Phil Oakley's Weekly Roundup

Exclusively for SharePad and ShareScope users

25th November 2016

Market overview

Name	Price	%chg 1w	%chg 1m	%chg 1y	1y high	1y low	Date 1y high	Date 1y low
FTSE 100	6829.2	▲0.508	▼-2.25	▲8.79	7097.5	5536.97	10/10/16	11/2/16
FTSE 250	17590.6	▼-0.0585	▼-1.51	▲3.78	18342.1	14967.9	4/10/16	27/6/16
FTSE SmallCap	4921.1	▲0.481	▼-1.69	▲8.08	5051.49	4145.59	10/10/16	12/2/16
FTSE AIM 100	3930.76	▲1.23	▼-0.61	▲15.8	3993.45	3075.85	4/10/16	11/2/16
S&P 500	2204.72	▲0.805	▲2.48	▲5.53	2204.72	1829.08	23/11/16	11/2/16
UK Treasury 10 Year Par Yield	1.42	0	▲27.9	▼-23.7	2	0.61	30/12/15	12/8/16
Brent Oil Spot $	$48.90	▲6.27	▼-4.97	▲6.37	$52.915	$27.765	10/10/16	20/1/16
Gold Spot $ per oz	$1189.42	▼-2.1	▼-5.87	▲10.6	$1366.48	$1053.12	6/7/16	17/12/15
GBP/USD - US $ per £	1.24571	▲0.381	▲1.91	▼-17.4	1.52215	1.21697	11/12/15	27/10/16
GBP/EUR - Euros per £	1.1785	▲0.873	▲4.83	▼-16.8	1.4245	1.1066	30/11/15	13/10/16

It has been a fairly quiet week on the stock markets. The one exception is that American stock markets are not only hitting their highs for the year but are at all time highs. The Trump effect based on expectations that economic growth will increase and help company profits has not worn off yet. The main casualty of the rise in US stock markets has been gold which has fallen again and is having a bad month.

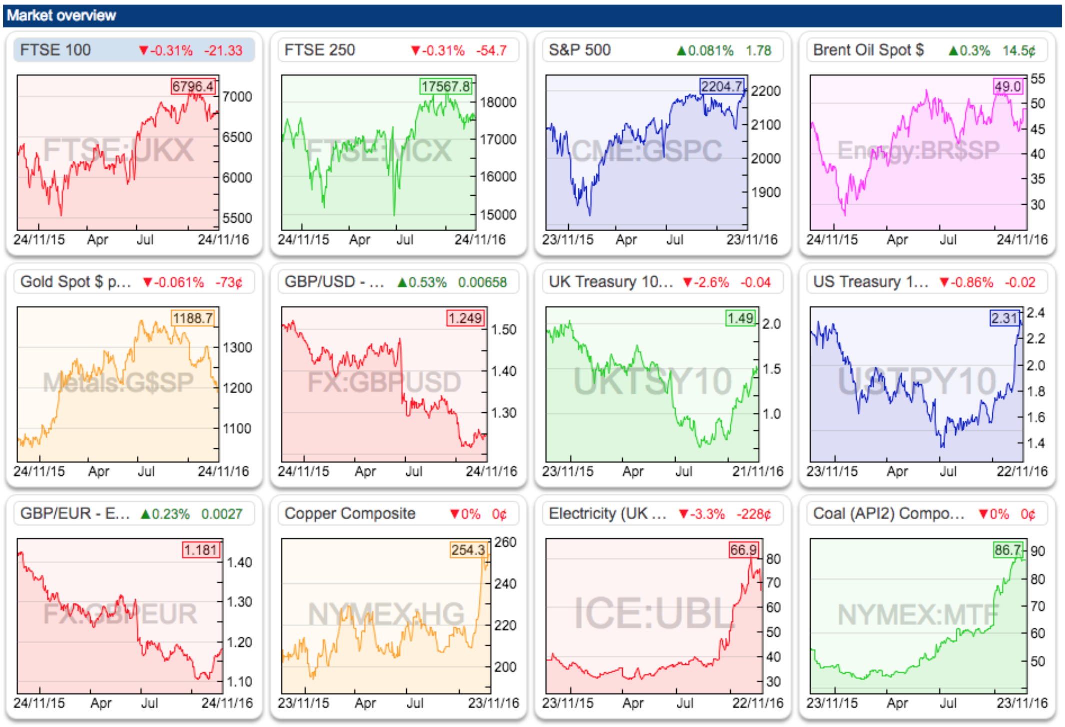
The oil price has rallied sharply on expectations that OPEC will cut the supply of oil on world markets. The pound has made some ground against both the US dollar and the euro but has lost more than 15% of its value against both during the last year.

The fall in the value of the pound is likely to push up inflation and is being cited as a problem for company profit margins where large quantities of stock and raw materials are bought in foreign currencies.

Keeping track of the markets in SharePad

If you want to keep abreast of what's going on in the markets then you can do so in SharePad by clicking on the blue **Market** button at the top of the screen. I really like this page and find it allows me to get a quick overview of what's going on in the financial world.

