

Equity Suggestions – 1st January 2010

		<u>Price</u> <u>1/1/10</u>	<u>Net*</u> <u>Yield</u>	<u>52 Week</u>		
				<u>High</u>	<u>Low</u>	
AEROSPACE	Cobham PLC Ordinary Shares	252p	2.0%	253p	164p	
BANKS	Barclays PLC Ordinary Shares	276p	0.4%	390p	47p	
	HSBC PLC Ordinary Shares	709p	3.3%	767p	270p	
	Lloyds Banking Group PLC Ordinary Shares	51p	-	76p	16p	
	Standard Chartered PLC Ordinary Shares	1575p	2.8%	1696p	554p	
BEVERAGES	Diageo PLC Ordinary Shares	1084p	3.2%	1098p	727p	
CHEMICALS	Johnson Matthey PLC Ordinary Shares	1531p	2.4%	1641p	857p	
CONSTRUCTION & BUILDING	Balfour Beatty PLC Ordinary Shares	259p	4.5%	346p	243p	
	ELECTRICITY	International Power PLC Ordinary Shares	309p	4.2%	311p	191p
		National Grid PLC Ordinary Shares	679p	5.4%	717p	511p
FINANCIALS	Scottish & Southern Energy PLC Ord Shares	1161p	5.8%	1279p	1024p	
	Schroders PLC Voting Shares	1330p	2.4%	1348p	628p	
	FOOD RETAILERS	Tesco PLC Ordinary Shares	428p	2.9%	437p	301p
J Sainsbury PLC Ordinary Shares		324p	4.3%	373p	285p	
William Morrison PLC Ordinary Shares		277p	2.2%	298p	234p	
HOUSEHOLD	Reckitt Benckiser PLC Ordinary Shares	3356p	2.7%	3364p	2403p	
INVESTMENT COMPANY	Caledonia Investments PLC Ordinary Shares	1598p	2.1%	1759p	1081p	
MEDIA	Reed Elsevier PLC Ordinary Shares	512p	4.0%	570p	404p	
MINING	BHP Billiton PLC Ordinary Shares	1995p	2.9%	2025p	1025p	
	Rio Tinto PLC Ordinary Shares	3390p	1.1%	3438p	1112p	
	Xstrata PLC Ordinary Shares	1121p	-	1148p	289p	
OIL & GAS	BP PLC Ordinary Shares	600p	6.5%	613p	400p	
	BG Group PLC Ordinary Shares	1122p	1.1%	1180p	837p	
	Royal Dutch Shell 'B' Shares	1812p	6.0%	1897p	1315p	
	PHARMACEUTICAL	AstraZeneca PLC Ordinary Shares	2911p	3.3%	2966p	2136p
GlaxoSmithKline PLC Ordinary Shares		1320p	4.5%	1347p	982p	
PROPERTY (REITs)	Land Securities PLC Ordinary Shares	685p	4.8%	948p	322p	
SUPPORT SERVICES	G4S PLC Ordinary Shares	261p	2.6%	266p	172p	
TELECOMMUNICATIONS	Vodafone Group PLC Ordinary Shares	144p	5.5%	148p	111p	
UTILITIES	Pennon Group PLC Ordinary Shares	538p	3.9%	567p	372p	
<u>SMALLER COMPANIES</u>						
BREWERY	Greene King PLC Ordinary Shares	408p	5.2%	547p	279p	
CONSTRUCTION & BUILDING	Morgan Sindall PLC Ordinary Shares	600p	7.1%	749p	448p	
DEFENCE	BAE Systems PLC Ordinary Shares	360p	4.2%	416p	294p	
	VT Group PLC Ordinary Shares	519p	2.8%	606p	413p	
INDUSTRIAL	Spirax Sarco PLC Ordinary Shares	1240p	2.8%	1317p	741p	
OIL	Afren PLC Ordinary Shares	85p	-	100p	14p	
OIL SERVICES	Petrofac PLC Ordinary Shares	1043p	1.9%	1078p	321p	
	Wellstream Holdings PLC Ordinary Shares	531p	1.9%	702p	348p	
PROPERTY (REITs)	Great Portland Estates PLC Ordinary Shares	287p	2.6%	300p	127p	
TELECOMMUNICATIONS	Inmarsat PLC Ordinary Shares	692p	3.1%	700p	378p	
	Colt Telecom PLC Ordinary Shares**	133p	-	139p	65p	
	AIM	London & Stamford PLC Ordinary Shares	120p	3.5%	137p	93p
	Avanti Communications PLC Ordinary Shares	449p	-	475p	154p	
	Kentz Corporation Ltd Ordinary Shares	199p	2.0%	217p	96p	
	May Gurney PLC Ordinary Shares	261p	2.0%	263p	117p	
<u>OVERSEAS STOCKS</u> **						
CHEMICALS	Syngenta AG Shares	17414p	2.1%	17612p	11622p	
FOOD PRODUCERS	Nestlé SA Registered Shares	3007p	2.8%	3070p	2099p	
HOUSEHOLD PRODUCTS	Procter & Gamble Common Stock	3755p	2.8%	3931p	2721p	
OIL	Woodside Petroleum Shares	2629p	3.3%	3025p	1752p	
PHARMACEUTICAL	Roche Holdings AG Genusschein NPV	10531p	2.8%	10759p	7356p	
UTILITIES	GDF Suez	2692p	4.6%	3108p	1959p	

* These yields are estimated and not guaranteed. ** Nominee clients only.

