

BLANKSTONE SINGTON
Investment Managers & Stockbrokers

MARKET REPORT

Wednesday 13th September 2017

Blankstone Sington has provided investment management and financial advice in Liverpool since 1976. We pride ourselves on making investment simple and offering bespoke investment solutions for private clients, trusts and charities. We offer a wide range of services including Discretionary and Advisory Management, Traditional Stockbroking and our AIM Inheritance Tax Portfolio.

OVERNIGHT FEATURES

| | | | | £ = \$ | £ = € | | |
|---------------|--------|----------|------------------|---------|----------|------------|---------|
| DJ INDUSTRIAL | +61.50 | 22118.75 | CURRENCY | +0.27% | \$1.3325 | +0.16% | €1.1119 |
| S&P 500 | +8.37 | 2496.48 | GOLD | +\$5.30 | | \$1,331.99 | |
| NASDAQ | +22.02 | 6454.28 | BRENT CRUDE | -\$0.29 | | \$54.10 | |
| NIKKEI 225 | +89.32 | 19865.82 | 10 YR GILT YIELD | +0.03 | | 1.27% | |
| HK HANG SANG | -69.91 | 27902.33 | | | | | |

MARKET HEADLINES

UK stocks were in a broad pullback on Wednesday, with sterling continuing its recent ascent that may put pressure on multi-nationals' earnings. The pound was firm above \$1.33 early Wednesday, ahead of the last major piece of UK economic data before the Bank of England meets on Thursday to decide on interest rates. UK jobs and earnings figures are due at 09:30am, with the unemployment rate in the three months to July expected to remain at 4.4%.

Germany's inflation accelerated to a four-month high in August on energy prices, final data from Destatis showed Wednesday. Consumer price inflation rose to 1.8% in August from 1.7% in July. The rate came in line with the preliminary estimate released on August 30. This was the highest since April, when the rate was 2%.

Shares in companies linked to ethanol production in China lifted as much as 10% on Wednesday following state media reports that Beijing was planning to complete a nationwide roll-out of ethanol in gasoline by 2020.

COMPANY NEWS

| | | | |
|---|--------|--------|--|
| Balfour Beatty 52 week range 256.10p-298.40p | -0.70 | 263.3p | The Group is selling its 95% share in Blackpool Airport to Blackpool Council, for a total cash consideration of £4.25m. |
| Marks & Spencer Group 52 week range 309.90p-395.50p | +0.90 | 323.7p | Further to the announcement made on 3rd May 2017, M&S has announced that Jill McDonald will take up the new position of Managing Director, Clothing, Home & Beauty on 2nd October 2017. CEO Steve Rowe, will relinquish his Clothing, Home & Beauty accountabilities to Jill on her arrival, and CFO Helen Weir, will hand over responsibility for the Clothing, Home & Beauty Supply Chain & Logistics. |
| Halfords Group 52 week range 307.40p-385.00p | +3.30 | 317.2p | Halfords Group announced today that it has hired the head of the software business of fellow UK retailer Dixons Carphone as its new chief executive officer. Graham Stapleton, who is currently CEO of Dixons Carphone PLC's software arm Honeybee, will take up his position from January 2018. |
| Quantum Pharmaceuticals 52 week range 33.75p-79.50p | +12.50 | 78.88p | Clinigen Group said Wednesday that it had agreed to buy Quantum Pharma for £150.3m. As part of the deal, accepting Quantum Pharma shareholders will get 37p in cash and 0.0405 of a new Clinigen share for every share held, equivalent to 82p a share. |
| Sky 52 week range 750.50p-1007.00p | -2.25 | 934.5p | 21st Century Fox's bid to buy Sky faces further hurdles after the culture secretary said she was "minded" to refer the deal to regulators over concerns about broadcasting standards. Sky said in a statement: "We are disappointed by this further delay. Nevertheless we will continue to engage with the process as the Secretary of State reaches her final decision." |

COMPANY RESULTS**Interim results**

Alliance Pharma
52 week range
43.75p-56.75p

+0.38 52.88p

In the first half of the year, underlying profit before tax rose 1.7% to £11.9m as the company reported an 8.4% rise in first-half revenue, helped by international sales of its scar reduction product and eye supplement. It generated over £11m of cash, while net debt fell £12.7m to £63.4m in the period – equating to 2.4-times EBITDA. The board declared a dividend of 0.443p, a 10% increase from the previous year.

MAJOR ECONOMIC RELEASES

| | GMT | Actual | Forecast | Prev |
|--|-------|--------|----------|------|
| Germany Consumer Price Index (YoY) (AUG F) | 07:00 | 1.8% | 1.8% | 1.8% |
| Euro-Zone Employment (QoQ) (2Q) | 08:00 | 0.4% | - | 1.5% |
| UK ILO Unemployment Rate (3M) (JUL) | 09:30 | - | 4.4% | 4.4% |
| Euro-Zone Industrial Production w.d.a. (YoY) (JUL) | 09:30 | - | 3.3% | 2.6% |

YESTERDAY'S HIGHLIGHTS

| <u>UK Main Market Winners</u> | | <u>UK Mid Cap Winners</u> | | <u>Top 3 UK Sectors</u> | |
|-------------------------------|--------|---------------------------|--------|-------------------------------------|--------|
| Ashtead Group | +4.45% | JD Sports Fashion | +8.99% | Industrial Metals | +3.22% |
| Barclays | +2.52% | Brown (N) Group | +5.39% | Forestry & Paper | +1.46% |
| Royal Bank of Scotland | +2.42% | Carillion | +4.15% | General Industrials | +1.17% |
| <u>UK Main Market Losers</u> | | <u>UK Mid Cap Losers</u> | | <u>Bottom 3 UK Sectors</u> | |
| Randgold Resources | -2.94% | Redrow | -8.30% | Personal Goods | -1.70% |
| Fresnillo | -2.30% | Clarkson | -3.94% | Tobacco | -1.60% |
| Persimmon | -2.04% | Daejan Holdings | -2.99% | Household Goods & Home Construction | -1.31% |

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