A screenshot of the top half of my personalised Market overview page is shown on the next page.



Below this panel I can see the big movers for any stock market index of my choice (see below). It's my go-to page as soon as I have logged into SharePad and helps me decide what I am going to look at. For example, any big share price moves are usually a sign that something significant has happened. Clicking on a share in one of these lists will change any linked green views to show information for that share. Use the **News** view to find any stock-specific announcements.

RISERS & FALLERS *Last updated: 11:34:53 (auto re-sorts every 5 minutes)*

FTSE 100			*Best 10 (29 risers in total)*
Direct Line Insurance Group ...	361.8p	▲3.8%	13.4p
Ashtead Group PLC	£14.905	▲2.1%	30.5p
Antofagasta PLC	709.5p	▲1.2%	8.5p
3i Group PLC	673.25p	▲1.2%	7.75p
Shire PLC	£46.315	▲0.77%	35.5p
Merlin Entertainments PLC	433.65p	▲0.78%	3.35p
Smith & Nephew PLC	£11.005	▲0.78%	8.5p
Intertek Group PLC	£32.045	▲0.77%	24.5p
Hikma Pharmaceuticals PLC	£16.83	▲0.72%	12p
Hammerson PLC	550p	▲0.64%	3.5p

FTSE 100			*Worst 10 (71 fallers in total)*
National Grid PLC	908.6p	▼-2.5%	-23.1p
Babcock International Group ...	940.25p	▼-1.6%	-15.75p
DCC PLC	£62.225	▼-1.6%	-102.5p
BHP Billiton PLC	£13.42	▼-1.5%	-21p
Vodafone Group PLC	198.125p	▼-1.2%	-2.475p
Johnson Matthey PLC	£31.85	▼-1.2%	-39p
Severn Trent PLC	£22.07	▼-1.2%	-26p
Carnival PLC	£40.89	▼-1.1%	-47p
International Consolidated Air...	445.5p	▼-1.1%	-5.1p
Travis Perkins PLC	£14.085	▼-1.1%	-15.5p

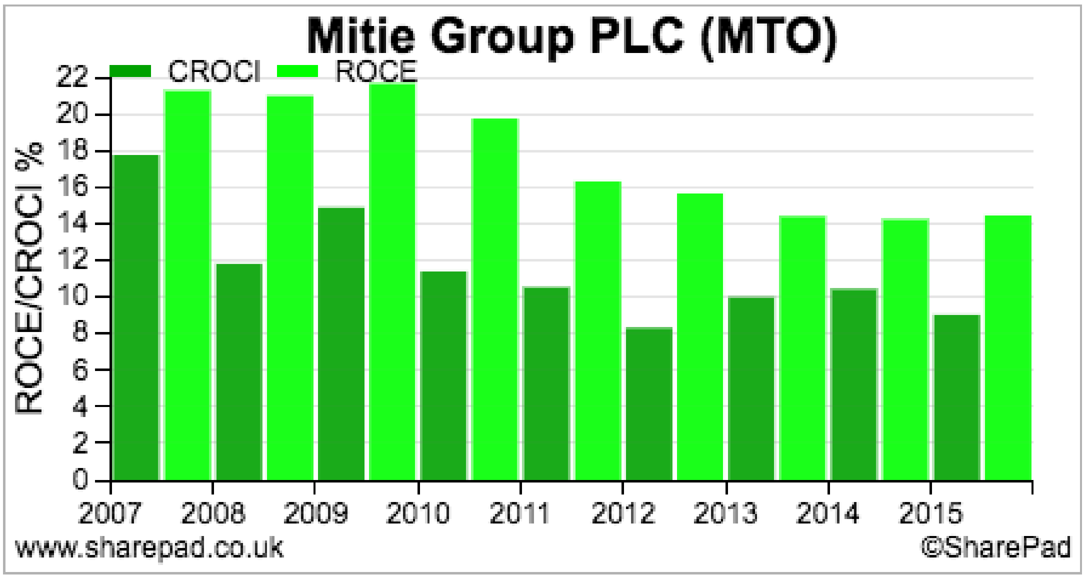
FTSE 250			*Best 10 (84 risers in total)*
Domino's Pizza UK & IRL PLC	342.25p	▲3.7%	12.35p
Cobham PLC	167.25p	▲2.7%	4.45p
Big Yellow Group PLC	669.5p	▲2.2%	14.5p
Thomas Cook Group PLC	80.65p	▲2.1%	1.65p
PayPoint PLC	£10.585	▲1.8%	18.5p
Rank Group (The) PLC	204.4p	▲1.6%	3.2p
Londonmetric Property PLC	144.95p	▲1.4%	2.05p
Tullett Prebon PLC	426.75p	▲1.4%	5.75p
Worldwide Healthcare Trust ...	£21.02	▲1.3%	27p
Marshalls PLC	293.35p	▲1.3%	3.65p

