

Sell – Travis Perkins (TPK)

August 7, 2013

Leveraged products involve a high level of risk and you can lose more than your original investment. They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

Trade parameters:				
Opening Price	Stop Loss	Profit Limit	Reward vs. Risk	CFD Margin
1675p	1740p (65p/3.9% above)	1500p (175p/10.4% below)	2.7x	10%

Technical Observations - For

- Shares topped out ~2007 all-time highs; negative divergence
- MACD turned down below signal; DIs converging bearishly
- MACD showed negative divergence (Triple top)
- Stochastics back from overbought
- RSI turned down from overbought; Momentum gone negative

Technical Observations - Against

- Shares not turned down markedly yet
- MACD still positive
- Shares still outperforming FSE100
- ADX (trend strength) still strongish
- Point & Figure chart not yet shown reversal

News / Broker Comments / Important Dates / Observations **

Deutsche ups TP to 1352p from 1318p after H1 pre-tax profit 5% ahead of estimates and pick up in market trends since April and upbeat outlook for FY14 (30 Jul). Citi cuts to Neutral after strong share price rise, but ups TP to 1745p expecting positive newsflow benefiting from volume recovery (26 Jul). Peel Hunt raises TP to 1800p after h1 results ahead of expectations (25 Jul). CEO announces to retire in Jan (25 Jul). Exposed to building and construction sector. **Next Event:** Ex-div, 9 Oct

Latest Broker 12m Consensus: 4 x Buy, 11 x Hold, 5 x Sell (Source: Digital Look, Alpha Terminal, Brokerforecasts.com) (U = Upgrade / D = Downgrade)
30-Jul, Deutsche, Hold, TP 1352p (U); **30-Jul,** Citi, Neutral; (D), TP 1745p (U); **26-Jul,** Peel Hunt, TP 1800p (U); **9-Jul,** Panmure, Hold, TP 1540p (U); **18-Jun,** Goldman, Neutral, TP 1720p (U); **17-Jun,** Jefferies, Underperform, TP 1120p;



Stock description

Travis Perkins plc markets and distributes products to the UK construction and building trade industries, including timber, building, and plumbing and heating materials. (FTSE 100)

Graph: 1-year (daily)

Stock last used as Trade Idea;
N/A

****Source:** DowJones Newswires, Reuters News or Company Press releases, Bloomberg.com

Need help understanding this page? [Click](#)

Need help with Technical Analysis? [Click](#)

Our research is produced by Accendo Markets Limited. Research produced and disseminated by Accendo Markets is classified as non-independent research, and is therefore a marketing communication. Accendo Markets research has not been prepared in accordance with legal requirements designed to promote its independence and may not comply with FCA guidelines to prevent conflicts of interest and is not subject to any prohibition on dealing ahead of the dissemination of research. As such, this research does not constitute a personal recommendation or offer to enter into a transaction or an investment, and is produced and distributed for information purposes only. Accendo Markets considers information contained within the research to be valid when published, and gives no warranty as to the investments referred to in this material. The income from the investments referred to may go down as well as up, and investors may realise losses on investments. The past performance of a particular investment is not necessarily a guide to its future performance. Prepared by Mike van Dulken, Analyst

Sell – Travis Perkins (TPK)

August 7, 2013

Leveraged products involve a high level of risk and you can lose more than your original investment. They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

Graph: 1-year (daily) - ADX and Directional Indicators, MACD & Volume



Moving averages on price:
Green: 200-period, Black: 100-period, Red: 50-period, Red: 20-period

Need help understanding this page? [Click](#)

