

Most shorted ahead of earnings

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

- Short sellers continue to cover positions in Gamestop as shares find some support in 2016
- Hunger Games disappointment at the box office sees shorts add to Lions Gate positions
- Australian Agriculture, the country's oldest company attracts short sellers ahead of earnings

North America

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Gamestop Corp	Computer & Electronics Retail	GME	05/26/2016	27.2	-10%
Tidewater Inc	Oil & Gas Equipment & Services	TDW	05/25/2016	26.3	0%
Big Lots Inc	General Merchandise Stores	BIG	05/27/2016	17.4	7%
Sanderson Farms Inc	Packaged Foods & Meats	SAFM	05/26/2016	16.6	-9%
Dycom Industries Inc	Construction & Engineering	DY	05/24/2016	16.5	-3%
Bristow Group Inc	Oil & Gas Equipment & Services	BRS	05/25/2016	15.9	-11%
Universal Corp	Tobacco	UVV	05/24/2016	14.0	-8%
America's Car-Mart Inc	Automotive Retail	CRMT	05/23/2016	12.4	-3%
Deckers Outdoor Corp	Footwear	DECK	05/26/2016	12.1	-18%
Abercrombie & Fitch Co	Apparel Retail	ANF	05/26/2016	10.9	-13%
Jinkosolar Hldg ADR Rep 4 Ord	Semiconductors	JKS	05/27/2016	10.7	20%
Splunk Inc	Application Software	SPLK	05/26/2016	10.6	-5%
Viasat Inc	Communications Equipment	VSAT	05/24/2016	10.5	-2%
Ship Finance International Ltd	Oil & Gas Storage & Transportation	SFL	05/24/2016	10.5	9%
Golar LNG Ltd	Oil & Gas Storage & Transportation	GLNG	05/27/2016	10.3	21%
Nyx Gaming Group Ltd	Casinos & Gaming	NYX	05/26/2016	9.5	4%
Guess? Inc	Apparel Retail	GES	05/25/2016	9.1	5%
Trina Solar ADR Rptgt 50 Ord	Semiconductors	TSL	05/26/2016	8.3	30%
Veeva Systems Inc	Health Care Technology	VEEV	05/26/2016	8.3	19%
Lions Gate Entertainment Corp	Movies & Entertainment	LGF	05/25/2016	8.3	5%

About to report its first quarter results and no stranger to being **the most shorted ahead** of earnings in North America is Gamestop. Shares in the video game retailer, previously the most shorted constituent of the S&P500 (now **cut** from index) shares have found **support in 2016** and rallied 13% since January lows. This come as the company continues to diversify away from declining physical video game sales. The recent rise however, is after shares have plummeted 46% since the beginning of November 2015.

Gamestop Corp



Gamestop still has significant short interest (shares currently outstanding on loan) having rallied 13% since January lows at 27%. Currently however, short sellers have covered 40% of overall positions.

Tidewater Inc



Second most shorted is Tidewater with short interest of 26% currently. The company provides large service vessels to the offshore oil industry and has seen its shares dive by almost 80% in the last 12 months with short sellers taking profits and covering a third of positions.

Big Lots Inc



Unfazed by a recent 15% spike in share price over the last three months, short sellers have increased positions in discount American retailer Big Lots with short interest rising by a fifth to 17.4%.

Lastly, despite shares plummeting over 50% since November 2015 after reporting **disappointing takings** from the final instalment to the Hunger Games franchise, short sellers have continued to target Lions Gate Entertainment.

Lions Gate Entertainment Corp



Short sellers have increased positions in the firm with short interest rising to 8.2% marking a four year high. Rating agencies S&P has meanwhile upgraded their outlook for the company to **‘Positive’** based on stable revenue and cash generation emanating from increased production of content destined for the streaming **television business**.

Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Mitie Group Plc	Environmental & Facilities Services	MITO	05/23/2016	11.6	1%
Drillisch Ag	Wireless Telecommunication Services	DRI	05/24/2016	10.2	12%
Schoeller Bleckmann Oilfield Equipment Ag	Oil & Gas Equipment & Services	SBO	05/25/2016	8.1	3%
Seadrill Ltd	Oil & Gas Drilling	SDRL	05/26/2016	7.8	-12%
Bertrandt Ag	Research & Consulting Services	BDT	05/25/2016	6.2	15%
Marks And Spencer Group Plc	Department Stores	MKS	05/25/2016	3.0	23%
Pets At Home Group Plc	Specialty Stores	PETS	05/26/2016	3.0	26%
Mota Engrl Sggs Sa	Construction & Engineering	EGL	05/24/2016	2.9	-10%
Vectura Group Plc	Pharmaceuticals	VEC	05/26/2016	2.8	-9%
Hoegh Lng Holdings Ltd	Oil & Gas Storage & Transportation	HLNG	05/27/2016	2.4	-12%

Most shorted ahead of earnings in Europe this week is outsourcing group Mitie with 11.6% of shares outstanding on loan. After taking profits as shares fell sharply in April, short sellers have now increased positions by 22%, following an 11% rally in shares with short interest reaching 11.6%.

Mitie Group Plc



Second most shorted in Europe is Germany’s largest wireless and virtual network operator Drillisch. The company currently has 10.2% of shares outstanding on loan.

Drillisch Ag



Schoeller Bleckmann Oilfield Equipment Ag



The third most shorted stock ahead of earnings this week in Europe is Schoeller Bleckman Oilfield Equipment. The company provides high-precision components for directional drilling and short sellers have covered just over a fifth of positions in the last three months, while shares have rallied by 18%.

Apac

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Australian Agricultural Company Ltd	Packaged Foods & Meats	AAC	05/25/2016	9.5	53%
Gome Electrical Appliances Holding Ltd	Computer & Electronics Retail	493	05/26/2016	7.5	38%
Tfs Corporation Ltd	Forest Products	TFC	05/26/2016	5.7	9%
Programmed Maintenance Services Ltd	Environmental & Facilities Services	PRG	05/25/2016	4.5	-3%
Viromed Co Ltd	Biotechnology	084990	05/23/2016	4.2	6%
Kolao Holdings	Automotive Retail	900140	05/23/2016	4.0	6%
Tingyi Cayman Islands Holding Corp	Packaged Foods & Meats	322	05/26/2016	3.9	2%
Lenovo Group Ltd	Technology Hardware, Storage & Peripherals	992	05/26/2016	3.6	20%
China Ocean Resources Co Ltd	Packaged Foods & Meats	900050	05/23/2016	3.5	-33%
Nippon Parking Development Co Ltd	Environmental & Facilities Services	2353	05/27/2016	3.4	1%

Most shorted ahead of earnings in Apac is Australian Agricultural (AA) with 9.5% of shares outstanding on loan. The company provides beef and agricultural products globally and is the oldest **continually** operating company in Australia.

Australian Agricultural Company Ltd



Short interest in AA has spiked higher, up over six fold in the past 12 months, while volatile shares have remained fairly stagnant.

Gome Electrical Appliances Holding Ltd



Short interest in Gome Electrical Appliances has more than doubled since the beginning of April, reaching 7.5% currently. Shares in the Asian based appliance retailer have slid by almost 60% over the past 12 months.

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