

HD Investors Chronicle - magazine and web content: Press tips & headlines: Fenner, Inchcape, Travelex.

BY Sharecast

WC 893 words

PD 12 March 2014

SN Investors Chronicle - Magazine and Web Content

SC INVR

LA English

CY Copyright (c) 2014 Investors Chronicle

LP

Here is a selection of today's business press headlines.

Fenner (FENR) is seeing delays in some projects but at least for now some of its major markets are stabilising, to a certain extent. Its engineering products division will be affected by slippage on one large contract in the North Sea, while work on some off-shore **wind** farms in Germany has been delayed. However, **coal** and **iron ore** production in Australia is steady, in thanks, partly, to the now weaker Aussie dollar. Meantime, and in North American **coal**, which is catered to by the **company's** **mining** products arm, stocks are low after the cold winter, although clients continue to be cautious.

TD

In any case, what makes Fenner attractive is its exposure to a recovery in **mining** and **oil** and gas, given that so much of its sales come from the 'aftermarket' supply of parts, as opposed to so-called 'green-field' projects. "The long-term story is still there, but I see little chance of outperformance for now, given the uncertainties," writes The Times' Tempus.

Car dealer Inchcape (INCH) achieved solid full-year results on the back of strong demand in emerging markets for the premium car brands which it sells. In fact, the vast majority of its profits originate in fast-growth markets such as Chile and Peru, as well as the Asia Pacific region. Nonetheless, its second-hand car business could see some pricing pressure. The shares have had a strong run over about the last two years.

Yes, at its results presentation the **company** rolled out research pointing to growth rates of 21 per cent in global sales of new cars over the next five years. That is all well and good. However, doubts that emerging markets may stall due to the US Federal Reserve's 'tapering' has led The Daily Telegraph's Questor team to downgrade the shares to 'hold'.

BUSINESS PRESS HEADLINES:

On Tuesday evening the Co-op decided on a revamp of its governance structure to a two-tier system. There will be one group resembling the top of a public **company** which will in turn report to a more traditional Co-op-style board of members. The change will be voted on May 17th by the group's regional boards and independent societies. That follows the resignation of its reform-minded Chief Executive, which branded the **company** as ungovernable. He will be replaced by former Morrison Finance Director Richard Pennycook, The Times says.

Just as the house buying season is due to begin and **millions** of Britons are deciding where to invest this year's Isa savings, Bank Governor Carney told a parliamentary committee that interest rates may rise six-fold by 2017. In parallel, mortgage rates may increase to 6 per cent. That means homebuyers will have to analyse whether they would still be able to afford their loans when borrowing costs increase. That is exactly what the Bank is doing now, carrying out more research into just how many people are "most vulnerable" to higher rates, The Daily Telegraph reports.

The world's largest non-bank foreign exchange business, Travelex, is considering a stockmarket flotation. Over the last year the **company** saw underlying profits rise by no less than 21 per cent thanks to the rise of the middle classes in markets such as **China** and India and growing international travel. Helping that trend along is the increasing use of smartphones to obtain cash before trips. No indication was given regarding the possible timing of the initial public offering or on whether a **sale** of the group might be an alternative option, writes The Daily Express.

Responding to renewed criticism from the Treasury Select Committee that the Bank of England's governance was "opaque, complex and byzantine" Governor Carney announced that the central bank will soon announce a strategic review of its governance systems. That comes as he was forced to admit that allegations of rigging in foreign exchange markets could prove to be a bigger scandal than the manipulation of LIBOR. The aim of the above reforms is to reinforce compliance and make staff more accountable. Carney will also create the post of a fourth deputy governor, The Guardian writes.

A damning report from the Office of Fair Trading (OFT) says that there may be competition concerns in the market for alternative funding to small and medium-sized enterprises (SMEs). The OFT report says that banks may be hindering SMEs access to such lenders. The soon-to-be-created Competition and Markets Authority will decide by autumn if there is a need for a full investigation into this segment of the market, according to The Times.

Lloyds' decision to water down pension benefits for about 35,000 employees - a third of its staff - by GBP1bn has sparked their ire. That amounts to a cut to their lifetime pensions of about GBP29,000 in terms of today's money. In exchange, they have been offered a payment of 3 per cent of their pensionable pay, on average that works out to about GBP880 for each member of staff. As well, the cap on pensionable pay has been reduced from 2 per cent to 0 per cent, The Times says.

Read today's news and tips round-up

RF 111087349

CO inchc : Inchcape PLC | trvxc : Travelex Ltd. | mmg : Apax Partners LLP

IN irenewf : Renewable Energy Facility Construction | imet : Mining/Quarrying | iwind : Wind Energy | i111 : Coal Mining | i1 : Energy | i16 : Electricity/Gas Utilities | i16101 : Electric Power Generation | i163 : Electric Power Generation - Alternative Energy | i502 : Heavy Construction | i5020044 : Power Station Construction | ibasicm : Basic Materials/Resources | iconst : Construction | icre : Real Estate/Construction | ieutil : Electric Utilities | iutil : Utilities | i64 : Retail/Wholesale | i651 : Motor Vehicle Dealing | i654 : Specialty Stores | i831 : Financial Investments | ifinal : Financial Services | iinv : Investing/Securities | iretail : Retail

NS m132 : Foreign Exchange News | mcat : Commodity/Financial Market News | ccat : Corporate/Industrial News | m13 : Money/Forex Markets | ncat : Content Types | nfact : Factiva Filters | nfce : FC&E Exclusion Filter

RE austr : Australia | gfr : Germany | uk : United Kingdom | apacz : Asia Pacific | ausnz : Australia/Oceania | dach : DACH Countries | eecz : European Union Countries | eurz : Europe | weurz : Western Europe

PUB FT Business Publications Limited

AN Document INVR000020140319ea3c0003o