Source: FT closing prices 2nd January 2010 and www.proquote.com

These are core stocks for a portfolio, but we will be using selective limits where appropriate.

INVESTMENT TRUST & UNIT TRUST/OEIC SUGGESTIONS

		<u>Price</u> <u>1/1/10</u>	<u>Net*</u> <u>Yield</u>	<u>52 Week</u> <u>High Low</u>		<u>Disc**</u> <u>to NAV</u>
REASONABLE YIELD	Merchants Trust	344p	6.5%	348p	218p	6.1%
	Edinburgh Investment Trust	371p	5.5%	376p	284p	5.8%
WORLDWIDE GROWTH	Bankers Investment Trust	365p	3.1%	372p	265p	12.3%
	Scottish Mortgage Investment Trust	539p	2.0%	542p	284p	11.6%
	Monks Investment Trust	293p	1.9%	299p	190p	13.2%
SMALL COMPANIES	Schroder UK Mid & Small Cap IT	182p	2.9%	198p	124p	21.2%
EUROPEAN	JP Morgan European IT (Growth Shares)	175p	3.3%	184p	93p	13.0%
EMERGING MARKETS	Templeton Emerging Markets IT	524p	0.7%	527p	233p	5.3%
	Henderson TR Pacific Investment Trust	166p	1.5%	166p	82p	8.2%
	Blackrock Latin America Investment Trust	643p	1.3%	643p	262p	(5.4%)
	JP Morgan Indian Investment Trust	378p	-	395p	200p	5.8%
CORPORATE BOND FUND	Schroders Corporate Bond Fund (income)	42.6p	6.6%	45.2p	37.0p	-
PROPERTY FUND	TR Property Investment Trust	150p	3.8%	173p	92p	15.9%
MINING FUND	Blackrock World Mining Investment Trust	550p	1.0%	565p	233p	16.8%

* These yields are estimated and not guaranteed.

** Taken from the FT 2nd January 2010

Source: FT closing prices 2nd January 2010 and www.ft.com

FIXED INTEREST STOCKS

<u>Base Rates</u>	<u>UK</u>	<u>US</u>	<u>Europe</u>
	0.5%	0.25%	1.0%

Government Stocks

<u>Index Linked</u>	<u>Price</u>	<u>Gross Interest Yield</u>	<u>Equivalent Gross Redemption Yield*</u>		<u>Dividend Dates</u>	<u>Redemption Date</u>
			<u>Nil</u>	<u>40%</u>		
2.5% Treasury Index Linked Stock 2013	261	2.3%	2.4%	2.5%	Aug/Feb	16 Aug 2013
2.5% Treasury Index Linked Stock 2016	291	2.3%	3.1%	3.7%	Jul/Jan	26 Jul 2016

* assuming that future RPI inflation averages 2.5% to redemption.

Conventional

No suitable stocks

Euro Sterling Bonds

(only for clients in Nominees and ISAs)

	<u>Price</u>	<u>Gross Interest Yield</u>	<u>Gross Redemption Yield</u>	<u>Dividend Date</u>
Unilever 4.75% 2017 (min £2,000)	102.2	4.7%	4.4%	June
BMW Capital 5.00% 2017 (min £1,000)	99.8	5.0%	5.0%	October
United Utilities 5.375% 2018 (min £1,000)	102.0	5.3%	5.1%	May
Reed Elsevier 5.625% 2016 (min £50,000)	102.0	5.5%	5.3%	October
London Stock Exchange 6.125% 2016 (min £50,000)*	102.0	6.0%	5.7%	Jan/July

*Variable coupon dependant on credit rating.

High Yield Preference Shares

	<u>Net Price</u>	<u>Net Yield</u>	<u>Equivalent Gross Yield @ 20% Tax</u>	<u>Dividend Dates</u>
General Accident 8 ⁷ / ₈ % Cumulative Preference Shares	114p	7.8%	9.8%	Jan/Jul
Standard Chartered 8 ¹ / ₄ % Non-Cumulative Pref Shares	125p	6.6%	8.3%	Apr/Oct

Note: Depending upon availability, similar Fixed Interest Stocks can be selected.

Source: Closing prices from Bloomberg 2nd January 2010.

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