FTSE 250			*Worst 10 (162 fallers in total)*
Countrywide PLC	170.3p	▼-12%	-23.6p
Pets at Home Group PLC	215.55p	▼-7.7%	-17.95p
TalkTalk Telecom Group PLC	154.25p	▼-4.8%	-7.75p
UDG Healthcare PLC	627.5p	▼-4.7%	-31p
Paragon Group of Companie...	355.95p	▼-3.9%	-14.55p
Euromoney Institutional Inves...	£10.0925	▼-4%	-41.75p
Hochschild Mining PLC	206.35p	▼-3.5%	-7.55p
Mitchells & Butlers PLC	248.1p	▼-3.2%	-8.2p
Tate & Lyle PLC	671.75p	▼-3.1%	-21.75p
Rightmove PLC	£37.825	▼-3.1%	-119.5p

Note that there are different pre-configured *Settings* for the Market overview which will show you different combinations of data. Use the **Design** button in the bottom left of the view to customise the Setting you are in. You might find **this tutorial** useful.

Share Discussion: Mitie (LSE:MTO)

Half year results from Mitie this week showed that it is a company with lots of problems. Trading profits were down by 39.1%, earnings per share down by 44.1% and the interim dividend was cut by 26% - its first dividend cut in 23 years. On top of this the company warned that full year profit would be less than expected - the second profit warning in two months. It's no surprise that the shares are close to their 52 week low.



Mitie has been becoming steadily less profitable for a number of years now as evidenced by a declining return on capital employed (ROCE). That said, the 14% ROCE generated in 2015 would not lead you to think that Mitie was a bad business.

But it would seem that the quality of Mitie's profits and investments which produce that ROCE have come into question. An expensive foray into domestic healthcare has been a disaster. The business is unprofitable and all the goodwill that was paid to buy into the sector has been written off. This has significantly reduced Mitie's distributable reserves with which to pay dividends in the future.

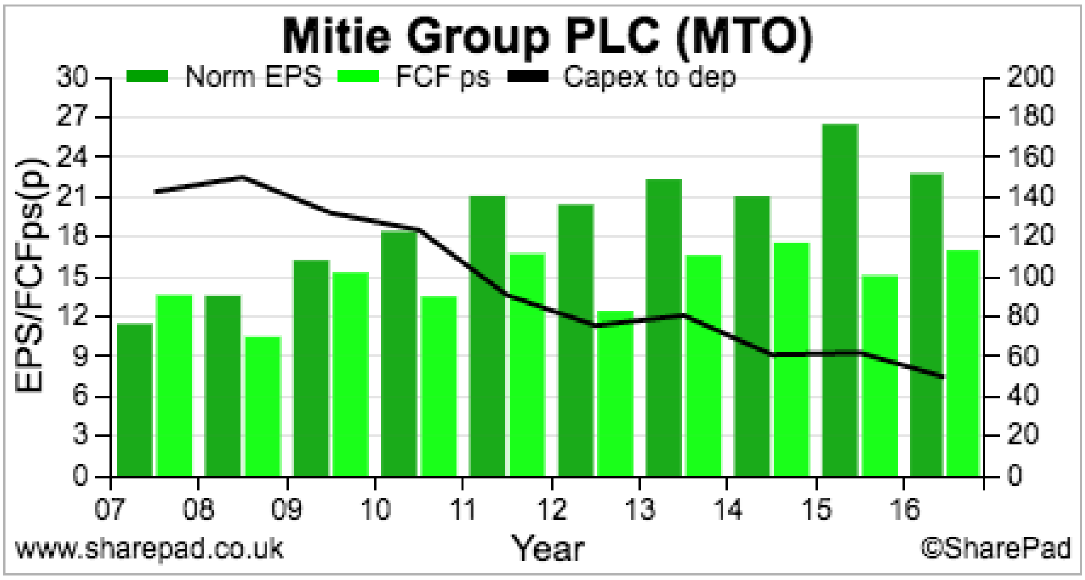
At the time of Mitie's first profit warning back in September, the company mentioned that its facilities management business - activities such as catering, security, cleaning, engineering maintenance and events management - was holding up well. Half year results suggest otherwise. Profits fell by nearly a third and margins were slashed.

The company is blaming a combination of less higher-margin work and a reluctance of its customers to spend money. The biggest problem would appear to be higher wage costs. Mitie is essentially a people business and wages are by far its biggest cost. If it cannot pass those higher costs onto customers then profit margins will fall and this is what seems to be happening. A further rise in the national living wage from £7.20 per hour to £7.50 from April 2017 is not helpful.

The company's Property Management business is very reliant on social housing (c74% of revenues), but rent restrictions mean that its customers have less money to spend. This was reflected in a 16% decline in first half revenues and a near halving of profit.

The company is trying to get back on track by cutting costs and is also helped by not having any of its major contracts up for re-tendering until 2019. That said, it is difficult to see the current pressures on its business disappearing or being fixed anytime soon.

