



Waterhouse

October:09

e:Newshare

Dear Investor

Despite the summer being traditionally known as a quiet period in terms of trading activity, this year broke the trend. As the FTSE 100 performed well it was clear our customers took the opportunity to take advantage as a record number of trades were dealt across our web platform.

The winter months look to be no less active. In this edition of Newshare we explain the benefits of our eServices that will help streamline the way in which we communicate to you and, in turn, ensure your dealings with us continue to remain simple, fast and easy.

Key things to look out for;

- Increased ISA subscription limits for the over 50's
- A preview of our telephone authentication service that will be available towards the end of the year
- Maximising your income in a low income world by Schroders

It certainly looks to be a busy winter and I wish you every success with your trading and investment choices over the next few months.

Angus Rigby

Regular Features



Top ten buys and sells



TD Waterhouse Investor Centre



Free Seminars London Investor Centre

Why wait for the post?



Quarterly Market Review



More Money for Your ISA!



Maximising your income



Your Voice is Your Password



Why Wait for the Post?

“You can receive your account documents faster...”

Have you thought about how much time you could save by receiving all of your communications from us electronically? TD Waterhouse eServices allows you to receive notifications that your new contract notes, corporate actions, statements and even this newsletter are available up to three working days earlier than waiting for the post.

How does eServices work?

A notification email will be sent to you to let you know that a new item is available for you. This can be found in the eServices section of our secure website. Each document is also available in Adobe Reader format for you to save to your PC or print as and when you need it.

Don't have a copy of Adobe Reader?

Download [Adobe Reader](#) for free!

How do I change my preferences from post to email?

1. [Login](#) to your account
2. Go to **Account Administration/Document Preferences**
3. Choose the email option

Changing your email address is easy!

All that you need to do is;

1. [Login](#) to your account
2. Go to Account **Administration/Personal Details**
3. Change your email address and click **'Next'**, then **'Confirm'**

24/7 Access

- Have access to all of these documents 24 hours a day, 7 days a week
- no need for storage
- receive them faster than waiting for the postman by choosing to receive your notifications electronically.

Newshare
October:09

HOMEPAGE

WHY WAIT FOR THE POST?

QUARTERLY MARKET REVIEW

MORE MONEY FOR YOUR ISA!

MAXIMISING YOUR INCOME IN A LOW INCOME WORLD

YOUR VOICE WILL BE YOUR PASSWORD

TOP TEN BUYS AND SELLS

TD WATERHOUSE INVESTOR CENTRE



LEGAL DISCLOSURES



Quarterly Market Review and Economic Outlook

By **fatprophets**

This summer's Ashes series may have kept cricket fans captivated until the very end, however many would argue that the latest episode of the global financial recovery has made even more compelling viewing. Having averted a virtual economic apocalypse not long ago, few would have expected the strength in US earnings which has materialised over the summer. Quite remarkably the much maligned financial sector has led the way and as a result global equity markets, the UK included, have not looked back.



At first it was US investment bank Goldman Sachs and technology giant Intel, and then came Citibank and Bank of America... 'better than expected' earnings numbers have been an ongoing theme throughout the summer. The swift response of the US Federal Reserve provided an even swifter arrest of the seemingly terminal condition of the US economy.

So soon after the share price capitulation of 2008, doubters have been quick to question the sustainability of this year's resulting equity market rally. Surely, earnings improvements derived from cost cutting rather than top line growth provide only a temporary respite? Whilst this would be true if the economic picture was stagnant, a steadily improving outlook puts paid to this theory. And improve it has. Although US unemployment stands at a 26 year high, job losses are slowing, and talk of an exit strategy from the US' quantitative easing (QE) programme has become all the more frequent.

