Weekly **Trader**

Upcoming Market Opportunities and Events

CANTOR Fitzgerald

Monday, 24th July 2017

Key Themes this Week

Euro - No visible headwinds in the medium term

Following on from our correct calls in advance of consensus for euro strength vs the dollar and sterling, we have had clients asking us for an update on these views. Following a period of consolidation the Euro moved higher versus most major currencies last week. This was driven by Mr Draghi, who turned down the opportunity to talk down the Euro strength, implying it was not a concern for the ECB. From a fundamental perspective European economic data remains stronger than UK and US data. Fund flows into Europe are at their highest in years. The US Fed has alternated to a slightly more dovish tone than the ECB. Lastly, political risk has shifted from Europe to the US with weekly revelations about the Trump campaign. We believe EURUSD can now move up to the $1.19 - $1.20 range. It is a similar story with EURGBP. Theresa May continues to face problems with Brexit negotiations and her government remains on a weak footing with internal opposition. We see EURGBP staying around the £0.9 mark. However, in the short term we may see a pullback as long euro positioning is beginning to look stretched.

Fed Meeting - Language key to message

The Fed meets this week with no press conference to follow. This means that the policy statement will be the focus of analysts' attention. Chair Yellen addressed Congress earlier in July in what was generally regarded as a shift back to dovish rhetoric. Since then there has been another round of below-par inflation numbers coupled with some weaker than expected retail sales data. Market focus will be on how the Fed views the recent weakness. They will obviously acknowledge the decline in PCE inflation. They key is whether or not their medium term view, that inflation is coming to back to target level, will be changed. Analysts will also be looking for any comments regarding balance sheet shrinking.

GDP Growth - UK in the spotlight

First estimates for UK Q2 GDP are out this week. BOE forecasts for UK YoY GDP growth is 1.9% while consensus estimates are for 1.7%. This read has taken on some importance in light of the recent below expectations inflation data. Separately this week, the IMF cut its growth forecast for the UK economy in 2017. This was the first downgrade since the one immediately after the Brexit vote. The IMF said that annual GDP would expand 1.7%, down from its 2% forecast in April. The 208 forecast of 1.5% was unchanged. The UK downgrade was the biggest developed market economy downgrade. The IMF forecast for the Eurozone was raised from 1.7% to 1.9%. It is an important week for UK data with consumer confidence and house price data out in advance of the BOE meeting next week.

Stock Coverage This Week

This week we cover off on Irish Banks, US Tech names, Ryanair, Lloyds, GlaxoSmithKline and Shell.

Major Markets Last Week

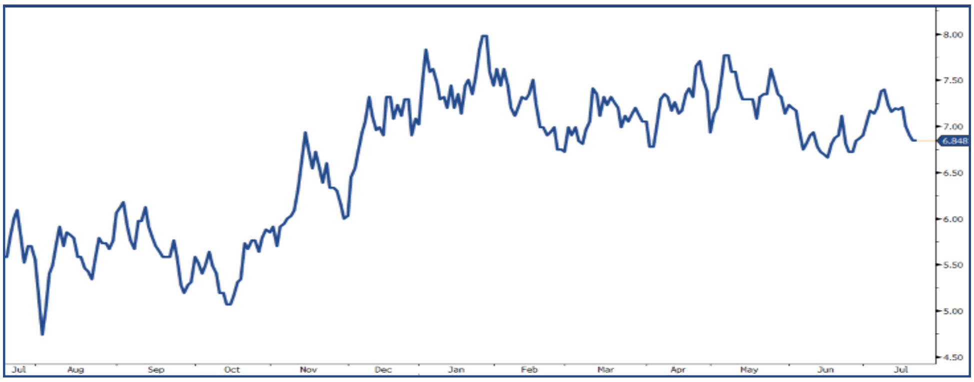
	Value	Change	% Move
Dow	21580	-57.67	-0.27%
S&P	2473	13.27	0.54%
Nasdaq	6388	75.29	1.19%
UK Index	7403	-0.70	-0.01%
DAX	12202	-384.68	-3.06%
ISEQ	6635	-276.17	-4.00%
Nikkei	19,976	-143.19	-0.71%
H.Seng	26,847	376.25	1.42%
STOXX600	379	-7.68	-1.99%
Brent Oil	47.78	-0.64	-1.32%
Crude Oil	45.53	-0.49	-1.06%
Gold	1254	20.20	1.64%
Silver	16.454	0.34	2.09%
Copper	272.45	0.05	0.02%
CRB Index	442.35	-1.56	-0.35%
Euro/USD	1.1646	0.02	1.46%
Euro/GBP	0.8948	0.02	1.77%
GBP/USD	1.3015	0.00	-0.31%

	Value	Change
German 10 Year	0.497	-0.08
UK 10 Year	1.186	-0.08
US 10 Year	2.2357	-0.08
Irish 10 Year	0.798	-0.09
Spain 10 Year	1.456	-0.14
Italy 10 Year	2.049	-0.19
BoE	0.25	0.00
ECB	0.00	0.00
Fed	1.25	0.00

Irish Banks - H1/17 earnings preview

Closing Price: €2.463, €6.92, €4.81

Stephen Hall, CFA | Investment Analyst



BIRG Key Metrics	2017e	2018e	2019e
Revenue (€'bn)	3.002	3.044	3.123
EPS (€)	0.606	0.616	0.56
Price/ Book	0.81	0.78	0.75
Div Yield	2.37%	3.76%	5.23%

