

Most shorted ahead of earnings

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

- Uncertainty for heavily shorted US homebuilders, despite a strong 2015 expected
- German food producer Suedzucker most shorted in Europe with 8% short interest
- Japanese automaker U-Shin most shorted in APAC with 7.8% shares outstanding on loan

North America

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Kb Home	Homebuilding	KBH	13/01/2015	15.8	-12%
People'S United Financial Inc	Thriffs & Mortgage Financa	PBCT	15/01/2015	14.0	10%
Fastenal Co	Trading Companies & Distributors	FAST	15/01/2015	13.3	9%
Westamerica Bancorp	Regional Banks	WABC	16/01/2015	11.8	-7%
M&T Bank Corp	Regional Banks	MTB	16/01/2015	9.3	-3%
Lennar Corp	Homebuilding	LEN	15/01/2015	9.0	-14%
Shaw Communications Inc	Cable & Satellite	SJR.B	14/01/2015	8.7	1%
First Horizon National Corp	Regional Banks	FHN	16/01/2015	7.1	4%
Cogeco Cable Inc	Cable & Satellite	CCA	13/01/2015	7.0	2%
Synnex Corp	Technology Distributors	SNX	12/01/2015	6.9	0%
Hanger Inc	Health Care Facilities	HGR	13/01/2015	6.6	0%
Hb Fuller Co	Specialty Chemicals	FUL	15/01/2015	6.5	-5%
Bank Of Ozarks Inc	Regional Banks	OZRK	15/01/2015	5.5	-1%
Clarcor Inc	Industrial Machinery	CLC	14/01/2015	5.2	-5%
Wintrust Financial Corp	Regional Banks	WTFC	15/01/2015	3.7	-7%
Corus Entertainment Inc	Broadcasting	CJR.B	13/01/2015	3.6	-26%
Sirius Xm Canada Holdings Inc	Cable & Satellite	XSR	12/01/2015	3.6	79%
Washington Federal Inc	Thriffs & Mortgage Finance	WFSL	14/01/2015	3.5	23%
Comerica Inc	Diversified Banks	CMA	16/01/2015	3.3	7%
Commerce Bancshares Inc	Regional Banks	CBSH	15/01/2015	3.1	-10%

US homebuilder KB Home is the most shorted this week ahead of announcing earnings. KB Home currently has 15.8% of shares outstanding, and is joined by fellow homebuilder Lennar Corp which is sixth most shorted with 9% of shares outstanding on loan. KB Home's shares have decreased 6% over the last 12 months in contrast with Lennar Corp's increasing by 22%.

Kb Home



Both KB Homes and Lennar construct and sell single-family styled housing, primarily aimed at first time buyers across the US.

New house sales numbers in the US dropped unexpectedly in November to the lowest levels since July 2014. The outlook for housing in the US for 2015 however is strong but the rapid decline in oil prices and possible future effects on homebuilder's remains uncertain. US Homebuilders, who have significant exposure to states where recent economic activity is underpinned by alternative oil production, could come under pressure if low oil prices are sustained.

Overall, the US housing market rallied over the last quarter of 2014 after seeing a disappointing first three quarters. The Spdr S&P Homebuilders ETF's price rose by 20% in the last quarter of 2014. (Lennar is one of the top ten constituents of the ETF).

Spdr S&P Homebuilders Etf



Short interest in the Homebuilder ETF has shrunk from almost 12% of shares

outstanding on loan in October to 4.3% currently.

Another popular short sale in the US ahead of earnings is People's United Financial. The savings, loan and wealth services company currently has 14% of shares outstanding on loan. Short sellers timed the previous large price decline of 10%, which occurred in July, well. Since then the share price has recovered and is actually up 3.8% over the last year, attracting renewed interest from short sellers in the last few weeks.

People'S United Financial Inc



Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Suedzucker Ag	Packaged Foods & Meats	SZU	13/01/2015	8.0	-13%
Tungsten Corp Plc	Application Software	TUNG	14/01/2015	2.0	21%
Games Workshop Group Plc	Leisure Products	GAW	14/01/2015	0.2	50%
Cropenergies Ag	Oil & Gas Refining & Marketing	CE2	12/01/2015	0.2	10%
Avance Gas Holding Ltd	Oil & Gas Storage & Transportation	AGHL	14/01/2015	0.2	45%

The company in Europe seeing most significant short interest ahead of earnings this week is German sugar and food producer Suedzucker. The company lowered its dividend payments in 2014 and was [removed](#) from the MSCI Germany Index earlier in the year.

Suedzucker's share price has declined 39% over the last 12 months and short sellers have continued to cover, with short interest decreasing month on month by 13% to 8% of shares outstanding on loan.

Suedzucker Ag



Asia Pacific

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
U-Shin Ltd	Auto Parts & Equipment	6985	13/01/2015	7.8	-5%
Singapore Press Holdings Ltd	Publishing	T39	13/01/2015	7.6	-2%
Jin Co Ltd	Specialty Stores	3046	14/01/2015	7.4	-8%
Htc Corp	Technology Hardware, Storage & Peripherals	2498	12/01/2015	6.5	-12%
Bic Camera Inc	Computer & Electronics Retail	3048	13/01/2015	5.2	-6%
Kohnan Shoji Co Ltd	Home Improvement Retail	7516	13/01/2015	4.8	-4%
Yoma Strategic Holdings Ltd	Real Estate Development	259	16/01/2015	3.9	3%
West Holdings Corp	Homebuilding	1407	14/01/2015	3.5	-17%
Cosmos Pharmaceutical Corp	Drug Retail	3349	13/01/2015	2.6	-16%
Pasona Group Inc	Human Resource & Employment Services	2168	13/01/2015	2.5	5%

Japanese auto component manufacturer U-Shin tops this week's most shorted in the APAC region, with 7.8% of shares outstanding on loan.

The next most shorted in the region is Singapore Press with 7.6% of shares outstanding on loan. The printer, publisher and multimedia company is the Singapore's largest newspaper publisher and was recently included in a joint venture [announcement](#) with Schibsted, Naspers and Telenor regarding classified websites.

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