

## Most shorted ahead of earnings

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

- Short sellers target DVDs through Outerwall's Redbox as rentals and new business stall
- Shorts take second bite out of Carbo Ceramics as US shale industry continues to suffer
- Markit **Dividend Forecasting** expects dividend suspension at shorted coal miners

### North America

Name	Industry	Ticker	Value on loan (\$m)	% Shares Outstanding On Loan	1 Month % Change
Outerwall Inc	Specialty Stores	OUTR	405,454,752	36.1	11%
World Acceptance Corp	Consumer Finance	WRLD	98,088,464	33.5	-4%
Neustar Inc	Data Processing & Outsourced Services	NSR	486,152,544	33.1	-2%
Carbo Ceramics Inc	Oil & Gas Equipment & Services	CRR	155,777,216	32.7	-6%
Indium Communications Inc	Alternative Carriers	IRDM	207,525,632	31.1	-4%
Bofi Holding Inc	Thriffs & Mortgage Finance	BOFI	454,301,888	30.3	131%
Ak Steel Holding Corp	Steel	AKS	117,316,992	24.8	-7%
Cloud Peak Energy Inc	Coal & Consumable Fuels	CLD	45,527,532	24.3	-2%
Noble Corporation Plc	Oil & Gas Drilling	NE	733,431,040	23.4	-3%
Ultra Petroleum Corp	Oil & Gas Exploration & Production	UPL	249,447,840	23.1	-7%
Jakks Pacific Inc	Leisure Products	JAKK	45,422,528	22.9	10%
Iconix Brand Group Inc	Apparel, Accessories & Luxury Goods	ICON	180,687,712	22.6	1%
Monster Worldwide Inc	Internet Software & Services	MVW	148,194,128	21.9	0%
Hornbeck Offshore Services Inc	Oil & Gas Equipment & Services	HOS	126,210,616	21.9	-3%
Cimpress Iv	Internet Software & Services	CMPR	530,026,880	21.2	8%
Dorman Products Inc	Auto Parts & Equipment	DORM	379,988,544	20.7	-1%
Generac Holdings Inc	Electrical Components & Equipment	GNRC	389,977,248	20.5	1%
Vasco Data Security International Inc	Systems Software	VDSI	141,413,264	20.5	-2%
Aegeron Pharmaceuticals Inc	Biotechnology	AEGR	88,300,840	20.2	13%
Cliffs Natural Resources Inc	Steel	CLF	84,310,136	20.0	-6%

Most shorted ahead of earnings this week in North America is Outerwall with 36% of shares outstanding on loan. Short interest has surged by two-thirds, with the stock falling 30% post a 14% one-day fall after the company reported a loss last quarter.

### Outerwall Inc



Outerwall is reliant on **DVD rentals** for the majority of its revenue, and new product launches, aimed at diversifying sales, are actually responsible for the write downs attributable to recent losses.

### World Acceptance Corp



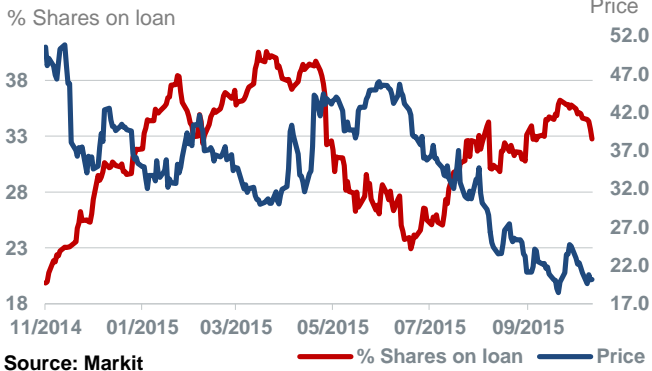
**Losing** the top spot in the US is second most shorted World Acceptance Corp. The small-consumer loan finance company has 33% of shares out on loan, and the stock price has halved in the last 12 months.

### Neustar Inc



Short sellers have marginally covered in Neustar since last quarter where the stock featured among the most shorted. The stock has bounced over the last 12 months (up 50% at a point) but is up only 3%.

### Carbo Ceramics Inc



Carbo Ceramics has 33% of shares out on loan ahead of earnings, and its stock price has continued to fall, down 68% over the last 12 months. This is after short **sellers first began targeting** the supplier to the shale oil and gas industry in 2014.

