

# Shorts this week: soup, cereal and Cointreau

We review how short sellers are reacting to companies due to announce earnings in the coming week.

- Packaged food products top short interest in the US and Asian markets North American shorts include cereals, rice and soup producers
- Oil and gas companies continue be shorted against low oil prices in all regions
- Remy Cointreau is a top short in Europe as China cuts back on premium spending
- UK property companies are also being targeted

## North America

A number of packaged foods companies are amongst our most shorted this week in North America, as well as the biotech, solar and semiconductor sectors.

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Post Holdings Inc	Packaged Foods & Meats	POST	24/11/2014	17.9	-4%
Trina Solar ADR Reptg 50 Ord	Semiconductors	TSL	24/11/2014	17.5	-6%
Arrowhead Research Corp	Biotechnology	ARWRD	25/11/2014	15.1	-11%
Nimble Storage Inc	Technology Hardware, Storage & Peripherals	NMBL	25/11/2014	10.4	-18%
Amira Nature Foods Ltd	Packaged Foods & Meats	ANFI	24/11/2014	10.3	-5%
Deere & Co	Agricultural & Farm Machinery	DE	26/11/2014	9.8	-6%
Intertain Group Ltd	Casinos & Gaming	IT	25/11/2014	8.8	20%
21Vianet Group ADR Rep Six Ord	Internet Software & Services	VNET	25/11/2014	8.4	6%
Renesola ADR Reptg Two Ord	Semiconductors	SOL	26/11/2014	7.5	-13%
Enanta Pharmaceuticals Inc	Biotechnology	ENTA	24/11/2014	6.9	-4%
Beacon Roofing Supply Inc	Trading Companies & Distributors	BECN	25/11/2014	6.8	-12%
Yingli Gm Egy Hldg ADR Reptg One	Semiconductors	YGE	25/11/2014	6.6	-5%
Ship Finance International Ltd	Oil & Gas Storage & Transportation	SFL	28/11/2014	5.2	2%
Tiffany & Co	Specialty Stores	TIF	25/11/2014	5.2	29%
Cracker Barrel Old Country Store Inc Restaurants	Restaurants	CBRL	25/11/2014	5.1	-6%
Campbell Soup Co	Packaged Foods & Meats	CPB	25/11/2014	5.0	2%
Seadrill Ltd	Oil & Gas Drilling	SDRL	26/11/2014	4.8	15%
Fred's Inc	General Merchandise Stores	FRED	25/11/2014	4.6	-4%
Veeva Systems Inc	Health Care Technology	VEEV	25/11/2014	4.5	29%

Most shorted ahead of earnings is Post Holdings with 17.9% of shares outstanding on loan. The consumer goods company's share price is down 27% year to date.

Post Holdings is best known for cereal derived products. however earlier this year they acquired Michael Foods Group to broaden their distribution and protein product range.

Post Holdings Inc

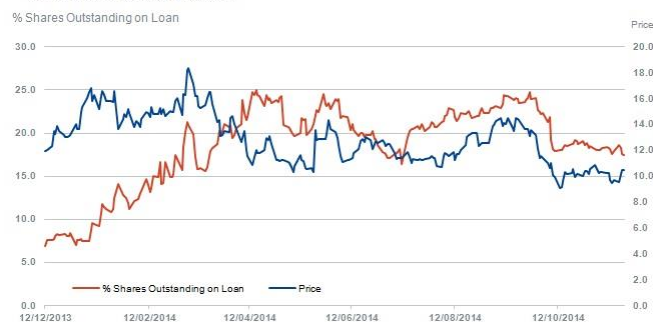


Source: Markit

Amira Nature Foods, who produces and distributes predominately basmati rice to 50 countries globally currently has 10% of shares outstanding on loan.

Lastly, in the packaged foods and meats sector, Campbell Soup Co has 5% of shares outstanding on loan ahead of earnings.

Trina Solar ADR Reptg 50 Ord



Source: Markit

Trina Solar, China's second largest solar panel manufacturer is the second most

shorted stock in the US as oil and energy prices continue to hover at multi year lows.

