

Most shorted ahead of earnings

A review of how short sellers are positioning themselves in companies due to announce results in the coming week.

- Coal firms feature predominantly in the US and Asia as commodity prices remain weak
- Covering seen in geophysical short TGS as oil prices rally ahead of earnings
- Strong results and 100th birthday dividend sends Yaskawa Electric shorts covering

North America

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Peabody Energy Corp	Coal & Consumable Fuels	BTU	24/04/2015	24.7	3%
Wesco International Inc	Trading Companies & Distributors	WCC	24/04/2015	22.4	0%
Core Laboratories Nv	Oil & Gas Equipment & Services	CLB	23/04/2015	20.0	11%
Cree Inc	Semiconductors	CREE	22/04/2015	19.2	0%
Blackhawk Network Holdings Inc	Data Processing & Outsourced Serv	HAWK	24/04/2015	20.4	-9%
Abaxis Inc	Health Care Equipment	ABAX	25/04/2015	18.5	4%
Amag Pharmaceuticals Inc	Biotechnology	AMAG	25/04/2015	17.4	13%
Arch Coal Inc	Coal & Consumable Fuels	ACI	22/04/2015	18.1	-11%
Jakks Pacific Inc	Leisure Products	JAKK	22/04/2015	18.8	-5%
Hercules Offshore Inc	Oil & Gas Drilling	HERO	24/04/2015	17.5	-6%
Proto Labs Inc	Industrial Machinery	PRLB	24/04/2015	17.1	0%
Spectranetics Corp	Health Care Supplies	SPNC	24/04/2015	17.0	0%
Maxwell Technologies Inc	Electronic Manufacturing Services	MXWL	24/04/2015	15.9	0%
Verisign Inc	Internet Software & Services	VRSN	24/04/2015	15.9	0%
Irobot Corp	Household Appliances	IRBT	22/04/2015	15.1	-5%
Gulfmark Offshore Inc	Oil & Gas Equipment & Services	GLF	21/04/2015	15.2	11%
Synaptics Inc	Semiconductors	SYNA	24/04/2015	15.1	-1%
Chicago Bridge & Iron Company N	Construction & Engineering	CBI	24/04/2015	14.2	10%
Valmont Industries Inc	Industrial Machinery	VMI	23/04/2015	13.1	10%
Southwestern Energy Co	Oil & Gas Exploration & Production	SWN	25/04/2015	13.4	4%

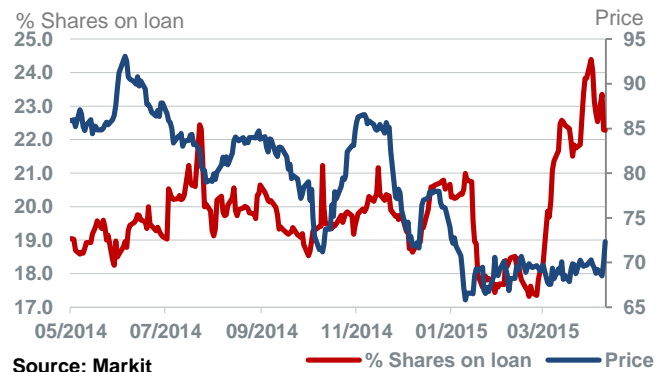
Most shorted ahead of earnings this week in North America is coal giant Peabody energy which currently sees a quarter its shares outstanding on loan. Declining global commodity prices and **weak Asian** demand have put pressure on coal firms such as Peabody. The company's shares have declined by 72% in the last 12 months.

Peabody Energy Corp



Second most shorted ahead of earnings is Wesco International, an electrical product distributor which provides maintenance, repair and operating supplies to industry.

