

Most shorted ahead of earnings

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

- Shorts get a taste for US retailer and restaurant chain Cracker Barrel Old Country Store
- Oil, diamonds and real estate among the most shorted stocks in western Europe
- Post a sell off in equity markets, Japanese firms see short interest rise ahead of earnings

North America

Name	Industry	Ticker	Value on loan (\$m)	% Shares Outstanding On Loan	1 Month % Change
Energy Xxi Ltd	Consumer Durables & Apparel	EXXI	48,378,748	29.0	11%
Cracker Barrel Old Country Store Inc	Consumer Durables & Apparel	CBRL	543,801,216	15.1	12%
Unilife Corp	Consumer Durables & Apparel	UNIS	26,737,654	14.8	-6%
Campus Crest Communities Inc	Consumer Durables & Apparel	CCG	31,755,172	9.9	15%
United Natural Foods Inc	Consumer Durables & Apparel	UNFI	228,268,048	9.1	69%
Ascena Retail Group Inc	Consumer Durables & Apparel	ASNA	156,463,696	7.6	-35%
Student Transportation Inc	Consumer Durables & Apparel	STB	26,721,946	6.6	12%
Kirkland Lake Gold Inc	Consumer Durables & Apparel	KGI	18,312,056	5.7	9%
Analogic Corp	Consumer Durables & Apparel	ALOG	48,530,632	4.7	10%

The most shorted company in North America this week is Energy Xxi with 29% of shares outstanding on loan. Short interest remains near a 52 week high for the company which **originally** listed on the LSE's AIM market in 2005.

Energy Xxi Ltd



Energy Xxi became the largest independent oil producer in the Gulf of Mexico in 2014 after acquiring EPL Oil & Gas for \$2.3bn. The oil price rout has seen the company's stock plummet by 86% in the last 12 months.

Restaurant and retailer Cracker Barrel Old Country Store is the second most shorted in North America with 15.1% of shares outstanding on loan. Short sellers have been

attracted to the name as the share price has continued to trend higher but has seen some weakness ahead of Q4 earnings. Shares have risen 46% over the last 12 months but have lost momentum year to date, rising only 6.3%.

Cracker Barrel Old Country Store Inc



Third most shorted in North America is drug system designer and manufacturer Unilife, with shares outstanding on loan of 14.8%. Shorts have profited since the beginning of July 2015, as the stock has fallen by 40%.

Unilife Corp



Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Heurtney Petrochem Sa	Oil & Gas Equipment & Services	ALHPC	16/09/2015	3.9	0%
Immofinanz Ag	Real Estate Operating Companies	IIA	16/09/2015	3.6	53%
Innate Pharma Sa	Biotechnology	IPH	17/09/2015	3.3	24%
Petra Diamonds Ltd	Precious Metals & Minerals	PDL	18/09/2015	2.9	-17%
Iqe Plc	Semiconductors	IQE	15/09/2015	2.1	0%

Most shorted ahead of earnings in Europe is French based Huertney Petrochem which has attracted short sellers recently with negligible short interest prior to June 2015. 3.9% of shares are currently outstanding on loan across a concentrated group of short sellers.

Heurtney Petrochem Sa



Austrian real estate investment and management services provider, Immofinanz has seen short selling increase in recent weeks with shares outstanding on loan increasing to 3.6%.

Immofinanz Ag

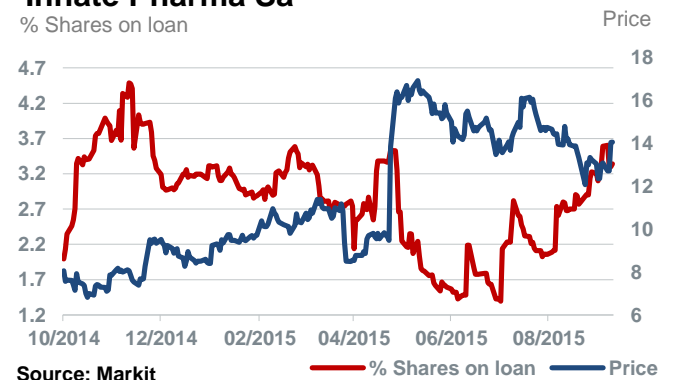


The company has a number of convertible bond issuances outstanding which may explain some the short selling behaviour seen

in the stock as bond holders hedge their equity exposure of convertible bond options.

Developing drug treatments for cancer and inflammatory diseases, Innate Pharma has seen short sellers increase positions by 53% in the last three months. Despite the stock falling 8% in the last three months, it has rallied 65% year to date.

Innate Pharma Sa



Shares in London listed diamond miner, Petra Diamonds have fallen by a third in the last three months as short sellers increased positions by 155%. The miner reported **disappointing** results in June after the company struggled to meet revenue targets.

Petra Diamonds Ltd



Apac

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Kobe Bussan Co Ltd	Food Retail	3038	14/09/2015	3.7	15%
Toshiba Corp	Industrial Conglomerates	6502	14/09/2015	2.6	-2%
Enigma Inc	Internet Software & Services	3665	14/09/2015	2.4	-4%
Lynas Corp Ltd	Diversified Metals & Mining	LYC	19/09/2015	1.9	-1%
Prada Spa	Apparel, Accessories & Luxury	1913	15/09/2015	1.9	-13%

Most short sold in Apac is Japanese supermarket Kobe Bussan with 3.7% of shares outstanding on loan.

Kobe Bussan Co Ltd



Shares in Kobe Bussan did not escape the recent sell off in Japanese equities, falling 31% from July highs. However, the stock is still trading some 350% higher over 12 months.

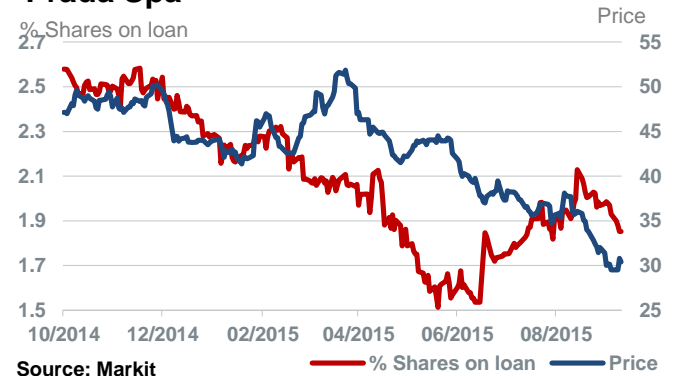
Toshiba Corp



Japanese Electronic product maker, Toshiba is the second most shorted in Apac ahead of earnings with 2.6% of shares outstanding on loan. Toshiba joins **other** Japanese technology firms facing weaker demand for products in foreign markets.

Short sellers have **continued** to target luxury goods firms exposed to Chinese demand. Hong Kong listed Prada has seen shares outstanding on loan increase to 2.1%, while the company's stock continues to fall, down 41% over the past six months.

Prada Spa



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