October 2017

UK Value Investor

For Defensive and Dividend-Focused Value Investors

Extra care is required with super-cyclical companies

John Kingham
Editor

Last month I removed Braemar Shipping from the model portfolio following multi-year results that were far from spectacular. The chief problem, as I see it, was a mismatch between Braemar's highly cyclical core business of tanker shipbroking and my aim of investing in relatively steady companies.

Highly cyclical companies can sometimes appear to be steady companies when you look at them at the top of their cycle. They'll have multi-year histories of rising revenues, profits and dividends, just like Braemar did when it joined the portfolio (and just like BP, Petrofac, BHP Billiton and Rio Tinto did too). But that stability is an illusion; a temporary state of affairs which is more likely than not to be replaced by falling revenues, profits and dividends as the boom phase of the cycle turns to bust. And that's pretty much what's happened to all of the companies I just mentioned.

To avoid this sort of situation in future (or at least reduce its occurrence) I want to make sure I avoid adding highly cyclical companies to the portfolio at the top of their cycle, when they briefly look like steady growth businesses. The first step is to find a usable definition of "highly cyclical" and I think I have one. It is: "any company operating in a commodity-related sector". These sectors are largely driven by commodity prices (e.g. for oil, gas, iron, copper, etc.) which are themselves highly cyclical.

The second step is to make sure these companies only get into the model portfolio when they're towards the bottom of their cycle. The easiest way to do that is to only buy them when their valuation ratios are at rock bottom. With that in mind, here's a new rule I'm going to use from now on:

- **Only invest in a company from the Mining, Oil & Gas Producers and Oil Equipment, Services & Distribution sectors if its PE10 ratio is below 10 and its PD10 ratio is below 20**

These valuation limits are much lower than the standard PE10 and PD10 limits of 30 and 60 respectively, but I don't think they're too low. BP, BHP Billiton, Rio Tinto and Petrofac have all traded at even lower valuations in recent years and in most cases their share prices have since increased strongly. Hopefully this tweak will further improve returns and lower risk for the portfolio without being overly restrictive.

John Kingham, 4th October 2017

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UK Market: Long-term valuations

__Valuing the market:__ Although stock market valuations change over time they tend to stay fairly close to their long-term average. Investors can take advantage of this tendency as it implies that markets are more likely to go up when valuations are below average and more likely to go down when above average.

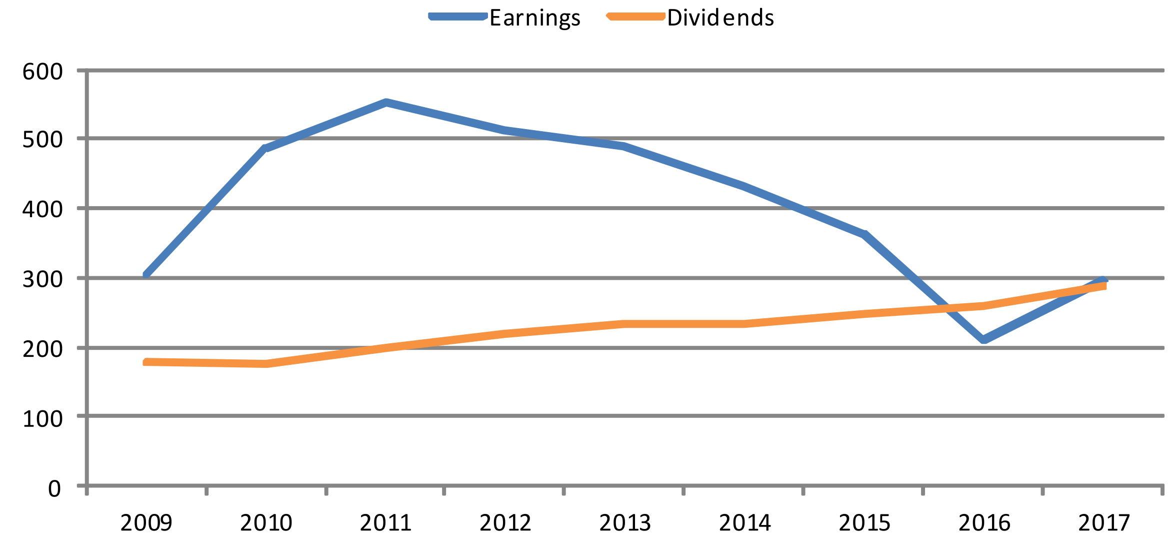
FTSE 100 (currently at **7,323**)	Cyclically Adjusted PE (average CAPE ~16)	Approx. historic frequency (based on S&P 500)	Valuation relative to historic average
Above 15,500	Above 32	2%	Bubble
13,500 - 15,500	28 - 32 (e.g. yr 2000)	5%	Very Expensive
11,600 - 13,500	24 - 28	10%	Expensive
9,700 - 11,600	20 - 24	20%	Slightly Expensive
6,800 - 9,700	**14 - 20**	**30%**	**Normal**
5,800 - 6,800	12 - 14	15%	Slightly Cheap
4,800 - 5,800	10 - 12	10%	Cheap
3,900 - 4,800	8 - 10 (e.g. yr 2009)	5%	Very Cheap
Below 3,900	Below 8	3%	Depression

FTSE 250 (currently at **19,678**)	Cyclically Adjusted PE (average CAPE ~20)	Approx. historic frequency (based on S&P 500)	Valuation relative to historic average
Above 30,500	Above 40	2%	Bubble
26,700 - 30,500	35 - 40 (e.g. yr 2006)	5%	Very Expensive
22,900 - 26,700	30 - 35	10%	Expensive
19,100 - 22,900	**25 - 30**	**20%**	**Slightly Expensive**
13,400 - 19,100	17.5 - 25	30%	Normal
11,400 - 13,400	15 - 17.5	15%	Slightly Cheap
9,500 - 11,400	12.5 - 15	10%	Cheap
7,600 - 9,500	10 - 12.5 (e.g. yr 2009)	5%	Very Cheap
Below 7,600	Below 10	3%	Depression

Following a brief post-crisis rebound, the combined earnings of all FTSE 100 companies has been on a relentless downward slide for years. In 2016 and early 2017 this eventually led to an dividend for the large-cap index for the first time in at least 30 years.

It was unclear what would happen next (as it always is). Would the index's dividend decline in order to restore the natural order of things (i.e. a fully covered dividend) or would earnings rebound? We may now have an answer because in recent months the FTSE 100's total earnings have recovered strongly, and for the first time in more than a year those earnings are enough to cover the dividend. It's a positive sign, albeit a weak one.

FTSE 100 earnings starting to recover?



Model Portfolio: Monthly review

Reviewing the portfolio: In order to keep a portfolio on track it's important carry out regular reviews. These reviews should include tasks such as checking overall performance against a suitable benchmark, re-analysing existing holdings when new annual results are announced and dealing with corporate actions such as mergers, acquisitions or rights issues.

Last month's trade

On September 7th I removed all 500 Braemar Shipping Services shares from the portfolio at 300p each. The total value of the shares (net of broker fees) came to £1,489.50. As I described last month, this was a poor investment, producing a total dividend income of 33% which was slightly more than offset by the 38% capital loss. The lesson learned from this loss-making investment was to be much more careful with companies that are heavily affected by either commodity prices or capital investment cycles. In a recent blog post I came up with the following rule:

- **INVESTMENT RULE: Only invest in a company that is sensitive to commodity prices or capital investment cycles if its PE10 and PD10 ratios are below 10 and 20 respectively**

This has a lot of overlap with the sector-based rule I described on page one and I think it's likely that the two rules will be rolled into one sooner rather than later. But the basic point remains: Highly cyclical companies are welcome in the portfolio, but only at absolutely rock bottom prices.

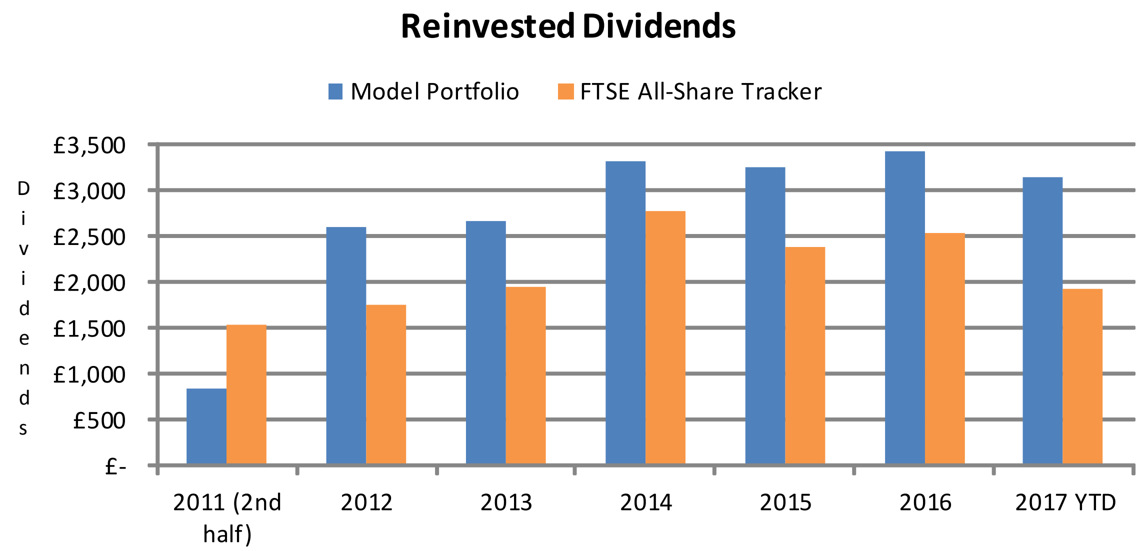
Performance review

After a largely enjoyable six years of ups and downs (mostly ups, thankfully) the model portfolio has finally reached its first major milestone: It has doubled in value from £50,000 in March 2011 to £100,397 today. That gives the portfolio an annualised rate of return from inception of 11.2%, some 3% better than the market return (and with less volatility). Over five years the annualised performance has been even better at 13.1%, some 3.6% better than its FTSE All-Share tracker benchmark.

I doubt that 13% per year is sustainable over the long-term, but hopefully the 3% or so improvement relative to the market will be sustainable. I also expect the portfolio's low volatility and high yield to be sustainable, but I'll be more confident on both fronts once the portfolio has doubled in value to £200,000 (and even more confident once it's doubled in value again to £400,000).

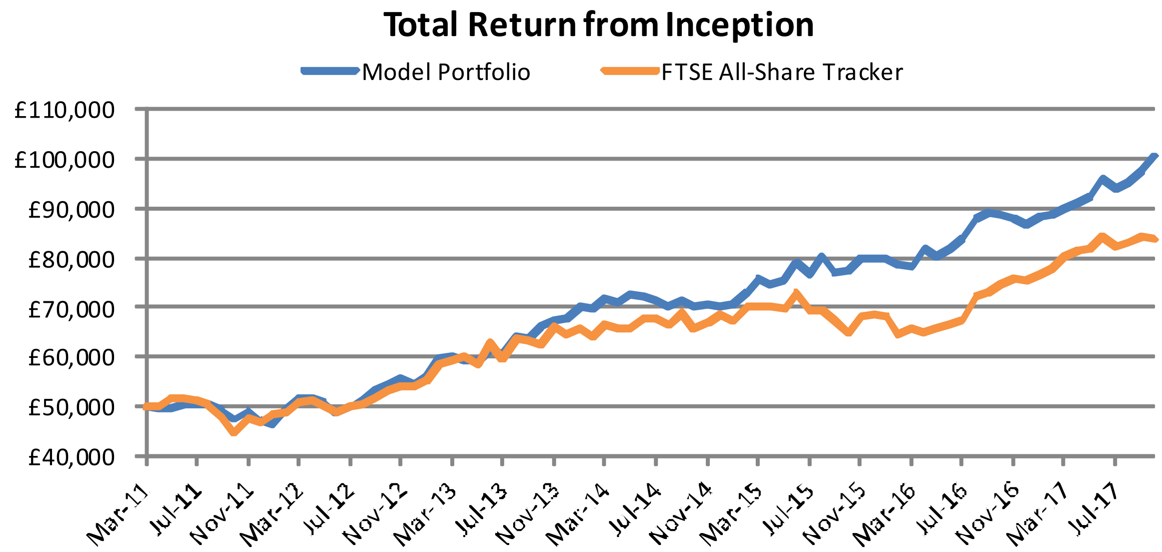
Recent noteworthy events

Hurricanes and earthquakes: Insurance specialist Beazley has been hit by a recent spate of Atlantic hurricanes and earthquakes in Mexico. Initial estimates are that 2017 earnings may be reduced by about $150m, although more accurate estimates will be produced by the company soon. This may completely wipe out profits for this year, but as a catastrophe insurer this is a normal part of Beazley's business.



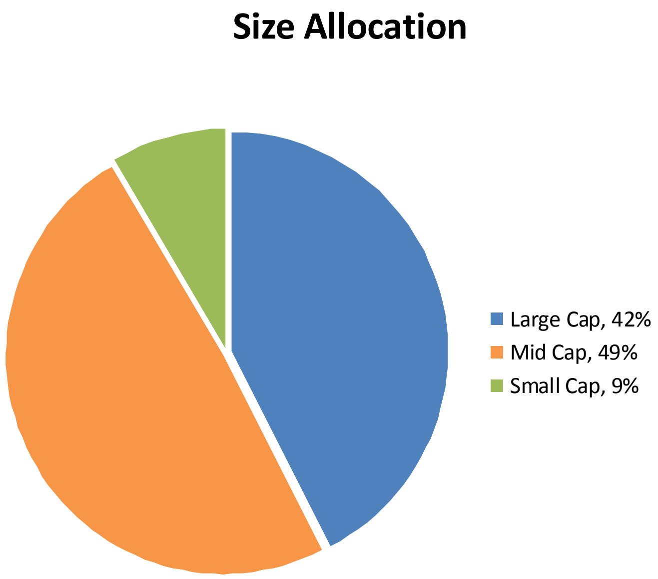
Model Portfolio: Performance and diversification

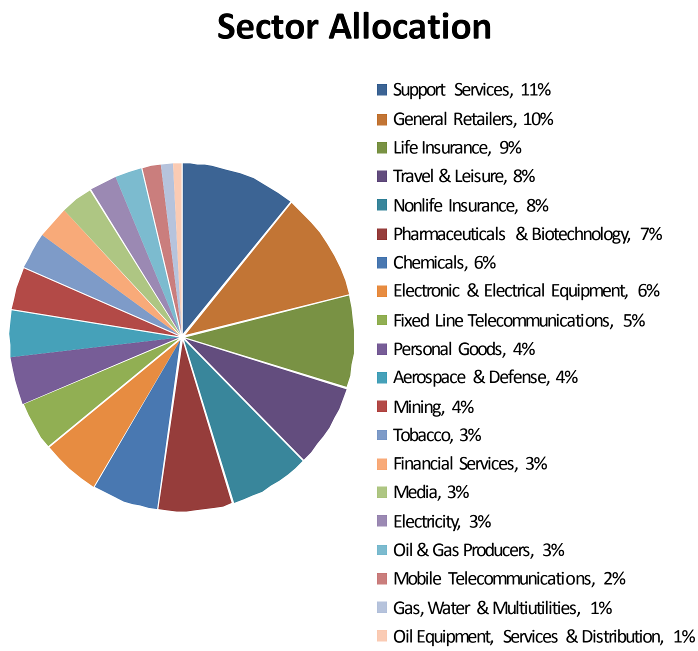
This model portfolio represents the portfolio of a typical investor who is still in the capital accumulation phase. It started with £50,000 in March 2011 and reinvests all dividends to generate additional growth.



