

Markets at a glance

Trendspotter

Signals (click on links to obtain up to-date signal)

[Dow Jones \(DJ\)](#)

[S&P 500 \(SP\)](#)

[FTSE 100 \(X\)](#)

[DAX \(DY\)](#)

[£/US\\$ \(BP\)](#)

[US Dollar Index \(DX\)](#)

[Crude Oil \(CL\)](#)

[Gold \(GC\)](#)

[Coffee \(KC\)](#)

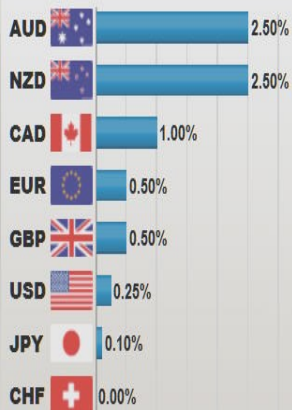
[Orange Juice \(OJ\)](#)

[Sugar \(SB\)](#)

[Wheat](#)

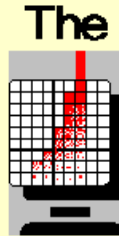
[Cotton](#)

[Rough Rice](#)



The Insider Trader

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World Cup Investing in Beer, Pizza and Betting



Whether you're a football fan or not it's going to be hard to avoid the World Cup over the next month and forget about this being just a sports event, this is big business that can affect GDP, consumer confidence and retail figures. Kick-off is 12th June where the host nation Brazil plays Croatia and ends with the final on the 13th July. You can download a PDF chart of games here: <http://bit.ly/1mXnTCe>

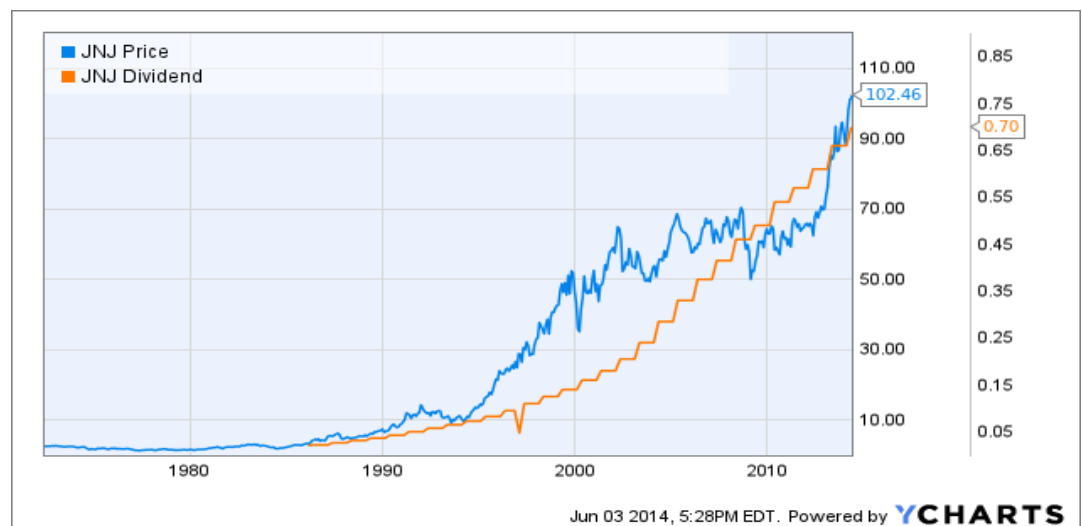
So this month let's take a look at stocks which have a World Cup related theme. Firstly let's look at some of the official sponsors and partners which include **Coca Cola (NYSE:KO)** **McDonalds (NYSE:MCD)** **Visa (NYSE:V)** **Johnson & Johnson (NYSE:JNJ)** interesting that these four are all in the Dow Jones Index. Another notable mention is global brewer

Anheuser Busch InBev (NYSE:BUD)

All of the for mentioned stocks are looking good, if I had to pick one as a stand out its healthcare company **Johnson & Johnson (JNJ)** which is sitting at near all-time highs and up 12% so far this year and even after the big run it's on a forward P/E of 16 and pays a near 3% dividend yield. I have talked about the aging population in previous updates and this remains a solid play on the aging and healthcare theme. JNJ is a Dividend Champion, having increased their dividend for 52 consecutive years and a stock I would happily hold for 10 years plus.

AB InBev (NYSE:BUD) has a listing on the US market and can also be traded via a financial spread bet. The company's international brands include Budweiser, Stella

Below: Johnson & Johnson (JNJ) a fantastic global company which has increased its dividend 52 years straight.



AB InBev (NYSE:BUD) has a listing on the US market and can also be traded via a financial spread bet. The company's international brands include Budweiser, Stella Artois, Corona, and Beck's; multi-country brands consist of Leffe and Hoegaarden; and local brands primarily comprise Bud Light, Skol, Brahma, Antarctica, Quilmes, Victoria, Modelo Especial, Michelob Ultra, Harbin, Sedrin, Klinskoye, Sibirskaya Korona, Chernigivske, and Jupiler. World cup is a big deal for beer and BUD is a global player. A notable mention is **SAB Miller (LSE:SAB)** which also continues to do well with good exposure to Africa and growing markets like Nigeria, Cameroon and Ghana and will all be playing in the World Cup. Some of you may know

BUD - Anheuser-Busch Inbev Sa - Weekly OHLC Chart



SAB.LS - Sabmiller Plc - Weekly OHLC Chart



that **Altria (NYSE:MO)** the US Tobacco companies owns 28% of SAB as Miller was previously part of Philip Morris.

