

Miners pull FTSE down 0.3 pct; UK inflation due

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Britain's leading shares were 0.3 percent lower early on Tuesday, retreating from a 12-month high set the previous session with investors staying on the sidelines ahead of UK inflation data and upcoming U.S. corporate earnings, according to Reuters

By 0757 GMT, the FTSE 100 .FTSE index was 16.63 points lower at 5,193.54, having gained 48.30 points, or 0.9 percent to 5,210.17 on Monday, its highest close since late September 2008.

Weakness in heavyweight mining stocks was the main drag on blue chips as metals prices retreated after a rally on Monday.

Among the worst off, Lonmin (LMI.L), Eurasian Natural Resources (ENRC.L), Antofagasta (ANTO.L), Randgold Resources (RRS.L) and Rio Tinto (RIO.L) shed 0.5 to 1.2 percent.

Rio Tinto delivers a third quarter production update on Wednesday.

"We're taking a bit of a pause first thing after the highs hit yesterday, with investors still having a desire to push higher but wanting to see the outcome of the third-quarter U.S. corporate earnings before running too far ahead," said David Morrison, market strategist at GFT Global.

Investors were watching out for earnings news on Tuesday from healthcare firm Johnson & Johnson (JNJ.N) and, after the U.S. close, from the world's biggest chip-maker Intel (INTC.O).

Banking giants JP Morgan Chase (JPM.N), Citigroup (C.N), Goldman Sachs (GS.N) and Bank of America (BAC.N) are all also scheduled to release numbers later this week.

British banks were weaker awaiting news from their U.S. peers, and with ongoing rights issue concerns lingering.

Lloyds Banking Group (LLOY.L) was the top FTSE 100 faller, down 3 percent, while Barclays (BARC.L), Royal Bank of Scotland (RBS.L), and Standard Chartered (STAN.L) lost 0.2 to 2.1 percent.

More than a quarter of the staff of the Singapore office of RBS Coutts have quit in a mass resignation, and some could be joining Swiss rival BSI.

HSBC (HSBA.L) was flat. The bank hopes to list its shares in Shanghai next year, becoming one of the first overseas companies to do so, its chief executive Michael Geoghegan told Reuters in an interview on Monday.

Whitbread (WTB.L) was easily the top blue chip gainer, up 3.2 percent after Britain's biggest hotel and restaurant operator posted a better-than-expected first-half pretax profit as sales at its Costa Coffee chain rose by over 20 percent.

Tobaccos and beverages were among the top performing sectors as defensive considerations returned, with drinks group Diageo (DGE.L) up 1.1 percent and British American Tobacco (BATS.L) ahead 0.9 percent.

Utilities got a boost from a positive note on the sector from Cazenove, with United Utilities (UU.L) adding 0.8 percent and Severn Trent (SVT.L) up 1.3 percent as the broker upped its ratings for both on valuation grounds.

Investors eyed UK September inflation data, due at 0830 GMT, which will provide more clues on the health of the economy and the outlook for interest rates.

Consumer price inflation is seen rising 0.2 percent for the month in September, bringing the figure for the year to 1.3 percent, down from 1.6 percent the previous month.

A batch of domestic economic surveys released overnight painted a fairly positive picture.

British retail sales rose at their fastest annual pace in 5 months in September but the rise was skewed by a slump in sales last year and the timing of the August Bank holiday, a survey from the British Retail Consortium showed.

Meanwhile, the decline in Britain's manufacturing and services sectors eased markedly in the third quarter, but probably not enough for the economy to return to growth just yet, a survey from the British Chambers of Commerce showed.

And house prices in England and Wales rose in September at their fastest rate since the credit crunch began more than two years ago, a survey from the Royal Institution of Chartered Surveyors indicated.