



KVB Kunlun
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TRADINGSTAR

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Today's HOT stock

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Leggett & Platt incorporated – LEG

Generally stocks with high capitalization and high dividend yields are deemed to be “safer” and perform better in a bear market. Today we will introduce you one such stock, which not only offers an incredibly high dividend yield but also allows you the potential of capital gain.

Leggett & Platt, Incorporated manufactures a wide range of engineered products. It operates in four segments: residential furnishings, commercial fixtures and components and industrial materials. The current market price is USD 19.01, with a market capitalization of USD 2.78 billion. LEG offer investors a dividend yield of 5.70 percent. With this high dividend yield, LEG is looked upon as quality stock and holds its value better in a falling market.

Recently LEG reported favorable second quarter results. Its Q2 EPS is 34 cents, much better than forecasted. Sales were 15 percent above last year's. Net debt was 27 percent of net capital on 30th June 2010, far below the target range of 30 percent to 40 percent, indicating its financial status is quite healthy. These better than expected results shows that LEG has great potential for capital gains. Its 52-week price range is between USD 17.89 and USD 25.15. The average daily volume is 1,536,960 shares.

Source: www.finance.yahoo.com, www.seekingalpha.com, www.thestreet.com

This commentary is prepared by Jimmy Koh, Manager, and Investment Sales. A copy of his Investment Adviser's Disclosure Statement can be obtained from www.kvbkunlun.com.

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