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AUGUST 2009



NEWSLETTER

A WILLIAM ALBERT MONTHLY UPDATE

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Welcome to the August edition of our newsletter.

Despite the prevailing downturn in the overall economy William Albert has seen its business grow. It is our firm conviction that putting customers at the heart of our business, no matter the market conditions, has been key to our success, even if that meant breaking tradition or charting new territories. In keeping with that belief William Albert will invite our esteemed clients to nominate themselves to our Board as non executive directors and to our corporate finance committee. This will further demonstrate our commitment to TCF, maintain transparency, source the best products for our clients and strengthen their confidence in us.

FOCUS ON CFD

Due to ongoing changes in the marketplace we will sharpen our focus on CFD and investment research. This has always been one of our core strengths and realigning our business in that direction can only mean better investment opportunities for our clients.

WILLIAM ALBERT CORPORATE FINANCE

There have been several developments in our Corporate Finance division. William Albert Corporate Finance have been successful in winning new business in the face of stiff competition and have been appointed as nominated advisor and corporate broker to a number of new issues.

Recently we were chosen as nominated advisors and corporate brokers by **Comedy fm PLC**. Comedy.fm is an internet based, dedicated, comedy, audio content provider. They deliver content in a number of ways such as audio streaming from the website, downloads, pod-casts, mobile phones, and MP3 players. The company also provides a comedy hub integrated with community and user generated content. Comedy.fm creates original programming using genuine comic talent, working the comedy spectrum of styles and tastes, archive material and through user generated content from around the world.

Comedy.fm is a commercial company dedicated to generating revenue through a number of ways. The aim of the company is to become the number one comedy audio content provider and a premium "destination" for comedy on the web (www.comedy.fm).

In the July edition of this newsletter we published a profile of **Symbiosis Healthcare**. I am pleased to announce that the application for admission has been submitted to PLUS Markets and the application fee has been paid. Our corporate finance team along with solicitors and accountants for the issue are now in the last stages of completing the documentation for the listing.

UiTV, another of our new business acquisitions is a media entertainment provider with seven entertainment channels, a social networking platform and a business to business portal all on one website. The content of UiTV is tailor-made for the non-resident South Asian community. The company is currently in the early stages of development and has commissioned Perform Group to manage its platform and advertisement campaign. Perform Group are world leaders in digital media and have been creating and managing highly innovative and commercially focussed marketing campaigns. Their clients include leading names such as Chelsea TV, Australian Open and Sony Ericson.

Even as the overall economic conditions continue to be turbulent I am confident that we will deliver our promise by closely monitoring the markets for the best investment opportunities, raising our service levels and paying close attention to our clients' needs.

Samrat Deep Bhandari
CEO | William Albert Securities

William Albert Corporate Finance



Balkrishna Choolun, Head Marketing & Strategy, UiTV (right) with Samrat Bhandari, CEO, William Albert at the House of Commons in June this year.

UiTV connecting the Indian Diaspora



United Indians Television (UiTV) has appointed William Albert Securities to take it to the Plus Market. UiTV strongly believes that the expertise and high professional standards of William Albert Securities will take them to a different level in order to achieve their unique objectives.

UiTV is a free, global, full screen digital internet television network. UiTV aims to inform, educate, entertain and connect 30 million people of Indian origin living around the world with 1.2 billion people of India. The worldwide Indian population is approximately twenty percent of the world's total. UiTV is aiming to create a long lasting and powerful global community where the audiences are active participants. At UiTV users can watch the channels as well as socialise, network and even conduct business. UiTV can be viewed at home and on mobile devices.

UiTV consists of ten different channels each containing international programmes and those of specific interest to people of Indian origin. The contents are as follows:

1. Social networking TV channel
2. Global and local news channel
3. Sports channel
4. Film channel (Hollywood, Bollywood, others)
5. Music channel (Indian, Western, others)
6. Business channel
7. Commerce/ Shopping channel
8. Travel/ Tourism channel
9. Lifestyle channel
10. Culture/ Arts channel

As a global media entertainment business, UiTV has been created to fill a huge gap in the worldwide market for Indian centric entertainment and interactive social networking online. UiTV is one of the very first digital internet TV companies to provide entertainment, global news, information, a global social networking internet TV channel and a business to business (B2B) internet television portal on a high definition platform. It will be one of the first social networking platforms that will encourage users to interact through video. Users of the UiTV platform can interact through live text or voice over internet. The UiTV experience will

be real and highly engaging. UiTV will allow unlimited video uploads- a feature not provided by many social networking websites. This social networking platform is not a website like the others but an internet TV experience with videos.

The directors of UiTV aim to realise their vision through a multimedia platform on home television and mobile phone. The ten different channels will enable users to access content through various media (video, audio, image and text) and also allow users to communicate with global users around the world. The platform will generate revenue through advertising, sponsorship and e-commerce.

Communication between non-resident Indians and Indians in their homeland has been limited due to lack of developments in technology. New technologies have facilitated their cultural unification like never before and UiTV is uniquely placed to bridge a gap in the market by offering a multi-channel platform designed specifically by Indians for a global Indian audience.