Share Price Return	1 Mth	3 Mth	YTD
BIRG	-0.58%	-4.32%	-2.54%

Source: Bloomberg

Permanent TSB - 26th July

The market was pleased with the PTSB's Q1/17 performance which showed the Group grew its market share of new mortgage lending to 10.4%. It also improved its Net Interest Margin (NIM) by 21bps to 1.80% from 1.59% in Q4/16. Investors should react favourably to signs of a growing market presence for new mortgage lending and further positive progression in its NIM. A marginal expansion in NIM is anticipated in Q2/17 from the on-going churn of its sizeable €13.6bn tracker mortgage book (63.5% of total mortgages at Dec'16), continued repricing of its deposit book, and NAMA bond redemptions. PTSB's impaired loans still remains extremely elevated compared to European and Irish banking averages. At December 2016, NPLs stood at €5.9bn (27.5% of gross loans). When Q1/17 results were released, management said it would update the market on its NPL strategy in Q3/17 which would be a clear focus for investors if this update occurs next week. From a valuation perspective, the Group still trades at 0.56x FY17e Price/ Book which a 33% discount to Bank of Ireland at 0.83x, and a 42% discount to the broader Euro Stoxx 600 Banking Index (SX7P Index) at 0.95x.

AIB - 27th July

AIB is due to report H1/17 on Thursday the 27th July, which is the Group's first set of results since the Irish Government's 28.7% equity sale in the Group. Similar to Bank of Ireland, we will be paying close attending to new lending growth rates across its core loan segments which include Irish mortgages, SME & corporate and personal lending. We think AIB's 38% market share of new mortgage lending achieved in Q1/17 is unsustainable going forward, and forecast 35% is a more realistic level as competition picks up. We anticipate a further improvement in Net Interest Margin on the quarter due to stable asset yields, on-going churn in its tracker mortgage book with new lending rates significantly higher than its back book and further marginal repricing of its deposit book. AIB's Non-Performing Loans (NPLs) reduced by €500m in Q1/17 to €8.6bn and we forecast a similar pace of NPL reduction in Q2/17 as management commits to an ambitious, yet achievable target to reduce Non-Performing Exposures (NPEs) in-line with European averages at c. 5% by 2019. AIB's management feels it is under represented in the personal lending channel given the market share size of current account. We will be paying close attention to see whether the Group has been successful in growing its presence in this channel given its recent €870m IT capital investment. AIB reported a Fully Loaded CET1 ratio of 16% at March 2017 which we forecast rising to 16.4% support by organic profitability and a strengthening of the Group's pension position. Potential upside could come if the Group makes an announcement to further optimism its branch network which could reduce costs further, or any plans to sell down books of Non-Performing Loans which could accelerate the de-risking plans of the Group. We maintain our 12 month target price at €5.05.

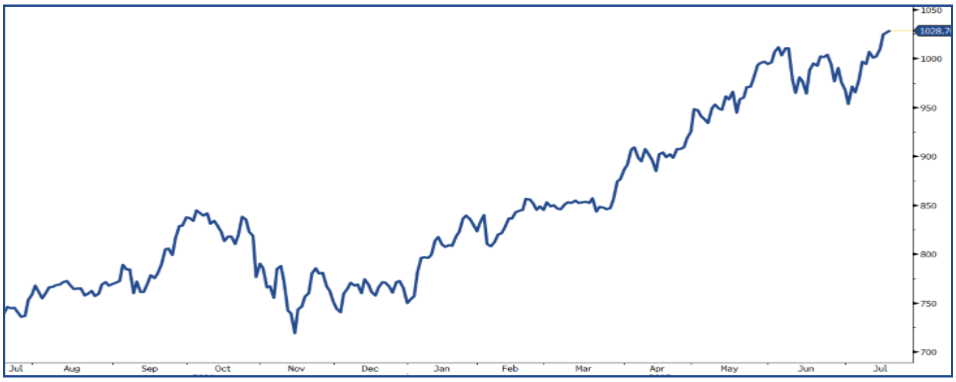
Bank of Ireland – 28th July

Key focus for Bank of Ireland will be new lending growth rates and whether it managed to grow its market share of new lending in Irish mortgages (26% market share in in Q1/17). We will be keeping a close eye on its UK impairment charge to ensure there has been no deterioration in asset quality of its UK mortgage book post Brexit. We assume management will reiterate its intentions to reinstate its first dividend since 2008 next year relating to the current 2017 financial year. BOI's pension deficit worsened to €650m at March 2017, and we forecast a €200m improvement in this deficit given the recent back up in European yields during Q2/17. This should add roughly 40bps to the Group's fully loaded CET1 capital position by June 2017, and in addition to 30bps of organic capital generation, its FL CET1 ratio could rise to 12.6% by H1/17. We assume the trend of improving asset quality remains firmly in place for all three banks and anticipate a further reduction in Non-Performing Loans (NPLs) across the board supported by a resilient Irish economy, falling levels of unemployment and rising housing prices. We forecast BOI's balance of NPLs reduces by €2bn in 2017, €1.5bn in 2018 and €1bn in 2019, with the Group maintaining a provision coverage ratio of c. 49%. Management has guided that its IT investment charge will roughly cost 35bps - 40bps of capital annually between 2017 to 2020. Once, this investment is complete then BOI can begin to gradually reduce its Cost/ Income ratio towards 50% over the medium term as operating efficiencies begin to feed through. We maintain our 12 month target price at €8.16 post the 1-for-30 share consolidation recently completed which is 15% above current prices. The Pound has continue to weaken relative the Euro which is has a negative translation effect on UK denominated assets and profits generated in the UK. From a valuation perspective, BOI is currently trading at 0.83x FY17e P/B book, a 13% discount to the broader Euro Stoxx 600 Banking Index (SX7P Index) at 0.95x.

