

# Weekly Trader

## Upcoming Market Opportunities and Events

**CANTOR**  
*Fitzgerald*

Monday, 11<sup>th</sup> September 2017

### Key Themes This Week

#### Draghi not concerned about recent Euro strength

Mario Draghi didn't meaningfully attempt to talk the Euro currency lower at last Thursday's ECB council meeting as the Euro strength has been built upon an improving underlying Eurozone economy. Draghi didn't outline any plans on a possible taper of its current €60bn a month QE bond buying programme. Many strategists still think this will occur at the ECB's next council meeting in October. Draghi did say the "Euro volatility represents a source of uncertainty", but didn't mention it was overvalued. Draghi emphasised once again the exchange rate was not a policy target for the ECB. A rising Euro has been a headwind to European equities in recent months, however we remain positive on the outlook for European equities for the remainder of 2017 given the continued improvement in the European economy. The ECB has raised economic growth forecast for the Eurozone for 2017 to 2.2% which is the strongest level in a decade, however low inflation is expected to remain with the ECB forecasting an inflation rate of 1.2% in 2018.

#### Weak pound fails to boost UK economy

Last Friday, the British Chambers of Commerce (BCC) said the weakness seen in the Pound over the past 15 months since Brexit has failed to spur growth in the UK economy. The BCC represent thousands of British firms in the UK and said there was "no sign on the horizon of a return to healthier levels of growth". Politicians had hoped the weaker Pound would support economic growth, however this did not materialise, and economists don't expect this to happen in the near term. In Cantor, we forecast further weakness in the Pound over the next 6 months towards 94p, helped by a strengthening Euro, while economic uncertainty and a large current account deficit continues to weigh on the Pound. The director-general of the BCC said "the rising upfront cost of doing business in the UK, the uncertainty around Brexit, and the constraints created by skills gaps and shoddy infrastructure collectively outweigh any benefit arising from the recent depreciation of sterling". The BCC expects UK GDP growth of 1.6% in 2017, 1.2% in 2018 and 1.4% in 2019.

#### North Korea Warns U.S. of 'Greatest Pain' if Sanctions Pass

North Korea warned of retaliation if the United Nations Security Council approves a U.S. proposal for harsher sanctions after Pyongyang conducted its sixth and most powerful nuclear test. Korean Central News Agency said "the forthcoming measures to be taken by the DPRK will cause the U.S. the greatest pain and suffering it had ever gone through in its entire history". The warning comes as the US called for a vote for today on a draft resolution to tighten sanctions on North Korea after several missile launches in recent months. This strong comment from North Korea has failed to impact market sentiment this morning, with broad based gains seen across Europe at the open.

#### Stock Coverage This Week

This week we highlight our European names that are in line with our view on the euro - Inditex, Siemens, Kingspan & Smurfit. We also cover Apple prior to the launch of the new iPhone and other US Tech names. Lastly, there is an update on both Green and Hibernia REITs.

### Major Markets Last Week

	Value	Change	% Move
Dow	21798	-150.31	-0.68%
S&P	2461	-10.22	-0.41%
Nasdaq	6360	-68.47	-1.07%

UK Index	7419	7.18	0.10%
DAX	12427	325.12	2.69%
ISEQ	6728	51.67	0.77%

Nikkei	19,546	37.52	0.19%
H.Seng	27,955	214.87	0.77%
STOXX600	379	4.51	1.21%

Brent Oil	53.73	1.39	2.66%
Crude Oil	47.69	0.40	0.85%
Gold	1337	3.23	0.24%

Silver	17.8468	-0.03	-0.15%
Copper	307.45	-4.35	-1.40%
CRB Index	434.13	-1.42	-0.33%

Euro/USD	1.2023	0.01	1.07%
Euro/GBP	0.9115	-0.01	-0.94%
GBP/USD	1.3191	0.03	2.01%

	Value	Change
German 10 Year	0.333	-0.03
UK 10 Year	1.022	-0.04
US 10 Year	2.087	-0.08

