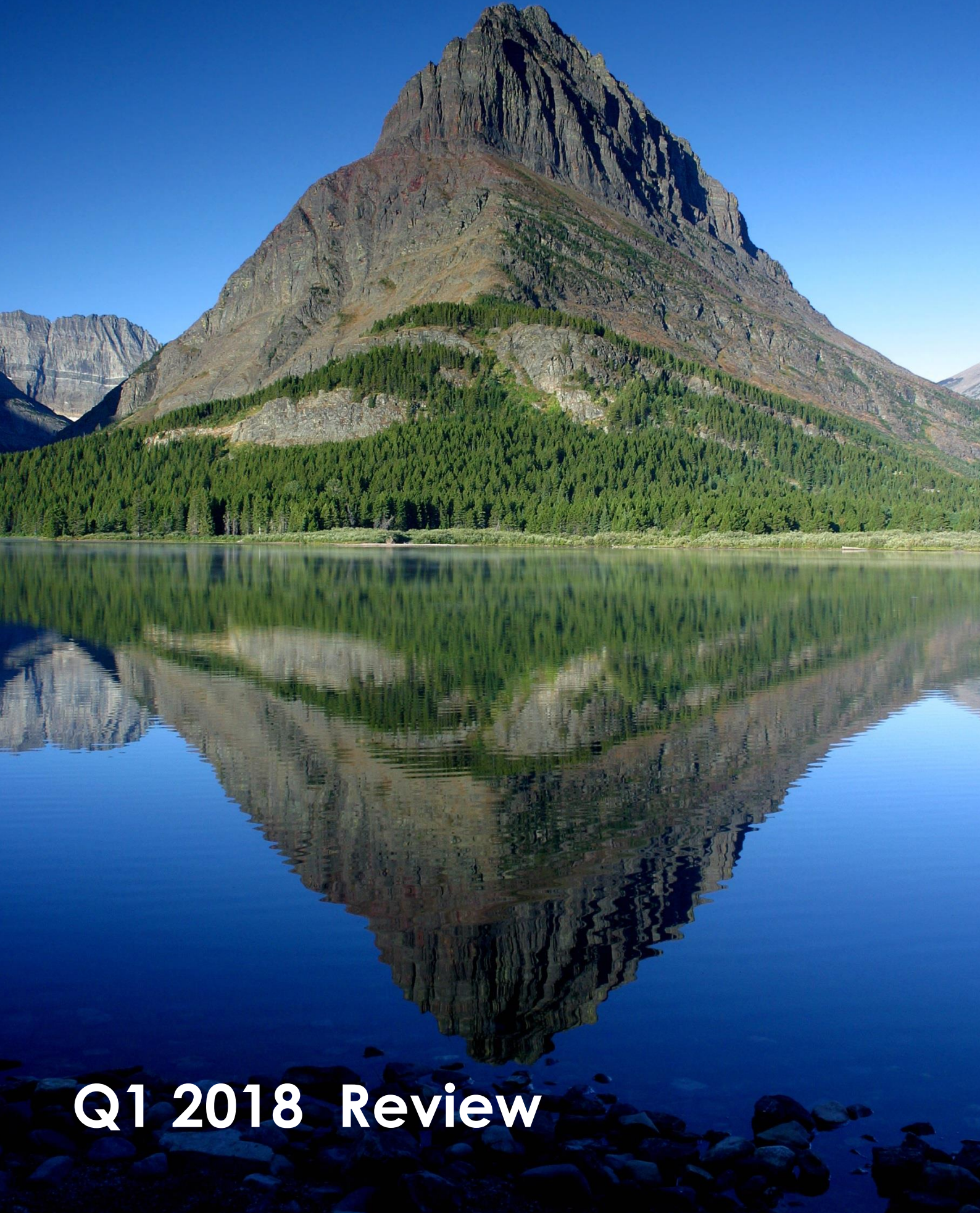


N+1 SINGER



Q1 2018 Review

EQUITY MARKET REVIEW

Volatility returned in February, with global stock markets suffering steep falls in the first few days of the month before stabilising and staging a partial recovery. Strong employment data in the US was the initial trigger for market weakness, which led to concerns that inflation could rise and cause the US Federal Reserve to tighten monetary policy sooner than expected, causing some investors to question the high valuations that, until recently, they have been prepared to attach to world share indices.

LONG-TERM FUNDAMENTALS

Against this backdrop, we continue to look beyond short-term noise to longer-term fundamentals, and believe the outlook for equities remains broadly positive due to supportive macroeconomic conditions. From here we expect positive equity momentum to continue in 2018 with global growth continuing in a synchronised fashion (albeit with the UK the laggard) with further evidence of modest but accommodative global tightening.

GLOBAL GROWTH

Evidence of the strong global background has certainly continued YTD – Manufacturing PMIs beat expectations in January in the US and Japan with all significant economies above 50 and all higher than the reading 12 months ago. The European Commission's Economic Sentiment Indicator was close to a 17 year high in February.

BREXIT

In a domestic context both the BoE and NIESR upped their GDP forecasts for the UK last month and broadly speaking we remain confident about the economic backdrop, though some indicators have been slowing like the RICS housing survey.

Sentiment remains vulnerable short term to top down worries, from trade tariffs to Brexit negotiations and even the weather.

Meanwhile several high profile companies have gone into receivership, announced CVAs or otherwise disappointed on trading.

We take comfort from our institutional clients' ongoing interest in high quality situations and our top down conviction that the current global situation continues to favour equities over bonds.

Furthermore overseas investors are already underweight the UK and it is one of the cheapest markets globally. Brexit uncertainty will by definition have to come to an end in the course of the next year and share price volatility has picked up considerably of late, both in an upward and downward direction, which indicates that it would not take much of a change in sentiment towards UK equities to drive markets higher.

