

EXPERT TIPS

SIMON GUZOWSKI

SHARE SUNCORP (SUN)

BUY OR SELL BUY

PRICE NOW \$12.44

'Fear has created long-term value'

Have we seen the bottom in financials yet? Such a call would be equally dependent on market sentiment as it is on fun-

damentals, with the former being much more difficult to predict.

Yet long-term value is very apparent in many of our financial stocks. A turnaround in the credit crisis may not be around the corner, but the patient investor could be rewarded for taking a position during the credit market storm.

Suncorp offers a fully franked yield of 9.1% and gross yield of 12.9%, combined with a price-

earnings ratio of just 11 (at time of writing) is simply too hard to ignore. Fear has created long-term value. Those franked dividend payments should beat your bank account's interest rate while also making current market conditions much more bearable. We rate Suncorp as a buy for the long-term investor.

SIMON GUZOWSKI IS A SENIOR EQUITIES ANALYST WITH WISE-OWL.COM