Performance	Model Portfolio (A)	FTSE All-Share Tracker (B)	Difference (A) - (B)
Current value	£100,397	£84,046	£16,351
Dividend yield	3.8%	3.0%	0.8%
Total return over 5 years	85.1%	57.7%	27.4%
Annualised return over 5 years	13.1%	9.5%	3.6%
Maximum decline over 5 years	-3.9%	-11.4%	7.5%
Total return from inception	101.2%	68.1%	33.1%
Annualised return from inception	11.2%	8.2%	3.0%
Maximum decline from inception	-8.1%	-13.5%	5.5%

Percentage of Revenues from UK	Percentage of Portfolio in Cyclical Sectors
47% (max = 50%)	63% (max = 66%)





Model Portfolio - Current Holdings

Colour coding rules and column descriptions can be found in the appendices

Rank	Weight	Name	EPIC	Index	Sector	Share Price	PE Ratio	Dividend Yield	PE10	Growth Rate	Growth Quality	Net Prof.	Debt Ratio	UK Focus	Purchase Rank	Purchase Price	Purchase Date
1	0.8%	Petrofac Ltd	PFC	FTSE 250	Oil Equipment, Services & Distribution	£4.50	5.99	11.3%	5.6	9.4%	83%	29%	6.3	12%	23	£13.90	07/03/2014
2	2.7%	Restaurant Group (The) PLC	RTN	FTSE 250	Travel & Leisure	£3.02	10.07	5.8%	11.7	9.8%	92%	19%	0.7	100%	4	£3.53	11/04/2016
4	2.8%	Dunelm Group PLC	DNLM	FTSE 250	General Retailers	£7.07	18.40	3.7%	19.2	13.4%	96%	38%	1.6	100%	10	£8.27	06/10/2016
5	2.9%	IG Group Holdings PLC	IGG	FTSE 250	Financial Services	£6.41	14.00	5.0%	17.5	7.5%	88%	25%	0.0	55%	8	£6.03	05/09/2014
6	3.9%	Legal & General Group PLC	LGEN	FTSE 100	Life Insurance	£2.60	12.10	5.5%	18.3	13.8%	83%	17%	0.4	80%	7	£2.46	10/04/2017
7	2.7%	Admiral Group PLC	ADM	FTSE 100	Nonlife Insurance	£18.17	21.01	6.3%	21.2	9.8%	79%	53%	0.1	81%	8	£12.90	07/11/2013
10	3.7%	Next PLC	NXT	FTSE 100	General Retailers	£52.60	11.97	3.0%	17.1	11.2%	83%	42%	1.6	91%	14	£49.64	07/12/2016
13	4.0%	PayPoint PLC	PAY	FTSE 250	Support Services	£9.55	14.52	4.7%	20.3	7.7%	79%	34%	0.0	80%	13	£9.28	09/06/2017
16	4.2%	Burberry Group PLC	BRBY	FTSE 100	Personal Goods	£17.60	20.51	2.2%	27.2	13.4%	88%	26%	0.1	10%	25	£13.70	06/11/2015
19	4.6%	Domino's Pizza Group PLC	DOM	FTSE 250	Travel & Leisure	£3.10	23.79	2.6%	39.3	15.7%	100%	38%	1.1	93%	11	£2.76	07/08/2017
22	1.0%	Centrica PLC	CNA	FTSE 100	Gas, Water & Multiutilities	£1.87	5.97	6.4%	7.0	1.7%	71%	12%	4.1	56%	25	£3.22	10/08/2012
25	4.3%	Telecom plus PLC	TEP	FTSE 250	Fixed Line Telecommunications	£10.86	33.41	4.4%	34.0	11.0%	75%	30%	2.5	100%	9	£7.16	06/05/2015
39	3.3%	British American Tobacco PLC	BATS	FTSE 100	Tobacco	£46.72	19.88	3.6%	24.1	4.8%	83%	19%	4.8	11%	28	£33.22	09/09/2013
43	5.3%	XP Power Ltd	XPP	Small Cap	Electronic & Electrical Equipment	£27.76	24.50	2.6%	32.4	11.8%	79%	22%	0.3	22%	19	£18.62	03/02/2017
47	3.7%	Aggreko PLC	AGK	FTSE 250	Support Services	£9.39	16.44	2.9%	12.5	6.2%	63%	16%	3.4	5%	4	£8.73	08/01/2016
49	2.5%	Mitie Group PLC	MTO	FTSE 250	Support Services	£2.56	13.05	1.6%	12.3	3.4%	71%	12%	3.8	97%	N/A	£2.38	16/09/2011
50	4.5%	Beazley PLC	BEZ	FTSE 250	Nonlife Insurance	£4.80	13.74	2.2%	19.3	5.3%	83%	17%	0.5	14%	22	£3.29	04/09/2015
51	2.5%	SSE PLC	SSE	FTSE 100	Electricity	£13.97	8.55	6.5%	11.6	1.6%	79%	8%	6.7	97%	N/A	£13.33	01/11/2011
61	5.9%	Victrex PLC	VCT	FTSE 250	Chemicals	£23.71	25.41	2.0%	31.6	12.6%	79%	22%	0.0	3%	6	£14.47	05/08/2016
65	2.9%	ITE Group PLC	ITE	Small Cap	Media	£1.80	24.59	2.5%	15.0	3.1%	58%	26%	2.4	5%	6	£1.85	06/03/2015
74	4.1%	Senior PLC	SNR	FTSE 250	Aerospace & Defense	£2.76	24.93	2.4%	19.6	9.9%	75%	12%	3.1	19%	36	£2.19	03/06/2016
78	3.1%	Brown (N) Group PLC	BWNG	FTSE 250	General Retailers	£3.51	14.35	4.1%	13.4	3.3%	67%	11%	4.7	96%	17	£3.47	07/11/2014
103	3.7%	AstraZeneca PLC	AZN	FTSE 100	Pharmaceuticals & Biotechnology	£49.55	25.88	4.4%	17.9	-3.7%	71%	15%	5.7	22%	19	£41.67	06/07/2015
105	3.0%	GlaxoSmithKline PLC	GSK	FTSE 100	Pharmaceuticals & Biotechnology	£14.89	44.96	5.4%	18.1	-1.3%	63%	14%	6.5	5%	25	£14.27	09/01/2015
106	1.7%	Vodafone Group PLC	VOD	FTSE 100	Mobile Telecommunications	£2.09	30.92	6.2%	14.0	-5.1%	79%	7%	6.5	15%	N/A	£2.02	02/06/2011
116	1.7%	BHP Billiton PLC	BLT	FTSE 100	Mining	£13.15	14.04	5.0%	9.0	-6.1%	54%	11%	4.0	1%	N/A	£19.10	12/09/2011
125	2.1%	Rio Tinto PLC	RIO	FTSE 100	Mining	£34.73	17.33	3.9%	11.2	1.1%	54%	11%	3.0	1%	17	£29.88	07/09/2012
143	4.2%	Standard Life Aberdeen PLC	SLA	FTSE 100	Life Insurance	£4.34	21.15	4.6%	23.6	4.1%	71%	9%	1.3	71%	5	£3.25	05/02/2016
189	2.4%	BP PLC	BP.	FTSE 100	Oil & Gas Producers	£4.77	-72.38	6.4%	15.0	-6.9%	46%	6%	11.3	20%	N/A	£4.94	04/03/2011
	5.7%	Cash															

Model Portfolio - Current Status

Notes: 1) Not wanting to buy a company today does not mean I think it was a mistake to buy it in the past; 2) This is not advice on what you should buy, sell or top up.

Rank	Name	EPIC	Index	Sector	Would I add this company to the portfolio today?	Would I top up this holding first, second or last?	Current status
1	Petrofac Ltd	PFC	FTSE 250	Oil Equipment, Services & Distribution	No	Last	The debt ratio is above the cyclical max of 4, the company is being investigated by the Serious Fraud Office and the dividend has just been cut.
2	Restaurant Group (The) PLC	RTN	FTSE 250	Travel & Leisure	Yes	First	Currently passes all the buy criteria.
4	Dunelm Group PLC	DNLM	FTSE 250	General Retailers	Yes	First	Currently passes all the buy criteria.
5	IG Group Holdings PLC	IGG	FTSE 250	Financial Services	Yes	First	Currently passes all the buy criteria.
6	Legal & General Group PLC	LGEN	FTSE 100	Life Insurance	Yes	First	Currently passes all the buy criteria.
7	Admiral Group PLC	ADM	FTSE 100	Nonlife Insurance	Yes	First	Currently passes all the buy criteria.
10	Next PLC	NXT	FTSE 100	General Retailers	Yes	First	Currently passes all the buy criteria.
13	PayPoint PLC	PAY	FTSE 250	Support Services	Yes	First	Currently passes all the buy criteria.
16	Burberry Group PLC	BRBY	FTSE 100	Personal Goods	Yes	First	Currently passes all the buy criteria.
19	Domino's Pizza Group PLC	DOM	FTSE 250	Travel & Leisure	No	Second	PE10 ratio is now too high.
22	Centrica PLC	CNA	FTSE 100	Gas, Water & Multiutilities	No	Second	Growth rate is now too low.
25	Telecom plus PLC	TEP	FTSE 250	Fixed Line Telecommunications	Yes	First	PE10 is above the maximum of 30 but the dividend yield is still above average, so I would still buy and top up.
39	British American Tobacco PLC	BATS	FTSE 100	Tobacco	Yes	First	Currently passes all the buy criteria.
43	XP Power Ltd	XPP	Small Cap	Electronic & Electrical Equipment	Yes	First	PE10 ratio is very slightly above 30 but I would still buy it and top it up.
47	Aggreko PLC	AGK	FTSE 250	Support Services	Yes	First	Currently passes all the buy criteria.
49	Mitie Group PLC	MTO	FTSE 250	Support Services	No	Last	The dividend has been suspended so I wouldn't buy it today. It would also be a last choice top up until the dividend is reinstated.
50	Beazley PLC	BEZ	FTSE 250	Nonlife Insurance	Yes	First	Currently passes all the buy criteria.
51	SSE PLC	SSE	FTSE 100	Electricity	No	Second	The debt ratio is too high, growth rate too low and capex ratios atoo high. However, I would still top it up as a second choice.
61	Victrex PLC	VCT	FTSE 250	Chemicals	Yes	First	PE10 ratio slightly too high but I would still buy it and top it up.
65	ITE Group PLC	ITE	Small Cap	Media	No	Second	The dividend has recently been substantially cut so I wouldn't buy it today. It's a second choice top-up for the same reason.
74	Senior PLC	SNR	FTSE 250	Aerospace & Defense	Yes	First	Currently passes all the buy criteria.
78	Brown (N) Group PLC	BWNG	FTSE 250	General Retailers	No	Second	The debt ratio is above the cyclical max of 4 so I wouldn't buy it today. It's a second choice top up because that's the only obvious problem.
103	AstraZeneca PLC	AZN	FTSE 100	Pharmaceuticals & Biotechnology	No	Second	Its growth rate is too low and its debts are too high.
105	GlaxoSmithKline PLC	GSK	FTSE 100	Pharmaceuticals & Biotechnology	No	Second	Its growth rate is too low and its debts are too high.
106	Vodafone Group PLC	VOD	FTSE 100	Mobile Telecommunications	No	Last	Growth rate too low, debt ratio too high. It's one of the bottom five holdings by rank so I wouldn't top it up.
116	BHP Billiton PLC	BLT	FTSE 100	Mining	No	Last	Growth rate too low and it's one of the bottom five holdings by rank.
125	Rio Tinto PLC	RIO	FTSE 100	Mining	No	Last	Growth rate is too low. It's a last choice top up because it's one of the bottom five holdings by rank.
143	Standard Life Aberdeen PLC	SLA	FTSE 100	Life Insurance	No	Last	I wouldn't buy it today because the company has just been through a merger. It's also one of the bottom five holdings by rank.
189	BP PLC	BP.	FTSE 100	Oil & Gas Producers	No	Last	Its growth rate, growth quality and profitability are too low. Its debt ratio is too high. It is also one of the bottom five holdings by rank.

Model Portfolio: Latest interim results

14th Sep: Next; General Retailers (cyclical); Large-cap (£6.4bn)

"NEXT is a UK based retailer offering exciting, beautifully designed, excellent quality clothing, footwear, accessories and home products. Today NEXT trades from more than 500 stores in the UK and Eire and around 200 stores in 40 countries overseas." (www.nextplc.co.uk)

Revenue down 3%	Dividend unchanged

Quotes from the interim results

"The wider economic environment, clothing market and High Street look as challenging as ever, and we do not underestimate the task of managing our stores through a period of prolonged negative like-for-like sales. Nonetheless, we believe our stores will remain cash generative for many years to come and represent an important asset for the Group."

"While the external environment looks set to remain difficult, from where we stand today our prospects going forward appear somewhat less challenging than they did six months ago. We have seen the benefits of product improvements begin to work their way through into our Autumn ranges and the medium-term outlook for pricing looks more benign, with price inflation set to moderate to just +2% in the first half of next year and to 0% in the second half. The programmes of improvement we have made to our Directory business are beginning to bear fruit and our two new and developing businesses, LABEL and Directory overseas, continue to deliver healthy levels of growth."

"We look set to generate around £53m of surplus cash over and above the £257m that we intend to distribute by way of special dividends [which] is likely to be returned to shareholders through share buybacks"

"For as long as capitalism has existed, there have been businesses whose fortunes rise and fall with the economy as a whole. These "cyclicals" can go from generating breath-taking profits one year, to devastating losses the next.

This presents the obvious problem of valuation. How much should an investor be willing to pay for a cyclical business?

Ben Graham, the "Dean of Wall Street" and father of value investing, came up with a solution almost seventy years ago. He maintained that an investor should pay based upon the average earnings of a cyclical business for the past ten years. Historically, this timeframe has covered an entire business cycle, evening out the highs and lows."

– Joshua Kennon, thebalance.com

Model Portfolio: Latest annual results

13th Sep: Dunelm Group; General Retailers (cyclical); Mid-cap (£1.2bn)

"Dunelm is the UK's No. 1 Homewares retailer offering over 26,000 quality products across more than 28 different departments. The business operates from over 150 'out-of-town' superstores, and provides further 'multi-channel' convenience." (dunelm.production.investis.com)

Revenue	10-Yr Avg. Earnings	Dividend	Debt Ratio
Up 8%	Up 7%	Up 4%	1.6 (max = 4)
Pension Ratio	**10-Yr Capex/Profit**	**10-Yr Capex/Depr.**	**Acquisition Ratio**
0.0 (max = 10)	46% (low)	181% (medium)	1% (max = 100%)

Quotes from the annual results

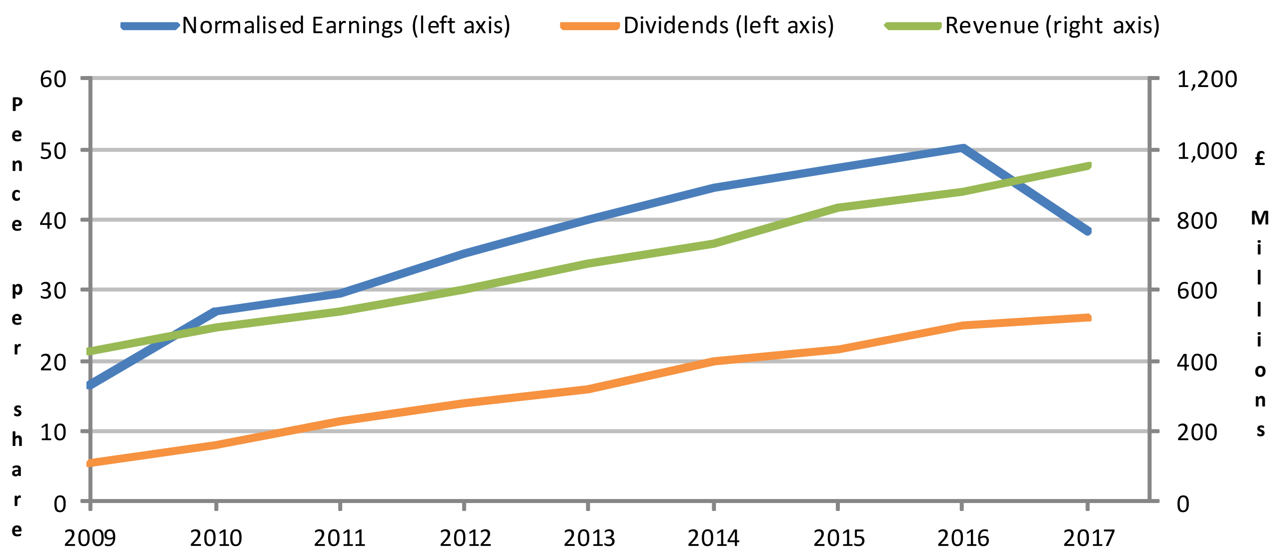
"Dunelm has made good strategic progress over the year, most notably with the acquisition of Worldstores, which moves us closer to our goal of being the biggest and best multichannel homewares retailer in the UK."

"The Worldstores acquisition provides a step change in our online scale, product range and capability. Our reported profit for the year reflects an investment of nearly £28m in the acquisition. The integration is going well and we remain confident in the benefits that it will generate."

"While we have continued to grow faster than the market, our share of 7.9% is still relatively low for a market leader and the £12bn Homewares market remains fragmented. In furniture, where the UK market size is £11bn, our share is even lower, at around 1%. Our position in both markets illustrates the scale of the opportunity still available to Dunelm. Over the medium-term we are aiming to double our sales to £2bn, with 30%-40% from our increasingly important online channel."

"We expect the trading climate to remain challenging with the disposable income of UK consumers under pressure. Nevertheless, we have a full programme of management actions underway to further improve the Dunelm customer proposition, both online and in-store, increase our business efficiency and support our colleagues."

"Sales in the first two months of the new financial year have started positively, with good LFL sales boosted by favourable weather comparatives. We expect to open a total of 8 new stores in the first half of the year of which 4 are already open. An encouraging start."



Buying: Close Brothers Group (CBG)

Improving the portfolio: *Managing a portfolio is a lot like managing a garden. Left unattended, both will become full of weeds (the wrong mix of companies), overgrown plants (successful companies that now dominate the portfolio) and dead plants (seriously underperforming companies). The answer is a regular program of weeding and trimming (selling) and planting (buying).*

Price (01/10/2017)	Index	Sector
1475p	FTSE 250	Banks
Market Cap	**Book Value**	**Normalised Post-tax Profit**
£2.2 billion	£1.2 billion	£191 million

"Close Brothers is a leading UK merchant banking group providing lending, deposit taking, wealth management services and securities trading." (www.closebrothers.com)

Overview

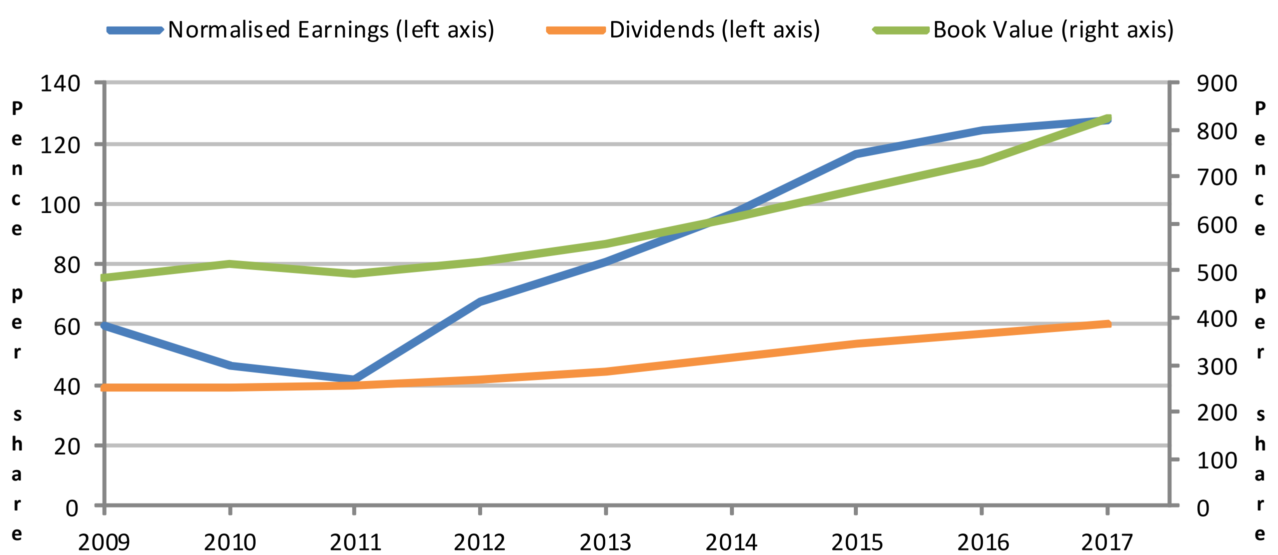
Close Brothers was founded in 1878 by William Brooks Close and his two brothers. Within a few years the company moved to Chicago and began offering farm mortgages in Iowa and also helped finance Alaska's first railway. The company continued to operate until the founder's death in 1923, after which it was rebooted as a new company with the same name and new management.

