

Restaurant Group PLC

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Restaurant Group results and construction PMI in focus for Tuesday

On Tuesday, it will be the first time we hear from Restaurant Group PLC's (LON:RTN) new boss, Andy Hornby, when the Wagamama owner dishes up its half-year results.

The shares have traded sideways so far this year as doubts over last year's £550mln acquisition of the Asian-style food chain and the wider UK casual dining market linger.

With an abundance of restaurants to choose from, diners have been picky eaters, forcing the industry to cut prices and offer up more deals.

That has wreaked havoc for many eateries, although Wagamama has fared better than most and is a key part of Restaurant Group's future growth plans.

Investors will want to see more good numbers from the chain if it is to justify the hefty price tag.

Things have been less rosy at its Frankie & Benny's diners in recent years, so look out for an update on what new CEO Hornby has in store here.

Peel Hunt forecasts first-half profit before tax to be up 38% to £27.8mln due to Wagamama, with like-for-like sales benefiting from favourable weather and a softer comparative last year.

Construction PMI in focus

Following a shocker on Monday with the UK's manufacturing PMI dropping to a seven-year low, the index for the construction sector on Tuesday may provide more gloomy news for the UK economy.

RBC's analysts have said that with the Brexit exit date having been extended from 29th March to 31st October, PMIs have been somewhat "blunted" as a good indicator of UK performance, however they don't expect the results for August to alter their previous forecasts of flat GDP growth for the third quarter of the year.

Whatever happens, the data may serve to pile more pressure on the pound, which is currently trading at some of its lowest levels so far this year around US\$1.208.

There will also be some data from across the pond, with the US manufacturing PMI due ahead of Friday's all-important non-farm payrolls report.

Significant announcements expected for Tuesday September 3:

Finals: Accrol Group PLC (LON:ACRL), Craneware PLC (LON:CRW), Mattioli PLC (LON:MTW), Renalytix Ai S (LON:RENX), Supermarket Inc PLC (LON:SUPR)

Price: 136.3

Market Cap: £669.91 m

1 Year Share Price Graph



Share Information

Code: RTN

Listing: LSE

52 week High Low
167.7 110.1

Sector: Food & drink

Website: www.trgplc.com

Company Synopsis:

The Restaurant Group Plc (TRG) is a significant player in the UK casual dining market, operating over 500 restaurants and pubs which include Frankie and Benny's, Chiquito, Coast to Coast, Garfunkel's, Firejacks, Brunning & Price and Joe's Kitchen. We also operate a concession business which trades over 60 outlets across more than 30 brands, primarily in UK airports.

action@proactiveinvestors.com

Interims: Alfa Financial Software Holdings PLC (LON:ALFA), Dalata Hotel Group Plc (LON:DAL), Frenkel Topping PLC (LON:FEN), Gamma Communications PLC (LON:GAMA), Impact Health PLC (LON:IHR), India Cap PLC (LON:IGC), IQE PLC (LON:IQE), Johnson Service PLC (LON:JSG), Michelmersh Brick Holdings Plc (LON:MBH), Restaurant Group PLC (LON:RTN), STV Group PLC (LON:STVG), Wentworth Resources PLC (LON:WEN)

Trading announcements: DS Smith PLC (LON:SMDS)

Economic data: Markit UK construction PMI, Markit US manufacturing PMI, ISM US manufacturing

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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