American Tech - Earnings Preview

Closing Price: $1025.67

Will Heffernan | Investment Analyst



AMZN Key Metrics	2017e	2018e	2019e
Revenue ($'bn)	166.54	202.41	241.00
EPS ($)	12.219	17.341	25.985
Price/ Earnings	152.02	88.49	55.67
Div Yield	0	0	0

Share Price Return	1 Mth	3 Mth	YTD
AMZN	3.37%	14.05%	37.18%

Source: Bloomberg

Last week Netflix and Microsoft reported earnings ahead of analysts' estimates. PayPal, Facebook and Amazon have results out this week so we have included short previews for each below. While many are at all-time highs, US yields appear constrained in the near term. This, coupled with investors who continue to chase growth (long NASDAQ was the most crowded trade for the 3rd consecutive month in the BAML Fund Manager Survey), implies that the Tech rally can still go higher in the near term. But we would advise caution buying in at current level. From a longer term perspective all the below names should remain the dominant player in their respective spaces and outperform the market.

PayPal – Recent rally has heightened expectations

PayPal is currently trading at $58.6 which is 4% above consensus Street expectations. Over the last two weeks it has rallied 9% driven by signing a deal with Apple to include PayPal as a payment option on iTunes and the App Store along with management confirmation of the roll-out of the one-click Checkout function. This functionality allows users to shop on third party websites and use PayPal as a payment option without having to log in manually on the mobile application. This is crucial to driving mobile traffic across the platform. Analysts are expecting $0.43 EPS this quarter representing growth of 18.5%. Revenue is expected to grow by 16.8% to $3.1bn. Based on recent price action and such a good Q1, we would not be buying in at these levels. Instead we view this quarter as an opportunity for the fundamentals to catch up with price and will wait to see if analysts upgrade expectations post the release. Key things to watch out for in this release include US transactional volume growth, additional new user account growth, impact of new cross border fee structure and an update on the progress of its social payments digital wallet service Venmo and its Consumer Choice Initiative. Also any details on new corporate partnerships such as the recent Apple announcement would be welcome.

Facebook – Can Instagram and video compensate for reduced ad load?

On last quarter's earnings call management guided for reduction in ad load in the 2017 as it continues to find the right balance between number of ads in newsfeed and improving the user's experience. Management has strategically pivoted towards video content in an attempt to redress this. Video ads contain more content, are higher margin and require less newsfeed space. Instagram, the photo sharing platform, is also helping with increasing number of users to 700 million and adding advertisements to Instagram Stories. Market focus will be on whether these two avenues continue to allow for margin appreciation while ad load slows. New product development on Instagram and expanding ads on Messenger is key to this. Attention will also be on any details on WhatsApp monetization plans Consensus expectations are for $9.1bn in revenue and 45.6% ad revenue growth with EPS at $1.12. The release should also contain the traditional metric regarding daily and monthly average users, new accounts added and click-through numbers from users on adverts. Facebook has had a major rally YTD (+42.92%) and earnings releases rarely result in a pop in the stock. However, from a longer term perspective we retain confidence that Facebook management have the necessary innovative thinking to remain the leading online social platform.

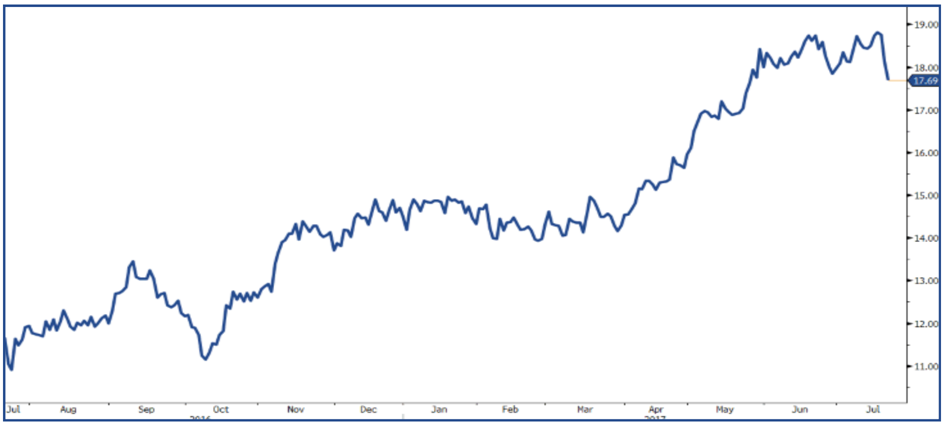
Amazon - Disruptor Extraordinaire

Amazon has had a stellar year, up 38% YTD and is now just 9.5% away from the consensus price target of $1123.26. EPS is expected to come in at $3.019 while analysts are expecting 22% growth in revenue to €37.1bn. Management had previously guided for some margin compression and estimates are for a gross margin in the region 38%, up 3% from last year. EBITDA guidance is for $4.6bn, an increase of 14.5%. The recent success of its Prime day and continuing moves into untapped markets has driven the share price onto new highs. As with every quarter, there will be focus on Amazon's investment spend. It would be good if there some clarification on where the company currently is in the investment cycle and plans for future spending. However, we think there will be less focus on this aspect this time around and the Street will be willing to look through this. The number of potential growth areas Amazon could exploit in the medium term is substantial and we believe their disruption will result in the decline of a lot of traditional US names whether it be in retail, real estate, publishing etc. Analysts will be looking for details on data centre and warehouse spending, Prime subscription growth, Whole Food acquisition and its strategic vision for Grocery, any new areas of potential disruption and some clarity on potential revenue weakness from its cloud division, Amazon Web Services.