In 1973 the bank was acquired by the London & Western Trust, which was then acquired by Consolidated Gold Fields. Under this ownership structure the company launched Close Brothers Premium, the UK's first insurance premium financing business. Shortly after that, Close Brothers was bought out by its management and then in 1984 they sold out through an IPO on the London Stock Exchange. As a listed company, Close Brothers began to expand into new areas, including asset purchase financing for small businesses, hire-purchase contracts for used vehicles, asset/wealth management and securities market making.

Despite branching out, it is still primarily a bank with a balanced portfolio of loans for insurance policies, used vehicles, business assets and property development. The dividend has not been cut for 30 years and the company is not currently suffering from any obvious major problems.

Dividend Yield	PE10	Growth Rate	Growth Quality	Profitability
4.1%	17.4 (max = 30)	9.9% (min 2%)	83% (min 50%)	14.4% (min 7%)
Pension Ratio	**Leverage Ratio**	**Gross Revenue Ratio**	**CET1 Ratio**	**Rank**
0.2 (max 10)	9.2 (max 15)	95% (max 100%)	13.2% (min 12%)	11 (out of 221)

__Green__ = Better than FTSE 100; __Pink__ = Worse than FTSE 100; __Red__ = Outside the "rule of thumb" minimum or maximum values



Investment checklist

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.

Maintaining and increasing portfolio diversification

1. Will this purchase leave the portfolio's UK revenues at less than 50%?

YES Close Brother's (CB) generates around 90% of its profits from this UK. Adding CB to the portfolio will increase the portfolio's UK exposure to about 49%, i.e. very close to the 50% limit.

2. Will this purchase leave the portfolio's cyclical sector holdings at less than 66%?

YES CB operates in the cyclical Banks sector so adding it to the portfolio will increase the portfolio's cyclical weighting to about 65%, also very close to the maximum.

3. Will this purchase leave the number of holdings from this sector at three or less?

YES There are no banks in the portfolio so adding CB will take that number to one.

Avoiding value traps

Good management

1. Does the company have an obvious and dominant core business?

YES CB's core business is banking, although that term covers a lot of ground. It has a range of subsidiaries which offer all manner of finance-related products and services including: hire purchase, leasing, financial planning, sale and lease-back agreements, invoice factoring, insurance premium finance, property development loans, fixed interest rate savings accounts, custody services for asset managers, securities market making, and many more.

2. Does the company have a clear and consistent goal and strategy?

YES Here's a quote from the latest annual report which summarises the company's long-term goals and high level strategy:

> Our overriding strategic objectives are to protect, improve and extend our established business model to maximise its potential for the long-term. This in turn allows us to deliver excellent outcomes for clients, engaged and productive employees and strong returns for our shareholders in a wide range of market conditions.

The business model mention in that quote is relatively simple, at least in principle. It is to:

1) Focus on niche markets which are not well-served by larger banks and build long-term relationships with customers and intermediaries based on high levels of expert service and fast, flexible solutions. 2) Follow strict lending criteria at all times, offering mostly secured loans with low loan-to-value ratios and high margins. 3) Maintain a very conservative balance sheet so that financial support can be offered to customers at all points in the economic cycle (unlike many other banks which withdraw support when it is most needed).

Here's another quote from the latest annual report which highlights the company's prudent culture:

> Our commitment to our business model has allowed us to navigate the financial crises of recent years. When others have been over-adventurous we have stood firm with a more prudent approach – putting emphasis on preserving our clients' capital, while prioritising relationships and consistency of lending throughout the economic cycle.

Adequate financial control

3. Do the Key Performance Indicators (KPIs) focus on factors beyond revenue and EPS growth such as profitability, leverage, liquidity and capital investment?

YES CB has KPIs that focus on balance sheet strength (e.g. CET1 ratio, funding as % of loan book) and profitability (e.g. net interest margin, return on equity, banking expense/income ratio). And although it probably doesn't mean anything, I like the fact that these are more prominently placed in the KPI section of the annual report than earnings and dividends per share.

Low costs

4. Scale: Is the company in the leading group in terms of market share?

YES it's hard to say where CB stands in terms of market share in its various niches, but it's certainly one of the largest merchant banks on the stock exchange. the company also repeatedly refers to itself as "a leading merchant banking group" in its annual reports.

5. Experience: Has the company had the same core business for many years?

YES The company has been lending money since 1878 and most of its core businesses such as insurance premium finance and motor finance have been operating for more than 20 years.

Caution with big projects

6. Is the company free of major projects which could push it into a crisis?

YES There are no "transformational" projects currently underway.

7. Has the company avoided dangerously large capital expenditures (capex)?

YES As a bank, Close Brothers needs people, desks, telephones and some computers, but it does not need to build factories, expensive machinery or other expensive capital assets. As such, its capex to profit ratio is low at 26%.

8. Are revenues generated by the sale of a large number of small-ticket items rather than large-ticket items or major one-off contracts?

YES CB generates most of its revenues from a large number of relatively small recurring interest payments on the various loans or other financial agreements that it makes.

Caution with acquisitions and mergers

9. Has the company avoided mergers or large acquisitions in the last few years?

YES The company has made lots of acquisitions in recent years, but none of them are anywhere near being "large" (i.e. costing an entire year's profit).

10. Has the company avoided large acquisitions that have little to do with its core business?

YES There were no large acquisitions and the acquisitions CB did make were closely related to its banking, asset management and market making businesses.

Ability to adapt to changing market demand

11. Does the company operate primarily in defensive markets?

NO Banking is a cyclical business. When the economy is going well people and businesses are more willing to borrow money and fewer of them default on their loans. Conversely, when a recession rears its head people and businesses are less willing to borrow money and more of them default on the loans they already have.

By their nature, banks are hugely leveraged since the whole point of a bank is to borrow money in order to lend it. When loans are defaulted on the bank's assets will fall in value (loans are assets from the banks point of view) and if the value of those assets falls far enough the bank will be forced to cut its dividend and raise additional funds from investors via a rights issue. This is something we saw repeatedly during the financial crisis.

To protect against this cyclicality and enable it to lend to customers regardless of the economic environment, CB manages its balance sheet far more prudently than most banks (I'll go into its balance sheet in more detail in a later question) and maintains relatively strict lending criteria at all times.

12. Does the company operate in markets where the pattern of demand (whether cyclical or defensive) is unlikely to be disrupted in the short or medium-term?

YES CB operates in many different markets and while there is much talk of new "fin-tech" competitors, I don't think technological disruption is an obvious major concern in merchant banking. This may be especially true in many of Close Brothers' niches, which rely primarily on expert underwriters and high quality personal service, rather than cutting edge technology (although technology is still important).

13. Does the company operate in markets where demand is expected to grow?

YES As a primarily UK-focused business which is already a leading player in its field, I don't think there's a lot of rapid growth left for Close Brothers in the UK. My guess would be that it might achieve something slightly better than UK GDP growth, but anything more than that is likely to require international expansion.

Currently the company generates about 10% of its revenues from Ireland and has just received regulatory approval to operate in Germany, so the beginnings of international growth are there.

Competitive product, service and price

14. Has the company avoided generating a significant portion of its profits from a single product line or contract that needs to be replaced within the next 10 years?

YES CB does not rely on large one-off contracts and although most of its finance agreements will end within 10 years, each agreement is relatively insignificant in the big scheme of things and replacing them should not be difficult.

15. Does the company sell differentiated products that do not compete purely on price?

YES CB's consistently high net interest figure (interest income minus interest expense) suggests to me that it is not trying to offer the cheapest loans. Instead, it focuses on a balance between reasonable pricing combined with underwriters who are experts in their respective niches, able to offer fast, flexible and high level service and a stated willingness to offer financial support to customers throughout the economic cycle.

Indifferent to commodity prices

16. Is the company relatively immune to commodity price movements?

YES Commodity prices have no significant impact on Close Brothers.

Sound financial policy

17. Does the company have a target rate of return on investment of more than 10%?

YES Return on equity is a key performance target for executive directors. Bonuses are based on a minimum ROE of 12%, with maximum bonuses being paid out when ROE exceeds 20%.

18. Is the company's use of leverage conservative enough given the preceding answers?

YES Banks have to borrow huge amounts of money at low interest rates in order to lend it out at higher interest rates, which means that by default they are leveraged up to the hilt.

It is therefore incredibly important that they manage their balance sheet risks in a prudent manner. If they don't then we all know what can happen (hint: massive rights issues, government takeovers, etc.)

Here's a quick recap of how banks run into trouble: Bank A raises £100m from depositors and lends it all to company X. Company X then defaults on the loan. Bank A must now raise the missing £100m from shareholders via a rights issue. Since rights issues are generally unpopular, banks try to avoid this situation by having a buffer of shareholder capital (a mix of retained profits and capital raised from earlier rights issues) available at all times. The question is, how large should the capital buffer be? If it's too big then the bank is not being run efficiently, i.e. it is not lending enough. But if it's too small then the bank runs the risk of having to raise capital through a rights issue if the number of loan impairments goes up.

Until recently I answered this question by looking at the common equity tier 1 ratio (CET1), since CET1 is the banking regulator's preferred measure of balance sheet strength. CET1 is the ratio between a bank's risk weighted assets (loans) and high quality "Tier 1" capital. A ratio of about 12% is sometimes thought of as very prudent, so that's the first standard I expect a bank to meet.

Close Brother's latest CET1 ratio is 12.6% and over the last five years it has averaged 13.2%, which is higher than any of the big banks that needed government support in the financial crisis (a crisis in which CB did not even cut its dividend). However, CET1 is just one measure and following the portfolio's failed investment in Standard Chartered, I researched and then added two more measures of balance sheet strength.

The first is the **Gross Revenue Ratio**. This is the ratio between gross revenues (interest income plus other income) and tangible shareholder capital (tangible assets minus liabilities). Gross revenue represents the risk taken on by the bank and tangible capital represents the bank's ability to absorb losses.

Before the recent banking crisis, just about every UK bank had a revenue ratio of more than 100%. In contrast, and following years of deleveraging, all the major banks and CB have revenue ratios of less than 100%. Based on my research, I think 100% is a reasonable maximum for what could be described as a prudent gross revenue ratio. As for CB, its revenue ratio is currently 87% and its five-year average is 95%.

The second new ratio is the **Leverage Ratio**. This is the ratio between tangible assets (loans) to tangible capital (the safety buffer). I think this is a robust and complimentary measure of balance sheet strength. Again, what is a prudent ratio? Before the banking crisis, all of the big banks had leverage ratios of more than 25 and sometimes much more. With a ratio of 25, a 4% decline in the value of a bank's loans would have wiped out its safety buffer entirely, leading to a massive rights issue. In contrast to the big banks, CB's leverage ratio never went significantly above 10 during the crisis. In other words, CB's loan book would have to decline in value by more than 10% before its safety buffer ran out, which is a much less likely scenario.

The big banks have now all followed CB's more prudent approach and their leverage ratios have all fallen below 20. However, given that Standard Chartered had to launch a rights issue despite having a leverage ratio of 17, I think 20 is still too high. With Standard Chartered's post-rights issue leverage ratio at just under 15, and with CB's leverage ratio currently at 8.7, I think a reasonable maximum ratio is 15.

So in summary, with a CET1 ratio of 12.6%, a gross revenue ratio of 87% and a leverage ratio of 8.7, I think its fair to say that CB probably has a significantly more prudent balance sheet than most of its peers.

19. Are the chances of this company becoming a value trap acceptably low (and if so, why are the shares attractively priced)?

YES I think the odds of Close Brothers being a value trap are relatively low. The company is not going through a crisis, its balance sheet appears to be strong and the latest annual results, announced in September, were generally quite positive. So why are the shares attractively valued, according to the stock screen?

First of all, I would say that the shares are not extremely cheap by normal standards. The dividend yield is just 4.1%, which is higher than average, but not by much. The PE ratio of 11.5 is low, but not dramatically so. What gives Close Brothers its high rank is that it does well across the board.

Its yield is above average at 4.1%, but at the same time its growth rate is also above average at 9.9%. It has good growth quality at 83% and good profitability at 14.4%. None of these figures is outstanding, but taken together its high yield, high growth rate, high growth quality, high profitability and middling valuation ratios (PE10 and PD10 of 17.4 and 31.3 respectively) are much better than those available at most other companies.

Overall I'd say this is a company that has managed to perform consistently well, but where the market does not see much to get excited about in a 100-plus year-old UK-focused merchant bank. This is probably especially true given the uncertainties surrounding the UK economy at the moment.

Uncovering competitive advantages

1. Does the company have any intangible asset advantages (brand names, patents, regulatory barriers)?

YES As a bank, CB is protected to some extent by regulatory barriers; it is not easy to set up a new deposit-taking bank and very few entrepreneur's even try. Other than that, its long history, leading market position and relatively well-known brand are probably useful but relatively weak advantages. I suspect a stronger intangible advantage is its culture of service and prudence.

2. Does the company gain an advantage from "switching costs", i.e. the effort required for customers to switch to a competitor?

NO The real answer is that it depends on the customer. Wealth management and current account clients may find switching to another bank more difficult, but the bulk of CB's business is financing arrangements where it is relatively easy to switch to another provider.

3. Do the company's products or services have a "network effect", i.e. become better as more people use them (e.g. Facebook, eBay)?

NO More customers do not make a bank's products or services better.

4. Does the company have any durable cost advantages (e.g. unique location, unique low cost source of raw materials, greater scale)?

NO I don't think Close Brothers has any meaningful cost advantages.

Making the trade - Are you happy to own these shares for at least 5 years?

YES Close Brothers appears to be a highly profitable, prudently run merchant bank with leading positions in many niche markets. It has a good track record of growth, a strong balance sheet and doesn't seem to be facing any sort of crisis, yet its yield is above average at 4.1%.

Given this combination of growth, yield and prudence, I will be adding Close Brothers to the model portfolio and my personal portfolio at some point in the next few days.

Higher ranked stocks that were not selected	Reason for not selecting
Stagecoach	Too much debt
Provident Financial	Too much debt
Connect Group	Pension too large

Readers' Q & A

Interesting and/or helpful questions from readers

Q: When you look at new potential investments, do you have an expectation in the back of your mind about how many will be successful value stocks and how many will be value traps?

A: I think a reasonable minimum ratio of winners to losers would be one to one. In other words, I think if a strategy is generating more losers than winners then it's unlikely to work out well over the long-term.

Of course, one win for every loss is a pretty low win ratio, so what do I actually "expect" to get?

Here's one way to look at it: Of the 30 companies I've sold over the last five years, six have been losers. So the ratio there is 24 winners to 6 losers giving a win/loss ratio of four winners for each loser. However, of the most recent ten sales, five have been losers, so my recent record is one win for each loss.

I think the portfolio's longer-term performance will be somewhere in between, i.e. more than one win per loss, but probably fewer than four; but it's impossible to know for sure.

If I had to put a number on it I'd say that I hope to achieve a win/loss ratio of at least two to one, i.e. two wins for each loss, assuming that the more important goals of generating market beating returns for less risk are also being met. I don't like losing money on investments, but if each loss was offset by at least two wins then I don't think the losses would be particularly upsetting.

Of course, I would always be trying to improve the win/loss ratio, but I think 2:1 is a reasonable minimum.