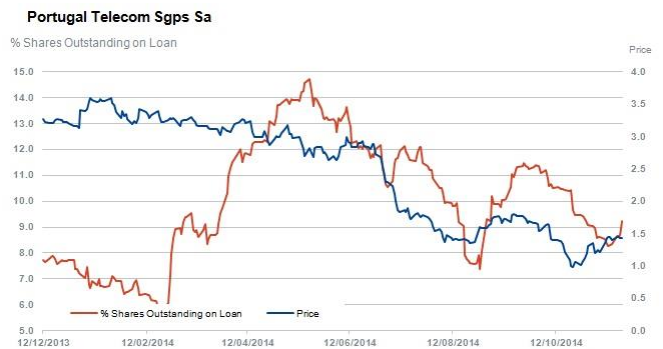
### Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Elekta Publ Ab	Health Care Equipment	EKTA B	27/11/2014	20.5	6%
Portugal Telecom Sgpps Sa	Integrated Telecommunication Services	PTC	28/11/2014	9.2	-2%
Remy Cointreau Sa	Distillers & Vintners	RCO	27/11/2014	8.9	-10%
Seadrill Ltd	Oil & Gas Drilling	SDRL	26/11/2014	8.0	-18%
Frontline Ltd	Oil & Gas Storage & Transportation	FRO	28/11/2014	6.9	-6%
Conwert Immobilien Invest Se	Real Estate Development	CWI	26/11/2014	6.5	-17%
Marston'S Plc	Restaurants	MARS	27/11/2014	5.0	5%
Daily Mail And General Trust Plc	Publishing	DMGT	26/11/2014	3.7	22%
Pennon Group Plc	Water Utilities	PNN	28/11/2014	3.6	16%
De La Rue Plc	Commercial Printing	DLAR	25/11/2014	3.5	-13%
Etablissements Fr Colruyt Nv	Food Retail	COLR	25/11/2014	3.4	2%
Helical Bar Plc	Real Estate Development	HLCL	28/11/2014	3.4	22%
Ao World Plc	Internet Retail	AO	25/11/2014	3.3	-8%
Shaftesbury Plc	Diversified REITs	SHB	27/11/2014	2.6	11%
Igas Energy Plc	Oil & Gas Exploration & Production	IGAS	26/11/2014	2.3	14%
Zoopla Property Group Plc	Internet Software & Services	ZPLA	25/11/2014	2.3	15%
Tcs Group Holding Reg S Gdr	Regional Banks	TCS	28/11/2014	2.2	4%
Hoegh Lng Holdings Ltd	Oil & Gas Storage & Transportation	HLNG	26/11/2014	1.9	30%
Cat Oil Ag	Oil & Gas Drilling	OZC	27/11/2014	1.8	0%

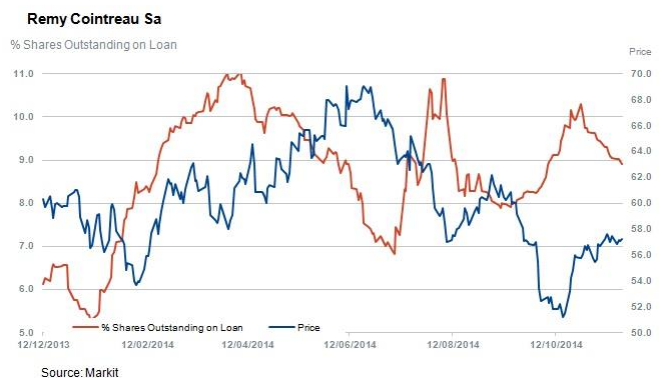
The most shorted share in the European market ahead of earnings is Elekta AB. The Swedish company produces and sells advanced medical products involved in the treatment of neurological disorders and cancers. The company currently has 20% of shares outstanding on loan, a decrease from highs of 30% reached in August. The share price is down 22% year to date.



Portugal Telecom takes second position in Europe with 9.2% shares outstanding on loan, this is however lower than the short interest of 14.7% in May. The share price is down 54% year to date. The company has been involved in protracted merger talks with Brazilian carrier Oi as the telecommunication sector in Brazil continues to consolidate.



Famous Cognac and spirit producer Remy Cointreau is the third most shorted stock in Europe ahead of earnings this week with 8.9% of shares outstanding on loan.



A [news report](#) out in November revealed that the Chinese Communist Party's efforts at campaigning against lavish living are bearing fruit as impacts are being felt in French premium liquor exports with significant declines in demand of premium wines and spirits.

Other stocks in Europe this week with significant short interest include five companies engaged in the oil and gas sector as markets face declining oil prices and a strengthening dollar.

In the UK, property companies Helical Bar and Shaftesbury are in the most shorted this week and joining them is the second largest property website Zoopla with 2.3% of shares outstanding on loan. All three have seen double digit growth in short interest in the last month.