Ryanair - Very strong Q1/18 results, however FY18 guidance unchanged

Closing Price: €18.045

Stephen Hall, CFA | Investment Analyst



Key Metrics	2018e	2019e	2020e
Revenue (€'bn)	7.028	7.751	8.337
EPS (€)	1.256	1.426	1.592
Price/ Earnings	14.04	12.37	11.08
Div Yield	0.46%	0.78%	0.63%

Share Price Return	1 Mth	3 Mth	YTD
RYA ID	-3.15%	20%	21.61%

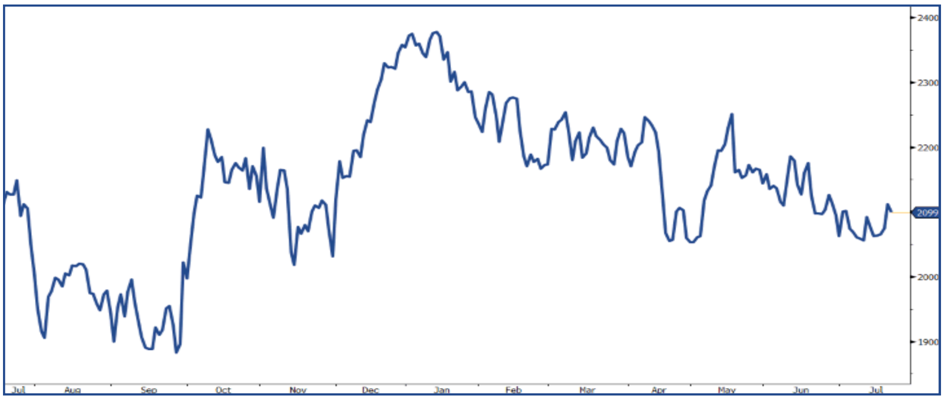
Source: Bloomberg

Ryanair reported exceptionally strong Q1/18 results this morning with a net income of €397m which was 16% ahead of consensus forecasts of €342m which was driven by a very strong Easter period. However, the stock opened lower this morning as management maintained its FY18 net income guidance of €1.4bn to €1.45bn. Despite yields in Q1/18 being up 1% YoY, management still forecasts fares to fall by 5% in H1/18 and 8% in H2/18 which the market has reacted to negatively this morning. This means Q2/18 will be very soft which is Ryanair's most important quarter. Management reiterated that it continues to see significant growth opportunities across Europe as many legacy carriers such as TAP, LOT Alitalia and Air Berlin are restructuring operations and other rival airlines continue to close bases and routes which compete directly with Ryanair. Ryanair continues to perform very strongly on costs with unit costs down 6% in the quarter, 3% on an ex-fuel basis and management forecasts –1% decline on a full year basis. The on-going €600m share buyback programme should provide support to the stock over the coming months. Ultimately, we feel the market's reaction was overly bearish this morning. The stock currently trades at 13.8x FY18e earnings post this morning's sell off. We are happy to hold Ryanair on a multi-year horizon as we feel it will be the long term structural winner in the space.

Royal Dutch Shell - Underlying business remains sound

Closing Price: £20.79

Stephen Hall, CFA | Investment Analyst



Key Metrics	2017e	2018e	2019e
Revenue ($'bn)	287.365	302.147	323.56
EPS ($)	1.725	2.029	2.37
Price/ Earnings	15.82	13.45	11.51
Div Yield	6.71%	6.74%	6.96%

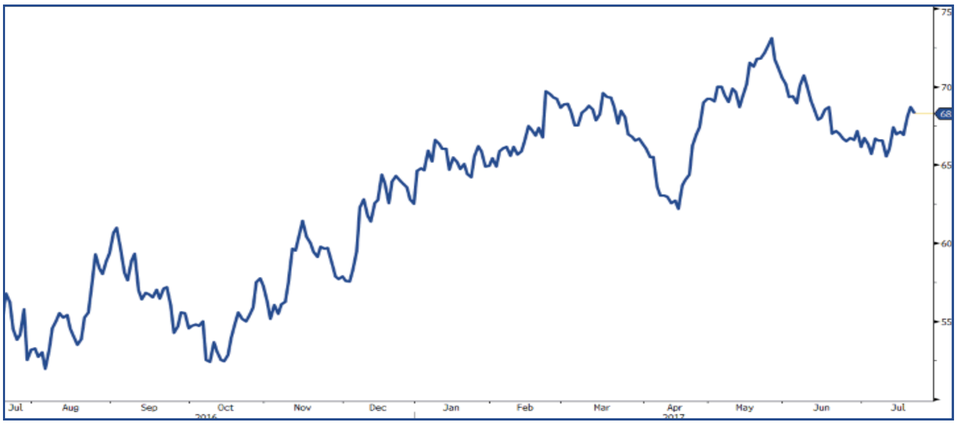
Share Price Return	1 Mth	3 Mth	YTD
RDSB LN	-0.64%	-3.67%	-10.79%

Source: Bloomberg

Royal Dutch Shell is due to release H1/17 results this Thursday. Its share price has underperformed broader equity markets in 2017 and its share price will remain highly correlated to underlying oil and natural gas prices. However, successful cost cutting programmes in recent years has helped to protect operating margins, but margins are ultimately dependant on underlying commodity prices. The company's renewed focus on costs and disciplined approached to capex should support growth in free cash flow. The forecast dividend yield for Shell is 6.7% and is covered 2.3x times by cash, and should be supported by the on-going $30bn asset disposal programme management are undertaking as it looks to off load higher costs, more capital intensive assets which produce lower returns. Shell recent acquisition of BG levels it well positioned to capitalise on the world's transition in energy demands towards gas which has lower CO2 emissions. Shell has the largest exposure to LNG than any of the major integrated players. Management aims to reduce opex below $40bn in 2017, and its cost target for 2018 could potentially be revised lower again. In a $60 a barrel oil environment, Shell's management project free cash flow of $20bn - $25bn a year between 2019 to 2021. For every +$10 a barrel increase in oil prices operating free cash flow will roughly increase by $5bn. Debt reduction is a top priority of management post the BG acquisition. We are not positive on the outlook for oil prices and see the underlying commodity struggling to hold onto gains onto movements above $50 a barrel as new supply will likely come on stream and put a cap on prices. Shell remains the preferred play of all the key oil majors. Clearly the underlying price of oil and natural gas will be a big determinate of Shell's share price in the future. We remain positive on Shell once key support level at GBp 2038 holds.