One of my major reservations about Mitie (see my **Investors Chronicle article on outsourcers** for more on this) is its apparent inability to turn its profits into free cash flow as shown in the chart below.



Having capex higher than depreciation is the most legitimate reason for profits not turning into free cash flow but this hasn't been the case with Mitie for years. I find this worrying and find myself questioning the quality of Mitie's profits.

These days, I am spending a lot of time scrutinising a company's working capital position - the changes in debtors, creditors and stocks - with a particular attention on debtors (sales that have been booked but the cash not received). There was a big outflow of £53m in the year to 2016 and another sizeable outflow in the first half of this financial year (see image overleaf).

Condensed consolidated statement of cash flows

For the six months ended 30 September 2016

	30 September 2016 (unaudited) GBPm	30 September 2015 (unaudited) GBPm
Operating profit/(loss)	(92.7)	53.1
Adjustments for:		
Share-based payment expense	2.6	3.3
Defined benefit pension charge	2.2	2.6
Defined benefit pension contributions	(1.4)	(1.6)
Acquisition costs	0.7	-
Depreciation of property, plant and equipment	7.3	8.3
Amortisation of intangible assets	8.4	8.8
Share of profit of joint ventures and associates	(0.3)	(0.4)
Impairment of Goodwill and Intangible assets	117.2	-
Loss/(gain) on disposal of property, plant and equipment	0.1	(0.4)
Operating cash flows before movements in working capital	44.1	73.7
Decrease in inventories	0.7	1.1
Increase in receivables	(25.0)	(48.7)
Increase/(decrease) in payables	7.4	(15.7)
Increase/(decrease) in provisions	0.4	(0.2)
Cash generated by operations	27.6	10.2

What makes me nervous is that companies such as Mitie have lots of different contracts where there can be differences between when sales are recorded and when the cash is received. This can give scope for creative accounting and makes it very difficult for the outside investor to know what is going on.

I'm not saying that Mitie is cooking its books but I'll never know if it is until after the event. All I can go on is the company's free cash flow performance. Personally, I like to see profits being turned into free cash flow (EPS = FCFps). I am comfortable if capex is more than depreciation if this is temporary and ROCE is rising but I don't like to see FCF lagging EPS due to working capital outflows. I'm not saying it's dodgy but to me it is not a sign of the high quality profits I look for.

Mitie reported an underlying profit for shareholders during the first half of the year of £22m. Its free cash flow was a loss of £3.9m, although this was better than last year's outflow of £10.5m.

Mitie Free Cash flow (£m)	H1 2017	H1 2016
Operating cash flow	27.7	10.2
Tax paid	-10.8	-3.1
Net interest paid	-6.7	-7.1
Capex	-14.3	-11.0
JV dividends received	0.3	0.7
Minority dividend paid	-0.1	-0.2
Free cash flow	**-3.9**	**-10.5**

Is Mitie a turnaround candidate?

Possibly. Incoming chief executive, Phil Bentley bought 1.9m shares this week which is a show of faith in the prospects of the business. That said, he looks to have taken on a very difficult job.

Mitie Group PLC (MTO)

← Prev Next →	2014	2015	2016	2017	2018	2019
Fiscal period ending	31/3/14	31/3/15	31/3/16	1/3/17	1/3/18	1/3/19
£ millions unless stated	Q4	Q4	Q4	Forecast	Forecast	Forecast
KEY FORECASTS						
Turnover	2,221.1	2,273.8	2,231.9	2,219.2	2,218.9	2,219.7
%chg	▲4.7	▲2.4	▼-1.8	▼-0.6	▼-0.0	▲0.0
EBIT	112.2	118.1	116.7	89.0	100.1	99.0
EBIT margin	5.1	5.2	5.2	4.0	4.5	4.5
EPS(p)	21.0	26.5	22.8	17.5	19.2	19.9
EPS % chg	▼-5.7	▲26.0	▼-14.0	▼-23.1	▲9.7	▲3.6
DPS(p)	11.0	11.7	12.1	8.6	9.2	9.6
DPS % chg	▲6.8	▲6.4	▲3.4	▼-28.9	▲7.0	▲4.3
Dividend cover	1.9	2.3	1.9	2.0	2.1	2.1

City analysts have taken a knife to their profit forecasts for 2017, with little improvement expected in the following years. You can see that any improvement is expected to be driven by cost-cutting as no turnover growth is expected.

At 200p, the shares trade on a 2017 forecast PE ratio of 11.4 times. That might seem tempting if profits can start growing again and you are prepared to be patient. That said, given Mitie's track record of turning profits into free cash flow, I'd be inclined to be cautious towards EPS estimates and the PE ratios attached to them.

Mitie's average free cash flow conversion over the last five years has been 70% according to SharePad. Applying that average to the 2017 consensus EPS estimate of 17.5p would give an estimate FCFps of 12.25p, putting the shares on a forecast P/FCF multiple of 16.3 times.

