

Top North American Shorts of 2015

Markit reveals the best performing short positions in what has proven to be a fruitful year for short sellers.

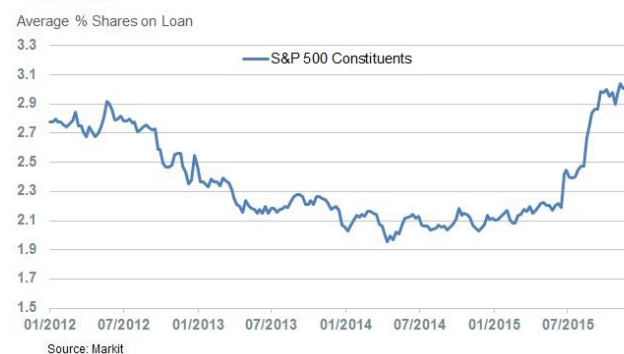
- Companies targeted by short sellers over the year saw a 15% fall on average
- Commodities made up 11 of the 20 top shorts; Quicksilver proved the most profitable
- SunEdison has been the most profitable large/midcap stock after its shares fell by 79%

The last 12 months have seen bears return to the market after three years of bull market-driven isolation. This surge in shorting activity saw the average percentage of shares out on loan across the S&P 500 jump by 50% from the lows registered last year to hit 3%; the highest figure in over three years.

and materials firms among the 20 best timed short positions.

Name	Ticker	Sector	New High Date	Return Since New High	% of shares out on loan on (on event day)	Change since new high
Quicksilver Inc	ZQKSQ	Consumer Durables & Apparel	3/20/2015	-99%	12.9	-12.5
Rcs Capital Corp	RCAP	Diversified Financials	3/6/2015	-98%	6.8	-1.8
Magnum Hunter Resour	MHRC	Energy	1/16/2015	-98%	18.3	-17.6
Penn Virginia Corp	PVA	Energy	1/2/2015	-95%	21.2	-1.6
Long Run Exploration Lt	LRE	Energy	1/2/2015	-92%	13.1	-9.1
Six Entertainment Inc	SFXE	Media	7/31/2015	-91%	7.3	-3.7
American Apparel Inc	APPCQ	Consumer Durables & Apparel	7/17/2015	-91%	4.8	-4.7
Linco Llc	LINCQ	Energy	1/2/2015	-90%	7.1	0.0
Emerge Energy Services	EMES	Energy	1/2/2015	-90%	3.0	-1.8
Sandridge Energy Inc	SD	Energy	2/6/2015	-89%	17.5	-11.1
Rubicon Minerals Corp	RMX	Materials	3/20/2015	-88%	3.8	-0.9
Threshold Pharmaceutic	THLD	Pharmaceuticals, Biotechnology & L	2/13/2015	-87%	13.8	-11.1
Triangle Petroleum Corp	TPLM	Energy	1/16/2015	-87%	25.2	-14.0
Horsehead Holding Corp	ZINC	Materials	1/2/2015	-86%	17.1	8.4
Avalanche Biotechnolog	AAVL	Pharmaceuticals, Biotechnology & L	1/2/2015	-86%	4.4	0.1
Enphase Energy Inc	ENPH	Capital Goods	2/6/2015	-85%	10.7	0.4
Lsb Industries Inc	LXU	Materials	3/13/2015	-85%	3.8	1.1
Trican Well Service Ltd	TCW	Energy	3/6/2015	-85%	7.4	-2.0
Zafgen Inc	ZFGN	Pharmaceuticals, Biotechnology & L	3/27/2015	-85%	5.2	2.7
Vince Holding Corp	VNCE	Consumer Durables & Apparel	1/2/2015	-82%	9.2	-5.8

S&P 500



A review of the companies which have registered a new annual high in shorting activity indicates that the year has been a profitable one for short sellers. This is demonstrated by the fact that the 1117 North American firms across the 3000 most borrowed names at the start of the year which saw a fresh new annual high in shorting activity (over a 3% shares outstanding threshold) subsequently saw their shares fall by 15% in the subsequent weeks and months leading up to last Friday.