Lloyds - Market focus on Brexit headwinds Closing Price: £0.68

Stephen Hall, CFA | Investment Analyst



Key Metrics	2017e	2018e	2019e
Revenue ('£bn)	18.063	18.346	18.408
EPS (£)	0.073	0.070	0.071
Price/ Earnings	9.34	9.74	9.74
Div Yield	5.72%	6.45%	7.04%

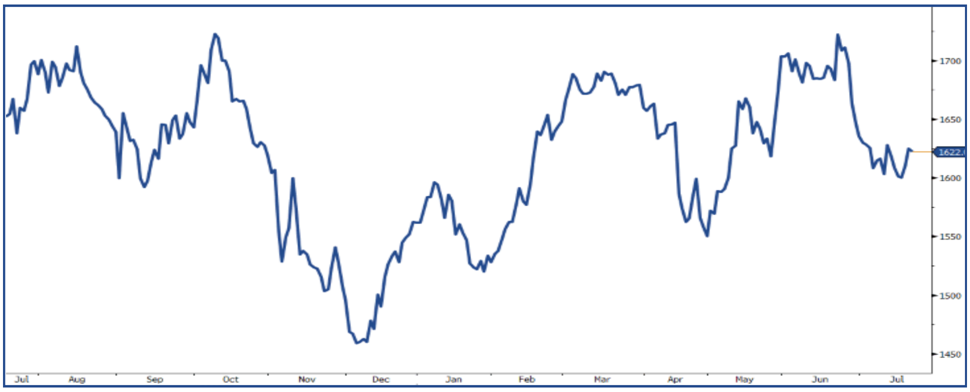
Share Price Return	1 Mth	3 Mth	YTD
LLOY	2.42%	2.82%	8.96%

Source: Bloomberg

Lloyds is due to release H1/17 results Thursday the 27th July. The Group last two set of results for FY16 and Q1/17 were very encouraging, however sentiment towards Lloyds has been impacted in recent weeks due to political uncertainty in the UK, the beginning of Brexit negotiations and continued weakening of the pound. In Q1/17, Net Interest Margin NIM performance was very strong which rose to 2.80% from 2.71% in Q4/16. Management also raised its NIM target for the year to 2.80%, previously at 2.70% and investors will be paying close attention to see if Lloyds can maintain this impressive spread given the competitive mortgage landscape in the UK. The Group remains committed to tight cost control and reduced its cost/ income ratio of 47.1% in Q1/17 and remains well on course to achieve its C/I ratio target of 45% by 2019 in our opinion. Its fully loaded CET1 position rose to 14.5% in Q1/17 from 13.8% at Dec'16. Management has guided it is on course to generate c. 200bps of organic capital generation in 2017, meanings its CET1 could rise to 15.0% at June 2017. Management remains committed to paying out excess capital above 13% as dividends. Lloyds currently offers a dividend yield of 5.7%. We remain positive on Lloyds as the underlying fundamentals of the Group remain strong, however the direction of its share price will likely be dictated by the on-going Brexit negotiation between the UK and EU. If H1/17 results are strong, then it could re-focus investors' attention on the strong underlying fundamentals of the Group rather than the surrounding political environment. We will also be keeping a close eye on the levels of impairments to ensure there hasn't been a deterioration in the asset quality of its loan book. Lloyds currently trades at 1.05x FY17e Price/ Book and has a 12 month target price of GBp 71.70, 5% above last Friday's close.

GlaxoSmithKline - Important debut for new CEO Closing Price: £16.15

Will Heffernan | Investment Analyst



Key Metrics	2017e	2018e	2019e
Revenue ('£bn)	30.086	31.064	32.23
EPS (£)	1.109	1.146	1.202
Price/ Earnings	14.63	14.15	13.49
Div Yield	4.93	4.96	5.02

Share Price Return	1 Mth	3 Mth	YTD
GSK	-4.02%	-1.34%	3.87%

Source: Bloomberg

GlaxoSmithKline report S1 earnings on Wednesday. Analysts will be focused on what the company is doing to offset continuing declines of its flagship respiratory drug Advair, which accounts for approx. 15% of its revenue along with new CEO Emma Walmsley (EW) expected to outline her strategic vision for the company. We expect EW to discuss overall structure of the company and layout details for research spending into the future. GSK is facing renewed calls to rejuvenate its pharma business in the face of competition from generics. It is not clear if management wishes to do this from the internal pipeline, M&A, bolt-on or licensed production. Analysts are generally convinced that there is more room for cost cutting and a more streamlined business is needed. The new CEO faces into these challenges with markets grown somewhat impatient as illustrated by Neil Woodford, a prominent UK fund manager, selling his Glaxo holding that he had held for 15 years. GSK's HIV business, ViiV, has also performed well but is facing tough times due to generics and the loss of revenue generating patents. It is widely accepted that GSK's pipeline of new drugs remains unimpressive and the business has been more focused on consumer healthcare sector. However, these are lower margin and less profitable products and a better pipeline in the future would be welcome. Free cash flow situation has not been particularly good over the past few years yet the business retains enough cash to meet dividend demands without endangering its credit rating. We believe that EW's outline of where the business goes from here is vitally important to investor sentiment towards GSK

From the News - Monday's Headlines

- **Global** China, EU and Japan make up for slower US growth, says IMF
- **US** EU ready to retaliate against US sanctions on Russia
- **Europe** Big 3 German carmakers' share hit on reports of collusion dating back 20 years
- **UK** IMF cuts UK growth forecasts
- **Ireland** Dalata buys four star hotel for £31m
- **Dublin** Square shopping centre in Tallaght comes into play

Current Stock Trading News

From a market trading perspective we are long Green REIT, Inditex, Royal Dutch Shell, Glanbia, Greencore and Kingspan and the positions remain in the money.