**Zoopla Property Group Plc**



Source: Markit

**Asia Pacific**

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
China Huishan Dairy Holdings Com	Packaged Foods & Meats	6863	24/11/2014	8.6	-13%
Als Ltd	Research & Consulting Services	ALQ	24/11/2014	7.3	2%
Kolao Holdings	Automotive Retail	900140	29/11/2014	6.1	-1%
Perseus Mining Ltd	Gold	PRU	27/11/2014	4.4	0%
Sung Kwang Bend Co Ltd	Building Products	014620	27/11/2014	3.1	12%
Wumart Stores Inc	Hypermarkets & Super Centers	1025	24/11/2014	3.0	-3%
Pharmicell Co Ltd	Biotechnology	005690	26/11/2014	2.9	-2%
Able C&C	Personal Products	078520	28/11/2014	2.7	-30%
Eo Technics Co Ltd	Semiconductor Equipment	039030	28/11/2014	2.6	9%
Yangzijiang Shipbuilding Holdings LI	Construction Machinery & Heavy Trucks	BS6	27/11/2014	2.6	-13%
Duksan Hi Metal Co Ltd	Semiconductors	077360	27/11/2014	2.5	-4%
Ozforex Group Ltd	Specialized Finance	OFX	25/11/2014	2.2	-18%
Simm Tech Co Ltd	Semiconductors	036710	26/11/2014	2.0	-19%
China Water Affairs Group Ltd	Water Utilities	855	28/11/2014	2.0	-28%
Iso Chemical Co Ltd	Commodity Chemicals	005950	28/11/2014	1.8	-5%
Foosung Co Ltd	Commodity Chemicals	093370	28/11/2014	1.8	7%
Hansol Paper Co Ltd	Paper Products	004150	24/11/2014	1.7	-26%
Jusung Engineering Co Ltd	Semiconductor Equipment	036930	28/11/2014	1.7	6%
Yungtay Engineering Co Ltd	Industrial Machinery	1507	27/11/2014	1.6	-37%

With 8.6% of shares outstanding on loan, milk producer Huishan is the most shorted stock in the region. The company has the second largest herd in China with 106,000 dairy cows. The company's IPO last year raised \$1.3bn and the share price is down 40% year to date as management executes [buybacks](#) at depressed levels.

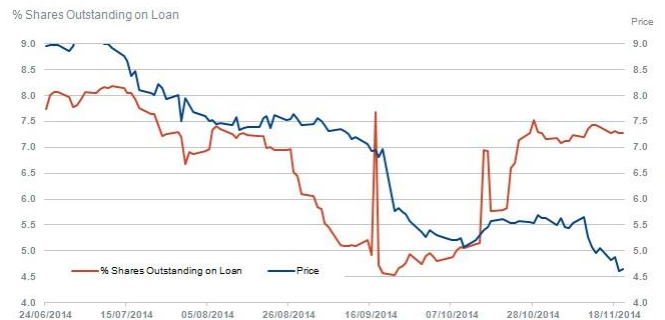
**China Huishan Dairy Holdings Company Ltd**



Source: Markit

Australian commercial services company ALS is second most shorted. The firm provides services to minerals, life sciences energy and industrial sectors and is impacted by lower energy and oil prices experienced currently.

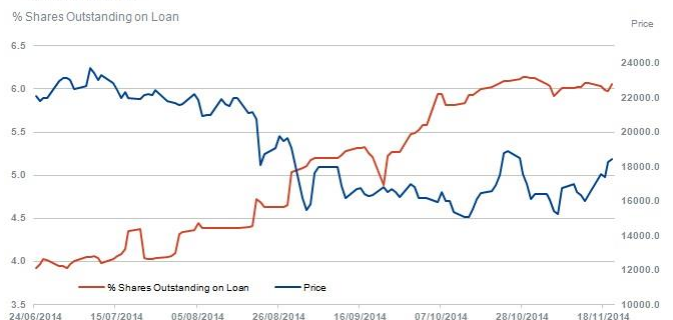
**Als Ltd**



Source: Markit

ALS currently has 7.3% of shares outstanding and the share price has declined by 47% year to date.

**Kolao Holdings**



Source: Markit

South Korean retailer of new and used vehicles, Koloa Holdings has seen increased short interest with 6.1% of shares outstanding on loan. Shares are down 32% year to date.

**Relte Stephen Schutte**

**Analyst**

Markit

Tel: +44 207 064 6447

Email: [relte.schutte@markit.com](mailto:relte.schutte@markit.com)

For further information, please visit [www.markit.com](http://www.markit.com)