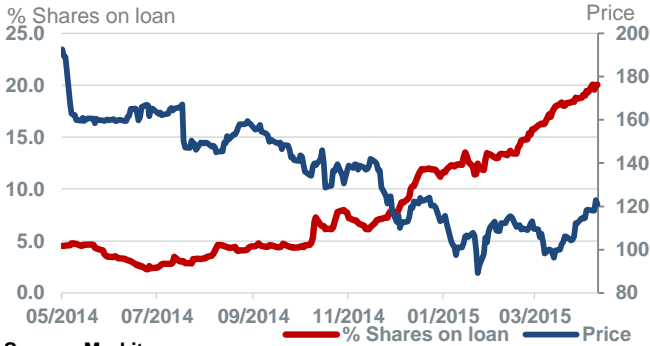
Wesco International Inc



Short interest in Wesco has climbed above 22% since the beginning of March. Analysts recently lowered their expectations for Wesco due to slowing industrial activity in the US, a sharp pullback in shale oil developments and a strong dollar continuing to impact earnings, foreign earnings and competitiveness.

Short interest in Core Laboratories has climbed to 20% while the stock price has declined by more than a third in the last 12 months. The company provides the global oil industry with reservoir mapping and management services including measurement and recovery maximisation.

Core Laboratories Nv



Source: Markit

Second most shorted ahead of earnings is TGS with 14% of shares outstanding on loan. The company provides seismic and geoscience data to the oil and gas industry.

Shorts sellers have **shed positions** in TSG with shares out on loan decreasing from 22% in late January to 14% currently. During this time the share price has rallied as markets witnessed the first sustained oil price recovery.

Western Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Gemalto Nv	Application Software	GTO	24/04/2015	16.2	-8%
Tgs Nopec Geophysical Company	Oil & Gas Equipment & Services	TGS	24/04/2015	14.5	6%
Stora Enso Oyj	Paper Products	STERV	23/04/2015	11.8	399%
Kone Oyj	Industrial Machinery	KNEBV	23/04/2015	8.8	1%
Nordic Semiconductor Asa	Semiconductors	NOD	18/04/2015	8.4	5%
Logitech International Sa	Technology Hardware, Storage & Per	LOGN	23/04/2015	8.4	25%
Huhtamaki Oyj	Paper Packaging	HUH1V	22/04/2015	8.7	558%
Arcam Publ Ab	Industrial Machinery	ARCM	22/04/2015	7.6	5%
Banco De Sabadell Sa	Diversified Banks	SAB	25/04/2015	7.0	1%
Klovenm Ab	Real Estate Operating Companies	KLOV A	24/04/2015	7.4	-51%
Piaggio & C Spa	Motorcycle Manufacturers	PIA	25/04/2015	7.2	10%
Metso Oyj	Industrial Machinery	MEO1V	24/04/2015	6.5	-34%
Modern Times Group Mtg Ab	Broadcasting	MTG B	23/04/2015	6.0	-9%
Alfa Laval Ab	Industrial Machinery	ALFA	24/04/2015	5.8	5%
TeliaSonera Ab	Integrated Telecommunication Semic	TLSN	22/04/2015	5.0	233%
Volvo Ab	Construction Machinery & Heavy Tru	VOLV B	25/04/2015	5.5	37%
Koninklijke Ten Cate Nv	Commodity Chemicals	KTC	24/04/2015	5.3	584%
Avanza Bank Holding Ab	Investment Banking & Brokerage	AZA	21/04/2015	4.7	-45%
Getinge Ab	Health Care Equipment	GETI B	21/04/2015	4.5	-9%
Yara International Asa	Fertilizers & Agricultural Chemicals	YAR	25/04/2015	4.3	148%

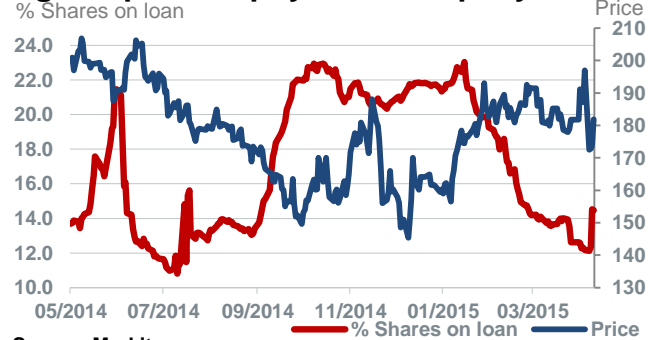
Currently the most shorted in Europe ahead of earnings is Dutch sim card maker Gemalto. The **long-time** short in Europe has seen covering as shares outstanding on loan have decreased to 16% but demand to short sell remains strong with an annualised fee of more than ~4% to borrow stock.