This Weeks Market Events

Monday	Tuesday	Wednesday	Thursday	Friday
Corporate	**Corporate**	**Corporate**	**Corporate**	**Corporate**
Alphabet, Ryanair, Philips.	Tullow, McDonalds, Caterpillar.	PayPal, Daimler, Coca Cola, Boeing, AIB, GSK, Facebook	Ladbrokes, Diageo, Amazon, Lloyds, RD Shell, Verizon, Schneider, Twitter, Intel, Total, Nestle, Total, Bayer, Volkswagen, Deutsche Bank, Danone. PTSB.	Bank of Ireland, IAG, BT, Chevron, Exxon Mobil.
Economic	**Economic**	**Economic**	**Economic**	**Economic**
DE Manf. PMI, US Existing Home Sales	US Consumer Confidence, DE IFO expectations	GB GDP YoY, US New Home Sales	US Durable Goods	US GDP, US PCE, JP Inflation Rate

Upcoming Events

31/07/2017 HSBC

01/08/2017 Man Group, BP, RollsRoyce, Heidleberg, Apple, Pfizer

02/08/2017 AIG, P&G, RSA, Lufhansa, Smurfit Kappa, William Hill

03/08/2017 Next, Aviva, Mondi, Siemens, BMW.

04/08/2017 FBD, RBS, Allianz.

31/07/2017 EA Inflation Rate,

01/08/2017 CH Caixin Manf. PMI, EU Q2 GDP Est, US PCE

02/08/2017 US ADP Change

03/08/2017 CN Caixin Services PMI, BOE Meeting, US PMI

04/08/2017 US NFP, RBA MP Statement

Cantor in The Media

- Finally, we're burning the bondholders—as they pay to loan money –Ryan McGrath - Independent - Please click here

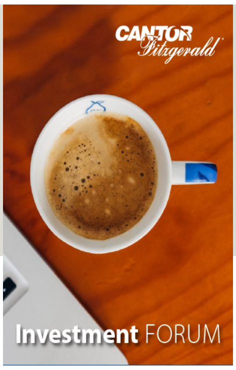
Cantor Publications & Resources


Daily Note
Market View

Daily Note

Each day we produce a market commentary outlining critical economic and company developments. We leverage off our global network of analysts and investment professionals to provide clients with critical insights from our local teams first thing in the morning.

Click Here



Investment Forum

Through our investment Forum we bring you the latest market news, investment insights and a series of informative articles from our experts.

Click Here

Cantor Core Portfolio - In Detail

Performance YTD	%
Portfolio	4.8%
Benchmark	2.7%
Relative Performance	2.1%
P/E Ratio	20.43x
Dividend Yield	2.6%
ESMA Rating	6
Beta	1.03

Sectors	Portfolio	Benchmark	+ / -
Consumer Discretionary	6%	11%	
Consumer Staples	10%	14%	
Energy	5%	6%	
Financials	20%	15%	
Health Care	5%	9%	
Industrials	22%	15%	
Information Technology	16%	9%	
Telecommunication Services	4%	3%	
Utilities	0%	3%	
Materials	12%	15%	
Real Estate	0%	2%	

FX	Portfolio	Benchmark
EUR	54%	54%
GBP	26%	26%
USD	20%	20%

Currency YTD %	
GBP	-5.0%
USD	-9.8%

Benchmark

Weighted Average Contribution

Index	Currency	PE	Outlook	Weighting	Total Return Local*	Currency Contribution	Total Contribution
ISEQ 20 INDEX	EUR	17	Neutral	32%	-4.0%	0.0%	0.6%
UK 100 INDEX	GBP	15	Neutral	26%	3.9%	-1.0%	0.5%
S&P 500 INDEX	USD	19	Neutral	20%	4.0%	-2.0%	0.5%
IBEX35 INDEX	EUR	15	Positive	6%	-2.8%	0.0%	0.7%
DAX INDEX	EUR	14	Positive	16%	-2.3%	0.0%	0.4%
Total				100%		-3.05%	2.7%