[read more>>>](#)

Newshare
October:09

[HOMEPAGE](#)

[WHY WAIT
FOR THE POST?](#)

[QUARTERLY
MARKET REVIEW](#)

[MORE MONEY
FOR YOUR ISA!](#)

[MAXIMISING YOUR
INCOME IN A LOW
INCOME WORLD](#)

[YOUR VOICE WILL BE
YOUR PASSWORD](#)

[TOP TEN BUYS
AND SELLS](#)

[TD WATERHOUSE
INVESTOR CENTRE](#)



[LEGAL DISCLOSURES](#)



Quarterly Market Review and Economic Outlook

By **fatprophets**

In contrast in the UK the Bank of England chose to extend the QE program, raising the level of 'money printing' to £175 billion. Whilst taking many by surprise given the improvement in a number of key indicators, the move was completely understandable, with the UK economy still lagging other industrialised nations such as Japan, France and Germany, all of whom exited recession in early August.

The UK banking sector though continues its rehabilitation. HSBC's first half earnings came in considerably lower than 2008, but 'beat expectations'. Management at Lloyds Banking Group called a peak on impairments whilst RBS Chief Executive Stephen Hester expressed similar confidence in the bank's long term turnaround plan. And

not to be overlooked, banking group Barclays PLC's posted pre tax profits of a healthy £2.98 billion for the opening 6 months of the year.

A recovering financial sector has of course provided cause for cheer for the broader UK market, also boosted by an ongoing rebound in the miners. Sentiment here of course continues to owe much to China. Government concerns over capital adequacy have put the brakes on the meteoric rise of the Chinese stock market however the nation's positioning as the growth engine of the global economy owes much to a domestic demand story which has some way to run. The US government's US\$585 billion stimulus package has ensured that any fall off in exports has been more than mitigated for,

and China's healthy budgetary position ensures that there is no US type stress being placed on the purse strings.

Overall the global policy responses to the economic crisis essentially boil down to an all-out effort to stimulate inflation. Given the blunt nature of the policy makers' tools, and the over-riding desire to avoid deflation, it would be remarkable were they not to overextend their efforts.

In our view, equity markets could well see a sprint finish to 2009. A robust corporate earnings recovery involving top line growth (rather than just the benefits of cost cutting) in mid 2010 will likely be factored further into share prices. That said, the prospect of a healthy near term correction has grown increasingly probable given the extent of the rally since March. Investors who have spent the summer on the sidelines should therefore stay tuned for the buying opportunities a decent pullback will likely present.

Fat Prophets' provide unbiased, independent research. Fat Prophets produces informative, enlightening analysis on the global economic environment that will help investors position their portfolios. Fat Prophets' website is located at www.fatprophets.co.uk. Fat Prophets can be contacted via email at info@fatprophets.co.uk. Details of the measures put in place by Fat Prophets United Kingdom to prevent and avoid conflicts of interest can be found at www.fatprophets.co.uk/compliance. The articles have been prepared independently of TD Waterhouse, and TD Waterhouse makes no warranty as to the accuracy or completeness of its content. Opinions expressed therein are those of the author, not TD Waterhouse's, and TD Waterhouse accepts no liability for any loss caused by use of the information. Fat Prophets confirm that there are no interests or shares held by themselves, their directors, employees, or affiliates, in relation to any of the stocks mentioned. Fat Prophets are confident that their existing procedures and policies would identify any relevant holdings. Mint Financial (UK) Ltd, trading as Fat Prophets, are Authorised and regulated by the Financial Services Authority (FSA), 25 The North Colonnade, Canary Wharf, London E14 5HS (FSA registered number 220591). Incorporated in England and Wales under registration number 04255908. Registered office: 107-111, Fleet Street, London EC4A 2AB.

“Investors who have spent the summer on the sidelines should therefore stay tuned for the buying opportunities a decent pullback will likely present.”

Newshare
October:09

HOMEPAGE

WHY WAIT FOR THE POST?

QUARTERLY MARKET REVIEW

MORE MONEY FOR YOUR ISA!

MAXIMISING YOUR INCOME IN A LOW INCOME WORLD

YOUR VOICE WILL BE YOUR PASSWORD

TOP TEN BUYS AND SELLS

TD WATERHOUSE INVESTOR CENTRE



LEGAL DISCLOSURES



More Money for Your ISA!

How do I top up my ISA?