Share Discussion: Homeserve (LSE:HSV)

Homeserve - which makes most of its money insuring people against burst water pipes and broken boilers - is proof that a company can turn itself around. Back in 2013, the company was at the centre of a mis-selling scandal which led to customers leaving in droves. The outlook seemed bleak. Now the company is in much better shape and so is its share price which has been on a stellar run.

The company makes money by selling insurance policies for household emergencies such as broken boilers, burst pipes and other things such as lock and window replacements. The company tends to sell its policies by partnering with utility companies to get access to their customer base. Profits are essentially driven by the following factors:

- Insurance premiums
- The number of customers retained (retention rate)
- The cost of underwriting the insurance policies and marketing costs

The first half of the year has seen the company make steady progress with an 11.8% increase in underlying profit. Most of the company's profits are made in the second half of the year. The US business which is slightly loss-making during the first half makes money for the year as a whole.

Financial performance for the period ended 30 September

GBPmillion	Revenue		Adjusted operating profit/(loss)		Adjusted operating margin	
	2016	2015	2016	2015	2016	2015
UK	134.8	123.6	21.2	20.7	16%	17%
Established International						
USA	86.0	59.2	(1.1)	(1.4)	–	–
France	31.4	27.5	8.0	7.1	25%	26%
Spain	57.8	44.4	4.7	3.7	8%	9%
	175.2	131.1	11.6	9.4	7%	7%
New Markets	6.7	9.9	(1.7)	(2.3)	–	–
Inter-segment	(2.4)	(2.3)	–	–	–	–
Group	314.3	262.3	31.1	27.8	10%	11%

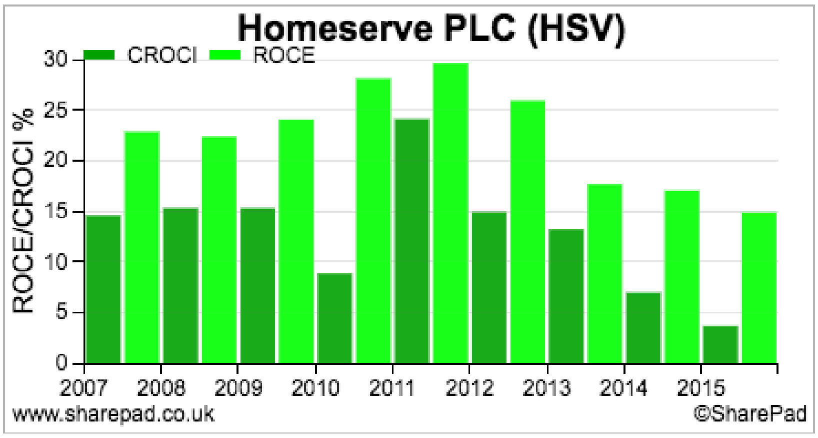
Its UK business is relatively mature but provides the bulk of the company's profits. It is managing to hold on to 80% of its customers. This is important as replacing lost customers can incur significant marketing expenses and lead to lower profits. The company's French business has a very high retention rate and also has the highest profit margins of 25%.

Affinity partner	Customer numbers households (m)		Policy retention (m)		rate	
	2016	2015	2016	2015	2016	2015
UK	24	24	2.2	2.1	80%	83%
Established International						
USA	49	31	2.8	2.1	81%	82%
France	15	15	1.0	1.0	89%	89%
Spain	12	15	1.2	1.1	77%	78%
	76	61	5.0	4.2	83%	84%
New Markets	–	6	0.3	0.3	–	–
Group	100	91	7.5	6.6	82%	83%

Homeserve's growth plans are centred on the USA where it has been buying companies and partnering with more utilities. It currently has access to 49 million households (to sell its products to) and is aiming to get to 80 million.

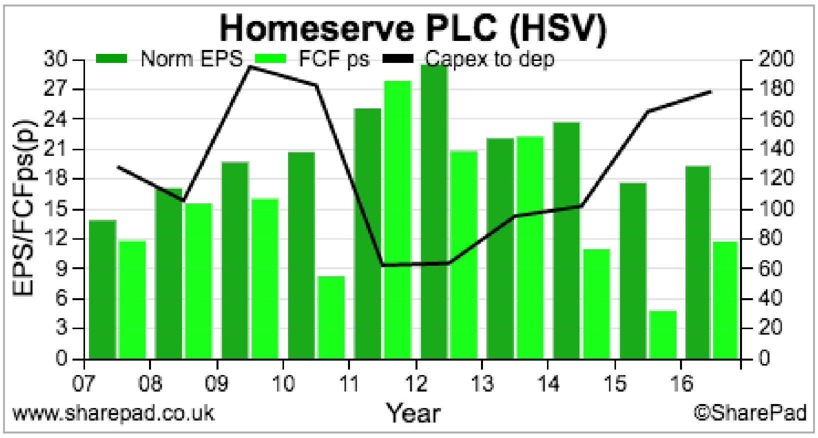
The bullish case for the company is that it can replicate the customer penetration rate it has in the UK (2.2m customers out of 24m households or 9.1%). If it could, then it could get to 7.3m customers (9.1% of 80m households). The company is a long way from this - currently 2.8m customers - but this is the investment case.