Gemalto Nv



Source: Markit

Tgs Nopec Geophysical Company Asa



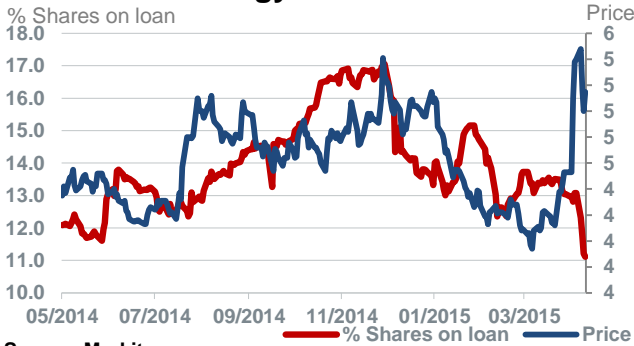
Source: Markit

Asia Pacific

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
China Vanke Co Ltd	Real Estate Development	2202	25/04/2015	18.7	-8%
China Coal Energy Co Ltd	Coal & Consumable Fuels	1898	25/04/2015	11.1	-17%
Oci Co Ltd	Diversified Chemicals	010060	24/04/2015	9.1	8%
Anhui Conch Cement Co Ltd	Construction Materials	914	25/04/2015	8.8	-21%
Asm Pacific Technology Ltd	Semiconductor Equipment	522	24/04/2015	7.3	3%
Zijin Mining Group Co Ltd	Gold	2899	21/04/2015	6.4	-13%
Daelin Industrial Co Ltd	Construction & Engineering	000210	25/04/2015	6.3	10%
Yaskawa Electric Corp	Electronic Components	6506	21/04/2015	5.8	-33%
China Cosco Holdings Co Ltd	Marine	1919	24/04/2015	4.8	-48%
Ten Network Holdings Ltd	Broadcasting	TEN	18/04/2015	4.4	-16%
Lg Life Sciences Ltd	Pharmaceuticals	068870	23/04/2015	4.2	-27%
Voyage Group Inc	Internet Software & Services	3688	23/04/2015	4.1	43%
Kyoto Kimono Yuzen Co Ltd	Apparel Retail	7615	24/04/2015	3.2	18%
Advanced Process Systems Corp	Semiconductor Equipment	054620	24/04/2015	2.6	-9%
Samsung Fine Chemicals Co Ltd	Diversified Chemicals	004000	23/04/2015	2.4	-21%
Cti Engineering Co Ltd	Construction & Engineering	9621	25/04/2015	2.3	-19%
China Zhongwang Holdings Ltd	Aluminum	1333	23/04/2015	2.3	-6%
Shibaura Mechatronics Corp	Semiconductor Equipment	6590	24/04/2015	2.2	53%
Afreecatv Co Ltd	Internet Software & Services	067160	22/04/2015	2.1	3%
Bbmg Corp	Construction Materials	2009	23/04/2015	2.0	-11%

China Coal is the second most shorted company in Apac ahead of earnings with 11% of shares outstanding on loan. Short sellers seemed to have been squeezed out in recent weeks as the share price increased by 20%.

China Coal Energy Co Ltd



Source: Markit

Yaskawa Electric has sent short sellers covering positions by a third in the last month. The company posted strong revenue expansion across its Motion Control and Robotics business segments in the third quarter on the back of growing demand from smart phones and automobile-related industries, especially in the Chinese market.

These strong numbers resulted in an improved outlook for dividend payments and Markit dividend forecasting expects the company to double last year’s payment. The firm has guided that not only will it increase the final payment but it will also declare a special dividend in commemoration of its 100th anniversary.

Yaskawa Electric Corp



Source: Markit

Relte Stephen Schutte

Analyst

Markit

Tel: +44 207 064 6447

Email: relte.schutte@markit.com

For further information, please visit www.markit.com

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