1. [Login](#) to your account
2. Go to the **Payments & Transfers** section
3. Click on **Fund My Account** and select your chosen method of funding.

During the 2009 budget it was announced by the Government that the HM Revenue and Customs will increase the subscription limit for both Cash ISAs and Stocks & Shares ISAs by 6th April 2010.

For those you born on or before 5th April 1960 the subscription limit for a Stocks & Shares ISA has increased to £10,200. If you are younger than 50 your subscription limit will increase to £10,200 from 6th April 2010.

What are the current ISA subscription limits if you are younger than 50?

The current ISA regulations state that up to £3,600, of the £7,200 subscription limit, can be saved in a Cash ISA. The remainder of which can be invested into a Stocks & Shares ISA.

Do I need to do anything?

No, the subscription limit of your [Trading ISA](#) will automatically increase on 6th October 2009 if you will be 50 years old in the current tax year, and on 6th April 2010 for those who are not.

Where can I find out more information about the changes?

More information on the regulatory changes is available on [our website](#) Alternatively you can go to www.hmrc.co.uk

Please note that the tax treatment of this product is subject to your individual circumstances and may change. Of course the value of your investments can go down as well as up. You may not get back all the funds that you invest.

What are the new options?

1. Up to **£5,100** of the new allowance can be saved in a Cash ISA. The remainder of the **£10,200** limit can be invested into a Stocks & Shares ISA.
2. The full **£10,200** limit can be invested into a Stocks & Shares ISA with one provider.

Newshare
October:09

HOMEPAGE

WHY WAIT
FOR THE POST?

QUARTERLY
MARKET REVIEW

**MORE MONEY
FOR YOUR ISA!**

MAXIMISING YOUR
INCOME IN A LOW
INCOME WORLD

YOUR VOICE WILL BE
YOUR PASSWORD

TOP TEN BUYS
AND SELLS

TD WATERHOUSE
INVESTOR CENTRE



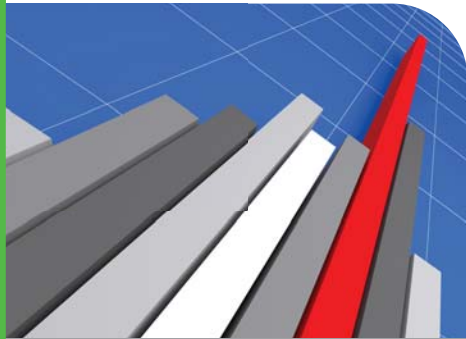
LEGAL DISCLOSURES



Maximising your income in a low income world



After an extended period of turmoil in the markets there have been some encouraging signs of a return to stability. Global equities have enjoyed a sustained rally from their lows for the year in March. It has become clear that we have been living through a deep recession rather than a slump into depression and from here markets should begin to focus increasingly on long-term prospects for recovery.



Key facts about Schroder Income Maximiser

- Exceeded its income target of 7% p.a. since launch¹
- Income stocks selected by highly experienced fund managers
- Managed by Schroders' structured investment team – Highly rated by external ratings agencies

For those searching for income however, prospects can still appear bleak. Interest rates remain at their lowest levels since 1694 (0.5% at the time of writing), and given that a revival in growth in the UK is likely to be anaemic, our view remains that we are unlikely to see a rapid rise in the foreseeable future.

Schroder Income Maximiser offers an innovative solution for income seekers who are also looking to benefit from further progress in the equity market. The fund aims to generate an attractive 7% annual income and some capital growth using a two-pronged, equity based investment approach. Firstly, we invest in a portfolio of stocks of 30-50 medium to large UK companies. These are selected on the basis of their potential to provide high, sustainable dividends and long-term growth. Of course, the value of investments may go down as well as up, and you may not get back the amount originally invested. The income that these stocks generate is then topped up (to reach the

7% target) by supplementing the underlying dividends received by the fund with additional proceeds from an overlay strategy. This strategy produces an enhanced income, in exchange for giving up some potential growth in each stock above a certain level.