Homeserve has been a very profitable business. ROCE was approaching 30% back in 2012 when it had over 3 million UK customers. So far, replacing UK customers with foreign ones has not been nearly as profitable and ROCE has halved.



A few year ago, Homeserve's ROCE made it an outstanding company. Now I would say it looks to be a good one - as long as ROCE does not continue to fall. There is a slight concern that it has had to resort to buying companies in the USA rather than growing organically. Some analysts have criticised it for growing too slowly. It recently shelled out £61m to buy a company in the US and will be under pressure to make a good return on it.

Reputational risks are high with this kind of business as well. Homeserve relies mainly on subcontractors to fix broken boilers and leaky pipes. These are cheaper than full time employees but are more difficult to control from a customer service perspective.



You can also see from the chart above that Homeserve capex has been trending up and has led to its free cash flow lagging its EPS.

This has meant that free cash flow has not been covering the cash cost of dividend payments in recent years, although it has been fairly close to doing so.

Homeserve PLC (HSV)

← Prev Next →	2013	2014	2015	2016	2017	2018
Fiscal period ending	31/3/13	31/3/14	31/3/15	31/3/16	1/3/17	1/3/18
£ millions unless stated	Q4	Q4	Q4	Q4	Forecast	Forecast
KEY FORECASTS						
Turnover	546.5	568.3	584.2	633.2	732.1	846.8
%chg	▲2.2	▲4.0	▲2.8	▲8.4	▲15.6	▲15.7
EBIT	94.8	90.2	77.6	86.9	-	-
EBIT margin	17.3	15.9	13.3	13.7	-	-
EPS(p)	22.1	23.7	17.6	19.3	24.0	29.0
EPS % chg	▼-25.2	▲7.3	▼-25.6	▲9.6	▲24.4	▲20.8
DPS(p)	12.2	12.2	12.4	12.7	14.0	15.5
DPS % chg	▼0.0	▼0.0	▲1.8	▲2.5	▲10.2	▲10.7
Dividend cover	1.8	1.9	1.4	1.5	1.7	1.9

City analysts are expecting its move into the US to produce strong EPS growth over the next couple of years. At 583p, the shares trade on 24.3 times 2017 forecast EPS which suggest that a large chunk of future growth has been priced into the shares.

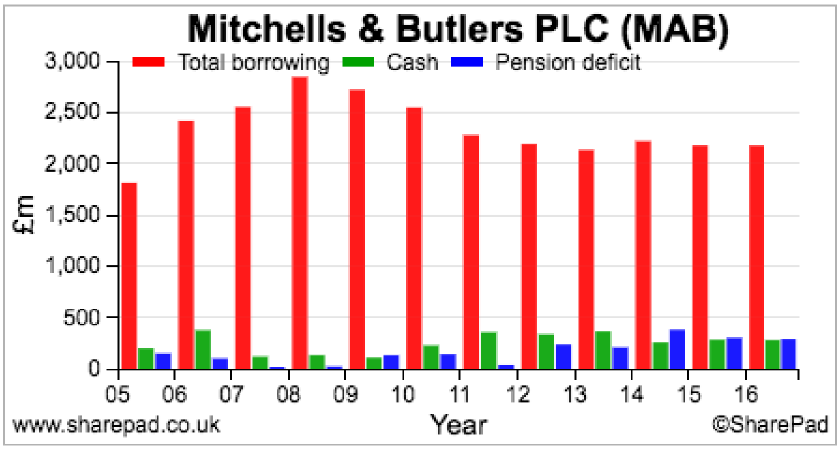
Insurance-type businesses such as these - e.g. the AA and RAC - have been the subject of takeover bids in the past and it cannot be ruled out that Homeserve might attract some interest in the future.

Share Discussion: Mitchells & Butlers (LSE:MAB)

Running a pub is a tough business. Over the last decade the pub industry has gone through some very tough times with a recession, smoking ban and increased competition from supermarkets.

Some problems have been self-inflicted. Pub companies such as Mitchells & Butlers decided to borrow lots of money secured against the property value of their pubs and paid their shareholders a couple of large special dividends. When the recession hit, it found that making enough money to pay the interest bill on the debts became quite difficult.

Instead of asking shareholders for money to pay down the debt, the company has decided to trade its way back to health. A sale of pubs briefly dented the debt pile but the chart to the right shows that total borrowings have been static for the last six years.