Defensive and Cyclical sectors

The Model Portfolio aims to be at least 33% invested in defensive FTSE sectors as defined in the Capita Dividend Monitor newsletter. All FTSE sectors are shown below as either defensive or cyclical:

Defensive Sectors

- Aerospace & Defense
- Beverages
- Electricity
- Fixed Line Telecommunications
- Food & Drug Retailers
- Food Producers
- Gas, Water & Multiutilities
- Health Care Equipment & Services
- Mobile Telecommunications
- Non-life Insurance
- Personal Goods
- Pharmaceuticals & Biotechnology
- Tobacco

Cyclical Sectors

- Automobiles & Parts
- Banks
- Chemicals
- Construction & Materials

Cyclical Sectors (continued)

- Electronic & Electrical Equipment
- Financial Services
- Forestry & Paper
- General Industrials
- General Retailers
- Household Goods & Home Construction
- Industrial Engineering
- Industrial Metals & Mining
- Industrial Transportation
- Leisure Goods
- Life Insurance
- Media
- Mining
- Oil & Gas Producers
- Oil Equipment, Services & Distribution
- Real Estate Investment & Services
- Software & Computer Services
- Support Services
- Technology Hardware & Equipment
- Travel & Leisure

Stock Screen - Sorted by Rank

Colour coding rules and column descriptions can be found in the appendices

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	Dividend Yield	PE10	Growth Rate	Growth Quality	Net Prof.	Debt Ratio	Capex Ratio
1	Petrofac Ltd	PFC	FTSE 250	Oil Equipment, Services & Distribution	£4.50	6.0	11.3%	5.6	9.4%	83%	29%	6.3	85%
2	Restaurant Group (The) PLC	RTN	FTSE 250	Travel & Leisure	£3.02	10.1	5.8%	11.7	9.8%	92%	19%	0.7	107%
3	Stagecoach Group PLC	SGC	FTSE 250	Travel & Leisure	£1.71	6.3	7.0%	7.4	6.8%	88%	13%	5.3	114%
4	Dunelm Group PLC	DNLM	FTSE 250	General Retailers	£7.07	18.4	3.7%	19.2	13.4%	96%	38%	1.6	47%
5	IG Group Holdings PLC	IGG	FTSE 250	Financial Services	£6.41	14.0	5.0%	17.5	7.5%	88%	25%	0.0	12%
6	Legal & General Group PLC	LGEN	FTSE 100	Life Insurance	£2.60	12.1	5.5%	18.3	13.8%	83%	17%	0.4	4%
7	Admiral Group PLC	ADM	FTSE 100	Nonlife Insurance	£18.17	21.0	6.3%	21.2	9.8%	79%	53%	0.1	10%
8	Provident Financial PLC	PFG	FTSE 250	Financial Services	£8.31	4.6	16.2%	7.2	10.0%	79%	9%	8.9	10%
9	Connect Group PLC	CNCT	Small Cap	Support Services	£1.01	5.8	9.4%	6.6	5.0%	71%	28%	3.8	22%
10	Next PLC	NXT	FTSE 100	General Retailers	£52.60	12.0	3.0%	17.1	11.2%	83%	42%	1.6	24%
11	Close Brothers Group PLC	CBG	FTSE 250	Banks	£14.75	11.6	4.1%	17.4	9.9%	83%	14%	N/A	27%
12	Capita PLC	CPI	FTSE 250	Support Services	£5.65	13.2	5.6%	14.0	8.5%	83%	11%	10.7	48%
13	PayPoint PLC	PAY	FTSE 250	Support Services	£9.55	14.5	4.7%	20.3	7.7%	79%	34%	0.0	27%
14	Galliford Try PLC	GFRD	FTSE 250	Household Goods & Home Construction	£13.53	23.9	7.1%	19.5	21.9%	83%	8%	9.9	12%
15	International Personal Finance PLC	IPF	Small Cap	Financial Services	£2.10	7.0	5.9%	5.7	9.2%	67%	10%	7.2	19%
16	Burberry Group PLC	BRBY	FTSE 100	Personal Goods	£17.60	20.5	2.2%	27.2	13.4%	88%	26%	0.1	44%
17	William Hill PLC	WMH	FTSE 250	Travel & Leisure	£2.52	12.7	5.0%	11.5	6.5%	79%	10%	3.7	36%
18	Prudential PLC	PRU	FTSE 100	Life Insurance	£17.86	23.1	2.4%	25.5	11.2%	88%	19%	N/K	11%
19	Domino's Pizza Group PLC	DOM	FTSE 250	Travel & Leisure	£3.10	23.8	2.6%	39.3	15.7%	100%	38%	1.1	32%
20	WPP Group PLC	WPP	FTSE 100	Media	£13.85	7.5	4.1%	15.4	15.6%	88%	7%	4.1	22%
21	Chesnara PLC	CSN	Small Cap	Life Insurance	£3.94	14.3	4.9%	16.5	5.1%	79%	12%	N/K	7%
22	Centrica PLC	CNA	FTSE 100	Gas, Water & Multiutilities	£1.87	6.0	6.4%	7.0	1.7%	71%	12%	4.1	94%
23	Essentra PLC	ESNT	FTSE 250	Support Services	£5.53	18.8	3.7%	20.8	13.9%	79%	11%	5.5	56%
24	S & U PLC	SUS	Small Cap	Financial Services	£20.70	12.2	4.4%	22.0	10.2%	88%	10%	3.4	7%
25	Telecom plus PLC	TEP	FTSE 250	Fixed Line Telecommunications	£10.86	33.4	4.4%	34.0	11.0%	75%	30%	2.5	27%
26	KCOM Group PLC	KCOM	Small Cap	Fixed Line Telecommunications	£0.99	15.5	6.1%	14.9	6.2%	58%	19%	1.6	77%
27	Babcock International Group PLC	BAB	FTSE 100	Support Services	£8.27	13.4	3.4%	18.5	10.4%	88%	8%	6.4	44%
28	Paddy Power Betfair PLC	PPB	FTSE 100	Travel & Leisure	£74.10	55.9	2.1%	52.9	16.8%	88%	38%	2.0	42%
29	Amec Foster Wheeler PLC	AMFW	FTSE 250	Oil Equipment, Services & Distribution	£5.09	18.6	1.5%	9.2	4.6%	63%	12%	7.7	13%
30	Moneysupermarket.com Group PLC	MONY	FTSE 250	Media	£3.18	23.3	3.1%	53.8	23.4%	88%	14%	0.0	44%
31	Ted Baker PLC	TED	FTSE 250	Personal Goods	£26.50	24.3	2.0%	41.1	17.9%	96%	23%	3.1	93%
32	Shire PLC	SHP	FTSE 100	Pharmaceuticals & Biotechnology	£37.88	23.5	0.6%	25.7	22.1%	88%	16%	14.1	18%
33	Whitbread PLC	WTB	FTSE 100	Travel & Leisure	£37.66	15.2	2.5%	23.1	13.3%	100%	10%	2.6	130%
34	Go-Ahead Group (The) PLC	GOG	FTSE 250	Travel & Leisure	£17.03	7.7	6.0%	10.3	4.5%	63%	12%	4.8	109%
35	Jardine Lloyd Thompson Group PLC	JLT	FTSE 250	Nonlife Insurance	£12.24	21.7	2.6%	25.3	5.6%	83%	36%	N/K	39%
36	Diploma PLC	DPLM	FTSE 250	Support Services	£10.64	25.1	1.9%	40.1	16.2%	96%	18%	0.2	9%
37	Paragon Banking Group PLC	PAG	FTSE 250	Financial Services	£4.39	10.7	3.1%	12.6	8.8%	79%	12%	116.2	4%
38	Rotork PLC	ROR	FTSE 250	Industrial Engineering	£2.60	33.9	2.0%	29.1	7.7%	88%	28%	1.3	15%
39	British American Tobacco PLC	BATS	FTSE 100	Tobacco	£46.72	19.9	3.6%	24.1	4.8%	83%	19%	4.8	17%
40	Ashmore Group PLC	ASHM	FTSE 250	Financial Services	£3.39	14.5	4.9%	15.2	0.0%	63%	31%	0.0	1%
41	Rightmove PLC	RMV	FTSE 250	Media	£40.45	29.7	1.3%	60.2	23.0%	92%	815%	0.0	2%
42	Greene King PLC	GNK	FTSE 250	Travel & Leisure	£5.47	7.9	6.1%	9.3	7.0%	75%	4%	15.5	103%
43	XP Power Ltd	XPP	Small Cap	Electronic & Electrical Equipment	£27.76	24.5	2.6%	32.4	11.8%	79%	22%	0.3	29%
44	Greggs PLC	GRG	FTSE 250	Food & Drug Retailers	£12.47	18.7	2.5%	29.1	7.5%	88%	18%	0.0	121%
45	Booker Group PLC	BOK	FTSE 250	Food & Drug Retailers	£2.05	24.0	2.7%	40.2	18.4%	92%	15%	0.0	22%
46	Bloomsbury Publishing PLC	BMY	Small Cap	Media	£1.61	13.2	4.2%	14.6	6.6%	83%	7%	0.2	30%
47	Aggreko PLC	AGK	FTSE 250	Support Services	£9.39	16.4	2.9%	12.5	6.2%	63%	16%	3.4	144%
48	Hansard Global PLC	HSD	Small Cap	Life Insurance	£0.85	13.4	10.5%	8.7	-6.9%	42%	30%	N/K	4%
49	Mitie Group PLC	MTO	FTSE 250	Support Services	£2.56	13.1	1.6%	12.3	3.4%	71%	12%	3.8	37%
50	Beazley PLC	BEZ	FTSE 250	Nonlife Insurance	£4.80	13.7	2.2%	19.3	5.3%	83%	17%	0.5	5%
51	SSE PLC	SSE	FTSE 100	Electricity	£13.97	8.6	6.5%	11.6	1.6%	79%	8%	6.7	141%
52	De La Rue PLC	DLAR	Small Cap	Support Services	£6.49	14.1	3.9%	12.2	-3.7%	46%	47%	2.5	61%
53	Ricardo PLC	RCDO	Small Cap	Support Services	£8.29	16.5	2.3%	22.5	9.4%	79%	14%	2.8	59%
54	Hilton Food Group PLC	HFG	Small Cap	Food Producers	£7.26	21.9	2.4%	29.9	6.9%	88%	25%	1.4	112%
55	BT Group PLC	BT.A	FTSE 100	Fixed Line Telecommunications	£2.84	11.2	5.4%	12.5	6.7%	67%	10%	5.5	140%
56	City of London Investment Group PLC	CLIG	Small Cap	Financial Services	£4.15	11.3	6.0%	15.6	1.2%	46%	46%	0.0	5%
57	Playtech PLC	PTEC	FTSE 250	Travel & Leisure	£9.19	25.1	3.0%	32.3	15.7%	79%	13%	3.9	33%
58	NCC Group PLC	NCC	Small Cap	Software & Computer Services	£2.16	81.5	2.2%	34.4	15.6%	88%	14%	3.3	58%
59	Hargreaves Lansdown PLC	HL.	FTSE 100	Financial Services	£14.80	32.9	2.0%	53.0	16.4%	83%	71%	0.0	4%
60	Halfords Group PLC	HFD	FTSE 250	General Retailers	£3.51	11.5	5.0%	10.3	-0.4%	58%	15%	1.7	40%
61	Victrex PLC	VCT	FTSE 250	Chemicals	£23.71	25.4	2.0%	31.6	12.6%	79%	22%	0.0	43%
62	Inmarsat PLC	ISAT	FTSE 250	Mobile Telecommunications	£6.43	16.3	6.7%	16.4	5.5%	71%	10%	11.3	136%
63	Laird PLC	LRD	Small Cap	Technology Hardware & Equipment	£1.43	10.8	2.4%	14.7	7.0%	75%	5%	9.5	102%
64	Marks & Spencer Group PLC	MKS	FTSE 100	General Retailers	£3.53	9.3	5.3%	10.1	1.7%	67%	10%	3.9	106%
65	ITE Group PLC	ITE	Small Cap	Media	£1.80	24.6	2.5%	15.0	3.1%	58%	26%	2.4	6%
66	Britvic PLC	BVIC	FTSE 250	Beverages	£7.55	15.5	3.2%	21.1	6.5%	79%	13%	7.7	67%
67	Croda International PLC	CRDA	FTSE 100	Chemicals	£37.93	23.9	2.0%	33.7	11.6%	83%	17%	2.3	41%
68	Ladbrokes Coral Group PLC	LCL	FTSE 250	Travel & Leisure	£1.22	20.8	2.5%	6.3	-7.2%	46%	18%	10.1	41%
69	Vedanta Resources PLC	VED	FTSE 250	Mining	£8.72	548.4	4.9%	3.2	13.6%	54%	1%	13.1	167%
70	Imperial Brands PLC	IMB	FTSE 100	Tobacco	£31.84	29.6	4.9%	20.4	8.7%	71%	10%	8.1	19%
71	Hiscox Ltd	HSX	FTSE 250	Nonlife Insurance	£12.80	10.9	2.1%	20.8	7.3%	79%	14%	N/K	11%
72	Micro Focus International PLC	MCRO	FTSE 100	Software & Computer Services	£23.87	29.4	2.9%	49.6	20.0%	79%	39%	10.4	20%
73	Mears Group PLC	MER	Small Cap	Support Services	£4.86	23.2	2.4%	23.2	8.5%	92%	9%	2.9	30%
74	Senior PLC	SNR	FTSE 250	Aerospace & Defense	£2.76	24.9	2.4%	19.6	9.9%	75%	12%	3.1	50%
75	Compass Group PLC	CPG	FTSE 100	Travel & Leisure	£15.83	24.3	2.1%	36.3	9.9%	96%	13%	3.8	53%
76	Computacenter PLC	CCC	FTSE 250	Software & Computer Services	£9.87	18.2	2.2%	24.2	6.6%	83%	14%	0.1	45%
77	Carillion PLC	CLLN	Small Cap	Support Services	£0.51	1.5	36.2%	1.6	0.4%	67%	7%	4.9	23%
78	Brown (N) Group PLC	BWNG	FTSE 250	General Retailers	£3.51	14.3	4.1%	13.4	3.3%	67%	11%	4.7	43%
79	Barr (AG) PLC	BAG	FTSE 250	Beverages	£6.18	28.2	2.3%	29.8	7.0%	83%	15%	0.0	52%
80	Brewin Dolphin Holdings PLC	BRW	FTSE 250	Financial Services	£3.49	22.4	3.7%	28.9	7.8%	71%	14%	0.0	60%

