

Card Factory

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Plenty of election bargain stocks, say City broker

We have witnessed a stunning rebound in the fortunes of the FTSE 100 in the wake of Thursday's general election with 250 points added to the blue-chip index in less than two sessions.

Housebuilders and financial services companies have enjoyed the upsurge, while mid-cap domestic stocks are back demand too.

However, there are still some bargain shares that are yet to feel the benefit of what is widely perceived to be a positive election result for the Square Mile, according to City broker Liberum.

Its buys can be found among the small- and mid-cap stocks of the discount retail, industrials, tech and housebuilding sectors.

All these areas have done reasonably well since Boris Johnson's tenure in Number 10 began in July.

So, Liberum has picked out what it calls "attractive laggards".

They include Card Factory (LON:CARD), Ricardo (LON:RCDO), Moneysupermarket (LON:MONY), Trifast, 888 Holdings (LON:888), Coats Group (LON:COA) and MJ Gleeson (LON:GLE).

Bellway (LON:BWY), Breedon (LON:BREE) and Speedy Hire (LON:SPDY) also figure as does Travis Perkins (LON:TPK), which Liberum said has scope for "further rerating".

The broker also believes there is some value in looking at some of the growth stocks found at the lower reaches of the All Share and on AIM.

"The large- and mid [cap] re-rating of the last few months has left the small-cap discount at levels last seen post the 2009 financial crisis," said Liberum in a note to clients.

"We see opportunity further down the market cap spectrum as Brexit uncertainty eases into 2020."

Price: 50

Market Cap: £170.81 m

1 Year Share Price Graph



Share Information

Code: CARD

Listing: LON

52 week High Low
184.7 22

Sector: Fashion & brands

Website:

Company Synopsis:

Card Factory is a chain of greeting card and gift stores in United Kingdom founded by Dean Hoyle and his wife Janet; the first store opened in 1997. It is listed on the London Stock Exchange and is a constituent of the FTSE 250 Index.

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