

Most shorted ahead of earnings

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

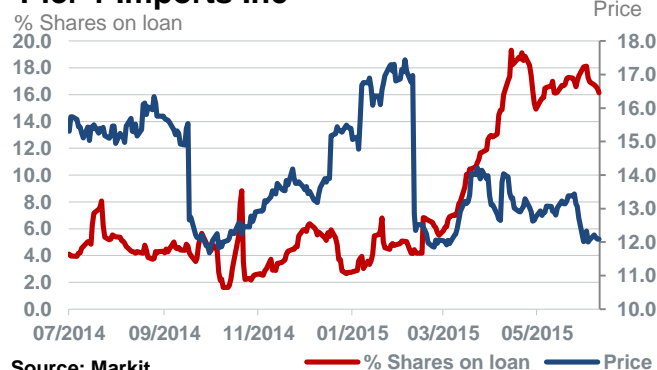
- Home furnisher Pier 1 Imports and homebuilder KB Home are the most short sold in North America
- Majestic Wine shares rally 47% after acquiring Naked Wines sending short sellers covering
- Groceries distributor Metcash the most short sold in Australia as retailers take market share

North America

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Pier 1 Imports Inc	Homefurnishing Retail	PIR	17/06/2015	16.1	0%
Kb Home	Homebuilding	KBH	19/06/2015	13.9	5%
Akorn Inc	Pharmaceuticals	AKRX	19/06/2015	12.4	7%
Capstone Turbine Corp	Heavy Electrical Equipment	CPST	15/06/2015	11.8	-6%
Smith & Wesson Holding Corp	Leisure Products	SWHC	18/06/2015	8.6	-2%
Factset Research Systems Inc	Application Software	FDS	16/06/2015	6.4	6%
Carmax Inc	Automotive Retail	KMX	19/06/2015	6.1	-17%
Finisar Corp	Communications Equipment	FNSR	18/06/2015	6.2	-1%
Bob Evans Farms Inc	Restaurants	BOBE	16/06/2015	5.6	58%
Amira Nature Foods Ltd	Packaged Foods & Meats	ANFI	16/06/2015	5.4	-15%

Pier 1 Imports is the most shorted company ahead earnings this week in North America with shares outstanding on loan increasing to 16%. The company **continues** to attract short sellers' attention after the company guided sales and earnings lower for the year. Forecasts for 2016 expect single-digit sales growth however operating profits for Pier 1 are forecast to continue to decline.

Pier 1 Imports Inc



Homebuilder and seller KB Home is the second most shorted name in the region with 14% of shares outstanding on loan. The company has seen short interest track higher by 13% over the last 12 months while the share price has declined 17%.

KB Home



Pharmaceuticals manufacturer and vaccine distributor Akorn is the third most shorted ahead of earnings on the 19th June. With 12% of shares outstanding on loan the stock has rallied by 70% over the past 12 months and 29% year to date, sending short sellers to seek refuge by covering positions 30% in 2015.