Stock Screen - Sorted by Rank

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Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	Dividend Yield	PE10	Growth Rate	Growth Quality	Net Prof.	Debt Ratio	Capex Ratio
81	Hikma Pharmaceuticals PLC	HIK	FTSE 250	Pharmaceuticals & Biotechnology	£12.11	19.1	2.2%	23.4	20.0%	83%	10%	4.7	57%
82	Kingfisher PLC	KGF	FTSE 100	General Retailers	£2.98	11.6	3.5%	12.6	5.9%	71%	8%	0.3	61%
83	Goodwin PLC	GDWN	Small Cap	Industrial Engineering	£16.71	17.5	2.5%	11.5	6.3%	50%	14%	2.6	93%
84	WH Smith PLC	SMWH	FTSE 250	General Retailers	£20.21	21.9	2.2%	32.4	8.6%	75%	47%	0.3	44%
85	PageGroup PLC	PAGE	FTSE 250	Support Services	£4.98	21.5	2.4%	29.0	5.5%	75%	27%	0.0	35%
86	Intertek Group PLC	ITRK	FTSE 100	Support Services	£49.82	28.8	1.3%	44.0	12.4%	92%	14%	4.1	52%
87	Headlam Group PLC	HEAD	Small Cap	Household Goods & Home Construction	£5.90	15.2	3.8%	21.3	4.7%	83%	11%	0.3	29%
88	St James's Place PLC	STJ	FTSE 100	Life Insurance	£11.46	54.4	2.9%	50.8	20.6%	83%	13%	N/K	6%
89	Novae Group PLC	NVA	Small Cap	Nonlife Insurance	£7.14	22.0	2.1%	15.9	7.3%	58%	11%	N/K	9%
90	Reckitt Benckiser Group PLC	RB.	FTSE 100	Household Goods & Home Construction	£68.13	25.5	2.2%	30.2	4.8%	83%	21%	1.4	14%
91	Renishaw PLC	RSW	FTSE 250	Electronic & Electrical Equipment	£47.63	33.2	1.1%	55.4	16.8%	83%	18%	0.1	68%
92	JD Sports Fashion PLC	JD.	FTSE 250	General Retailers	£3.74	19.6	0.4%	45.8	14.1%	83%	26%	0.3	65%
93	IMI PLC	IMI	FTSE 250	Industrial Engineering	£12.43	21.2	3.1%	20.0	3.3%	71%	17%	1.9	31%
94	Rathbone Brothers PLC	RAT	FTSE 250	Financial Services	£25.94	24.7	2.2%	33.8	7.4%	79%	16%	48.2	49%
95	Wood Group (John) PLC	WG.	FTSE 250	Oil Equipment, Services & Distribution	£6.80	19.7	3.9%	9.4	10.0%	54%	8%	4.2	22%
96	Tate & Lyle PLC	TATE	FTSE 250	Food Producers	£6.49	11.0	4.3%	12.8	0.6%	63%	11%	2.8	60%
97	RPC Group PLC	RPC	FTSE 250	General Industrials	£9.90	15.5	2.5%	30.8	16.7%	88%	9%	11.1	96%
98	Spectris PLC	SXS	FTSE 250	Electronic & Electrical Equipment	£24.10	20.7	2.2%	25.5	9.2%	79%	12%	1.8	22%
99	SThree PLC	STHR	Small Cap	Support Services	£3.52	16.8	4.0%	22.0	4.1%	50%	26%	0.3	32%
100	Fisher (James) & Sons PLC	FSJ	FTSE 250	Industrial Transportation	£15.55	19.7	1.7%	26.3	11.4%	88%	10%	3.4	74%
101	Cineworld Group PLC	CINE	FTSE 250	Travel & Leisure	£6.78	22.4	2.8%	33.3	12.3%	88%	8%	5.9	87%
102	4imprint Group PLC	FOUR	Small Cap	Media	£18.31	26.8	2.3%	58.7	16.4%	88%	13%	0.0	31%
103	AstraZeneca PLC	AZN	FTSE 100	Pharmaceuticals & Biotechnology	£49.55	25.9	4.4%	17.9	-3.7%	71%	15%	5.7	45%
104	Spirent Communications PLC	SPT	Small Cap	Technology Hardware & Equipment	£0.96	34.5	3.2%	17.0	-0.3%	75%	16%	0.0	36%
105	GlaxoSmithKline PLC	GSK	FTSE 100	Pharmaceuticals & Biotechnology	£14.89	45.0	5.4%	18.1	-1.3%	63%	14%	6.5	44%
106	Vodafone Group PLC	VOD	FTSE 100	Mobile Telecommunications	£2.09	30.9	6.2%	14.0	-5.1%	79%	7%	6.5	159%
107	Devro PLC	DVO	Small Cap	Food Producers	£2.38	17.5	3.7%	15.3	4.2%	63%	11%	5.9	129%
108	Marston's PLC	MARS	FTSE 250	Travel & Leisure	£1.09	7.9	6.7%	7.7	1.7%	67%	3%	16.6	157%
109	Bunzl PLC	BNZL	FTSE 100	Support Services	£22.67	25.2	1.9%	35.9	8.5%	100%	11%	6.3	12%
110	Interserve PLC	IRV	Small Cap	Support Services	£1.18	-1.4	6.9%	5.6	-7.3%	63%	8%	32.2	95%
111	Smiths Group PLC	SMIN	FTSE 100	General Industrials	£15.77	13.9	2.7%	18.3	2.8%	79%	11%	4.9	31%
112	Elementis PLC	ELM	FTSE 250	Chemicals	£2.71	23.0	2.5%	22.6	9.8%	71%	11%	0.1	33%
113	Johnson Matthey PLC	JMAT	FTSE 100	Chemicals	£34.20	16.8	2.2%	23.8	7.8%	75%	11%	3.1	69%
114	Fidessa Group PLC	FDSA	FTSE 250	Software & Computer Services	£22.47	24.5	1.9%	30.9	5.1%	83%	17%	0.0	136%
115	Hogg Robinson Group PLC	HRG	Small Cap	Support Services	£0.75	9.9	3.5%	11.4	4.7%	67%	8%	2.5	49%
116	BHP Billiton PLC	BLT	FTSE 100	Mining	£13.15	14.0	5.0%	9.0	-6.1%	54%	11%	4.0	110%
117	Halma PLC	HLMA	FTSE 250	Electronic & Electrical Equipment	£11.20	27.5	1.2%	45.7	9.7%	96%	13%	2.3	26%
118	Weir Group PLC	WEIR	FTSE 250	Industrial Engineering	£19.65	33.9	2.2%	19.0	8.5%	63%	11%	4.4	37%
119	Braemar Shipping Services PLC	BMS	FTSE Fledgli	Industrial Transportation	£3.15	22.9	4.4%	8.8	-3.4%	42%	10%	0.1	20%
120	Communisis PLC	CMS	Small Cap	Support Services	£0.58	8.9	4.2%	10.1	5.0%	67%	4%	5.4	86%
121	Xaar PLC	XAR	Small Cap	Electronic & Electrical Equipment	£4.45	21.6	2.2%	25.2	22.0%	63%	12%	0.0	93%
122	Diageo PLC	DGE	FTSE 100	Beverages	£24.53	22.6	2.5%	27.4	4.9%	79%	12%	3.7	23%
123	Pearson PLC	PSON	FTSE 100	Media	£6.12	9.2	8.5%	11.8	0.4%	67%	5%	6.2	40%
124	Intermediate Capital Group PLC	ICP	FTSE 250	Financial Services	£9.36	12.6	2.9%	20.1	6.5%	58%	11%	25.9	5%
125	Rio Tinto PLC	RIO	FTSE 100	Mining	£34.73	17.3	3.9%	11.2	1.1%	54%	11%	3.0	95%
126	Cranswick PLC	CWK	FTSE 250	Food Producers	£29.52	23.7	1.5%	36.1	7.6%	92%	12%	0.5	72%
127	Keller Group PLC	KLR	Small Cap	Construction & Materials	£8.19	10.0	3.5%	11.8	3.8%	67%	8%	7.5	111%
128	Ultra Electronics Holdings PLC	ULE	FTSE 250	Aerospace & Defense	£17.98	23.7	2.7%	20.5	4.6%	67%	13%	4.9	25%
129	Sage Group (The) PLC	SGE	FTSE 100	Software & Computer Services	£6.99	23.5	2.0%	34.3	6.1%	83%	14%	2.2	12%
130	Robert Walters PLC	RWA	Small Cap	Support Services	£5.60	21.3	1.5%	43.2	11.8%	79%	14%	3.3	45%
131	Fuller Smith & Turner PLC	FSTA	Small Cap	Travel & Leisure	£10.21	16.8	1.8%	22.6	8.2%	96%	6%	7.5	123%
132	National Grid PLC	NG.	FTSE 100	Gas, Water & Multiutilities	£9.25	14.4	5.2%	15.4	1.3%	75%	5%	13.7	169%
133	Hill & Smith Holdings PLC	HILS	FTSE 250	Industrial Engineering	£12.64	20.7	2.1%	30.6	7.1%	88%	11%	3.5	59%
134	Sainsbury (J) PLC	SBRY	FTSE 100	Food & Drug Retailers	£2.38	12.7	4.3%	9.9	-0.7%	63%	5%	4.6	210%
135	HSBC Holdings PLC	HSBA	FTSE 100	Banks	£7.37	29.1	5.4%	17.9	3.2%	71%	7%	N/A	25%
136	Bellway PLC	BWY	FTSE 250	Household Goods & Home Construction	£32.97	10.5	3.3%	32.3	38.5%	83%	7%	0.2	3%
137	DS Smith PLC	SMDS	FTSE 250	General Industrials	£4.93	18.8	3.1%	32.7	20.2%	79%	6%	6.6	111%
138	Dignity PLC	DTY	FTSE 250	General Retailers	£23.06	18.1	1.0%	29.1	13.7%	83%	9%	10.9	45%
139	Schroders PLC	SDR	FTSE 100	Financial Services	£33.55	19.2	2.8%	29.4	15.8%	83%	3%	N/K	8%
140	Carr's Group PLC	CARR	Small Cap	Food Producers	£1.44	13.8	2.6%	15.7	5.4%	67%	9%	4.1	58%
141	TP ICAP PLC	TCAP	FTSE 250	Financial Services	£5.24	13.5	3.2%	12.3	-2.2%	42%	13%	6.7	15%
142	Old Mutual PLC	OML	FTSE 100	Life Insurance	£1.94	15.6	3.1%	18.3	8.3%	54%	7%	N/K	63%
143	Standard Life Aberdeen PLC	SLA	FTSE 100	Life Insurance	£4.34	21.2	4.6%	23.6	4.1%	71%	9%	1.3	22%
144	Greencore Group PLC	GNC	FTSE 250	Food Producers	£1.96	15.7	2.8%	20.7	9.5%	63%	7%	5.6	107%
145	Morgan Advanced Materials PLC	MGAM	FTSE 250	Electronic & Electrical Equipment	£3.11	14.4	3.5%	14.5	3.4%	58%	9%	5.8	55%
146	Bodycote PLC	BOY	FTSE 250	Industrial Engineering	£9.16	25.6	1.7%	27.7	8.0%	75%	12%	0.1	85%
147	Costain Group PLC	COST	Small Cap	Construction & Materials	£4.48	17.9	2.8%	22.1	4.2%	63%	13%	3.9	26%
148	Hays PLC	HAS	FTSE 250	Support Services	£1.89	19.9	1.7%	29.0	1.5%	71%	22%	0.0	21%
149	Spirax-Sarco Engineering PLC	SPX	FTSE 250	Industrial Engineering	£55.25	33.9	1.4%	43.8	6.8%	83%	17%	0.9	37%
150	Morrison (Wm) Supermarkets PLC	MRW	FTSE 100	Food & Drug Retailers	£2.34	27.7	2.3%	12.6	-2.5%	67%	7%	3.9	150%
151	Informa PLC	INF	FTSE 100	Media	£6.72	15.9	2.9%	25.6	6.3%	79%	8%	7.2	35%
152	Drax Group PLC	DRX	FTSE 250	Electricity	£3.11	6.8	0.8%	5.9	-5.8%	46%	7%	2.3	69%
153	Cobham PLC	COB	FTSE 250	Aerospace & Defense	£1.46	-12.9	1.2%	17.3	-10.6%	63%	12%	14.0	56%
154	Investec PLC	INVP	FTSE 250	Financial Services	£5.45	11.0	4.2%	14.4	1.9%	75%	1%	114.3	23%
155	Clarkson PLC	CKN	FTSE 250	Industrial Transportation	£28.61	20.0	2.3%	23.5	3.3%	79%	11%	0.9	15%
156	Ashtead Group PLC	AHT	FTSE 100	Support Services	£17.99	14.6	1.5%	42.0	38.4%	92%	6%	7.2	39%
157	PZ Cussons PLC	PZC	FTSE 250	Personal Goods	£3.20	19.4	2.6%	19.7	3.0%	71%	11%	4.2	50%
158	NEX Group PLC	NXG	FTSE 250	Financial Services	£6.62	26.3	5.8%	14.5	-8.3%	46%	11%	3.6	37%
159	Vp PLC	VP.	Small Cap	Support Services	£8.35	18.9	2.6%	29.4	9.9%	75%	7%	7.9	321%
160	Royal Dutch Shell PLC	RDSB	FTSE 100	Oil & Gas Producers	£22.94	41.3	6.3%	12.8	-2.5%	50%	9%	7.7	164%

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Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	Dividend Yield	PE10	Growth Rate	Growth Quality	Net Prof.	Debt Ratio	Capex Ratio
161	Euromoney Institutional Investor PLC	ERM	FTSE 250	Media	£11.71	25.2	2.0%	25.3	5.4%	58%	16%	0.0	8%
162	Homeserve PLC	HSV	FTSE 250	Support Services	£8.32	35.4	1.8%	37.2	4.8%	83%	14%	4.6	50%
163	Meggitt PLC	MGGT	FTSE 250	Aerospace & Defense	£5.21	17.5	2.9%	20.5	6.5%	75%	5%	6.1	68%
164	InterContinental Hotels Group PLC	IHG	FTSE 100	Travel & Leisure	£39.48	24.8	1.4%	34.1	5.6%	75%	18%	5.5	44%
165	Pennon Group PLC	PNN	FTSE 250	Gas, Water & Multiutilities	£7.97	17.5	4.5%	20.4	4.2%	75%	4%	19.8	194%
166	Low & Bonar PLC	LWB	Small Cap	General Industrials	£0.79	16.0	3.8%	16.2	6.9%	58%	4%	9.1	123%
167	Treatt PLC	TET	Small Cap	Chemicals	£4.61	36.0	0.9%	61.8	10.4%	88%	11%	1.7	32%
168	RPS Group PLC	RPS	Small Cap	Support Services	£2.88	20.5	3.4%	19.8	5.3%	71%	7%	3.2	24%
169	Unilever PLC	ULVR	FTSE 100	Personal Goods	£43.19	27.0	2.5%	34.2	3.5%	71%	15%	3.7	44%
170	FTSE 100				7,323	24.8	3.9%	16.7	2.9%	50%	10%	4.0	50%
171	BAE Systems PLC	BA.	FTSE 100	Aerospace & Defense	£6.32	21.9	3.4%	18.0	-0.9%	71%	8%	4.9	36%
172	Aveva Group PLC	AVV	FTSE 250	Software & Computer Services	£24.35	38.6	1.6%	37.7	6.5%	75%	18%	0.0	9%
173	Associated British Foods PLC	ABF	FTSE 100	Food Producers	£ 31.93	28.5	1.2%	39.2	8.3%	92%	8%	1.1	106%
174	Experian PLC	EXPN	FTSE 100	Support Services	£14.99	22.6	2.2%	35.4	7.7%	75%	11%	5.3	58%
175	Man Group PLC	EMG	FTSE 250	Financial Services	£1.68	34.6	4.2%	13.5	-13.2%	42%	8%	0.7	27%
176	Charles Taylor PLC	CTR	Small Cap	Support Services	£2.75	17.5	3.8%	18.1	1.1%	67%	6%	6.3	44%
177	United Utilities Group PLC	UU.	FTSE 100	Gas, Water & Multiutilities	£8.55	15.6	4.5%	16.7	1.5%	63%	3%	18.8	184%
178	IWG PLC	IWG	FTSE 250	Support Services	£3.10	20.8	1.6%	38.6	10.5%	79%	8%	2.2	238%
179	QinetiQ Group PLC	QQ.	FTSE 250	Aerospace & Defense	£2.47	13.4	2.4%	17.5	4.1%	50%	13%	0.0	32%
180	Boot (Henry) PLC	BOOT	Small Cap	Construction & Materials	£3.01	14.3	2.3%	30.7	14.5%	71%	5%	2.2	117%
181	Smith & Nephew PLC	SN.	FTSE 100	Health Care Equipment & Services	£13.48	30.9	1.8%	33.3	6.6%	75%	12%	3.7	58%
182	Porvair PLC	PRV	Small Cap	Industrial Engineering	£4.80	28.1	0.8%	46.6	12.8%	88%	7%	0.0	61%
183	RELX PLC	REL	FTSE 100	Media	£16.37	27.5	2.2%	38.8	5.2%	71%	14%	4.5	31%
184	Aviva PLC	AV.	FTSE 100	Life Insurance	£5.14	26.5	4.5%	15.3	-2.2%	50%	7%	N/K	22%
185	Ferrexpo PLC	FXPO	FTSE 250	Industrial Metals & Mining	£2.92	12.0	0.8%	10.4	-4.5%	50%	15%	4.5	82%
186	Millennium & Copthorne Hotels PLC	MLC	FTSE 250	Travel & Leisure	£4.50	15.1	1.7%	11.4	4.1%	54%	4%	7.3	92%
187	Chemring Group PLC	CHG	Small Cap	Aerospace & Defense	£1.80	41.7	0.7%	8.9	-15.8%	50%	6%	6.7	75%
188	UBM PLC	UBM	FTSE 250	Media	£6.82	23.3	3.2%	22.4	-1.4%	63%	9%	6.2	22%
189	BP PLC	BP.	FTSE 100	Oil & Gas Producers	£4.77	-72.4	6.4%	15.0	-6.9%	46%	6%	11.3	217%
190	Fenner PLC	FENR	Small Cap	Industrial Engineering	£3.37	46.5	0.9%	17.6	3.4%	54%	7%	6.2	79%
191	Huntsworth PLC	HNT	Small Cap	Media	£0.74	18.4	2.4%	12.2	-5.4%	33%	6%	3.0	21%
192	Severn Trent PLC	SVT	FTSE 100	Gas, Water & Multiutilities	£21.73	19.3	3.8%	23.3	1.1%	71%	3%	22.2	213%
193	Tarsus PLC	TRS	Small Cap	Media	£2.86	31.8	3.2%	28.0	4.8%	58%	8%	7.7	19%
194	BBA Aviation PLC	BBA	FTSE 250	Industrial Transportation	£2.98	21.0	3.4%	23.4	4.4%	63%	7%	12.4	58%
195	Zotefoams PLC	ZTF	Small Cap	Chemicals	£3.52	25.8	1.6%	34.8	5.5%	75%	9%	3.4	127%
196	DCC PLC	DCC	FTSE 100	Support Services	£72.45	27.9	1.5%	44.5	8.9%	75%	8%	8.7	55%
197	Genus PLC	GNS	FTSE 250	Pharmaceuticals & Biotechnology	£20.98	31.5	1.1%	47.4	9.2%	83%	6%	4.5	52%
198	Mondi PLC	MNDI	FTSE 100	Forestry & Paper	£20.05	16.7	2.4%	33.0	18.9%	58%	6%	3.2	135%
199	Anglo-Eastern Plantations PLC	AEP	Small Cap	Food Producers	£8.65	12.1	0.3%	11.6	-0.2%	58%	10%	0.9	89%
200	Randgold Resources Ltd	RRS	FTSE 100	Mining	£73.15	37.8	1.1%	48.0	23.8%	71%	6%	0.0	117%
201	RSA Insurance Group PLC	RSA	FTSE 100	Nonlife Insurance	£6.23	12.4	2.6%	24.7	-13.4%	42%	10%	N/K	74%
202	Consort Medical PLC	CSRT	Small Cap	Health Care Equipment & Services	£10.87	22.4	1.9%	28.1	6.1%	54%	9%	6.2	90%
203	Menzies (John) PLC	MNZS	Small Cap	Support Services	£7.20	-338.0	2.5%	22.8	-1.0%	63%	8%	5.3	117%
204	Dairy Crest Group PLC	DCG	FTSE 250	Food Producers	£6.14	27.2	3.7%	18.2	-6.7%	46%	7%	6.5	111%
205	Antofagasta PLC	ANTO	FTSE 100	Mining	£9.49	35.6	1.5%	18.1	-1.7%	63%	8%	5.8	140%
206	Rolls-Royce Group PLC	RR.	FTSE 100	Aerospace & Defense	£8.87	29.5	0.5%	22.1	5.6%	50%	7%	172.4	116%
207	Morgan Sindall PLC	MGNS	Small Cap	Construction & Materials	£14.28	17.6	2.5%	24.7	-6.6%	38%	11%	1.3	23%
208	Oxford Instruments PLC	OXIG	Small Cap	Electronic & Electrical Equipment	£9.69	23.1	1.3%	30.9	4.7%	71%	8%	7.2	60%
209	Dechra Pharmaceuticals PLC	DPH	FTSE 250	Pharmaceuticals & Biotechnology	£20.40	63.4	1.1%	96.8	4.3%	88%	8%	8.3	36%
210	G4S PLC	GFS	FTSE 100	Support Services	£2.78	18.1	3.4%	25.6	0.5%	54%	5%	21.1	100%
211	Renewi PLC	RWI	Small Cap	Support Services	£1.02	29.3	3.0%	21.1	-0.5%	54%	3%	25.7	269%
212	Electrocomponents PLC	ECM	FTSE 250	Support Services	£6.21	30.5	2.0%	45.2	-0.3%	54%	12%	3.9	44%
213	Speedy Hire PLC	SDY	Small Cap	Support Services	£0.51	20.4	2.0%	15.0	-9.6%	54%	2%	6.8	80%
214	London Stock Exchange Group PLC	LSE	FTSE 100	Financial Services	£38.30	52.9	1.1%	57.2	8.5%	63%	7%	4.4	32%
215	Barclays PLC	BARC	FTSE 100	Banks	£1.93	139.9	1.6%	19.1	-11.8%	42%	2%	N/A	107%
216	Acal PLC	ACL	Small Cap	Electronic & Electrical Equipment	£3.10	18.3	2.7%	32.9	-5.9%	63%	6%	6.3	38%
217	Marshalls PLC	MSLH	FTSE 250	Construction & Materials	£4.36	23.5	2.0%	47.3	6.8%	58%	5%	0.7	73%
218	Fresnillo PLC	FRES	FTSE 100	Mining	£14.05	32.4	1.7%	38.7	-2.3%	58%	10%	3.0	100%
219	CRH PLC	CRH	FTSE 100	Construction & Materials	£28.37	23.8	1.9%	35.0	-0.1%	50%	3%	11.7	85%
220	UDG Healthcare PLC	UDG	FTSE 250	Health Care Equipment & Services	£8.49	42.1	1.1%	49.4	-2.7%	71%	7%	5.5	65%
221	Melrose Industries PLC	MRO	FTSE 250	Construction & Materials	£2.13	59.7	1.0%	144.8	-2.3%	58%	2%	12.2	43%