Core Portfolio

Weighted Average Contribution

Stock	Currency	Yield*	Hold / Sold	Sector	Weighting	Total Return Local*	Currency Contribution	Total Contribution
GLANBIA PLC	EUR	0.9	H	Consumer Staples	5%	-4.6%	0.0%	0.6%
GREENCORE GROUP PLC	GBp	2.2	H	Consumer Staples	5%	2.9%	-0.2%	-0.2%
RYANAIR HOLDINGS PLC	EUR	0.0	H	Industrials	5%	9.4%	0.0%	1.0%
INDUSTRIA DE DISENO TEXTIL	EUR	2.3	H	Consumer Discretionary	6%	-5.8%	0.0%	0.5%
DAIMLER AG-REGISTERED SHARES	EUR	5.4	S	Consumer Discretionary	6%	-0.9%	0.0%	0.0%
LLOYDS BANKING GROUP PLC	GBp	5.7	H	Financials	5%	-1.4%	-0.2%	0.3%
AMERICAN INTERNATIONAL GROUP	USD	2.0	S	Financials	5%	-4.7%	0.1%	-0.2%
BANK OF IRELAND	EUR	2.6	H	Financials	5%	-3.9%	0.0%	-0.4%
ALLIANZ SE-REG	EUR	4.5	H	Financials	5%	4.7%	0.0%	0.8%
FACEBOOK INC-A	USD	0.0	H	Information Technology	4%	8.3%	-0.4%	0.9%
PAYPAL HOLDINGS INC	USD	0.0	H	Information Technology	4%	19.7%	-0.4%	1.2%
ALPHABET INC-CL A	USD	0.0	H	Information Technology	4%	4.8%	-0.4%	0.5%
AMAZON.COM INC	USD	0.0	H	Information Technology	4%	9.0%	-0.5%	0.4%
iShares STOXX Europe 600 Banks ETF	EUR	4.0	H	Financials	5%	0.3%	0.0%	0.0%
GENERAL ELECTRIC CO	USD	3.5	S	Industrials	5%	-4.3%	-0.2%	-0.3%
SIEMENS AG-REG	EUR	3.1	H	Industrials	6%	-8.6%	0.0%	-0.5%
SMURFIT KAPPA GROUP PLC	EUR	3.2	H	Materials	6%	3.2%	0.0%	0.3%
CRH PLC	EUR	2.2	H	Materials	6%	-11.3%	0.0%	-0.4%
KINGSPAN GROUP PLC	EUR	1.3	H	Industrials	5%	-11.7%	0.0%	0.4%
ROYAL DUTCH SHELL PLC-B SHS	GBp	6.7	H	Energy	5%	3.0%	-0.2%	-0.5%
DCC PLC	GBp	1.7	H	Industrials	6%	-3.1%	-0.2%	0.6%
GLAXOSMITHKLINE PLC	GBp	4.8	H	Health Care	5%	4.1%	-0.2%	0.2%
VERIZON COMMUNICATIONS INC	USD	5.2	H	Telecommunication Services	4%	-2.9%	-0.3%	-1.0%
Total					100%		-3.10%	4.8%

*Red Denotes Deletions
*Green Denotes Additions
*Return as of last reweighting 03/05/2017
*Yields are based on the mean of analyst forcast

All data taken from Bloomberg up until 21/07/2017.

Warning : Past performance is not a reliable guide to future performance

Warning : The value of your investment may go down as well as up.

Regulatory Information

Issuer Descriptions: (Source: Bloomberg)

Bank of Ireland: Bank of Ireland provides a range of banking, life insurance and other financial services to customers in Ireland and United Kingdom

AIB: Allied Irish Banks plc (AIB) attracts deposits and offers commercial banking services. The Bank offers mortgage, automobile, business, plant and equipment purchase, and lease financing loans, investment banking, securities brokerage, asset management and treasury services, and discounts invoices. AIB operates in Ireland, the United Kingdom, and the United States

Inditex: Industria de Diseno Textil, S.A. designs, manufactures and distributes apparel. The company operates retail chains in Europe, the Americas, Asia and Africa.

iShares STOXX Europe 600 Banks UCITS ETF: iShares STOXX Europe 600 Banks UCITS ETF is an open-end, UCITS compliant exchange traded fund incorporated in Germany. The fund aims to track the performance of the STOXX Europe 600 Banks index. The fund distributes income received to shareholders.

Ryanair: Ryanair Holdings plc provides low fare passenger airline services to destinations in Europe. **ICG:** Irish Continental Group plc markets holiday packages and provides passenger transport, roll-on and roll-off freight transport, and container lift on and lift-off freight services between Ireland, the United Kingdom and Continental Europe.

Siemens: Siemens AG is an engineering and manufacturing company. The Company focuses on four major business sectors including infrastructure and cities, healthcare, industry and energy. Siemens AG also provides engineering solutions in automation and control, power, transportation, and medical.

Glanbia: Glanbia plc is an international dairy, consumer foods, and nutritional products company. The Company conducts operations primarily in the Ireland, the UK and the US.

Greencore: Greencore manufactures and distributes a diverse range of primary foods and related products, food ingredients and prepared foods to the consumer and industrial sectors.

Daimler: Daimler AG develops manufactures, distributes and sells a wide range of automotive products mainly passenger cares, trucks vans and buses. The Company also provides financials and other services relating to its automotive businesses.

Lloyds: Lloyds offers a range of banking and financial services including retail banking, mortgages, pensions, asset management, insurance services, corporate banking and treasury services.

AIG: AIG is an international insurance organisation serving commercial, institutional and individual customers.

Allianz: Allianz, through it subsidiaries, provides insurance and financial services.

Facebook: Facebook Inc. operates a social networking site.

PayPal: PayPal operates a technology platform that enables digital and mobile payments on behalf of customers and merchants.

Alphabet: Alphabet provides web based search, advertisement, maps, software applications, mobile operating systems, consumer content and other software services.

Amazon: Amazon is an online retailer that offers a wide range of products.

GE: General Electric is a globally diversified technology and financial services company.

Smurfit Kappa: Smurfit Kappa manufactures paper packaging products.

CRH: CRH is a global building materials group.

Kingspan: Kingspan is a global market player in high performance insulation and building envelope technologies.

Royal Dutch Shell: Royal Dutch Shell explores, produces and refines petroleum.

DCC: DCC is a sales, marketing, distribution and business support services company.

GlaxoSmithKline: GSK is a research based pharmaceutical company.

Verizon: Verizon Communications is a telecommunications company.

Kerry: Kerry Group PLC is a major international food corporation. The Group develops, manufactures, and delivers innovative taste solutions and nutritional and functional ingredients.

PTSB: Permanent TSB Group Holdings Plc provides personal financial services in the Irish market with strong market positions in life and pensions, fund management and retail banking

GlaxoSmithKline: GlaxoSmithKline PLC is a research-based pharmaceutical company

Historical Record of recommendation

Amazon: We have an Outperform recommendation for Amazon since 26/07/13, and no changes have been made since then.

