

Most shorted ahead of earnings

A review of how short sellers are positioning themselves in stocks ahead of earnings announcements in the coming week, plus names identified at risk of experiencing a short squeeze.

- World Acceptance is the most shorted in the US, with 36% short interest
- Charter Communications joins Neustar and Exact Sciences as highest risk of short squeeze
- Air France KLM short sold ahead of earnings in Europe post union agreement in July

North America

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
World Acceptance Corp	Consumer Finance	WRLD	23/07/2015	35.6	-12%
Neustar Inc	Data Processing & Outsourced Services	NSR	23/07/2015	35.3	-5%
Gulfmark Offshore Inc	Oil & Gas Equipment & Services	GLF	23/07/2015	28.5	26%
Exact Sciences Corp	Biotechnology	EXAS	20/07/2015	27.7	-9%
Athenahealth Inc	Health Care Technology	ATHN	23/07/2015	26.9	-2%
Igi Laboratories Inc	Pharmaceuticals	IG	23/07/2015	25.7	-3%
Wesco International Inc	Trading Companies & Distributors	WCC	23/07/2015	25.4	8%
Jakks Pacific Inc	Leisure Products	JAKK	22/07/2015	18.3	5%
Chicago Bridge & Iron Company Nv	Construction & Engineering	CBI	23/07/2015	17.7	5%
Spectranetics Corp	Health Care Supplies	SPNC	23/07/2015	16.6	-1%
Abaxis Inc	Health Care Equipment	ABAX	24/07/2015	16.4	-2%
Proto Labs Inc	Industrial Machinery	PRLB	23/07/2015	16.2	7%
Verisign Inc	Internet Software & Services	VRSN	23/07/2015	15.6	-2%
Core Laboratories Nv	Oil & Gas Equipment & Services	CLB	22/07/2015	15.2	0%
Kaiser Aluminum Corp	Aluminum	KALU	21/07/2015	15.0	2%
Petmed Express Inc	Internet Retail	PETS	20/07/2015	14.0	9%
Dunkin' Brands Group Inc	Restaurants	DNKN	23/07/2015	13.5	13%
Teck Resources Ltd	Diversified Metals & Mining	TCK.B	23/07/2015	12.4	2%
Collax Corp	Industrial Machinery	CFX	17/07/2015	12.4	-3%
W W Grainger Inc	Trading Companies & Distributors	GWW	17/07/2015	12.3	10%

Most shorted in North America ahead of earnings is small consumer lender World Acceptance Corporation. The company has 36% of shares outstanding on loan with shares dropping by a third over the last 12 months.

World Acceptance Corp



Gulfmark Offshore is the third most shorted with 28% of shares outstanding on loan. The company provides offshore marine transportation services, supporting the oil and gas industry in developing new resources.

The stock is down over 70% over the last 12 months.

Gulfmark Offshore Inc



High risk of squeezing

Among the top shorted firms about to report earnings, Neustar and Exact Sciences Corp also rank in the top decile of stocks in Markit's Short Squeeze model*.

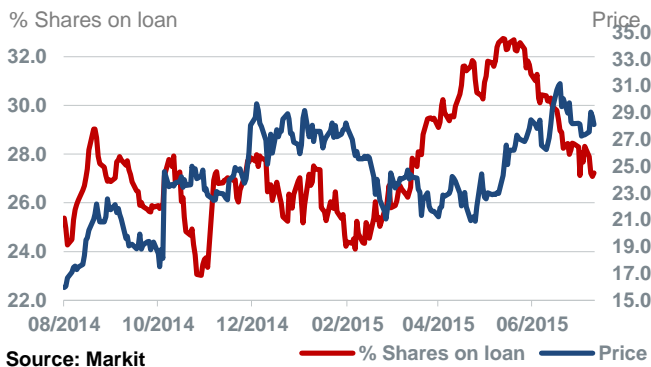
Neustar Inc



Neustar is the second most shorted ahead of earnings with 35% of shares outstanding on loan. The information services and analytics

firm has kept short sellers steady however with shares rallying by 40% since March 2015. Cancer screening test provider Exact Sciences has 27% of shares outstanding on loan. Short sellers have covered positions in the stock since the end of May while shares have rallied by a third.