Stock Screen - Sorted by Name

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Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	Dividend Yield	PE10	Growth Rate	Growth Quality	Net Prof.	Debt Ratio	Capex Ratio
102	4imprint Group PLC	FOUR	Small Cap	Media	£18.31	26.8	2.3%	58.7	16.4%	88%	13%	0.0	31%
216	Acal PLC	ACL	Small Cap	Electronic & Electrical Equipment	£3.10	18.3	2.7%	32.9	-5.9%	63%	6%	6.3	38%
7	Admiral Group PLC	ADM	FTSE 100	Nonlife Insurance	£18.17	21.0	6.3%	21.2	9.8%	79%	53%	0.1	10%
47	Aggreko PLC	AGK	FTSE 250	Support Services	£9.39	16.4	2.9%	12.5	6.2%	63%	16%	3.4	144%
29	Amec Foster Wheeler PLC	AMFW	FTSE 250	Oil Equipment, Services & Distribution	£5.09	18.6	1.5%	9.2	4.6%	63%	12%	7.7	13%
199	Anglo-Eastern Plantations PLC	AEP	Small Cap	Food Producers	£8.65	12.1	0.3%	11.6	-0.2%	58%	10%	0.9	89%
205	Antofagasta PLC	ANTO	FTSE 100	Mining	£9.49	35.6	1.5%	18.1	-1.7%	63%	8%	5.8	140%
40	Ashmore Group PLC	ASHM	FTSE 250	Financial Services	£3.39	14.5	4.9%	15.2	0.0%	63%	31%	0.0	1%
156	Ashtead Group PLC	AHT	FTSE 100	Support Services	£17.99	14.6	1.5%	42.0	38.4%	92%	6%	7.2	39%
173	Associated British Foods PLC	ABF	FTSE 100	Food Producers	£ 31.93	28.5	1.2%	39.2	8.3%	92%	8%	1.1	106%
103	AstraZeneca PLC	AZN	FTSE 100	Pharmaceuticals & Biotechnology	£49.55	25.9	4.4%	17.9	-3.7%	71%	15%	5.7	45%
172	Aveva Group PLC	AVV	FTSE 250	Software & Computer Services	£24.35	38.6	1.6%	37.7	6.5%	75%	18%	0.0	9%
184	Aviva PLC	AV.	FTSE 100	Life Insurance	£5.14	26.5	4.5%	15.3	-2.2%	50%	7%	N/K	22%
27	Babcock International Group PLC	BAB	FTSE 100	Support Services	£8.27	13.4	3.4%	18.5	10.4%	88%	8%	6.4	44%
171	BAE Systems PLC	BA.	FTSE 100	Aerospace & Defense	£6.32	21.9	3.4%	18.0	-0.9%	71%	8%	4.9	36%
215	Barclays PLC	BARC	FTSE 100	Banks	£1.93	139.9	1.6%	19.1	-11.8%	42%	2%	N/A	107%
79	Barr (AG) PLC	BAG	FTSE 250	Beverages	£6.18	28.2	2.3%	29.8	7.0%	83%	15%	0.0	52%
194	BBA Aviation PLC	BBA	FTSE 250	Industrial Transportation	£2.98	21.0	3.4%	23.4	4.4%	63%	7%	12.4	58%
50	Beazley PLC	BEZ	FTSE 250	Nonlife Insurance	£4.80	13.7	2.2%	19.3	5.3%	83%	17%	0.5	5%
136	Bellway PLC	BWY	FTSE 250	Household Goods & Home Construction	£32.97	10.5	3.3%	32.3	38.5%	83%	7%	0.2	3%
116	BHP Billiton PLC	BLT	FTSE 100	Mining	£13.15	14.0	5.0%	9.0	-6.1%	54%	11%	4.0	110%
46	Bloomsbury Publishing PLC	BMY	Small Cap	Media	£1.61	13.2	4.2%	14.6	6.6%	83%	7%	0.2	30%
146	Bodycote PLC	BOY	FTSE 250	Industrial Engineering	£9.16	25.6	1.7%	27.7	8.0%	75%	12%	0.1	85%
45	Booker Group PLC	BOK	FTSE 250	Food & Drug Retailers	£2.05	24.0	2.7%	40.2	18.4%	92%	15%	0.0	22%
180	Boot (Henry) PLC	BOOT	Small Cap	Construction & Materials	£3.01	14.3	2.3%	30.7	14.5%	71%	5%	2.2	117%
189	BP PLC	BP.	FTSE 100	Oil & Gas Producers	£4.77	-72.4	6.4%	15.0	-6.9%	46%	6%	11.3	217%
119	Braemar Shipping Services PLC	BMS	FTSE Fledgli	Industrial Transportation	£3.15	22.9	4.4%	8.8	-3.4%	42%	10%	0.1	20%
80	Brewin Dolphin Holdings PLC	BRW	FTSE 250	Financial Services	£3.49	22.4	3.7%	28.9	7.8%	71%	14%	0.0	60%
39	British American Tobacco PLC	BATS	FTSE 100	Tobacco	£46.72	19.9	3.6%	24.1	4.8%	83%	19%	4.8	17%
66	Britvic PLC	BVIC	FTSE 250	Beverages	£7.55	15.5	3.2%	21.1	6.5%	79%	13%	7.7	67%
78	Brown (N) Group PLC	BWNG	FTSE 250	General Retailers	£3.51	14.3	4.1%	13.4	3.3%	67%	11%	4.7	43%
55	BT Group PLC	BT.A	FTSE 100	Fixed Line Telecommunications	£2.84	11.2	5.4%	12.5	6.7%	67%	10%	5.5	140%
109	Bunzl PLC	BNZL	FTSE 100	Support Services	£22.67	25.2	1.9%	35.9	8.5%	100%	11%	6.3	12%
16	Burberry Group PLC	BRBY	FTSE 100	Personal Goods	£17.60	20.5	2.2%	27.2	13.4%	88%	26%	0.1	44%
12	Capita PLC	CPI	FTSE 250	Support Services	£5.65	13.2	5.6%	14.0	8.5%	83%	11%	10.7	48%
77	Carillion PLC	CLLN	Small Cap	Support Services	£0.51	1.5	36.2%	1.6	0.4%	67%	7%	4.9	23%
140	Carr's Group PLC	CARR	Small Cap	Food Producers	£1.44	13.8	2.6%	15.7	5.4%	67%	9%	4.1	58%
22	Centrica PLC	CNA	FTSE 100	Gas, Water & Multiutilities	£1.87	6.0	6.4%	7.0	1.7%	71%	12%	4.1	94%
176	Charles Taylor PLC	CTR	Small Cap	Support Services	£2.75	17.5	3.8%	18.1	1.1%	67%	6%	6.3	44%
187	Chemring Group PLC	CHG	Small Cap	Aerospace & Defense	£1.80	41.7	0.7%	8.9	-15.8%	50%	6%	6.7	75%
21	Chesnara PLC	CSN	Small Cap	Life Insurance	£3.94	14.3	4.9%	16.5	5.1%	79%	12%	N/K	7%
101	Cineworld Group PLC	CINE	FTSE 250	Travel & Leisure	£6.78	22.4	2.8%	33.3	12.3%	88%	8%	5.9	87%
56	City of London Investment Group PLC	CLIG	Small Cap	Financial Services	£4.15	11.3	6.0%	15.6	1.2%	46%	46%	0.0	5%
155	Clarkson PLC	CKN	FTSE 250	Industrial Transportation	£28.61	20.0	2.3%	23.5	3.3%	79%	11%	0.9	15%
11	Close Brothers Group PLC	CBG	FTSE 250	Banks	£14.75	11.6	4.1%	17.4	9.9%	83%	14%	N/A	27%
153	Cobham PLC	COB	FTSE 250	Aerospace & Defense	£1.46	-12.9	1.2%	17.3	-10.6%	63%	12%	14.0	56%
120	Communisis PLC	CMS	Small Cap	Support Services	£0.58	8.9	4.2%	10.1	5.0%	67%	4%	5.4	86%
75	Compass Group PLC	CPG	FTSE 100	Travel & Leisure	£15.83	24.3	2.1%	36.3	9.9%	96%	13%	3.8	53%
76	Computacenter PLC	CCC	FTSE 250	Software & Computer Services	£9.87	18.2	2.2%	24.2	6.6%	83%	14%	0.1	45%
9	Connect Group PLC	CNCT	Small Cap	Support Services	£1.01	5.8	9.4%	6.6	5.0%	71%	28%	3.8	22%
202	Consort Medical PLC	CSRT	Small Cap	Health Care Equipment & Services	£10.87	22.4	1.9%	28.1	6.1%	54%	9%	6.2	90%
147	Costain Group PLC	COST	Small Cap	Construction & Materials	£4.48	17.9	2.8%	22.1	4.2%	63%	13%	3.9	26%
126	Cranswick PLC	CWK	FTSE 250	Food Producers	£29.52	23.7	1.5%	36.1	7.6%	92%	12%	0.5	72%
219	CRH PLC	CRH	FTSE 100	Construction & Materials	£28.37	23.8	1.9%	35.0	-0.1%	50%	3%	11.7	85%
67	Croda International PLC	CRDA	FTSE 100	Chemicals	£37.93	23.9	2.0%	33.7	11.6%	83%	17%	2.3	41%
204	Dairy Crest Group PLC	DCG	FTSE 250	Food Producers	£6.14	27.2	3.7%	18.2	-6.7%	46%	7%	6.5	111%
196	DCC PLC	DCC	FTSE 100	Support Services	£72.45	27.9	1.5%	44.5	8.9%	75%	8%	8.7	55%
52	De La Rue PLC	DLAR	Small Cap	Support Services	£6.49	14.1	3.9%	12.2	-3.7%	46%	47%	2.5	61%
209	Dechra Pharmaceuticals PLC	DPH	FTSE 250	Pharmaceuticals & Biotechnology	£20.40	63.4	1.1%	96.8	4.3%	88%	8%	8.3	36%
107	Devro PLC	DVO	Small Cap	Food Producers	£2.38	17.5	3.7%	15.3	4.2%	63%	11%	5.9	129%
122	Diageo PLC	DGE	FTSE 100	Beverages	£24.53	22.6	2.5%	27.4	4.9%	79%	12%	3.7	23%
138	Dignity PLC	DTY	FTSE 250	General Retailers	£23.06	18.1	1.0%	29.1	13.7%	83%	9%	10.9	45%
36	Diploma PLC	DPLM	FTSE 250	Support Services	£10.64	25.1	1.9%	40.1	16.2%	96%	18%	0.2	9%
19	Domino's Pizza Group PLC	DOM	FTSE 250	Travel & Leisure	£3.10	23.8	2.6%	39.3	15.7%	100%	38%	1.1	32%
152	Drax Group PLC	DRX	FTSE 250	Electricity	£3.11	6.8	0.8%	5.9	-5.8%	46%	7%	2.3	69%
137	DS Smith PLC	SMDS	FTSE 250	General Industrials	£4.93	18.8	3.1%	32.7	20.2%	79%	6%	6.6	111%
4	Dunelm Group PLC	DNLM	FTSE 250	General Retailers	£7.07	18.4	3.7%	19.2	13.4%	96%	38%	1.6	47%
212	Electrocomponents PLC	ECM	FTSE 250	Support Services	£6.21	30.5	2.0%	45.2	-0.3%	54%	12%	3.9	44%
112	Elementis PLC	ELM	FTSE 250	Chemicals	£2.71	23.0	2.5%	22.6	9.8%	71%	11%	0.1	33%
23	Essentra PLC	ESNT	FTSE 250	Support Services	£5.53	18.8	3.7%	20.8	13.9%	79%	11%	5.5	56%
161	Euromoney Institutional Investor PLC	ERM	FTSE 250	Media	£11.71	25.2	2.0%	25.3	5.4%	58%	16%	0.0	8%
174	Experian PLC	EXPN	FTSE 100	Support Services	£14.99	22.6	2.2%	35.4	7.7%	75%	11%	5.3	58%
190	Fenner PLC	FENR	Small Cap	Industrial Engineering	£3.37	46.5	0.9%	17.6	3.4%	54%	7%	6.2	79%
185	Ferrexpo PLC	FXPO	FTSE 250	Industrial Metals & Mining	£2.92	12.0	0.8%	10.4	-4.5%	50%	15%	4.5	82%
114	Fidessa Group PLC	FDSA	FTSE 250	Software & Computer Services	£22.47	24.5	1.9%	30.9	5.1%	83%	17%	0.0	136%
100	Fisher (James) & Sons PLC	FSJ	FTSE 250	Industrial Transportation	£15.55	19.7	1.7%	26.3	11.4%	88%	10%	3.4	74%
218	Fresnillo PLC	FRES	FTSE 100	Mining	£14.05	32.4	1.7%	38.7	-2.3%	58%	10%	3.0	100%
170	FTSE 100				7,323	24.8	3.9%	16.7	2.9%	50%	10%	4.0	50%
131	Fuller Smith & Turner PLC	FSTA	Small Cap	Travel & Leisure	£10.21	16.8	1.8%	22.6	8.2%	96%	6%	7.5	123%
210	G4S PLC	GFS	FTSE 100	Support Services	£2.78	18.1	3.4%	25.6	0.5%	54%	5%	21.1	100%