Schroder Income Maximiser enables investors to gain access to equity markets and the potential for share price growth, whilst also providing the added security of a regular income and lower volatility than a similar fund without the overlay. Most importantly, though, it is an approach that has enabled the fund to deliver the full 7% income to investors in every year since launch¹. Schroders believes that the 7% yield target is sustainable over the long term, however the yield is variable and is not guaranteed. So whether you're looking to boost your income or access opportunities with great potential to benefit from a return to growth, Schroder Income Maximiser may be just the right option for you.

¹Source: Schroders as at 08/12/06, 30/11/07 and 30/11/08. The target yield quoted is net of basic rate tax. Higher rate tax payers will be liable for further tax deductions. The target yield quoted is an estimate and is not guaranteed. Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get the amount originally invested. The target yield quoted is an estimate and is not guaranteed. It is quoted net of basic rate tax, however higher rate tax payers should note that they may be liable for further deductions. The fund will use derivatives as part of its income strategy. Whilst derivatives can be more volatile, the fund will use covered call options where the risk is limited to the cost of the option. As a result of all fees being charged to capital, the distributable income of the fund may be higher but there is the potential that performance or capital value may be eroded. Funds which invest in a smaller number of stocks can carry more risk than funds spread across a larger number of companies. The fund is not tied to replicating a benchmark and holdings can therefore vary from those in the index quoted. For this reason the comparison index should be used for reference only. Schroders has expressed its own views and these may change. The data contained in this document has been sourced by Schroders and should be independently verified before further publication or use. Issued in August 2009 by Schroder Investments Limited, 31 Gresham Street, London EC2V 7QA. Registered No: 2015527 England. Authorised and regulated by the Financial Services Authority. T10032

Newshare
October:09

[HOMEPAGE](#)

[WHY WAIT
FOR THE POST?](#)

[QUARTERLY
MARKET REVIEW](#)

[MORE MONEY
FOR YOUR ISA!](#)

[MAXIMISING YOUR
INCOME IN A LOW
INCOME WORLD](#)

[YOUR VOICE WILL BE
YOUR PASSWORD](#)

[TOP TEN BUYS
AND SELLS](#)

[TD WATERHOUSE
INVESTOR CENTRE](#)



[LEGAL DISCLOSURES](#)



Your Voice will be your Password

As part of our ongoing commitment to customer security we are constantly looking for new and improved ways to protect you and your assets. Our latest telephone service security measure, which will launch later this year, is the introduction of industry leading voice verification software, when you call us a digital sample of your voice (voice print) will be compared to verify your identity.

What is changing?

- TD Waterhouse Voice Print System will replace the need to provide two characters from your login password when you telephone us. The identification process will be automated prior to speaking to a customer service representative.
- Changes to our telephone menu structure means that you will no longer need to press the menu option on your telephone keypad, instead you will 'say' the service that you require.

How does the TD Waterhouse Voice Print System work?

1. We verify your voice, which has a specific set of characteristics that can be measured. Your identity is then confirmed by analysing your unique voice print.
2. As an additional security measure, you will be prompted for answers to memorable questions that you provide when enrolling onto the system.

What happens if my voice is not recognised when I call you?

Factors such as background noise can result in your voice not matching your voice print, but if a clear reading cannot be taken we will manually verify your identity. This procedure is as secure as the automated process.

When will the TD Waterhouse Voice Print System be available?

This new service will be available from mid-December 2009, however you will be able to record your voice print and give the details of your memorable information from early December 2009.

How do I enrol?

A customer service representative will ask you to provide a memorable telephone number, date and year. Your call will then be transferred to a secure area, where you will be asked to record your voice print. As soon as your voice print is created you will benefit from improved security and convenience when you call us.

For more information about the TD Waterhouse Voice Print System [click here](#)

“Your identity is confirmed by analysing your unique voice print.”

