

Most shorted ahead of earnings

A review of how short sellers are positioning themselves ahead of earnings announcements in the coming week.

- Rex Energy leads oil and gas shorts as oil weakness continues
- Anglo American seeing record short interest as shares rally
- Australian mining and oil & gas firms dominate Apac: Dividend suspension forecast for nickel producer Western Areas

North America

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Rex Energy Corp	Oil & Gas Exploration & Production	REXX	02/17/2016	43.0	-3%
Basic Energy Services Inc	Oil & Gas Equipment & Services	BAS	02/18/2016	26.1	-5%
Hornbeck Offshore Services Inc	Oil & Gas Equipment & Services	HOS	02/17/2016	24.2	8%
Denbury Resources Inc	Oil & Gas Exploration & Production	DNR	02/18/2016	23.5	-3%
Boardwalk Real Estate Investment Unt	Residential REITs	BEI UN	02/18/2016	22.5	31%
SunEdison Inc	Semiconductor Equipment	SUNE	02/17/2016	22.5	-9%
Adeptus Health Inc	Health Care Services	ADPT	02/18/2016	21.3	-2%
Ultra Petroleum Corp	Oil & Gas Exploration & Production	UPL	02/18/2016	21.0	-3%
Fossil Group Inc	Apparel, Accessories & Luxury Goods	FOSL	02/16/2016	20.7	15%
Discovery Communications Inc	Broadcasting	DISCA	02/18/2016	20.6	6%
Forestar Group Inc	Real Estate Development	FOR	02/17/2016	20.5	9%
First Quantum Minerals Ltd	Diversified Metals & Mining	FM	02/19/2016	20.4	10%
Gulfmark Offshore Inc	Oil & Gas Equipment & Services	GLF	02/16/2016	19.1	-17%
Albany Molecular Research Inc	Life Sciences Tools & Services	AMRI	02/17/2016	18.9	-7%
Medicines Co	Pharmaceuticals	MDCO	02/17/2016	18.1	-2%
Nordstrom Inc	Department Stores	JWN	02/18/2016	17.8	11%
Financial Engines Inc	Asset Management & Custody Banks	FNGN	02/18/2016	17.6	0%
Generac Holdings Inc	Electrical Components & Equipment	GNRC	02/16/2016	17.1	-9%
Finning International Inc	Trading Companies & Distributors	FTT	02/18/2016	16.3	3%
Amag Pharmaceuticals Inc	Biotechnology	AMAG	02/17/2016	16.0	11%

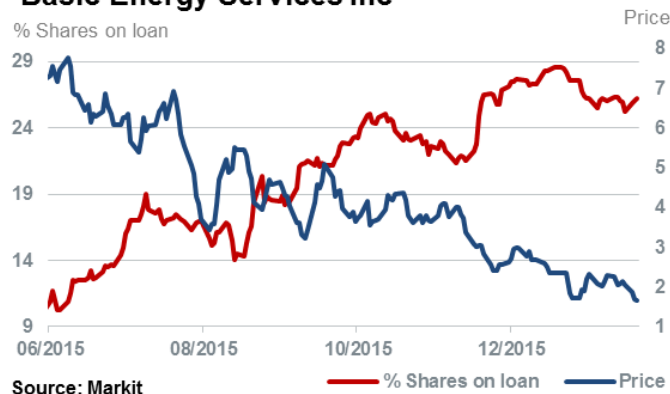
Most shorted ahead of earnings in North America is Rex Energy Corp which this week **suspended** its preferred dividend in order to improve cash flows. Shares have plummeted 84% in the 12 months since last **featuring** as the most shorted stock in North America ahead of earnings. Short sellers have however become more invigorated as of late, with shares out on loan increasing 20% year to date, currently at 43% of shares outstanding on loan.

Rex Energy Corp



Second most shorted, servicing the US oil gas sector with just over a quarter of its shares currently shorted is Basic Energy Services. It too has suffered, with shares falling almost 80% in the last 12 months as oil and gas operations nationwide have been scaled back.