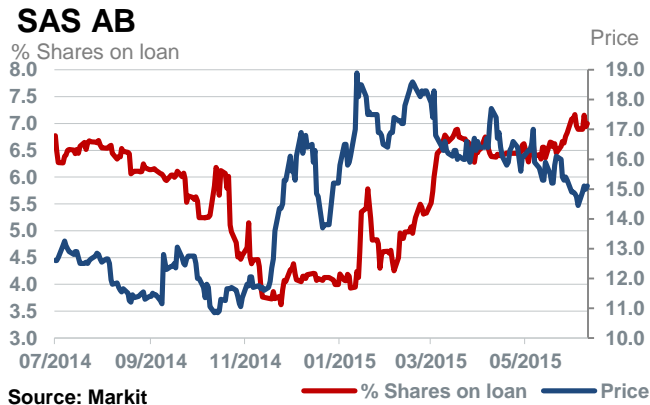
Akorn Inc



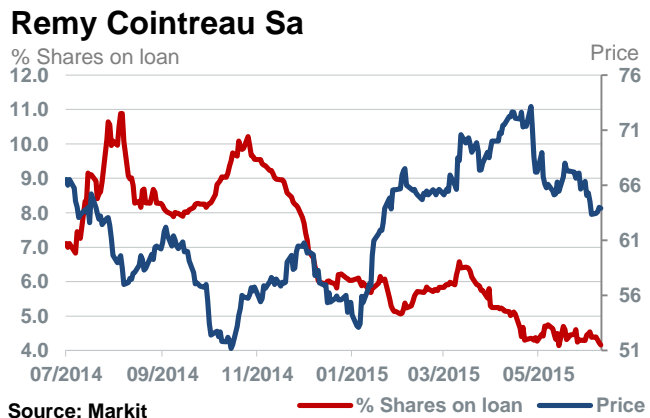
Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Sas Ab	Airlines	SAS	18/06/2015	7.0	10%
Remy Cointreau Sa	Distillers & Vintners	RCO	17/06/2015	4.2	0%
Majestic Wine Plc	Food Retail	MJW	15/06/2015	2.5	-21%
Ashtead Group Plc	Trading Companies & Distributors	AHT	16/06/2015	1.6	136%
Kapsch Trafficom Ag	Electronic Equipment & Instruments	KTCG	16/06/2015	0.8	18%

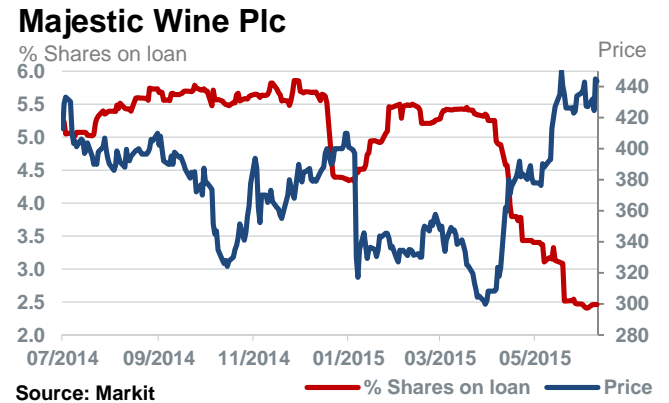
Scandinavian airline SAS is the most shorted ahead of earnings in Europe with 7% of shares outstanding on loan. Short sellers have increased positions 5% in the airline over the last three months while shares have declined 7%.



Despite Remy Cointreau being among the top three most shorted ahead of earnings, the company has seen short sellers retreat in 2015. In 2014 the Paris based spirits producer saw demand for products decline. However in January the company **guided** that the declines were in fact easing. Shares outstanding on loan have decreased from above 10% a year ago to 4.2% currently.



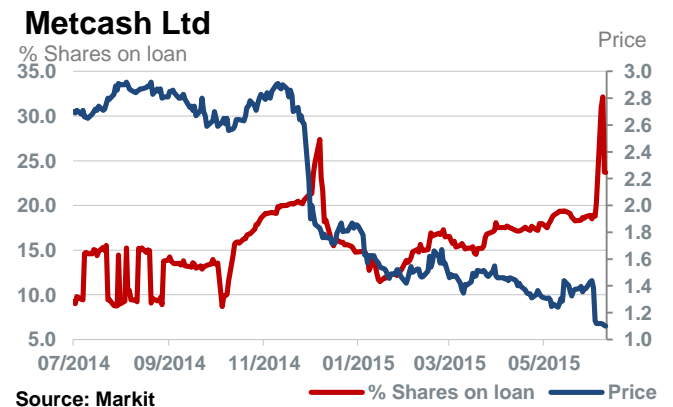
Majestic Wine shares have rallied by a staggering 47% since the beginning of April 2015. Shares outstanding on loan have halved over the same period to 2.5%. Investors reacted negatively to disappointing results earlier in the year with a 10% decline in profits and confirmation of no dividends in 2015 through 2018. However the April announcement of the \$103m acquisition of boutique online wine retailer **Naked Wines** was received favourably by investors.



Asia Pacific

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Metcash Ltd	Food Distributors	MTS	15/06/2015	23.7	22%
Sa Sa International Holdings Ltd	Specialty Stores	178	18/06/2015	4.1	2%
Nippon Healthcare Investment Corp	Health Care REITs	3308	19/06/2015	2.7	26%
Pharmicell Co Ltd	Biotechnology	005690	15/06/2015	2.6	0%
Kikuchi Seisakusho Co Ltd	Industrial Machinery	3444	15/06/2015	1.5	8%

Australian Metcash is the most shorted in Apac with 24% of shares outstanding on loan.



The wholesale distribution company specialises in fast moving consumer goods and recently **announced** a withholding of

dividends for 18 months and large asset write down which sent shares falling by 18%.

Metcash supplies more than 2000 independent chains and has been losing market share to the likes of Aldi, Woolworths and Coles.

Hong Kong based Sa Sa is the second most shorted company in Apac, with 4% of shares outstanding on loan. The company sells and distributes cosmetics products globally.

Sa Sa International Holdings Ltd



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