Newshare
October:09

[HOMEPAGE](#)

[WHY WAIT FOR THE POST?](#)

[QUARTERLY MARKET REVIEW](#)

[MORE MONEY FOR YOUR ISA!](#)

[MAXIMISING YOUR INCOME IN A LOW INCOME WORLD](#)

[YOUR VOICE WILL BE YOUR PASSWORD](#)

[TOP TEN BUYS AND SELLS](#)

[TD WATERHOUSE INVESTOR CENTRE](#)



[LEGAL DISCLOSURES](#)



TOP TEN BUYS AND SELLS

These Top Ten Buys and Sells should not be taken as a recommendation to buy or sell any particular bond or stock, and it is not intended to offer any form of advice to readers. Instead it is simply an indication of general buying and selling trends amongst some TD Waterhouse customers, observed during the past three months.

BUYS

- 1 LLOYDS BANKING GROUP
- 2 ROYAL BANK OF SCOTLAND
- 3 BARCLAYS
- 4 XSTRATA PLC
- 5 TAYLOR WIMPEY
- 6 GULF KEYSTONE PETR
- 7 RIO TINTO
- 8 VODAFONE GROUP
- 9 KAZAKHMYS
- 10 BP

SELLS

- 1 LLOYDS BANKING GROUP
- 2 ROYAL BANK OF SCOTLAND
- 3 BARCLAYS
- 4 XSTRATA PLC
- 5 TAYLOR WIMPEY
- 6 VODAFONE GROUP
- 7 KAZAKHMYS
- 8 AVIVA
- 9 LEGAL & GENERAL GP
- 10 GULF KEYSTONE PETR

For weekly Top 10 buys and sells [click here](#)

Newshare
October:09

[HOMEPAGE](#)

[WHY WAIT
FOR THE POST?](#)

[QUARTERLY
MARKET REVIEW](#)

[MORE MONEY
FOR YOUR ISA!](#)

[MAXIMISING YOUR
INCOME IN A LOW
INCOME WORLD](#)

[YOUR VOICE WILL BE
YOUR PASSWORD](#)

[TOP TEN BUYS
AND SELLS](#)

[TD WATERHOUSE
INVESTOR CENTRE](#)



[LEGAL DISCLOSURES](#)





TD Waterhouse Investor Centre

October sees the second of our **half-day courses** centred around **investing for the longer term**. And allows you to make the most of a visit to the City, and enjoy a range of **free seminars**.

This course will take you on an educational journey from an introduction to the stock market to fundamental analysis. It is designed to cater for both Investors with a longer-term outlook and Traders looking to benefit from shorter-term movements in the stock market. The aim is to cover topics such as why you would want to look to the stock market for investment, whilst showing you the options that are available.

After attending a seminar, why not book a personal appointment?

Whilst we cannot offer advice, we can spend time with you discussing your own needs covering various topics such as regular investments for the monthly saver and CFDs* for those with a higher appetite for risk.

Worried about not having a lump sum to start saving?

You do not need to have a large amount of cash to begin saving for the future. With a **Regular Investment ISA** you can save from £25 per month (£50 for funds) and invest into a wide range of securities, such as FTSE 350 companies, Exchange Traded Funds (ETFs) or Mutual Funds.

Interested in different topics?

At our London Investor Centre we can arrange for one of our experienced Investor Centre Representatives to discuss investing for income, fundamental analysis and how to use our stock selection tools.

How to find us

“Our aim is to help you get the most from our services.”

*CFDs and Financial Spread Betting may not be suitable for all customers; therefore you should understand the risks involved and seek independent advice if necessary. This information should not be viewed as a recommendation to effect a CFD or Financial Spread Betting trade in any particular share or index. If the price of a CFD or Financial Spread Betting trade moves against you, you could face unlimited losses and face the need to make additional payments. You could lose all the money you have invested and you may have to pay more later.

Newshare
October:09

HOMEPAGE

WHY WAIT
FOR THE POST?

QUARTERLY
MARKET REVIEW

MORE MONEY
FOR YOUR ISA!

MAXIMISING YOUR
INCOME IN A LOW
INCOME WORLD

YOUR VOICE WILL BE
YOUR PASSWORD

TOP TEN BUYS
AND SELLS

TD WATERHOUSE
INVESTOR CENTRE



LEGAL DISCLOSURES

