial Services	£18.15	19.8	2.5%	29.7	4.1%	81%	1.8	£12
83	SABMiller PLC	SAB	FTSE 100	Beverages	£29.27	20.8	2.2%	33.7	13.6%	95%	4.6	£2,657
77	Sage Group (The) PLC	SGE	FTSE 100	Software & Computer Services	£4.32	21.7	2.6%	27.2	10.0%	93%	1.4	£324
7	Sainsbury (J) PLC	SBRY	FTSE 100	Food & Drug Retailers	£3.43	12.4	4.9%	20.4	23.4%	90%	4.8	£578
187	Savills PLC	SVS	FTSE 250	Real Estate Investment & Services	£6.11	18.9	1.6%	21.3	0.8%	83%	0.0	£64
158	Schroder Real Estate Investment Trust	LSREI	Small Cap	Real Estate Investment & Services	£0.53	-17.7	6.6%	14.7	-16.2%	60%	7.4	£17
207	Schroders PLC	SDR	FTSE 100	Financial Services	£27.13	26.7	1.6%	35.5	9.6%	86%	6.3	£353
114	Segro PLC	SGRO	FTSE 250	Real Estate Investment Trusts	£3.57	12.6	4.1%	6.5	-10.8%	69%	3.7	£564
126	Senior PLC	SNR	FTSE 250	Aerospace & Defense	£2.88	15.7	1.6%	26.4	18.7%	88%	1.4	£80
25	Serco Group PLC	SRP	FTSE 250	Support Services	£4.61	12.2	2.2%	20.3	17.4%	100%	3.4	£226
115	Severn Trent PLC	SVT	FTSE 100	Gas, Water & Multiutilities	£18.50	22.3	4.1%	23.3	2.4%	86%	14.8	£325
234	Shaftesbury PLC	SHB	FTSE 250	Real Estate Investment Trusts	£6.64	25.8	1.9%	36.5	-0.9%	76%	8.7	£70
180	Shanks Group PLC	SKS	Small Cap	Support Services	£1.18	24.3	2.9%	17.9	-1.8%	76%	8.9	£40
155	Smith & Nephew PLC	SN.	FTSE 100	Health Care Equipment & Services	£9.52	25.6	1.8%	25.5	12.8%	86%	0.5	£571
225	Smith (DS) PLC	SMDS	FTSE 250	General Industrials	£3.53	22.5	2.3%	36.0	3.7%	81%	6.5	£148
144	Smiths Group PLC	SMIN	FTSE 100	General Industrials	£13.68	14.4	2.9%	19.2	6.0%	81%	2.5	£454
21	Smiths News PLC	NWS	Small Cap	Support Services	£2.06	10.2	4.5%	13.8	6.7%	88%	2.2	£50
102	Spectris PLC	SXS	FTSE 250	Electronic & Electrical Equipment	£24.57	16.5	1.7%	30.8	13.8%	93%	1.6	£176
117	Speedy Hire PLC	SDY	Small Cap	Support Services	£0.73	84.9	0.7%	10.1	-25.9%	81%	1.2	£60
91	Spirax-Sarco Engineering PLC	SPX	FTSE 250	Industrial Engineering	£31.01	24.2	1.8%	36.4	12.8%	100%	0.4	£129
8	SSE PLC	SSE	FTSE 100	Electricity	£14.03	17.5	6.0%	15.5	12.8%	88%	3.9	£1,541
133	St Ives PLC	SIV	Small Cap	Support Services	£1.92	14.0	3.4%	10.8	-10.6%	69%	1.0	£30
223	St James's Place PLC	STJ	FTSE 250	Life Insurance	£8.75	25.4	1.8%	52.0	9.9%	86%	0.0	£149
46	Stagecoach Group PLC	SGC	FTSE 250	Travel & Leisure	£3.90	13.5	2.2%	21.8	14.3%	90%	4.4	£186
41	Standard Chartered PLC	STAN	FTSE 100	Banks	£12.65	10.7	4.2%	12.9	5.9%	86%	0.0	£4,095
231	Standard Life Investments Property Inc	SLI	Small Cap	Real Estate Investment & Services	£0.73	0.0	6.2%	1113.6	-13.1%	56%	0.0	£0
119	Synergy Health PLC	SYR	FTSE 250	Health Care Equipment & Services	£13.47	24.4	1.5%	37.9	16.4%	98%	5.0	£41