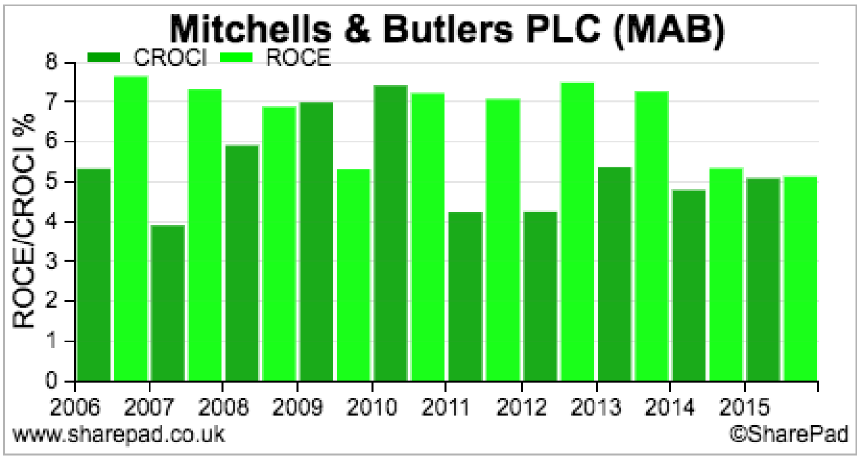
So how is the trading part of the plan going?

Not that well if this week's full year results are anything to go by. M&B reported no growth in sales, trading profits or earnings per share (EPS). Its profit margins declined as well.

What is worrying is that profit margins look like they are going to fall again in 2017. Wages are increasing due to increases to the national living wage; business rates are going up and the cost of food and drink bought in foreign currencies will increase because of the devaluation of the pound.

However, it seems that there are some grounds for optimism. Like-for-like sales have stopped falling. They increased by 0.2% during the second half of the last financial year and have increased by 0.8% for the first eight weeks of the 2016/17 financial year. Admittedly, this is not particularly strong growth - especially when costs are going up - but it has reversed a decline and that is never a bad thing.

M&B is trying to take its pubs more upmarket. It is trying to differentiate itself from a very crowded and competitive restaurant sector and earn higher returns on the money it invests. It is converting some of its existing pubs to new brands such as Miller & Carter steakhouses where it is getting a 40% return (based on EBITDA) on the money invested. Stonehouse pizza and pasta pubs are getting 25% returns on investments.



This is encouraging. M&B has been getting an average 20% EBITDA on new pubs and pub remodellings since 2014. However, before you get too excited, this has done little to improve the company's overall ROCE which remains very modest.

It would seem that the problem facing M&B is that most of the money it spends on new assets (capex) goes on maintaining its existing pubs. Of the £167m capex last year, £115m was spent on maintenance with £52m spent on new pubs and conversions to new brands. That's probably not enough to make a massive improvement to the company's ROCE.

The other issue is that the impact of converting and remodelling pubs to new formats doesn't seem to last that long. M&B has said it will remodel or convert 300 pubs a year. Given it has 1800 pubs this implies that a pub will need remodelling or converting every 6 years. This costs money and it is by no means certain that it will always bring in extra profits and higher returns.

This would seem to make M&B quite unattractive from a standard investment viewpoint of growing profits, cash flows and earning a high ROCE. Perhaps investors have to look at it in a different way?

One possibility is to look at M&B as a proxy for a property company. Of its 1800 pubs, 80% of them are freehold or long leasehold which suggests that the company has an asset value.

If you look at the latest results, the net tangible asset per share (NTAVps) is 338p. This compares with the current share price at the time of writing of 249p.

Does this mean that M&B shares are really cheap? Not necessarily. A company's NTAV is simply its tangible asset value (fixed assets plus cash, stocks, debtors etc) less all its liabilities. It does not necessarily follow that those assets are worth what they are stated on the balance sheet.

Quite often they are not. To be worth their balance sheet value they have to be capable of earning a minimum amount of profit or cash flow. As a rule of thumb, unless the ROCE is at least 10% then there are grounds to question a company's asset values on its balance sheet.

Based on this view, I'd say that there are grounds for saying that the value of those assets as pubs could be lower than the balance sheet value given the low ROCE they are producing. But that's not to say that they might not have more value in an alternative use - such as land for houses.

Buried in the notes to the full year results is this:

Property

"A red book valuation of the freehold and long leasehold estate has been completed in conjunction with the independent property valuer, CBRE. In addition, the Group has conducted an impairment review on short leasehold and unlicensed properties. ***The overall portfolio value has increased by GBP128m (FY 2015 decrease of GBP40m) reflecting an GBP88m separately disclosed charge in the income statement and a GBP216m increase in the revaluation reserve****."*

You can pick up information like this by looking at a company's *statement of comprehensive income* - one of the least read financial statements but one that can be quite revealing. Comprehensive income consists of all of the revenues, gains, expenses, and losses that caused shareholders' equity to change during the accounting period.