Another stock I like is **Fomento Economico Mexicano FEMSA** - (NYSE:FMX) the company operates as a bottler of Coca-Cola trademark beverages and a chain of small-format stores under the OXXO brand name in Mexico, as well as operates

other small-format stores, which include soft discount stores with a focus on perishables and liquor stores. As of December 31, 2013, it operated 11,721 OXXO stores, of which 11,683 are located in Mexico, and 38 stores are located in Bogot, Colombia. In addition, the company offers various logistics and vehicle maintenance services; and vertical and horizontal commercial refrigerators for the soft drink, beer, and food industries. It has operations in Mexico, Central America, Colombia, Venezuela, Brazil, Argentina, Costa Rica, Guatemala, Nicaragua, Panama, and the Philippines. On April 30, 2010, FEMSA announced the closing of the transaction pursuant to which FEMSA agreed to exchange 100% of its beer operations for a 20% economic interest in the Heineken Group.

Other shares that can be in for a World Cup windfall

With this World Cup we have a fairly large time difference issue for example the England v Italy game on the 14th June will kick off at 11pm UK (midnight European time) therefore I think some of the companies that will do well are those in the take away, eat at home bracket rather than pubs. Dominos Pizza (LSE:DOM) or (NYSE:DPZ) which is the master company stand to do very well. Domino's expects to sell approximately 6 million pizzas in June and July and requires 1,300 extra staff to meet demand. Dominos also has a large exposure to Germany who should stay in the tournament until at least a late stage which of course means the longer your home team stays in the better it is for sales and a general feel good factor. Recently floated Just Eat (LSE:JE.) should also see sales pick up as watching football is a hungry business!

DPZ are over 445% since I first featured them in my updates in January 2011 when they were back at \$15 so they have had a spectacular run however the business does continue to do well



Snack food makers should also do well, whilst **Pepsi (NYSE:PEP)** is seen by many as a soft drinks business today most of its income is derived from snacks and non-carbonated drinks as the company owns brand including Frito-Lay, Tropicana, Gatorade, and Quaker Oats. Those in the UK will be more aware of the brand Walkers and Doritos which are part of Frito Lay.

Mondelez International (NYSE:MDLZ) was spun out of Kraft foods. If you need coffee to stay up late or to recover the next morning then chances are you will be drinking one of their brands. MDLZ has recently bought out Douwe Egberts who own Tassimo, Jacobs,

Carte Noire, Kenco, Gevalia. Mondelez also own Cadburys, Oreo, Milka. LU and Ritz to name a few. I still see the snack business as a growing trend as the old 3 meals a day sitting at a table have gone and emerging markets are also gaining a taste for packaged foods. It will be interesting to see if Pepsi and Mondelez do merge at some stage and billionaire investor Nelson Peltz has been calling for this.

As well as eating you also need to look the part and **JD Sports (LSE:JD.)** and **Sports Direct (LSE:SPD)** will do well especially if England stays in longer. An England shirt will set you back near £60 and the official Adidas football £17 both making a nice profit margin for Sports Direct.



The final big winner for the world cup will be betting. With the massive leaps in mobile and tablet technology bookmakers offering in game betting stand to do very well. Irish bookmaker **Paddy Power (LSE:PAP)** although a bit weaker of late still remains a strong business and I would prefer them over Ladbrokes or William Hill. Brazil remains the favourite to win the tournament current odds 3/1 with Argentina at 9/2 and Germany 11/2.

Investing in Pet Hospitals – Vets

VCA – Antech Inc (NAS:WOOF)



About: VCA Antech, Inc. operates as an animal healthcare company in the United States and Canada. It operates through two segments, Animal Hospital and Laboratory. The Animal Hospital segment offers general medical and surgical services, as well as specialised treatments comprising advanced diagnostic services, internal medicine, oncology, neurology, endocrinology, ophthalmology, dermatology, and cardiology for companion animals; and sells related retail and pharmaceutical products. It operated 609 animal hospitals and 56 veterinary diagnostic laboratories. The company also provides its services to veterinary practices, pharmaceutical manufacturers and the pet owning community.

As a dog owner I can tell you first hand that dogs and cats today are as important (some may say more) as a human family member and the days of putting a dog or cat down due to illness or an accident have gone, owners will and do spend vast amounts on their furry friends if they get sick and this is good news for VCA which operates 609 animal hospitals and 56 veterinary diagnostic laboratories. Whilst pet supply/retail stocks like Petsmart have come under pricing pressure, veterinary services remain strong. VCA is up around 10% so far this year and on a forward P/E of 16 it still offers value and I see a lot of growth in this area and with 83 million US households owning a pet it's a very resilient business.

“93% of pet owners would risk their own life for their pet”

“86% of pet owners include their pet in holiday celebrations”

“94% of pet owners believe their pet has human personality traits”

Follow this link for full PDF presentation

<http://bit.ly/1kZqCl3>

VCA **Four Businesses- Great Market**



VCA



ANTECH
DIAGNOSTICS



- 208 million pets
- 83 million pet-owning households
- 26,000 animal hospitals
- \$32 billion market
- Good demographic trends



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all roads lead to you



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Risk Warning All trading and investing involves risk and you should only invest what risk capital that you can afford to lose. These trading ideas are based on buying Exchange Trading Funds or stocks outright, should you decide to spread bet then other risks will be present. Only speculate with money you can afford to lose. Spread betting may not be suitable for all readers, therefore ensure you fully understand the risks involved. Past performance is not necessarily a guide to future performance. Ultimately all investment decisions are made by you. Insider Trader does not advise when to open or close a transaction. If you choose to open a transaction it is based on your own judgement and research and at your own risk. It is the responsibility of visitors to this Site to ascertain the terms of and comply with any local law or regulation to which they are subject.