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Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	Dividend Yield	PE10	Growth Rate	Growth Quality	Net Prof.	Debt Ratio	Capex Ratio
14	Galliford Try PLC	GFRD	FTSE 250	Household Goods & Home Construction	£13.53	23.9	7.1%	19.5	21.9%	83%	8%	9.9	12%
197	Genus PLC	GNS	FTSE 250	Pharmaceuticals & Biotechnology	£20.98	31.5	1.1%	47.4	9.2%	83%	6%	4.5	52%
105	GlaxoSmithKline PLC	GSK	FTSE 100	Pharmaceuticals & Biotechnology	£14.89	45.0	5.4%	18.1	-1.3%	63%	14%	6.5	44%
34	Go-Ahead Group (The) PLC	GOG	FTSE 250	Travel & Leisure	£17.03	7.7	6.0%	10.3	4.5%	63%	12%	4.8	109%
83	Goodwin PLC	GDWN	Small Cap	Industrial Engineering	£16.71	17.5	2.5%	11.5	6.3%	50%	14%	2.6	93%
144	Greencore Group PLC	GNC	FTSE 250	Food Producers	£1.96	15.7	2.8%	20.7	9.5%	63%	7%	5.6	107%
42	Greene King PLC	GNK	FTSE 250	Travel & Leisure	£5.47	7.9	6.1%	9.3	7.0%	75%	4%	15.5	103%
44	Greggs PLC	GRG	FTSE 250	Food & Drug Retailers	£12.47	18.7	2.5%	29.1	7.5%	88%	18%	0.0	121%
60	Halfords Group PLC	HFD	FTSE 250	General Retailers	£3.51	11.5	5.0%	10.3	-0.4%	58%	15%	1.7	40%
117	Halma PLC	HLMA	FTSE 250	Electronic & Electrical Equipment	£11.20	27.5	1.2%	45.7	9.7%	96%	13%	2.3	26%
48	Hansard Global PLC	HSD	Small Cap	Life Insurance	£0.85	13.4	10.5%	8.7	-6.9%	42%	30%	N/K	4%
59	Hargreaves Lansdown PLC	HL.	FTSE 100	Financial Services	£14.80	32.9	2.0%	53.0	16.4%	83%	71%	0.0	4%
148	Hays PLC	HAS	FTSE 250	Support Services	£1.89	19.9	1.7%	29.0	1.5%	71%	22%	0.0	21%
87	Headlam Group PLC	HEAD	Small Cap	Household Goods & Home Construction	£5.90	15.2	3.8%	21.3	4.7%	83%	11%	0.3	29%
81	Hikma Pharmaceuticals PLC	HIK	FTSE 250	Pharmaceuticals & Biotechnology	£12.11	19.1	2.2%	23.4	20.0%	83%	10%	4.7	57%
133	Hill & Smith Holdings PLC	HILS	FTSE 250	Industrial Engineering	£12.64	20.7	2.1%	30.6	7.1%	88%	11%	3.5	59%
54	Hilton Food Group PLC	HFG	Small Cap	Food Producers	£7.26	21.9	2.4%	29.9	6.9%	88%	25%	1.4	112%
71	Hiscox Ltd	HSX	FTSE 250	Nonlife Insurance	£12.80	10.9	2.1%	20.8	7.3%	79%	14%	N/K	11%
115	Hogg Robinson Group PLC	HRG	Small Cap	Support Services	£0.75	9.9	3.5%	11.4	4.7%	67%	8%	2.5	49%
162	Homeserve PLC	HSV	FTSE 250	Support Services	£8.32	35.4	1.8%	37.2	4.8%	83%	14%	4.6	50%
135	HSBC Holdings PLC	HSBA	FTSE 100	Banks	£7.37	29.1	5.4%	17.9	3.2%	71%	7%	N/A	25%
191	Huntsworth PLC	HNT	Small Cap	Media	£0.74	18.4	2.4%	12.2	-5.4%	33%	6%	3.0	21%
5	IG Group Holdings PLC	IGG	FTSE 250	Financial Services	£6.41	14.0	5.0%	17.5	7.5%	88%	25%	0.0	12%
93	IMI PLC	IMI	FTSE 250	Industrial Engineering	£12.43	21.2	3.1%	20.0	3.3%	71%	17%	1.9	31%
70	Imperial Brands PLC	IMB	FTSE 100	Tobacco	£31.84	29.6	4.9%	20.4	8.7%	71%	10%	8.1	19%
151	Informa PLC	INF	FTSE 100	Media	£6.72	15.9	2.9%	25.6	6.3%	79%	8%	7.2	35%
62	Inmarsat PLC	ISAT	FTSE 250	Mobile Telecommunications	£6.43	16.3	6.7%	16.4	5.5%	71%	10%	11.3	136%
164	InterContinental Hotels Group PLC	IHG	FTSE 100	Travel & Leisure	£39.48	24.8	1.4%	34.1	5.6%	75%	18%	5.5	44%
124	Intermediate Capital Group PLC	ICP	FTSE 250	Financial Services	£9.36	12.6	2.9%	20.1	6.5%	58%	11%	25.9	5%
15	International Personal Finance PLC	IPF	Small Cap	Financial Services	£2.10	7.0	5.9%	5.7	9.2%	67%	10%	7.2	19%
110	Interserve PLC	IRV	Small Cap	Support Services	£1.18	-1.4	6.9%	5.6	-7.3%	63%	8%	32.2	95%
86	Intertek Group PLC	ITRK	FTSE 100	Support Services	£49.82	28.8	1.3%	44.0	12.4%	92%	14%	4.1	52%
154	Investec PLC	INVP	FTSE 250	Financial Services	£5.45	11.0	4.2%	14.4	1.9%	75%	1%	114.3	23%
65	ITE Group PLC	ITE	Small Cap	Media	£1.80	24.6	2.5%	15.0	3.1%	58%	26%	2.4	6%
178	IWG PLC	IWG	FTSE 250	Support Services	£3.10	20.8	1.6%	38.6	10.5%	79%	8%	2.2	238%
35	Jardine Lloyd Thompson Group PLC	JLT	FTSE 250	Nonlife Insurance	£12.24	21.7	2.6%	25.3	5.6%	83%	36%	N/K	39%
92	JD Sports Fashion PLC	JD.	FTSE 250	General Retailers	£3.74	19.6	0.4%	45.8	14.1%	83%	26%	0.3	65%
113	Johnson Matthey PLC	JMAT	FTSE 100	Chemicals	£34.20	16.8	2.2%	23.8	7.8%	75%	11%	3.1	69%
26	KCOM Group PLC	KCOM	Small Cap	Fixed Line Telecommunications	£0.99	15.5	6.1%	14.9	6.2%	58%	19%	1.6	77%
127	Keller Group PLC	KLR	Small Cap	Construction & Materials	£8.19	10.0	3.5%	11.8	3.8%	67%	8%	7.5	111%
82	Kingfisher PLC	KGF	FTSE 100	General Retailers	£2.98	11.6	3.5%	12.6	5.9%	71%	8%	0.3	61%
68	Ladbrokes Coral Group PLC	LCL	FTSE 250	Travel & Leisure	£1.22	20.8	2.5%	6.3	-7.2%	46%	18%	10.1	41%
63	Laird PLC	LRD	Small Cap	Technology Hardware & Equipment	£1.43	10.8	2.4%	14.7	7.0%	75%	5%	9.5	102%
6	Legal & General Group PLC	LGEN	FTSE 100	Life Insurance	£2.60	12.1	5.5%	18.3	13.8%	83%	17%	0.4	4%
214	London Stock Exchange Group PLC	LSE	FTSE 100	Financial Services	£38.30	52.9	1.1%	57.2	8.5%	63%	7%	4.4	32%
166	Low & Bonar PLC	LWB	Small Cap	General Industrials	£0.79	16.0	3.8%	16.2	6.9%	58%	4%	9.1	123%
175	Man Group PLC	EMG	FTSE 250	Financial Services	£1.68	34.6	4.2%	13.5	-13.2%	42%	8%	0.7	27%
64	Marks & Spencer Group PLC	MKS	FTSE 100	General Retailers	£3.53	9.3	5.3%	10.1	1.7%	67%	10%	3.9	106%
217	Marshalls PLC	MSLH	FTSE 250	Construction & Materials	£4.36	23.5	2.0%	47.3	6.8%	58%	5%	0.7	73%
108	Marston's PLC	MARS	FTSE 250	Travel & Leisure	£1.09	7.9	6.7%	7.7	1.7%	67%	3%	16.6	157%
73	Mears Group PLC	MER	Small Cap	Support Services	£4.86	23.2	2.4%	23.2	8.5%	92%	9%	2.9	30%
163	Meggitt PLC	MGGT	FTSE 250	Aerospace & Defense	£5.21	17.5	2.9%	20.5	6.5%	75%	5%	6.1	68%
221	Melrose Industries PLC	MRO	FTSE 250	Construction & Materials	£2.13	59.7	1.0%	144.8	-2.3%	58%	2%	12.2	43%
203	Menzies (John) PLC	MNZS	Small Cap	Support Services	£7.20	-338.0	2.5%	22.8	-1.0%	63%	8%	5.3	117%
72	Micro Focus International PLC	MCRO	FTSE 100	Software & Computer Services	£23.87	29.4	2.9%	49.6	20.0%	79%	39%	10.4	20%
186	Millennium & Copthorne Hotels PLC	MLC	FTSE 250	Travel & Leisure	£4.50	15.1	1.7%	11.4	4.1%	54%	4%	7.3	92%
49	Mitie Group PLC	MTO	FTSE 250	Support Services	£2.56	13.1	1.6%	12.3	3.4%	71%	12%	3.8	37%
198	Mondi PLC	MNDI	FTSE 100	Forestry & Paper	£20.05	16.7	2.4%	33.0	18.9%	58%	6%	3.2	135%
30	Moneysupermarket.com Group PLC	MONY	FTSE 250	Media	£3.18	23.3	3.1%	53.8	23.4%	88%	14%	0.0	44%
145	Morgan Advanced Materials PLC	MGAM	FTSE 250	Electronic & Electrical Equipment	£3.11	14.4	3.5%	14.5	3.4%	58%	9%	5.8	55%
207	Morgan Sindall PLC	MGNS	Small Cap	Construction & Materials	£14.28	17.6	2.5%	24.7	-6.6%	38%	11%	1.3	23%
150	Morrison (Wm) Supermarkets PLC	MRW	FTSE 100	Food & Drug Retailers	£2.34	27.7	2.3%	12.6	-2.5%	67%	7%	3.9	150%
132	National Grid PLC	NG.	FTSE 100	Gas, Water & Multiutilities	£9.25	14.4	5.2%	15.4	1.3%	75%	5%	13.7	169%
58	NCC Group PLC	NCC	Small Cap	Software & Computer Services	£2.16	81.5	2.2%	34.4	15.6%	88%	14%	3.3	58%
158	NEX Group PLC	NXG	FTSE 250	Financial Services	£6.62	26.3	5.8%	14.5	-8.3%	46%	11%	3.6	37%
10	Next PLC	NXT	FTSE 100	General Retailers	£52.60	12.0	3.0%	17.1	11.2%	83%	42%	1.6	24%
89	Novae Group PLC	NVA	Small Cap	Nonlife Insurance	£7.14	22.0	2.1%	15.9	7.3%	58%	11%	N/K	9%
142	Old Mutual PLC	OML	FTSE 100	Life Insurance	£1.94	15.6	3.1%	18.3	8.3%	54%	7%	N/K	63%
208	Oxford Instruments PLC	OXIG	Small Cap	Electronic & Electrical Equipment	£9.69	23.1	1.3%	30.9	4.7%	71%	8%	7.2	60%
28	Paddy Power Betfair PLC	PPB	FTSE 100	Travel & Leisure	£74.10	55.9	2.1%	52.9	16.8%	88%	38%	2.0	42%
85	PageGroup PLC	PAGE	FTSE 250	Support Services	£4.98	21.5	2.4%	29.0	5.5%	75%	27%	0.0	35%
37	Paragon Banking Group PLC	PAG	FTSE 250	Financial Services	£4.39	10.7	3.1%	12.6	8.8%	79%	12%	116.2	4%
13	PayPoint PLC	PAY	FTSE 250	Support Services	£9.55	14.5	4.7%	20.3	7.7%	79%	34%	0.0	27%
123	Pearson PLC	PSON	FTSE 100	Media	£6.12	9.2	8.5%	11.8	0.4%	67%	5%	6.2	40%
165	Pennon Group PLC	PNN	FTSE 250	Gas, Water & Multiutilities	£7.97	17.5	4.5%	20.4	4.2%	75%	4%	19.8	194%
1	Petrofac Ltd	PFC	FTSE 250	Oil Equipment, Services & Distribution	£4.50	6.0	11.3%	5.6	9.4%	83%	29%	6.3	85%
57	Playtech PLC	PTEC	FTSE 250	Travel & Leisure	£9.19	25.1	3.0%	32.3	15.7%	79%	13%	3.9	33%
182	Porvair PLC	PRV	Small Cap	Industrial Engineering	£4.80	28.1	0.8%	46.6	12.8%	88%	7%	0.0	61%
8	Provident Financial PLC	PFG	FTSE 250	Financial Services	£8.31	4.6	16.2%	7.2	10.0%	79%	9%	8.9	10%
18	Prudential PLC	PRU	FTSE 100	Life Insurance	£17.86	23.1	2.4%	25.5	11.2%	88%	19%	N/K	11%

Stock Screen - Sorted by Name

Colour coding rules and column descriptions can be found in the appendices

Rank	Name	EPIC	Index	Sector	Share Price	PE Ratio	Dividend Yield	PE10	Growth Rate	Growth Quality	Net Prof.	Debt Ratio	Capex Ratio
157	PZ Cussons PLC	PZC	FTSE 250	Personal Goods	£3.20	19.4	2.6%	19.7	3.0%	71%	11%	4.2	50%
179	QinetiQ Group PLC	QQ.	FTSE 250	Aerospace & Defense	£2.47	13.4	2.4%	17.5	4.1%	50%	13%	0.0	32%
200	Randgold Resources Ltd	RRS	FTSE 100	Mining	£73.15	37.8	1.1%	48.0	23.8%	71%	6%	0.0	117%
94	Rathbone Brothers PLC	RAT	FTSE 250	Financial Services	£25.94	24.7	2.2%	33.8	7.4%	79%	16%	48.2	49%
90	Reckitt Benckiser Group PLC	RB.	FTSE 100	Household Goods & Home Construction	£68.13	25.5	2.2%	30.2	4.8%	83%	21%	1.4	14%
183	RELX PLC	REL	FTSE 100	Media	£16.37	27.5	2.2%	38.8	5.2%	71%	14%	4.5	31%
211	Renewi PLC	RWI	Small Cap	Support Services	£1.02	29.3	3.0%	21.1	-0.5%	54%	3%	25.7	269%
91	Renishaw PLC	RSW	FTSE 250	Electronic & Electrical Equipment	£47.63	33.2	1.1%	55.4	16.8%	83%	18%	0.1	68%
2	Restaurant Group (The) PLC	RTN	FTSE 250	Travel & Leisure	£3.02	10.1	5.8%	11.7	9.8%	92%	19%	0.7	107%
53	Ricardo PLC	RCDO	Small Cap	Support Services	£8.29	16.5	2.3%	22.5	9.4%	79%	14%	2.8	59%
41	Rightmove PLC	RMV	FTSE 250	Media	£40.45	29.7	1.3%	60.2	23.0%	92%	815%	0.0	2%
125	Rio Tinto PLC	RIO	FTSE 100	Mining	£34.73	17.3	3.9%	11.2	1.1%	54%	11%	3.0	95%
130	Robert Walters PLC	RWA	Small Cap	Support Services	£5.60	21.3	1.5%	43.2	11.8%	79%	14%	3.3	45%
206	Rolls-Royce Group PLC	RR.	FTSE 100	Aerospace & Defense	£8.87	29.5	0.5%	22.1	5.6%	50%	7%	172.4	116%
38	Rotork PLC	ROR	FTSE 250	Industrial Engineering	£2.60	33.9	2.0%	29.1	7.7%	88%	28%	1.3	15%
160	Royal Dutch Shell PLC	RDSB	FTSE 100	Oil & Gas Producers	£22.94	41.3	6.3%	12.8	-2.5%	50%	9%	7.7	164%
97	RPC Group PLC	RPC	FTSE 250	General Industrials	£9.90	15.5	2.5%	30.8	16.7%	88%	9%	11.1	96%
168	RPS Group PLC	RPS	Small Cap	Support Services	£2.88	20.5	3.4%	19.8	5.3%	71%	7%	3.2	24%
201	RSA Insurance Group PLC	RSA	FTSE 100	Nonlife Insurance	£6.23	12.4	2.6%	24.7	-13.4%	42%	10%	N/K	74%
24	S & U PLC	SUS	Small Cap	Financial Services	£20.70	12.2	4.4%	22.0	10.2%	88%	10%	3.4	7%
129	Sage Group (The) PLC	SGE	FTSE 100	Software & Computer Services	£6.99	23.5	2.0%	34.3	6.1%	83%	14%	2.2	12%
134	Sainsbury (J) PLC	SBRY	FTSE 100	Food & Drug Retailers	£2.38	12.7	4.3%	9.9	-0.7%	63%	5%	4.6	210%
139	Schroders PLC	SDR	FTSE 100	Financial Services	£33.55	19.2	2.8%	29.4	15.8%	83%	3%	N/K	8%
74	Senior PLC	SNR	FTSE 250	Aerospace & Defense	£2.76	24.9	2.4%	19.6	9.9%	75%	12%	3.1	50%
192	Severn Trent PLC	SVT	FTSE 100	Gas, Water & Multiutilities	£21.73	19.3	3.8%	23.3	1.1%	71%	3%	22.2	213%
32	Shire PLC	SHP	FTSE 100	Pharmaceuticals & Biotechnology	£37.88	23.5	0.6%	25.7	22.1%	88%	16%	14.1	18%
181	Smith & Nephew PLC	SN.	FTSE 100	Health Care Equipment & Services	£13.48	30.9	1.8%	33.3	6.6%	75%	12%	3.7	58%
111	Smiths Group PLC	SMIN	FTSE 100	General Industrials	£15.77	13.9	2.7%	18.3	2.8%	79%	11%	4.9	31%
98	Spectris PLC	SXS	FTSE 250	Electronic & Electrical Equipment	£24.10	20.7	2.2%	25.5	9.2%	79%	12%	1.8	22%
213	Speedy Hire PLC	SDY	Small Cap	Support Services	£0.51	20.4	2.0%	15.0	-9.6%	54%	2%	6.8	80%
149	Spirax-Sarco Engineering PLC	SPX	FTSE 250	Industrial Engineering	£55.25	33.9	1.4%	43.8	6.8%	83%	17%	0.9	37%
104	Spirent Communications PLC	SPT	Small Cap	Technology Hardware & Equipment	£0.96	34.5	3.2%	17.0	-0.3%	75%	16%	0.0	36%
51	SSE PLC	SSE	FTSE 100	Electricity	£13.97	8.6	6.5%	11.6	1.6%	79%	8%	6.7	141%
88	St James's Place PLC	STJ	FTSE 100	Life Insurance	£11.46	54.4	2.9%	50.8	20.6%	83%	13%	N/K	6%
3	Stagecoach Group PLC	SGC	FTSE 250	Travel & Leisure	£1.71	6.3	7.0%	7.4	6.8%	88%	13%	5.3	114%
143	Standard Life Aberdeen PLC	SLA	FTSE 100	Life Insurance	£4.34	21.2	4.6%	23.6	4.1%	71%	9%	1.3	22%
99	SThree PLC	STHR	Small Cap	Support Services	£3.52	16.8	4.0%	22.0	4.1%	50%	26%	0.3	32%
193	Tarsus PLC	TRS	Small Cap	Media	£2.86	31.8	3.2%	28.0	4.8%	58%	8%	7.7	19%
96	Tate & Lyle PLC	TATE	FTSE 250	Food Producers	£6.49	11.0	4.3%	12.8	0.6%	63%	11%	2.8	60%
31	Ted Baker PLC	TED	FTSE 250	Personal Goods	£26.50	24.3	2.0%	41.1	17.9%	96%	23%	3.1	93%
25	Telecom plus PLC	TEP	FTSE 250	Fixed Line Telecommunications	£10.86	33.4	4.4%	34.0	11.0%	75%	30%	2.5	27%
141	TP ICAP PLC	TCAP	FTSE 250	Financial Services	£5.24	13.5	3.2%	12.3	-2.2%	42%	13%	6.7	15%
167	Treatt PLC	TET	Small Cap	Chemicals	£4.61	36.0	0.9%	61.8	10.4%	88%	11%	1.7	32%
188	UBM PLC	UBM	FTSE 250	Media	£6.82	23.3	3.2%	22.4	-1.4%	63%	9%	6.2	22%
220	UDG Healthcare PLC	UDG	FTSE 250	Health Care Equipment & Services	£8.49	42.1	1.1%	49.4	-2.7%	71%	7%	5.5	65%
128	Ultra Electronics Holdings PLC	ULE	FTSE 250	Aerospace & Defense	£17.98	23.7	2.7%	20.5	4.6%	67%	13%	4.9	25%
169	Unilever PLC	ULVR	FTSE 100	Personal Goods	£43.19	27.0	2.5%	34.2	3.5%	71%	15%	3.7	44%
177	United Utilities Group PLC	UU.	FTSE 100	Gas, Water & Multiutilities	£8.55	15.6	4.5%	16.7	1.5%	63%	3%	18.8	184%
69	Vedanta Resources PLC	VED	FTSE 250	Mining	£8.72	548.4	4.9%	3.2	13.6%	54%	1%	13.1	167%
61	Victrex PLC	VCT	FTSE 250	Chemicals	£23.71	25.4	2.0%	31.6	12.6%	79%	22%	0.0	43%
106	Vodafone Group PLC	VOD	FTSE 100	Mobile Telecommunications	£2.09	30.9	6.2%	14.0	-5.1%	79%	7%	6.5	159%
159	Vp PLC	VP.	Small Cap	Support Services	£8.35	18.9	2.6%	29.4	9.9%	75%	7%	7.9	321%
118	Weir Group PLC	WEIR	FTSE 250	Industrial Engineering	£19.65	33.9	2.2%	19.0	8.5%	63%	11%	4.4	37%
84	WH Smith PLC	SMWH	FTSE 250	General Retailers	£20.21	21.9	2.2%	32.4	8.6%	75%	47%	0.3	44%
33	Whitbread PLC	WTB	FTSE 100	Travel & Leisure	£37.66	15.2	2.5%	23.1	13.3%	100%	10%	2.6	130%
17	William Hill PLC	WMH	FTSE 250	Travel & Leisure	£2.52	12.7	5.0%	11.5	6.5%	79%	10%	3.7	36%
95	Wood Group (John) PLC	WG.	FTSE 250	Oil Equipment, Services & Distribution	£6.80	19.7	3.9%	9.4	10.0%	54%	8%	4.2	22%
20	WPP Group PLC	WPP	FTSE 100	Media	£13.85	7.5	4.1%	15.4	15.6%	88%	7%	4.1	22%
121	Xaar PLC	XAR	Small Cap	Electronic & Electrical Equipment	£4.45	21.6	2.2%	25.2	22.0%	63%	12%	0.0	93%
43	XP Power Ltd	XPP	Small Cap	Electronic & Electrical Equipment	£27.76	24.5	2.6%	32.4	11.8%	79%	22%	0.3	29%
195	Zotefoams PLC	ZTF	Small Cap	Chemicals	£3.52	25.8	1.6%	34.8	5.5%	75%	9%	3.4	127%

Appendix 1: Metrics, maximums and minimums

Financial metrics on the stock screen

Rank: The company's rank on the screen, with 1 being the highest rank. The rank is calculated by sorting all of the companies on the screen by each key factor (Growth, Quality, PE10, PD10, Profitability), creating a rank for each factor and then adding those individual ranks together.