Ryanair: Ryanair was added to the Core Portfolio at inception in and have had an Outperform recommendation since then

Facebook: We have been positive on the outlook for Facebook, and it was added to the core portfolio on the 11/05/2015 and no changes to our recommendation have been since.

Bank of Ireland: We have reinstated an outperform rating on Bank of Ireland as of 13/07/2016

PayPal: We added PayPal to our Core Portfolio on the 20/07/15 and have an Outperform outlook on the stock

AIB: We moved our rating from under perform to out perform on the 23/06/2017

PTSB: We have changed our outlook on PTSB to "Outperform" from "Under Review" as of 08/03/2017

Royal Dutch Shell: We have been positive on Core Portfolio stock, Royal Dutch Shell, since 20/05/13 and no change has been made to our recommendation since then.

Lloyds: We have been positive on Core Portfolio stock, Lloyds, since 01/03/14 and no change has been made to our recommendation since.

GlaxoSmithKline: We have been positive on GSK's outlook since 04/02/13 and no changes have been made to the recommendation since then

Alphabet: Google which is now Alphabet was added to the Core Portfolio on 07/01/13 and no changes have been made to the recommendation since its inclusion.

None of the above recommendations have been disclosed to the relevant issuer prior to dissemination of this Research.

CANTOR Fitzgerald®

Dublin: 75 St. Stephen's Green, Dublin 2. Tel: +353 1 633 3633.

email : ireland@cantor.com **web :** www.cantorfitzgerald.ie

Twitter : @cantorIreland **Linkedin :** Cantor Fitzgerald Ireland

Regulatory Information

All regulatory disclosures pertaining to valuation methodologies and historical records of the above recommendations can be found on the Cantor Fitzgerald Ireland website here:

http://www.cantorfitzgerald.ie/research_disclosures.php

Cantor Fitzgerald Ireland Limited ("Cantor Ireland") is regulated by the Central Bank of Ireland. Cantor Fitzgerald Ireland Ltd is a member firm of the Irish Stock Exchange and the London Stock Exchange.

This communication has been prepared by and is the sole responsibility of Cantor Fitzgerald Ireland Limited of 75 St Stephens Green, Dublin 2, which is an authorised person for the purposes of the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) in Ireland or the Financial Services and Markets Act 2000 in the United Kingdom.

This material is approved for distribution in Ireland by Cantor Fitzgerald Ireland Ltd. It is intended for Irish retails clients only and is not intended for distribution to, or use by, any person in any country where such distribution or use would be contrary to local law or regulation. Cantor Fitzgerald Ireland Ltd ("CFIL") is regulated by the Central Bank of Ireland. Cantor Fitzgerald Ireland Ltd is a member firm of the Irish Stock Exchange and the London Stock Exchange.

Where CFIL wishes to make this and other Cantor Fitzgerald research available to Retail clients, such information is provided without liability and in accordance with our terms and conditions that are available on the CFIL website.

No report is intended to and does not constitute a personal recommendations or investment advice nor does it provide the sole basis for any evaluation of the securities that may be the subject matter of the report. Specifically, the information contained in this report should not be taken as an offer or solicitation of investment advice, or to encourage the purchased or sale of any particular security. Not all recommendations are necessarily suitable for all investors and CFIL recommend that specific advice should always be sought prior to investment, based on the particular circumstances of the investor either from your CFIL investment adviser or another investment adviser.

Where CFIL wishes to make this and other Cantor Fitzgerald research available to Retail clients, such information is provided without liability and in accordance with our terms and conditions that are available on the CFIL website.

CFIL takes all responsibility to ensure that reasonable efforts are made to present accurate information but CFIL gives no warranty or guarantee as to, and do not accept responsibility for, the correctness, completeness, timeliness or accuracy of the information provided or its transmission. This is entirely at the risk of the recipient of the report. Nor shall CFIL, its subsidiaries, affiliates or parent company or any of their employees, directors or agents, be liable to for any losses, damages, costs, claims, demands or expenses of any kind whatsoever, whether direct or indirect, suffered or incurred in consequence of any use of, or reliance upon, the information. Any person acting on the information contained in this report does so entirely at his or her own risk.

All estimates, views and opinions included in this research note constitute Cantor Ireland's judgment as of the date of the note but may be subject to change without notice. Changes to assumptions may have a material impact on any recommendations made herein.

Unless specifically indicated to the contrary this note has not been disclosed to the covered issuer(s) in advance of publication.

Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up. Investments denominated in foreign currencies are subject to fluctuations in exchange rates, which may have an adverse effect on the value of the investments, sale proceeds, and on dividend or interest income. The income you get from your investment may go down as well as up. Figures quoted are estimates only; they are not a reliable guide to the future performance of this investment.

Conflicts of Interest & Share Ownership Policy

It is noted that research analysts' compensation is impacted upon by overall firm profitability and accordingly may be affected to some extent by revenues arising other Cantor Ireland business units including Fund Management and Stock broking. Revenues in these business units may derive in part from the recommendations or views in this report. Notwithstanding, Cantor Ireland is satisfied that the objectivity of views and recommendations contained in this note has not been compromised. Nonetheless Cantor Ireland is satisfied that the impartiality of research, views and recommendations remains assured.

Our conflicts of interest management policy is available at the following link;

https://cantorfitzgerald.ie/client-services/mifid/

Dublin: 75 St. Stephen's Green, Dublin 2. Tel: +353 1 633 3633.

email : ireland@cantor.com **web :** www.cantorfitzgerald.ie

Twitter : @cantorIreland **Linkedin :** Cantor Fitzgerald Ireland