Leading the pack among the commodities shorts has been Magnum Hunter Resources Corp whose shares are now trading 98% lower than at the start of January when short sellers first started to add to their positions in earnest.

Most profitable short positions

Among the most profitable short positions, the ongoing commodities slump provided plenty of profitable short positions, with 11 energy



Magnum is joined by Penn Virginia, Long Run Exploration and Linco among the energy names which saw their shares fall by more than 90% in the wake of coming under renewed target from short sellers.

Gold developer Rubicon Minerals, which came to short sellers' attention in March, provided the most successful non-energy commodities short after its shares went on to fall by 88% after seeing a fresh annual high in short interest.

While commodities firms have offered plenty of successful short positions, the sector can't claim the title of most successful individual position. This accolade goes to now bankrupt clothing firm Quicksilver. The firm saw a fresh 52 week high in short interest and its shares went on to lose all their value in the wake of its September chapter 11 filing.

Mid cap sector most shorted

Despite some very impressive numbers, the list of best short positions for the year is replete with relatively small cap names. The average market cap across the 20 most successful North American shorts of the year stood at \$680m when these firms first saw a fresh high in short interest. However limiting the universe to shares which had a market cap greater than \$5bn when they first came to the attention of short sellers yields much the same results as energy names continue to dominate the list.

Name	Ticker	Sector	New High Date	Return Since New High	% of shares out on loan on (on event day)	Change since new high
Sunedison Inc	SUNE	Semiconductors & Semiconductor	E 1/23/2015	-79%	13.8	14.7
Southwestern Energy Co	SWN	Energy	1/2/2015	-78%	6.5	11.4
Chesapeake Energy Co	CHK	Semiconductors & Semiconductor	E 1/16/2015	-78%	7.7	24.4
Consol Energy Inc	CNX	Energy	2/6/2015	-78%	6.7	14.1
Msg Networks Inc	MSGN	Energy	4/3/2015	-76%	6.3	-6.0
Zillow Group Inc	ZG	Software & Services	5/29/2015	-72%	21.2	0.6
First Quantum Minerals	FM	Consumer Durables & Apparel	4/17/2015	-71%	11.9	5.0
Gopro Inc	GPRO	Energy	1/2/2015	-71%	6.9	3.9
Puma Biotechnology Inc	PBYI	Materials	1/2/2015	-64%	6.3	3.0
Oneok Inc	OKE	Transportation	1/2/2015	-59%	3.1	1.0
Range Resources Corp	RRC	Energy	1/2/2015	-59%	7.0	11.5
Copa Holdings Sa	CPA	Pharmaceuticals, Biotechnology & L	2/6/2015	-58%	8.9	4.8
Nrg Energy Inc	NRG	Capital Goods	7/31/2015	-55%	6.4	0.2
Micron Technology Inc	MU	Energy	1/23/2015	-55%	5.6	-3.8
Northstar Realty Financ	NRF	Health Care Equipment & Services	3/6/2015	-55%	17.4	-15.9
Huntsman Corp	HUN	Utilities	1/2/2015	-55%	3.5	-0.6
Colfax Corp	CFX	Real Estate	1/2/2015	-54%	5.5	1.8
Murphy Oil Corp	MUR	Materials	1/23/2015	-52%	6.7	4.4
Genesee & Wyoming In	GWR	Transportation	3/6/2015	-51%	3.0	2.0
Idexx Laboratories Inc	IDXX	Media	5/22/2015	-51%	7.8	1.2

Energy names make up the top three most successful midcap short positions with SunEdison, Chesapeake and Southwest Energy all seeing their shares fall by over

78% since coming under renewed pressure from short sellers in the opening weeks of the year.



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