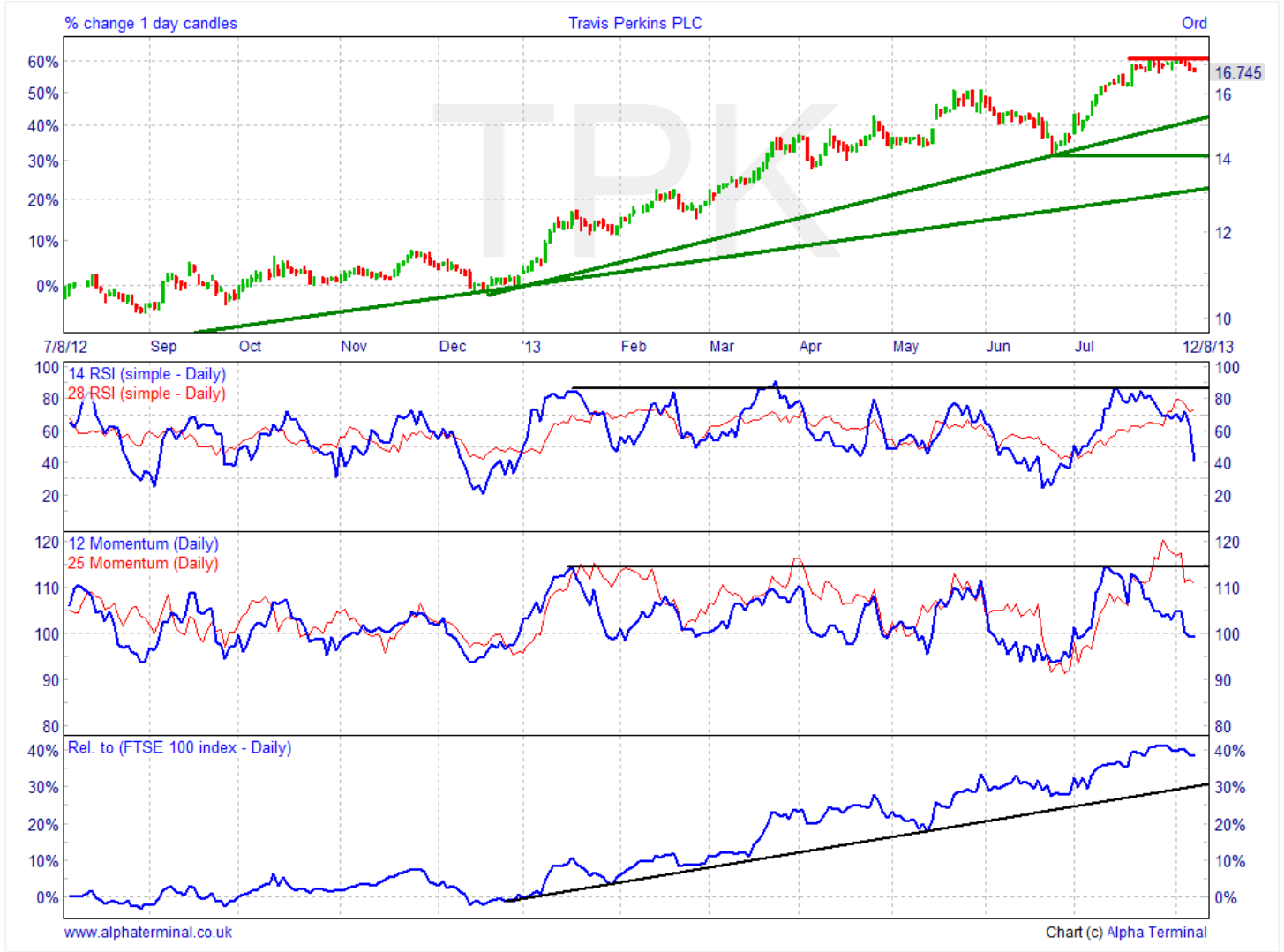
Need help with Technical Analysis? [Click](#)

Sell – Travis Perkins (TPK)

August 7, 2013

Leveraged products involve a high level of risk and you can lose more than your original investment. They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

Graph: 1-year - RSI, MACD and Performance relative to FTSE 100



Share	1wk	1m	3m	1yr	2yr	3yr	4yr	5yr
Perf %	-1.47	3.27	15.04	55.96	119.38	104.14	107.05	217.17

Need help understanding this page? [Click](#)

Need help with Technical Analysis? [Click](#)