### Bofi Holding Inc



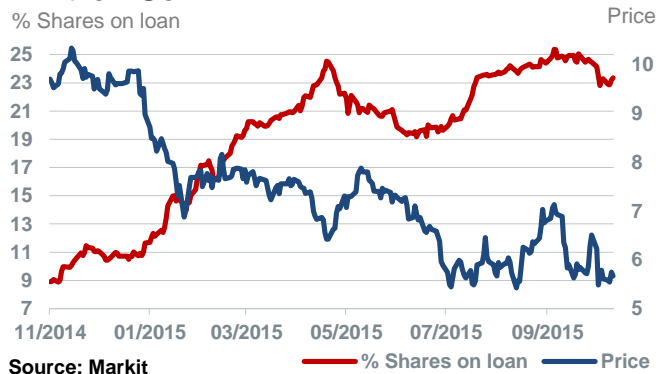
Shares out on loan for Bofi Holding have broken the 30% mark following the recent tumble in the **lender's** shares after a former internal auditor filed a lawsuit against the firm.

### Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Aixtron Se	AIXTRON SE	AIXA	28/10/2015	23.4	-6%
Saipem Spa	SAIPEM SPA	SPM	28/10/2015	15.4	-2%
Indra Sistemas Sa	INDRA SISTEMAS	IDR	30/10/2015	13.6	-2%
Outotec Oyj	OUTOTEC OYJ	OTE1V	30/10/2015	13.4	-10%
Distribuidora Internacional De Alimentos	DISTRIBUIDORA IN	DIA	28/10/2015	10.4	3%
Eniro Ab	ENIRO AB	ENRO	30/10/2015	9.8	-4%
Nokian Tyres Plc	NOKIAN RENKAAT	NRE1V	31/10/2015	9.4	-11%
Piaggio & C Spa	PIAGGIO & C. SPA	PIA	31/10/2015	8.9	-3%
Gn Store Nord A/S	GN STORE NORD	GN	31/10/2015	8.3	21%
Bolsas Y Mercados Espanoles Sociad	BOLSAS Y MERCADO	BME	31/10/2015	8.1	21%
Acerinox Sa	ACERINOX	ACX	31/10/2015	8.1	17%
Technip	TECHNIP SA	TEC	30/10/2015	7.9	-11%
Abertis Infraestructuras Sa	ABERTIS	ABE	29/10/2015	7.8	59%
Yit Oyj	YIT OYJ	YTY1V	30/10/2015	7.7	-3%
Banco Popular Espanol Sa	BANCO POPULAR	POP	31/10/2015	6.0	-20%
Air France Klm Sa	AIR FRANCE-KLM	AF	30/10/2015	5.0	-49%
Rib Software Ag	RIB SOFTWARE AG	RSTA	31/10/2015	4.9	1%
Alfa Laval Ab	ALFA LAVAL AB	ALFA	28/10/2015	4.8	6%
Stockmann Oyj Abp	STOCKMANN OYJ-B	STCBV	29/10/2015	4.7	-7%
Fred Olsen Energy Asa	FRED OLSEN ENERG	FOE	29/10/2015	4.6	-13%

Most shorted in Europe ahead of earnings is Aixtron, which has continued to see **resilient short** interest at 23.4% of shares outstanding on loan. The stock has fallen 46% over the last 12 months.

### Aixtron Se



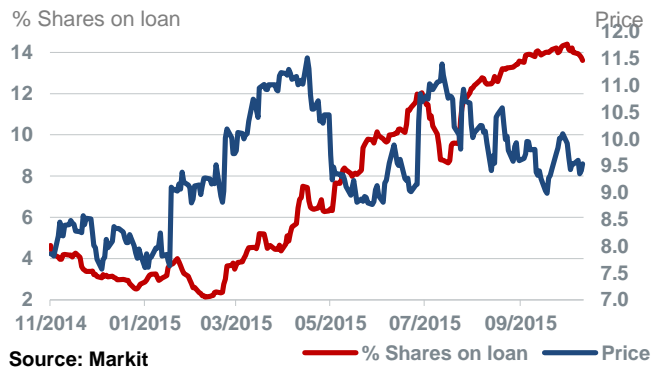
Second most shorted in Europe is engineering, construction and drilling company Saipem, predominantly exposed to the Oil & Gas industry.

### Saipem Spa



Saipem has 15.4% of shares outstanding on loan currently. with the stock falling a third in the last six months while lower energy prices persistently impact spending in the sector.

