

Sell – Weir Group (WEIR)

September 25, 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
2373p	2440p (67p/2.8% above)	2170p (203p/8.6% below)	3.0x	10%

Technical Observations - For

- Shares slowed up at trendline over falling highs
- RSI overbought; Momentum turned down
- Positive directional indicator found resistance
- Stochastics topped out
- Volume fallen while shares rallied

Technical Observations - Against

- MACD not yet gone negative
- ADX (trend strength) still strong
- RSI & Momentum not yet turned down markedly
- 200-day MA still rising, potential support before limit
- Several momentum indicators show rising lows

News / Broker Comments / Important Dates / Observations **

Berenberg upgrades with company at starts of new pressure pumping cycle and best-positioned mining portfolio optimally positioned to benefit from focus on brownfield plant optimization and ongoing mining production increases (2 Aug). Oriel says H1 pre-tax profit better than expected. H1 Results show revenues slowing, down but dividend hiked (30 Jul). Morgan Stanley upgrades on oil & gas divisions outperformance and resilience, margins/prices protected by impressive cost controls (9 Jul). **Next Event: Ex-div, 2 Oct; Results 4-Nov**

Latest Broker 12m Consensus: 10 x Buy, 6 x Hold, 2 x Sell (Source: Digital Look, AlphaTerminal) (U = Upgrade / D = Downgrade)
18-Sept, Investec, Buy, TP 2610p (U); **6-Sept**, ExaneBNP, Buy; **2-Aug**, Berenberg, Buy, YP 2545p (U); **31-Jul**, SocGen, Sell, TP 1870p; **30-Jul**, Numis, Buy; **23-Jul**, Deutsche, Buy, TP 2400p; **9-Jul**, Morgan Stanley, Equalweight, TP 2150p; **24-Jun**, Jefferies, Hold,



Stock description

The Weir Group PLC is an engineering solutions provider focused on the minerals, oil and gas and power markets. The Company manufactures and supplies engineering products and services for mining and minerals processing, power generation, oil and gas production, water supply and other industrial uses. The Weir Group supplies pumps, valves, compressors and turbines. (FTSE 100)

Graph: 1-year (daily)

Stock last used as Trade Idea;
25-Oct-2012

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

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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

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Graph: 1-year (daily) - RSI, Momentum and Performance relative to FTSE 100



www.alphaterminal.co.uk

Chart (c) Alpha Terminal

Share	1wk	1m	3m	1yr	2yr	3yr	4yr	5yr
Perf %	0.47	8.36	8.8	35.29	46.84	66.06	254.71	282.43

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