They will be able to watch on the internet high definition quality content and interact with one another. UiTV is also offering other global communities the opportunity to interact with the Indian community and share their cultural aspirations. UiTV will support and encourage links with other global communities.

The goal of UiTV is to create a one stop shop where global viewers can watch programmes from different parts of the world by using a single portal, rather than having to visit various websites and in some cases having to install a variety of software. UiTV has also created a platform that people of all ages and abilities will find relatively easy to use in any part of the world.

In the internet TV industry the determining business value is the popularity and reach of the website/ internet TV. Therefore the more visitors and subscribers a website/ internet TV has the greater the value of the business. UiTV's target audience is 20% of the world's population.

UiTV's strength is the huge and significant global audience it will cater for and the time when it is entering the market. The burgeoning Indian economy and an important Diaspora is what will make UiTV truly special.



To IPO or not?

Atul Sharma

Many growing and ambitious companies come to a stage in their growth when they seriously need to ask, "To IPO or not?" Listing a company through an initial public offering (IPO) is the process by which a company lists and offers its shares to the public for the first time on a recognised stock exchange.

William Albert Securities Ltd. (WASL) Corporate Finance works with a number of small and mid-cap companies seeking to enter the stock markets in the UK and elsewhere. We intend to share our knowledge and experience in a series of articles for the newsletter. In this first article let us consider what the main factors affecting such a decision are. To the company the main benefits of a listing on a market such as PLUS include:

- Access to capital. A listing brings with it the opportunity for the company to raise equity finance both now and in the future. It makes it easier to raise further funds from its shareholders in the future, for example by a rights issue.
- Providing a market for the company's shares. The company's shares become more marketable because there is a regulated and liquid market. This gives shareholders the chance to realise the value of all or some of their investments.
- Employee commitment. The public market in the shares may encourage employee participation in the ownership of the company through employee share ownership schemes, giving the shares a visible value and employees a liquid market.
- Ability to take advantage of acquisition opportunities. Not only will the listed company have greater access to capital but it will also be able to offer listed shares as well as cash in acquiring other companies.

- Profile. There will also be an increased public awareness of the company through greater press coverage.
- Comfort. The fact that a company has undergone rigorous due diligence and other processes required to obtain a listing may help reassure investors, customers and suppliers and create a positive perception of a company's financial stability and transparency.
- Greater efficiency. The rigorous disclosure requirements applicable to a listed company tend to promote better systems and controls, leading to greater operating efficiency for the business. Funny voting or other restrictions will be flushed out by the IPO process and either discarded or disclosed.

There are of course, some other considerations to bear in mind as well, such as:

- Susceptibility to market conditions. The value of a listed company can be adversely affected by market conditions. This can be frustrating for its management as general conditions may override a stronger company performance.
- Potential loss of control. The sale of a portion of the company's equity inevitably means a loss of control for the management as there are other owner shareholders who may not entirely agree with the company's business strategy.



- Loss of privacy. The greater accountability to shareholders puts every decision of the management under the spotlight. Any under performance may attract press comment and impact on the share price.
- Disclosure and reporting requirements. Both during the IPO process and subsequently, the company will be subject to far greater disclosure and reporting requirements, and the associated costs.
- Directors' responsibilities. Directors too will be subject to additional duties and restrictions. For example, they are only permitted to buy and sell shares in the company at specific times.
- Costs and fees. For a small company, the costs and fees involved in floating and maintaining its listing may be prohibitive and outweigh the perceived benefits.
- Management time. A large amount of management time will be diverted from the main role of running the business both during the IPO process itself and afterwards.

WASL is committed to helping companies achieve their potential and raise funds in the market at reasonable cost. Our advisory services seek to consider the factors specific to the company and offer the most appropriate solution, be it to IPO or otherwise.

Atul Sharma is a Director of WASL and Head of Corporate Finance.

A Chartered Accountant by training he has extensive international experience in Corporate Finance and taxation and can be contacted at WASL on: atul@williamalbert.com

Free Corporate Finance Seminar

If you seek finance for your company, invest in the markets or are a professional financial adviser then attendance at our free Corporate Finance seminar is a must for you.

Our seminars cover capital raising, use of tax efficient investment products and sophisticated investment strategies. They are led by our in-house expert team of advisers as well as successful entrepreneurs with a wealth of knowledge and years of experience. We will cover incisive, practical and innovative solutions for a wide range of businesses. You will also get a chance to network with like-minded business people and investors.

Due to limited places bookings will be made on a first come first served basis.

To reserve your place call Mr. Prashant Seth, Analyst, William Albert Corporate Finance, on 020 7099 5336 between 9 am and 6 pm Monday – Friday.

Date: Wednesday, 16 September 2009
Venue: 27 – 28 St. Clements House, Clements Lane, London, EC4N 7AE
Time: 6.30 – 8 pm

Tea and coffee will be served on arrival.