Exact Sciences Corp



Charter Communications is currently ranked in the top percentile in the Short Squeeze model, indicating that a squeeze is highly likely. The stock has a high concentration of short sellers near breakeven level with the majority losing money.

Charter Communications Inc

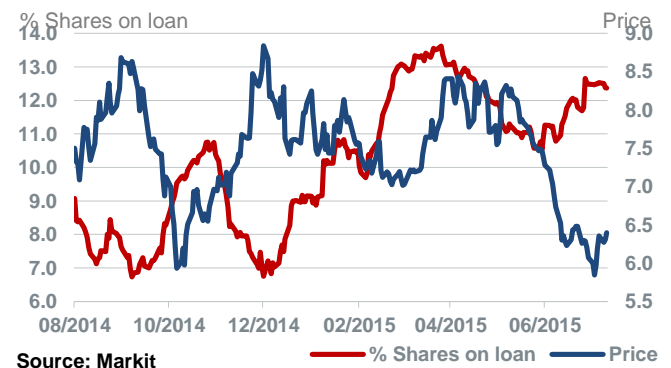


Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Air France Klm Sa	Airlines	AF	24/07/2015	12.4	7%
Outokumpu Oyj	Steel	OUTV	23/07/2015	9.6	32%
Wincor Nixdorf Ag	Technology Hardware, Storage & Peripherals	WIN	23/07/2015	9.3	25%
Petroleum Geo Services Asa	Oil & Gas Equipment & Services	PGS	23/07/2015	8.6	21%
Arcam Publ Ab	Industrial Machinery	ARCM	21/07/2015	8.4	-2%
Kone Oyj	Industrial Machinery	KNEBV	17/07/2015	8.1	-2%
Beni Stabili Spa	Office REITs	BNS	21/07/2015	7.7	4%
Nyrstar Nv	Diversified Metals & Mining	NYR	23/07/2015	7.4	43%
Ssab Ab	Steel	SSAB A	22/07/2015	7.4	-3%
Metsco Oyj	Industrial Machinery	MEO1V	23/07/2015	7.1	22%
Logitech International Sa	Technology Hardware, Storage & Peripherals	LOGN	23/07/2015	6.9	-5%
Modern Times Group Mtg Ab	Broadcasting	MTG B	21/07/2015	6.9	3%
Tungsten Corp Plc	Application Software	TUNG	22/07/2015	6.9	44%
Solocal Group Sa	Publishing	LOCAL	22/07/2015	6.6	9%
Edenred Sa	Diversified Support Services	EDEN	24/07/2015	6.3	5%
Banco De Sabadell Sa	Diversified Banks	SAB	24/07/2015	6.0	12%
Komercanals Alpb	Industrial Machinery	KCRIV	17/07/2015	5.7	43%
Kemira Oyj	Diversified Chemicals	KRAIV	22/07/2015	5.7	33%
Ampifon Spa	Health Care Distributors	AMP	23/07/2015	5.1	-2%
Sandvik Ab	Industrial Machinery	SAHD	17/07/2015	4.9	-8%

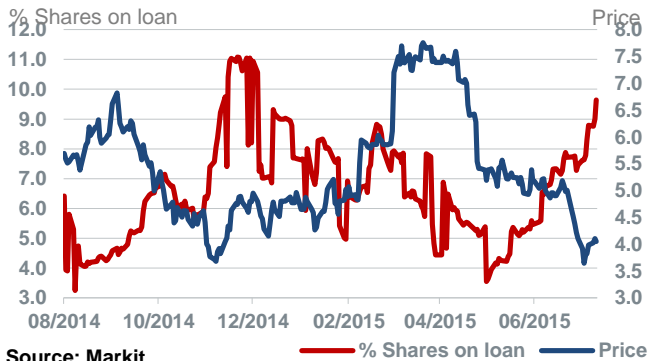
Most shorted in Europe ahead of earnings is Air France KLM whose shares have slumped 21% since the beginning of April as the airline continued to cut costs amid a slow European economy and tense labour negotiations. However the company announced that it had signed an agreement with unions on July 8th.