PE: The price to earnings ratio. This is included just for information and doesn't form part of the ranking calculation.

Yield: The historic dividend yield. This is included for information only and doesn't form part of the ranking calculation. Instead, each company's rank is based on PD10, the ratio between the current share price and the average dividend paid over the past 10 years.

PE10: The ratio between the current share price and the company's average adjusted earnings per share over the past 10 years. This is used in the rank calculation. (MAX= 30; MAX = 10 FOR SUPER-CYCLICAL STOCKS)

Growth: The company's Growth Rate. This is used in the rank calculation. It is the average growth of revenues, earnings and dividends where growth in each is measured as the annualised growth of a 3-year rolling average over the past 7 years. (MINIMUM = 2%)

Quality: The company's Growth Quality. This is used in the rank calculation. It is the percentage of times that a profit has been made, and that revenues, earnings and dividends have increased, measured over the past decade. (MINIMUM 50%)

Net Prof.: The company's 10-year median net (post-tax) profitability. (MINIMUM 7%). Calculated as:

ROCE (for non-financial companies): Adjusted profit after tax / (fixed assets + working capital)

ROE (for banks and insurance companies): Adjusted profit after tax / shareholder's equity

Debt Ratio: The ratio between total borrowings and 5-yr average post-tax profits. This is "N/A" (not applicable) for banks (where I use a series of ratios defined by banking regulators: Common Equity Tier 1 Ratio for leverage and the Liquidity Coverage Ratio and Net Stable Funding Ratio for liquidity). For insurance companies the Debt Ratio is "N/K" (not known) as I do not have data on borrowings for insurance companies. (MAXIMUM = 4 for cyclical sector companies, 5 for defensive sector companies)

Capex Ratio: The ratio between a company's 10-yr average capital expenses (capex) and its 10-yr average post-tax profits. This is used to measure how capital intensive a company is, i.e. how much the company relies upon physical assets such as buildings and equipment in order to generate profits. Below 50% is LOW, 50-100% is MEDIUM, over 100% is HIGH. There is no specific maximum but companies over 100% need additional caution.

Financial metrics used to analyse companies but which are not on the stock screen

Pension Ratio: The ratio between the company's defined benefit pension obligations and its 5-yr average post-tax profits. (MAXIMUM = 10)

Sum of Debt and Pension Ratio: (MAXIMUM = 10)

FCF/Div: 10-yr total free cash flow to 10-year total dividend ratio. Preferred value is above 1, but this is not a hard rule.

Capex/depreciation: 10-yr total capital expenditure to 10-yr total depreciation ratio. (MAXIMUM = 200% if the Capex Ratio (capex/profits) is high, i.e. above 100%).

Acquisition Ratio: The ratio between cash spent on acquisitions and earnings. (MAXIMUM 10YR AVG = 100%)

Insurance company metrics

Premium to Surplus Ratio: A measure of how cautious an insurance company's underwriting business is. Calculated as the ratio between Net Written Premium and Tangible Net Asset Value. (MAXIMUM 5YR AVG = 2)

Combined Ratio: Shows whether or not an insurance company is making a profit on its underwriting business. Calculated as the sum of Loss Ratio and Expense Ratio. (MAXIMUM 5YR AVG = 95%)

Bank metrics

Common Equity Tier 1 Ratio (CET1): A measure of bank leverage. Calculated as the percentage of "high quality" capital relative to risk-adjusted assets. (MINIMUM 5YR AVG = 12%)

Gross Revenue Ratio: A measure of leverage. Calculated as gross revenue (interest income plus other income) divided by tangible book value (tangible assets minus liabilities). (MAX 5YR AVG = 100%)

Leverage Ratio: Calculated as tangible assets divided by tangible book value. (MAX 5YR AVG = 15)

Appendix 2: Strategy overview and stock screen colour-coding

Portfolio management

Deliberate diversification - To reduce the risks that come with each individual company 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 is a dynamic entity much like a garden. If left unmanaged (as with a pure buy-and-hold portfolio) there is a risk that over time it 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 so that it always contains a majority of 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.

Monthly buy and sell decisions

Buy decisions - The first step in each buy decision is to look through the Stock Screen for the highest ranked stock which is not already in the portfolio and which meets all the initial criteria (e.g. Debt Ratio under 5, Profitability above 7%).

The second step is to enter the company's financial results from the past decade into the investment analysis spreadsheet (available on the website) so that some additional quantitative checks can be carried out (such as calculating the Pension Ratio, Free Cash Flow to Dividend Ratio or Premium to Surplus Ratio).

If all the financial results look okay then the next step is to review the operational history of the company over the past decade. This involves reading the opening sections of each annual report, as well as more recent interim and quarterly results, in order to build up a picture of what the company does and what problems it has faced or is facing. This analysis is used to answer the YES/NO questions in the investment worksheet (available on the website), which are then used in combination with the financial results to make a final buy or no-buy decision.

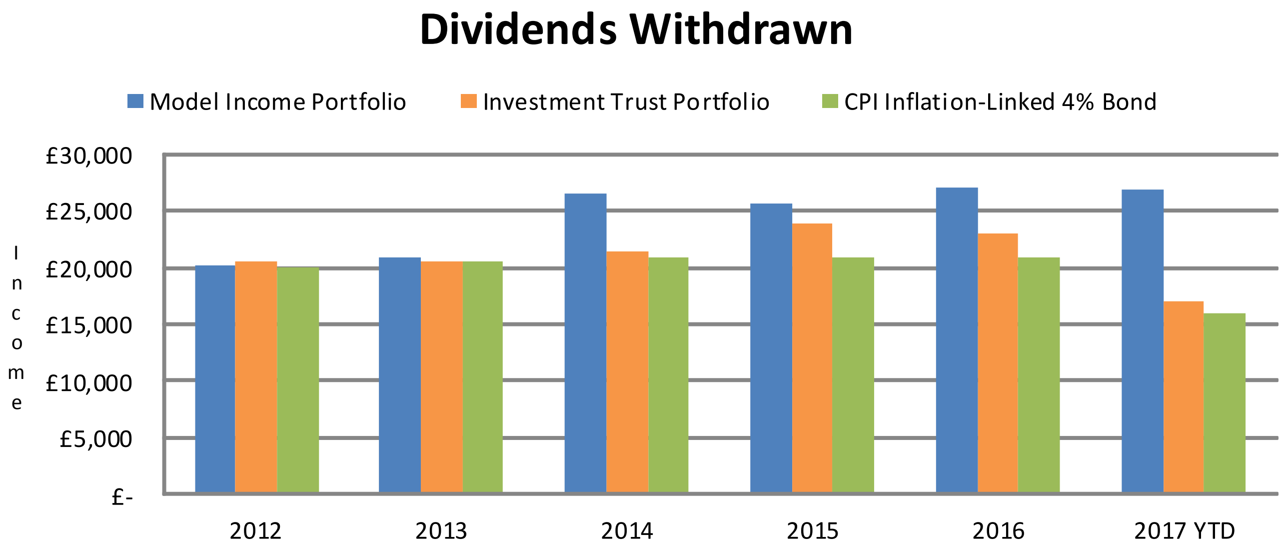
Sell decisions - Sell decisions are based primarily on a company's stock screen rank, with the lowest ranked companies most likely to be sold. However, there is a degree of subjectivity involved and it isn't a purely mechanical process. For example, companies which are surrounded by a reasonable amount 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.

Stock screen colour coding

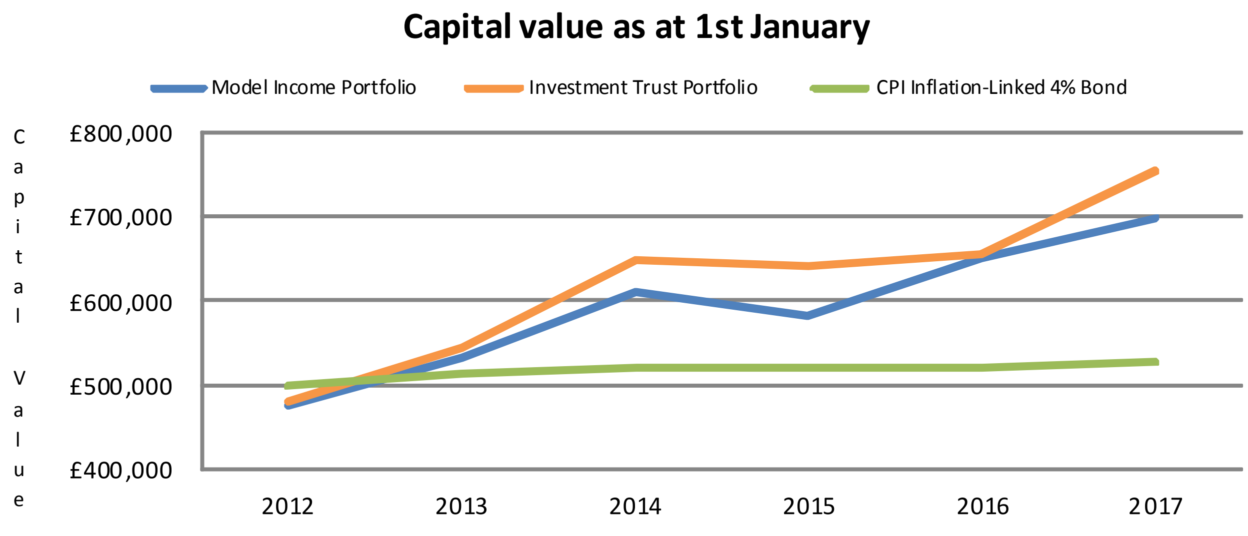
- **Rank:**
  - **Green** = Above average rank; **Amber** = Average rank; **Dark Red** = Below average rank
- **Ranking Factors (Yield, PE10, Growth, Quality, Net Prof.):**
  - **Green** = Better than FTSE 100; **Light Red** = Worse than FTSE 100; **Dark Red** = Above maximum or below minimum
- **Debt Ratio:**
  - **Green** = Below 4 (acceptable for all companies); **Light Red** = Between 4 and 5 (only acceptable for defensive sector companies); **Dark Red** = Above 5 (too high for all companies)
- **Capex Ratio:**
  - **Green** = Below 100% (acceptable for all companies); **Light Red** = Over 100% (only acceptable for low risk companies)
- **Name:**
  - **Light Blue** = Current holding in the model portfolio
- **Sector:**
  - **Light Blue** = Defensive sector

Appendix 3: Model Income Portfolio

The Model Income Portfolio holds the same shares as the Model Portfolio and represents the portfolio of an investor who is in the income drawdown phase. It started with £500,000 in March 2011 and pays out all dividends as income. The goal of the portfolio is to show that equities in the drawdown phase can produce inflation-beating dividend and capital growth over the medium to long-term. The Model Income Portfolio is benchmarked against an Investment Trust Portfolio and a 4% Inflation-Linked Bond. The Investment Trust Portfolio is approximately equally weighted between the following trusts: Temple Bar, City of London, Merchants Trust, Alliance Trust and Foreign & Colonial.



Annual Dividend Income (last 5 years)	Model Income Portfolio	Investment Trust Portfolio	4% Inflation-Linked Bond
2013	£20,856	£20,575	£20,504
2014	£26,512	£21,408	£20,797
2015	£25,665	£25,215	£20,846
2016	£26,985	£23,066	£20,862
2017 Year to date	£23,713	£16,013	£14,125
Cumulative income from inception	£147,199	£126,414	£118,898



This chart of capital value is included to show how capital growth should approximately track dividend growth over the years. The 4% Inflation-Linked Bond has a capital value which increases in line with CPI inflation from £500k on 01/01/12. The Model Income Portfolio and the Investment Trust Portfolio should both produce capital gains which at least match the Inflation-Linked Bond over the long-term.

Appendix 4: Index of current holdings reviews

Use this index to find purchase, annual and interim reviews in back issues of the newsletter

Name	EPIC	Index	Sector	Purchase Review	Annual Reviews	Interim Reviews
Admiral Group PLC	ADM	FTSE 100	Nonlife Insurance	November (2013)	April (2014, 2015, 2016,2017)	September (2014, 2015, 2016,2017)
Aggreko PLC	AGK	FTSE 250	Support Services	January (2016)	April (2016,2017)	September (2016)
AstraZeneca PLC	AZN	FTSE 100	Pharmaceuticals & Biotechnology	July (2015)	March (2016)	August (2015, 2016, 2017)
Beazley PLC	BEZ	FTSE 250	Nonlife Insurance	September (2015)	March (2016,2017)	August (2016, 2017)
BHP Billiton PLC	BLT	FTSE 100	Mining	Purchased before issue # 1	September (2012, 2013, 2014, 2015, 2016,2017)	March (2012, 2013, 2014, 2015, 2016,2017)
BP PLC	BP.	FTSE 100	Oil & Gas Producers	Purchased before issue # 1	March (2012, 2013, 2014, 2015, 2016,2017)	August (2012, 2013, 2014, 2015, 2016)
British American Tobacco PLC	BATS	FTSE 100	Tobacco	September (2013)	March (2014, 2015, 2016,2017)	August (2014, 2015, 2016, 2017)
Brown (N) Group PLC	BWNG	FTSE 250	General Retailers	November (2014)	May (2015, 2016, 2017)	November (2015, 2016)
Burberry Group PLC	BRBY	FTSE 100	Personal Goods	November (2015)	June (2016,2017)	December (2015, 2016)
Centrica PLC	CNA	FTSE 100	Gas, Water & Multiutilities	August (2012)	March (2013, 2014, 2015, 2016,2017)	August (2013, 2014, 2015, 2016)
Domino's Pizza Group PLC	DOM	FTSE 250	Travel & Leisure	August (2017)	None yet	None yet
Dunelm Group PLC	DNLM	FTSE 250	General Retailers	October (2016)	October(2017)	None yet
GlaxoSmithKline PLC	GSK	FTSE 100	Pharmaceuticals & Biotechnology	January (2015)	March (2015, 2016, 2017)	August (2015, 2016, 2017)
IG Group Holdings PLC	IGG	FTSE 250	Financial Services	September (2014)	August (2015, 2016, 2017)	February (2015, 2016, 2017)
ITE Group PLC	ITE	Small Cap	Media	March (2015)	January (2016), December (2016)	July (2015), June (2016,2017)
Legal & General Group PLC	LGEN	FTSE 100	Life Insurance	April (2017)	None yet	None yet
Mitie Group PLC	MTO	FTSE 250	Support Services	Purchased before issue # 1	June (2012, 2013, 2014, 2015, 2016) July (2017)	December (2012, 2013, 2014, 2015, 2016)
Next PLC	NXT	FTSE 100	General Retailers	December (2016)	April(2017)	October(2017)
PayPoint PLC	PAY	FTSE 250	Support Services	May (2017)	None yet	None yet
Petrofac Ltd	PFC	FTSE 250	Oil Equipment, Services & Distribution	March (2014)	March (2015, 2016,2017)	September (2014, 2015, 2016,2017)
Restaurant Group (The) PLC	RTN	FTSE 250	Travel & Leisure	April (2016)	April(2017)	September (2016,2017)
Rio Tinto PLC	RIO	FTSE 100	Mining	September (2012)	March (2013, 2014, 2015, 2016,2017)	September (2013, 2014, 2015, 2016)
Senior PLC	SNR	FTSE 250	Aerospace & Defense	June (2016)	March (2017)	September (2016)
SSE PLC	SSE	FTSE 100	Electricity	November (2011)	June (2012, 2013, 2014, 2015, 2016,2016)	December (2012, 2013, 2014, 2015, 2016)
Standard Life Aberdeen PLC	SLA	FTSE 100	Life Insurance	February (2016)	December (2016)	June (2016,2017)
Telecom plus PLC	TEP	FTSE 250	Fixed Line Telecommunications	May (2015)	July (2015, 2016,2017)	December (2015, 2016)
Victrex PLC	VCT	FTSE 250	Chemicals	August (2016)	January (2017)	June(2017)
Vodafone Group PLC	VOD	FTSE 100	Mobile Telecommunications	Purchased before issue # 1	June (2012, 2013, 2014, 2015, 2016,2017)	December (2012, 2013, 2014, 2015, 2016)
XP Power Ltd	XPP	Small Cap	Electronic & Electrical Equipment	February (2017)	April(2017)	None yet