US Housing Market – An overview

Sivasubramaniam Palanisamy | Analyst, William Albert Research

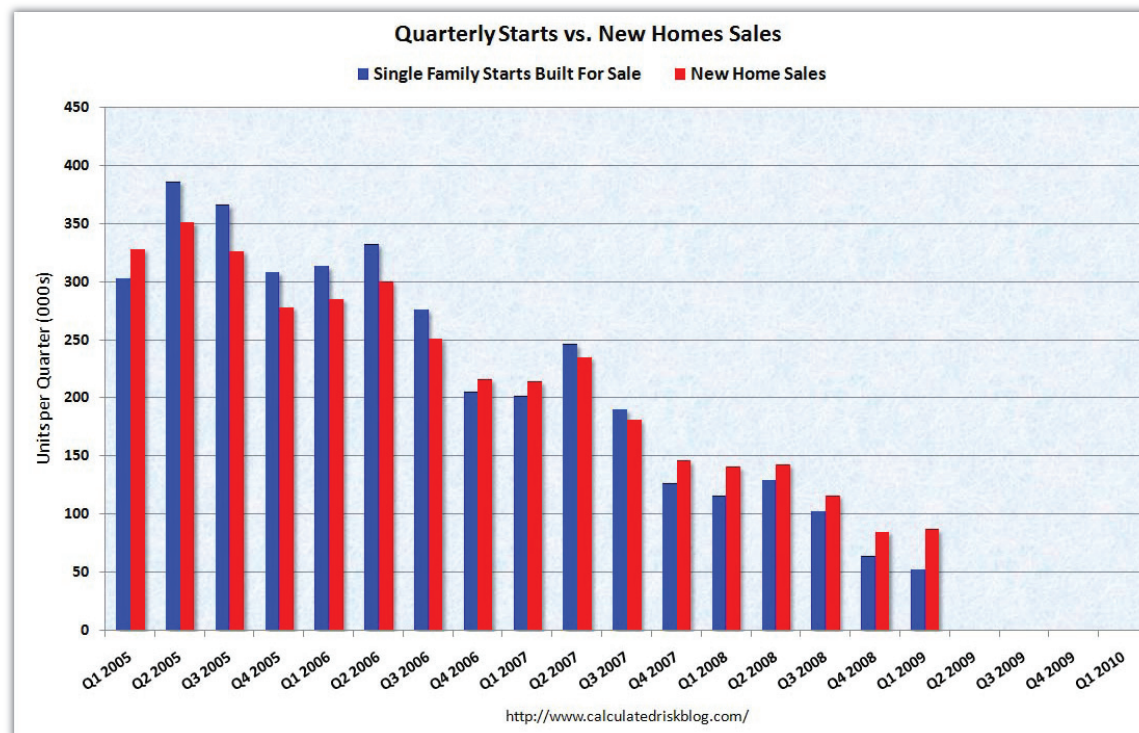
Lately there have been several views that the stock market's recent recovery is running ahead of fundamentals despite a 'not very healthy' US housing market. This key sector has been at the centre of the current economic downturn and investors around the globe will be eager to get an update.

We have been hearing bold calls for a bottom in the U.S. housing market, when the turnaround is not yet clear. While housing starts have stabilized after reaching a record low of 479,000 in April, inventories and vacancies are still at record levels and they continue to put downward pressure on home prices.

Market experts opine that although the free-fall in residential construction has ended, starts will remain subdued in the coming months, given the inventory overhang, continuing weak demand conditions and tighter lending standards.

A year and a half ago a rise in housing starts was viewed as bad news because it's an addition to an already excess inventory pool. Despite that builders continued to build at the same pace due to availability of cheap financing. But the immediate near-collapse of credit markets and the ensuing effects is now history and has changed the rules of the game forever.

Now, even though there is excessive existing home inventory and inordinate new home inventory in some areas, it seems that new home sales have stabilized. Since single family housing starts have been below



new home sales for six consecutive quarters (see the first graph), it implies that single family housing starts should also bottom soon.

Why is this a glimmer of hope in the current scenario of too much inventory, overall? The increase in starts means that the drag on residential investment is likely to slow or stop and jobs in residential construction could be close to the bottom. Residential investment is a major investment category reported by the Bureau of Economic Analysis (BEA) as part of the GDP report. Residential investment, according to the BEA, includes new single family structures, multifamily structures, home improvement, broker's commissions, and a few other minor categories.

We all know that residential investment has been a drag on the economy in recent tough times and just removing that drag will be a positive. Residential construction has been seeing job losses for several years and even though employment will probably not increase significantly, not losing jobs will also seem like a positive. This may remove drag on the economy - which is a welcome bit of good news. It will take

some time to exhaust the entire excess inventory so new home sales and single family housing starts will probably stay low for some time. This is likely to put pressure on builders' performance in the coming months.

The following Home Builders' ETF daily chart indicates that the price action since mid November 2008 has been within a wide range with the upper boundary around 14 indicating significant resistance levels. The progress around March from the second trough has been steady and it outperformed the broader market index S&P 500 which is evident from the bottom pane of the chart.

Again, 14 levels stalled the advance to reverse the trend. This broad sideways movement could be viewed as a healthy consolidation, which is strengthened by the above mentioned developing glimmer of hope. The recent bottom in the relative strength index and the higher bottom formation inside this range adds weight to the developing strength and could result in the testing of the upper boundary in the coming days.