Air France Klm Sa



Second most shorted in Europe ahead of earnings is stainless steel manufacturer Outokumpu. Short sellers have added 75% to their positions in the last 12 months, while the share price has fallen by a third.

Outokumpu Oyj



Source: Markit

Oci Co Ltd



Source: Markit

Apac

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Yaskawa Electric Corp	Electronic Components	6506	21/07/2015	10.2	35%
Oci Co Ltd	Diversified Chemicals	010060	22/07/2015	9.2	2%
Macronix International Co Ltd	Semiconductors	2337	23/07/2015	5.7	-9%
Yoma Strategic Holdings Ltd	Real Estate Development	259	24/07/2015	5.3	-1%
Unimicron Technology Corp	Electronic Components	3037	17/07/2015	5.3	-4%
Samsung Engineering Co Ltd	Construction & Engineering	028050	23/07/2015	4.8	6%
Vard Holdings Ltd	Construction Machinery & Heavy Trucks	MS7	22/07/2015	4.6	-5%
Lg Life Sciences Ltd	Pharmaceuticals	068870	22/07/2015	4.2	-3%
Nippon Sharyo Ltd	Construction Machinery & Heavy Trucks	7102	23/07/2015	4.2	28%
Neo Solar Power Corp	Semiconductors	3576	24/07/2015	4.1	-2%
Asm Pacific Technology Ltd	Semiconductor Equipment	522	24/07/2015	3.8	-22%
Cyberagent Inc	Advertising	4751	23/07/2015	3.8	362%
Wt Microelectronics Co Ltd	Technology Distributors	3036	22/07/2015	3.1	-2%
Osim International Ltd	Specialty Stores	023	23/07/2015	3.0	-3%
Kyoto Kimono Yuzen Co Ltd	Apparel Retail	7615	24/07/2015	2.9	17%
Daelim Industrial Co Ltd	Construction & Engineering	000210	24/07/2015	2.8	15%
M3 Inc	Health Care Technology	2413	24/07/2015	2.8	-12%
Lg Innotek Co Ltd	Electronic Components	011070	24/07/2015	2.6	24%
Dosan Infracore Co Ltd	Industrial Machinery	042670	24/07/2015	2.3	15%
Shibaura Mechatronics Corp	Semiconductor Equipment	6590	23/07/2015	2.2	7%

Most shorted in Apac is Yaskawa Electric which has seen short interest jump 77% in the last three months to hit 10% as the share price fell 11%. Based in Japan the company provides industrial systems robotics and electronics, predominantly into the manufacturing sector.

Yaskawa Electric Corp



Source: Markit

Second most shorted in Apac ahead of earnings is Oci Co, a Korean manufacturer of a wide variety of industrial chemical products.

Since Oci **last featured** in the most shorted, shares have increased by 21% while short sellers have increased positions by 5%, with shares outstanding on loan increasing to 9.2%.

*To receive more information on short interest data or our Short Squeeze model please **contact us**.

To read this article on our commentary website please click **here**

Relte Stephen Schutte

Analyst
 Markit
 Tel: +44 207 064 6447
 Email: relte.schutte@markit.com

For further information, please visit www.markit.com

The intellectual property rights to this report provided herein is owned by Markit Group limited. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without Markit's prior consent. Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omission or delays in the data, or for any actions taken in reliance thereon. In no event shall Markit be liable for any special, incidental, consequential damages, arising out of the use of the data. Markit is a trademark owned by the Markit group.

This report does not constitute nor shall it be construed as an offer by Markit to buy or sell any particular security, financial instrument or financial service. The analysis provided in this report is of a general and impersonal nature. This report shall not be construed as providing investment advice that is adapted to or appropriate for any particular investment strategy or portfolio. This report does not and shall not be construed as providing any recommendations as to whether it is appropriate for any person or entity to "buy", "sell" or "hold" a particular investment.