Group statement of comprehensive income
For the 52 weeks ended 24 September 2016

	2016 52 weeks GBPm	2015 52 weeks GBPm
Profit for the period	89	103
Items that will not be reclassified subsequently to profit or loss:		
Unrealised gain on revaluation of the property portfolio	216	25
Remeasurement of pension liability	(22)	6
Tax relating to items not reclassified	(21)	(9)
	173	22
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	3	(1)
Cash flow hedges:		
- Losses arising during the period	(116)	(86)
- Reclassification adjustments for items included in profit or loss	8	31
Tax relating to items that may be reclassified	10	11
	(95)	(45)
Other comprehensive income/(loss) after tax	78	(23)
Total comprehensive income for the period	167	80

So could M&B shares contain some hidden value? Possibly, yes. The company is planning to sell off 75 pubs to realise some value for shareholders but the whole business is unlikely to be liquidated to build houses any time soon.

Filter of the week - looking for safer dividends

Many people buy shares for their dividend income. The numbers of people doing this has increased significantly in recent years as interest rates on bonds and savings accounts have been very low.

However, blindly buying shares with high dividend yields can be a trap and a recipe for investment misery. This is because a high yield is often a sign of a dividend that is not safe and is likely to be cut.

Below is a simple filter you can do in ShareScope and SharePad to try and keep yourself away from trouble and steer you towards safer dividend-paying companies.

The criteria of the filter are as follows:

- **Continuous dividend payments for at least 20 years** - this shows that a company has been able to pay a dividend in good times and bad.
- **Forecast dividend growth of at least 2%** - in other words a dividend that is growing at least in the line with the rate of inflation and maintaining its buying power.
- **Forecast dividend cover of at least 2.0** - a dividend that is expected to be comfortably covered by profits is usually quite safe.
- **A forecast dividend yield of at least 3%** - a reasonable rate of income from the share.

Filtered LSE Shares sorted by forecast Yield (28 matches)

Dividend payment history Add criteria i Exit

- Dividends per share years of payments Min: 20 Max:
- Supersector excludes **Equity/Nonequity Investment Instruments**
- forecast Dividends per share change % adjusted for splits & con… Min: 2 Max:
- forecast Dividend cover Min: 2 Max:
- forecast Yield Min: 3 Max:

No.	TIDM	Name	Market Cap. (current)	Dividends per share yrs pay	fc Dividends per share %chg Adj	**fc Yield**	fc Dividend cover
1	CNCT	Connect Group PLC	£342.0	24	▲3.2	7.0	2.0
2	SGC	Stagecoach Group PLC	£1173.7	23	▲2.6	5.7	2.1
3	CTO	Clarke (T) PLC	£24.8	22	▲3.2	5.4	2.5
4	NUM	Numis Corporation PLC	£258.3	20	▲4.3	5.3	2.1
5	RM.	RM PLC	£101.7	21	▲20.0	5.0	2.6
6	ALU	Alumasc Group PLC	£52.2	24	▲7.7	4.8	2.9
7	GOG	Go-Ahead Group (The) …	£862.3	25	▲3.7	4.8	2.2
8	GNK	Greene King PLC	£2254.8	25	▲6.1	4.7	2.1
9	BWY	Bellway PLC	£3015.7	24	▲4.7	4.6	3.0
10	SVS	Savills PLC	£941.6	24	▲150.0	4.4	2.1
11	CBG	Close Brothers Group PLC	£2044.1	24	▲3.9	4.3	2.1
12	PAG	Paragon Group of Comp…	£1000.4	22	▲12.6	4.1	2.8
13	VTC	Vitec Group (The) PLC	£281.6	23	▲2.4	4.1	2.3
14	ACL	Acal PLC	£139.0	24	▲3.1	3.9	2.2
15	BRSN	Berendsen PLC	£1522.9	23	▲5.1	3.8	2.0
16	TON	Titon Holdings PLC	£9.5	23	▲6.7	3.7	4.2
17	SNR	Senior PLC	£756.8	23	▲4.8	3.6	2.2
18	NXT	Next PLC	£7269.8	25	▲11.9	3.6	2.5
19	SDM	Stadium Group PLC	£29.8	20	▲7.4	3.6	3.1
20	SMDS	DS Smith PLC	£3726.2	24	▲5.5	3.4	2.3
21	NWF	NWF Group PLC	£86.1	22	▲5.3	3.4	2.4
22	JEL	Jersey Electricity Compa…	£47.4	20	▲4.3	3.3	2.4
23	BHY	Boot (Henry) PLC	£271.2	24	▲6.6	3.2	3.3
24	WIL	Wilmington PLC	£244.1	21	▲6.2	3.1	2.3
25	SOLI	Solid State PLC	£34.9	20	▲5.8	3.1	2.7
26	ARBB	Arbuthnot Banking Grou…	£213.7	24	▲51.4	3.1	25.4
27	MNZS	Menzies (John) PLC	£433.1	24	▲5.1	3.0	3.2
28	MSLH	Marshalls PLC	£585.1	24	▲24.3	3.0	2.0

This filter is no substitute for thoroughly researching a company and is no guarantee of safety, but like all sensible filters it can save you time when focusing your research efforts.

This newsletter is for educational purposes only. It is not a recommendation to buy or sell shares or other investments. Do your own research before buying or selling any investment or seek professional financial advice.