### Indra Sistemas Sa



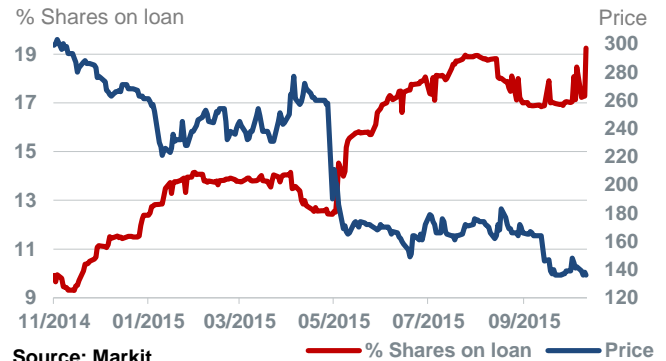
Spanish consulting and technology group Indra Sistemas, is the third most shorted ahead of earnings in Europe with 13.6% of shares out on loan. Short sellers have increased positions by over 150% in the last 12 months while the stock has moved higher by 12%.

### Apac

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Sharp Corp	Consumer Electronics	6753	31/10/2015	19.2	14%
China Vanke Co Ltd	Real Estate Development	2202	28/10/2015	13.7	-11%
Advantest Corp	Semiconductor Equipment	6857	27/10/2015	12.9	-6%
Anhui Conch Cement Co Ltd	Construction Materials	914	27/10/2015	12.6	36%
Ibiden Co Ltd	Electronic Components	4062	31/10/2015	11.6	73%
Tokuyama Corp	Specialty Chemicals	4043	31/10/2015	11.4	-5%
Yanzhou Coal Mining Co Ltd	Coal & Consumable Fuels	1171	27/10/2015	11.1	-3%
Tamron Co Ltd	Consumer Electronics	7740	31/10/2015	10.3	2%
Sanrio Co Ltd	Specialty Stores	8136	31/10/2015	10.0	-15%
Musashi Seimitsu Industry Co Ltd	Auto Parts & Equipment	7220	31/10/2015	9.9	0%
China Coal Energy Co Ltd	Coal & Consumable Fuels	1898	28/10/2015	9.9	-3%
China Cosco Holdings Co Ltd	Marine	1919	29/10/2015	9.7	1%
Nippon Yakin Kogyo Co Ltd	Steel	5480	31/10/2015	9.7	-2%
Oci Co Ltd	Diversified Chemicals	010060	29/10/2015	9.3	-2%
Wacom Co Ltd	Technology Hardware, Storage & Periphe	6727	31/10/2015	8.9	-9%
Acer Incorporated	Technology Hardware, Storage & Periphe	2353	31/10/2015	8.7	-1%
Samsung Heavy Industries Co Ltd	Construction Machinery & Heavy Trucks	010140	28/10/2015	8.5	0%
Hotel Shilla Co Ltd	Specialty Stores	008770	31/10/2015	8.5	13%
Mitsui Oak Lines Ltd	Marine	9104	31/10/2015	8.4	-8%
Ricoh Co Ltd	Technology Hardware, Storage & Periphe	7752	31/10/2015	8.2	-23%

Sharp is the most shorted ahead of earnings in Apac with 19.2% of shares outstanding on loan, an all-time high.

### Sharp Corp



Intensifying competition saw a further slump in LCD TV and display device sales in Q1 FY16, leading to a larger quarterly loss reported than the year before. Accordingly dividend payments are not expected to resume this fiscal year.

Second most shorted in Apac is residential property developer China Vanke with 13.7% of shares outstanding on loan. Short sellers have continued to reduce positions in the stock, which has rallied slightly in the last month, up 7% while shorts covered 10% of positions.

### China Vanke Co Ltd



Tokuyama has seen short interest increase six fold to 11.4% in the last 12 months. In FY15, the firm suspended its dividend after posting a loss, largely due to impairments related to a polycrystalline silicon plant of its consolidated subsidiary Tokuyama Malaysia.

### Tokuyama Corp



Driven by continued low prices for energy and commodities, Markit Dividend Forecasting expects losses at coal miners China Coal Energy and Yanzhou Coal Mining to result in dividend suspensions.

### China Coal Energy Co Ltd



Both firms have seen shorts increase positions since July to 10% and 11% for China Coal and Yanzhou, respectively.

Yanzhou has fallen 50% in the last six months while China Coal has fallen by 35%.

### Yanzhou Coal Mining Co Ltd



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