138	Tarsus PLC	TRS	Small Cap	Media	£2.13	26.5	3.2%	23.3	10.0%	81%	1.7	£15
87	Tate & Lyle PLC	TATE	FTSE 100	Food Producers	£6.42	11.2	4.1%	14.5	2.2%	81%	2.7	£333
197	Ted Baker PLC	TED	FTSE 250	Personal Goods	£21.29	40.6	1.2%	58.0	9.7%	95%	0.7	£31
165	Telecom plus PLC	TEP	FTSE 250	Fixed Line Telecommunications	£18.38	48.1	1.7%	88.2	25.5%	90%	0.1	£30
6	Tesco PLC	TSCO	FTSE 100	Food & Drug Retailers	£3.29	8.7	4.5%	12.6	9.3%	95%	2.7	£4,026
181	Town Centre Securities PLC	TCSC	Small Cap	Real Estate Investment Trusts	£2.58	18.6	4.0%	15.6	-6.1%	71%	12.6	£13
222	Tribal Group PLC	TRB	Small Cap	Support Services	£1.98	22.7	0.6%	18.1	-8.7%	74%	1.2	£15
10	Tullett Prebon PLC	TLPR	FTSE 250	Financial Services	£3.35	8.1	5.0%	8.9	12.2%	86%	1.8	£141
226	Tullow Oil PLC	TLW	FTSE 100	Oil & Gas Producers	£7.99	71.2	1.5%	38.5	11.7%	76%	2.6	£288
216	UK Mail Group PLC	UKM	Small Cap	Industrial Transportation	£6.90	27.6	2.7%	32.9	3.3%	74%	0.1	£17
128	Ultra Electronics Holdings PLC	ULE	FTSE 250	Aerospace & Defense	£19.25	20.6	2.1%	28.7	13.6%	88%	0.9	£82
94	Unilever PLC	ULVR	FTSE 100	Food Producers	£24.41	17.6	3.7%	19.5	5.8%	86%	2.9	£2,816
130	United Drug PLC	UDG	FTSE 250	Food & Drug Retailers	£3.69	16.9	2.2%	22.9	7.3%	88%	4.8	£69
164	United Utilities Group PLC	UU.	FTSE 100	Gas, Water & Multiutilities	£7.80	22.0	4.4%	18.3	-4.0%	74%	14.4	£428
1	Vedanta Resources PLC	VED	FTSE 250	Mining	£8.45	26.1	4.4%	8.5	15.6%	90%	22.1	£494
88	Victrix PLC	VCT	FTSE 250	Chemicals	£19.12	22.4	2.2%	34.4	14.2%	95%	0.0	£90
116	Vitec Group (The) PLC	VTC	Small Cap	Industrial Engineering	£6.27	19.7	3.7%	16.6	5.0%	81%	2.7	£27
14	Vodafone Group PLC	VOD	FTSE 100	Mobile Telecommunications	£2.49	14.6	4.3%	16.1	8.6%	95%	5.3	£7,772
203	Vp PLC	VP.	Small Cap	Support Services	£6.65	27.7	1.8%	34.4	7.6%	86%	4.1	£13
95	Weir Group PLC	WEIR	FTSE 100	Industrial Engineering	£25.67	16.4	1.6%	31.9	21.8%	93%	3.4	£318
157	Whitbread PLC	WTB	FTSE 100	Travel & Leisure	£44.87	28.8	1.3%	50.1	14.0%	95%	1.7	£309
97	William Hill PLC	WMH	FTSE 100	Travel & Leisure	£3.98	16.2	2.6%	16.6	-8.2%	90%	1.1	£376
228	Wilmington Group PLC	WIL	Small Cap	Media	£2.50	33.2	2.8%	35.0	1.6%	67%	5.0	£8
48	Wood Group (John) PLC	WG.	FTSE 250	Oil Equipment, Services & Distribution	£7.63	15.9	1.8%	11.7	25.9%	83%	0.5	£407
139	Workspace Group PLC	WKP	FTSE 250	Real Estate Investment Trusts	£5.93	45.7	1.6%	3.2	-20.2%	76%	0.8	£412
68	WPP Group PLC	WPP	FTSE 100	Media	£13.08	18.8	2.6%	26.2	12.5%	93%	3.8	£1,247
233	Xaar PLC	XAR	FTSE 250	Electronic & Electrical Equipment	£10.71	54.4	0.4%	118.7	9.6%	79%	0.1	£11



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