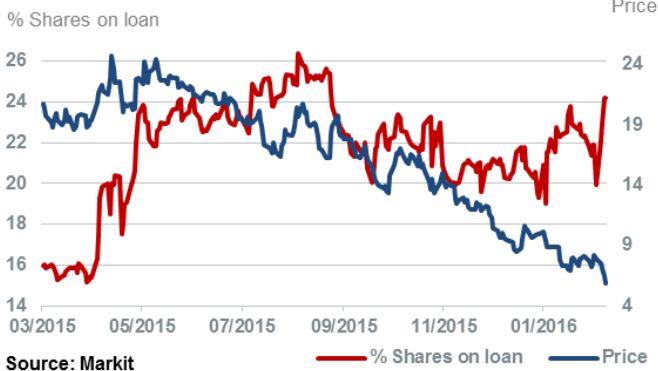
Basic Energy Services Inc



In third place is Hornbeck Offshore Services with nearly a quarter of shares currently sold short. The shipping firm is also currently the

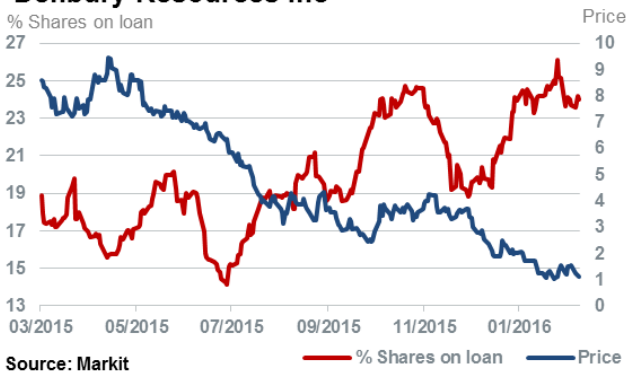
most shorted stock in the shipping industry globally. The company has 'stacked' almost half its vessels that are uniquely designed to service the offshore exploration activities in the Gulf of Mexico.

Hornbeck Offshore Services Inc



Suspending its quarterly dividend in the third quarter of 2015 is Denbury Resources with 24% of shares outstanding on loan. The company's shares have lost almost 90% in the last 12 months.

Denbury Resources Inc



Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Vallourec Sa	Oil & Gas Equipment & Services	VK	02/18/2016	18.9	1%
Anglo American Plc	Diversified Metals & Mining	AAL	02/16/2016	18.0	75%
Petroleum Geo Services Asa	Oil & Gas Equipment & Services	PGS	02/15/2016	15.4	56%
Telecom Italia Spa	Integrated Telecommunication Services	TIT	02/15/2016	10.2	15%
Vivendi Sa	Movies & Entertainment	VIV	02/18/2016	8.6	52%
Lancashire Holdings Ltd	Property & Casualty Insurance	LRE	02/18/2016	7.2	6%
Accor Sa	Hotels, Resorts & Cruise Lines	AC	02/18/2016	5.9	35%
Det Norske Oljeselskap Asa	Oil & Gas Exploration & Production	JETNOF	02/17/2016	5.8	24%
Bertrandt Ag	Research & Consulting Services	BDT	02/15/2016	4.9	-25%
Stockmann Oyj Abp	Department Stores	STCBV	02/18/2016	4.7	-1%
Oriflame Holding Ag	Personal Products	ORI	02/17/2016	4.6	-3%
Produits Chimiques Auxiliaires Et De S	Life Sciences Tools & Services	PCA	02/18/2016	4.4	0%
Kering Sa	Apparel, Accessories & Luxury Goods	KER	02/19/2016	4.3	-61%
Air France Klm Sa	Airlines	AF	02/18/2016	4.2	-12%
Heurtey Petrochem Sa	Oil & Gas Equipment & Services	ALHPC	02/16/2016	3.9	0%
Omv Ag	Integrated Oil & Gas	OMV	02/18/2016	3.9	42%
Mekonomen Ab	Automotive Retail	MEKO	02/17/2016	3.7	17%
Aegon Nv	Life & Health Insurance	AGN	02/19/2016	3.5	-21%
Storebrand Asa	Life & Health Insurance	STB	02/17/2016	3.5	-21%
Ingenico Group Sa	Electronic Equipment & Instruments	ING	02/18/2016	3.5	51%

Most shorted ahead of earnings in Europe is Vallourec SA with 19% of shares outstanding on loan. The French based company manufactures tubular solutions primarily destined for the energy and industrial sectors. Shares in Vallourec have declined by 84% in the last 12 months.

Vallourec Sa



Second most shorted company ahead of earnings this week in Europe is FTSE 100 constituent Anglo American which is battling arguably its toughest operating period in its 99 year history.