EXTEL SURVEY

N+1 Singer supports the long standing Extel Survey, which offers strong insights into many aspects of our industry.

From a corporate perspective this provides comprehensive rankings of company IR profiles and other elements of corporate relationships within the investment community, plus insight into what the buy-side see as valuable services.

The 2018 Extel Survey is now underway and is open to the CEO and FD or IR of any quoted company. In order for the survey to be fully representative, we would like to encourage all of our clients to participate.

Corporate clients' details have already been sent by us to Extel to make this process quicker.

In return for their participation they will receive an informative summary of the results and market trends which we advise could be of great interest.

Voting is now open and runs until 27th April 2018. Support in this important survey would be greatly appreciated. Our team at N+1 Singer will also be voting.

[Click here to vote now.](#)





14 March - 27 April 2018

www.extelsurveys.com

CLICK HERE TO
VOTE NOW

REVIEW OF PERFORMANCE

N+1 Singer has started 2018 strongly completing several transactions for corporate clients with performance at quarter end comfortably ahead of that of the comparable period in the prior year. 5 secondary fundraises were completed for corporate clients, taking the total equity raised since January 2013 to £3.2 billion.

NOTABLE TRANSACTIONS

Notable transactions completed in the first quarter included a raise for £250m for the PRS REIT following on from the £250m raised at IPO in Q2 2017, demonstrating N+1 Singer's placing power within the market and ability to raise funds for quality corporates even during volatile equity markets. In addition, follow-on equity placings were completed for PCI-PAL, CVS Group and Summit Therapeutics as well as a further £10m of CULS for APQ Global Ltd, supporting the £20m raised in Q3 of 2017.

M&A

N+1 Singer also acted as Rule 3 advisor and broker to Stadium in the announced £46m recommended cash offer by TT Electronics, Financial Advisor to Poly Glorious in its announced £50m recommended acquisition for MayAir Group and Financial Advisor to FreeAgent in its announced £53m recommended acquisition by RBS. This would be the first business acquired by RBS since the 2008 financial crisis. Transactions are expected to complete in Q2 2018.



The PRS REIT

Date: Feb 2018
Sector: Investment Funds
Type: Placing

£250.0 million



CVS Group

Date: Feb 2018
Sector: Life Sciences
Type: Placing

£60.0 million

RESEARCH

BEST IDEAS 2018



At the time of writing, N+1 Singer's research department had 16 "Best Idea" stocks, that to date in 2018 had delivered a healthy average return amid turbulent stock markets, outperforming the FTSE All Share by 15%.

MIFID II

Q1 ended with a healthy pipeline looking forward to the second quarter of 2018. The company has enjoyed great success signing institutions up to MiFID II paid-for research and we go into the second quarter full of confidence we can continue to deliver for our corporate, non-corporate and institutional clients as one of the leading brokers in the small/mid-cap space.

N+1 SINGER

Best Ideas - 2018

The view from N+1 Singer	TOP PICKS
<p>A look back at our 2017 ideas</p> <div style="display: flex; align-items: center;">  <div style="font-size: 0.8em;"> <p>Tim Cockcroft CEO</p> </div> </div> <p style="font-size: 0.7em;">In aggregate our analyst picks outperformed the FTSE All Share last year by 9% and the cumulative performance of our portfolio over 6 years would have given a total return of 300% (almost double the return on the FTSE All Share). In addition many of our top down themes played out very well such as our focus on secular growth in Tech, Life Sciences, Healthcare and Financials, an increase in M&A, our cautious stance on the Consumer and especially our bet on continued strength in the Industrials last year and solid growth in the global economy.</p>	<p>Amino Technologies</p> <p>Avingtrans</p> <p>Curtis Banks Group</p> <p>CVS Group</p> <p>Dunelm</p> <p>EKF Diagnostics</p> <p>Fenner</p> <p>Iomart Group</p> <p>M&C Saatchi</p> <p>MJ Gleeson</p> <p>Premier Global Infrastructure Trust</p> <p>Realm Therapeutics</p> <p>Severfield</p> <p>StatPro Group</p> <p>Verona Pharma</p> <p>Yü Group</p>
<p>What does 2018 have in store?</p> <div style="display: flex; align-items: center;">  <div style="font-size: 0.8em;"> <p>Mark Gibson Head of Research</p> </div> </div> <p style="font-size: 0.7em;">We continue to play ongoing secular growth themes in Tech, Life Sciences, Healthcare and Financials. In addition we tap into domestic areas of cyclical strength such as regional construction and house building, plus self help initiatives and potential market share gains. We maintain a favourable view of Industrials given the global economic backdrop, but think this could moderate during the year. Other changes of nuance include the potential for a better H2 in the Consumer sectors, which remain under pressure for now, and a better outlook in Media from a mini-quadrennial year in 2018.</p>	

KEY FACTS ABOUT N+1 SINGER

A leading investment bank dedicated to serving the mid and small cap market

£3.2bn

Raised for our clients since 2013

95 clients

22 Main Market clients

11

Profitable years

12

Core sectors

250

Stocks under Research coverage



Ownership and recognition

3

Major investors:
ALANTRA – 27%

Artemis, Lombard Odier – 10% aggregate

2

Complementary partners:

ALANTRA – a global mid-market investment bank
Auerbach Grayson – US brokerage

Top 3

Nominated Adviser on Aim

63%

Employee owned



FT: Europe's Fastest
Growing Companies
2017



AIM Rankings: Top 3
AIM stockbrokers



London Stock
Exchange: 1000
Companies to inspire
Britain 2016