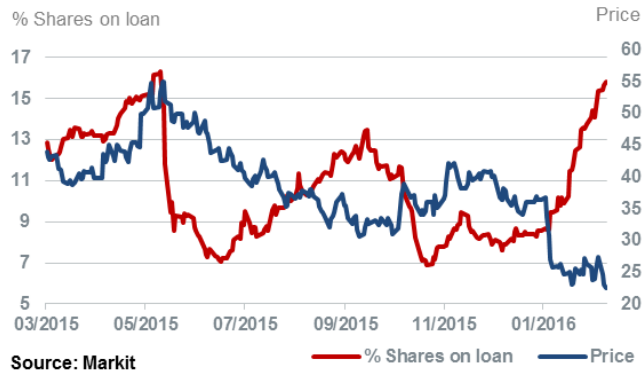
Anglo American Plc



Diversified miners continue to struggle with decade low commodity prices and in a **speech this week** in Anglo American CEO Mark Cutifani said "business as usual is no longer an option – business as usual means some will go out of business". Short sellers are in agreement, with an all-time high of 18% of Anglo American shares currently sold short. The stock has however been seen rallying, up

15% in the past two weeks alone. However, including recent rise the stock is still down some 75% over the past 12 months.

Petroleum Geo Services Asa



Third most shorted in Europe is Petroleum Geo Services. The marine geophysics company has seen an 81% increase in shares outstanding on loan since the start of the year reaching 15.4% currently.

Apac

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Monadelphous Group Ltd	Construction & Engineering	MND	02/16/2016	21.9	9%
Mineral Resources Ltd	Diversified Support Services	MIN	02/18/2016	17.1	7%
Western Areas Ltd	Diversified Metals & Mining	WSA	02/19/2016	14.1	10%
Hotel Shilla Co Ltd	Specialty Stores	008770	02/17/2016	13.6	11%
Primary Health Care Ltd	Health Care Services	PRY	02/17/2016	13.2	29%
Oci Co Ltd	Diversified Chemicals	010060	02/16/2016	10.0	2%
Greencross Ltd	Health Care Facilities	GXL	02/16/2016	9.7	-14%
Invocare Ltd	Specialized Consumer Services	IVC	02/16/2016	9.1	3%
Dick Smith Holdings Ltd	Computer & Electronics Retail	DSH	02/18/2016	9.0	6%
Ezron Holdings Ltd	Oil & Gas Equipment & Services	5ME	02/16/2016	8.9	0%
Sims Metal Management Ltd	Steel	SGM	02/19/2016	8.7	18%
Celltrion Inc	Pharmaceuticals	068270	02/17/2016	8.4	11%
Appbank Inc	Internet Retail	6177	02/17/2016	8.4	10%
Sembcorp Industries Ltd	Industrial Conglomerates	U96	02/17/2016	7.5	70%
Arrium Ltd	Steel	ARI	02/17/2016	7.4	19%
G8 Education Ltd	Education Services	GEM	02/16/2016	6.1	16%
Iseki&Co Ltd	Agricultural & Farm Machinery	6310	02/15/2016	6.0	9%
Gni Group Ltd	Biotechnology	2160	02/15/2016	5.8	2%
Arb Corp Ltd	Auto Parts & Equipment	ARB	02/18/2016	5.8	91%
Iuka Resources Ltd	Diversified Metals & Mining	ILU	02/19/2016	5.7	18%

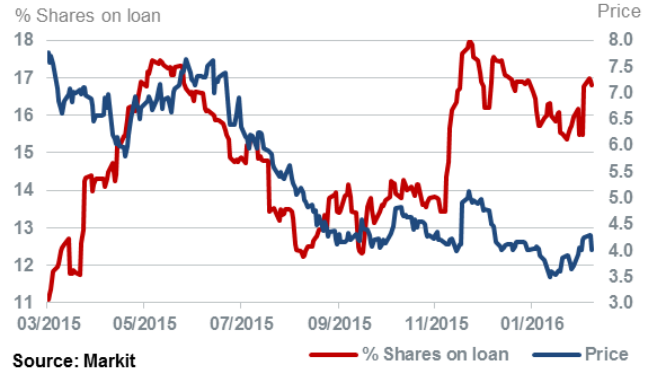
Most shorted ahead of earnings this week in Apac is Monadelphous Group with 22% of shares outstanding on loan. The heavy civil and engineering firm is currently involved in a number of large scale energy and resources projects in Australia. Short interest has increased almost 100% in the last 12 months while the stock has declined by 40%.

Monadelphous Group Ltd



Australian contract miner Mineral Resources is the second most shorted in Apac with 17% of shares outstanding on loan. Short sellers had been covering in the miner as shares declined in 2015; down 50% over the last 12 months. However since November 2015, short interest has increased by almost a quarter as weaker commodity prices persist.

Mineral Resources Ltd



Third most shorted in Apac is Westerns Areas with 14% shares out on loan. The Australian miner of has seen shares fall half in the last 12 months. Markit **Dividend Forecasting** expects a suspension in the company's dividend due to the firms' cash balance halving to AUD 29.9m as of Q2 FY16 from AUD 59m in Q1, driven by payment for the **Cosmos** Nickel Complex in 2015.

Western Areas Ltd



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