Irish 10 Year	0.657	-0.03
Spain 10 Year	1.54	-0.01
Italy 10 Year	1.95	-0.09

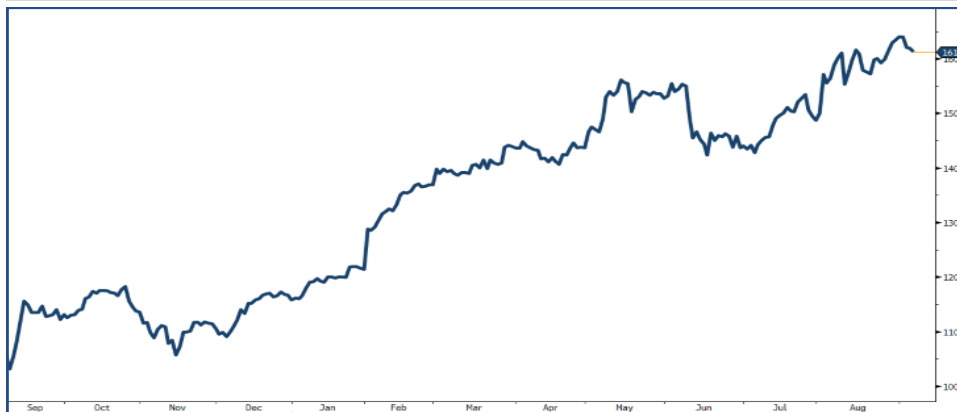
BoE	0.25	0.00
ECB	0.00	0.00
Fed	1.25	0.00

All data sourced from Bloomberg

## Apple - New iPhone launch this week

Closing Price: \$158.63

Will Heffernan | Investment Analyst



Key Metrics	2017e	2018e	2019e
Revenue (\$'bn)	227.796	261.938	263.43
EPS (\$)	9.01	10.859	11.063
EV/EBITDA	9.60x	8.28x	8.11x
Div Yield	1.50%	1.64%	1.80%

Share Price Return	1 Mth	3 Mth	YTD
APPL US	1.54%	4.76%	39.23%

Source: All data & charts from Bloomberg

This Tuesday sees the latest iPhone launch by Apple, in an event that is eagerly awaited by markets. It is expected to launch the new iPhone 8 along with two iPhone 7 upgrades, the iPhone 7S and iPhone 7S Plus. The iPhone 8 is expected to have numerous new features including a larger OLED screen, edge-to-edge display, no home button slimmer size bezels, 3D facial recognition, improved cameras and possibly wireless charging. The price point has yet to be confirmed but estimates have it at \$999, an increase of 64% on the iPhone7's launch price. Many analysts had been worried that Apple might push back the launch date due to more technical production requirements and some problems with sourcing raw materials. This launch will be welcomed by markets and traditionally the start of a new product super cycle generally acts as a catalyst. Surveys that have been conducted show current iPhone users considering upgrading to the iPhone 8 at approx. 60%. 70% of people have a phone that is 2 years or older. A sizeable proportion of consumers did not upgrade to iPhone7 but remained on the iPhone 6. Mobile networks will be rolling out lease and upgrade initiatives that should further drive take-up. The majority of respondents (70%) are not willing to pay over \$800 for a phone which implies the estimated price target of \$999 may be too high. We believe that upgrade and lease programs should mitigate this. But undoubtedly Apple is releasing the two upgraded versions of the iPhone 7 to ensure consumers have an option at a lower price point. Any increase in sales from the new phone will not show through in earnings till H1/18. The stock is up 40% year to date and is currently trading on a FY17 P/E of 18x, well above it 5 and 10 year average of 13x and 16.8x respectively. In those circumstances, we believe investors may use the new product launch to take profits in the short term.

## US Tech overview - Sector remains weak but improving

Will Heffernan | Investment Analyst



Alphabet Key Metrics	2017e	2018e	2019e
Revenue (\$'bn)	88.069	104.17	119.69
EPS (\$)	38.425	46.178	55.488
EV/EBITDA	13.09x	10.99x	9.40x
Div Yield	0%	0%	0%

Share Price Return	1 Mth	3 Mth	YTD
GOOGL US	0.44%	5.38%	19.87%

Source: All data & charts from Bloomberg

We have been [guiding clients](#) to be cautious with regard to increasing US Tech exposure. US Tech had led the rally and subsequently led the sell-off. With risk events on the horizon such as the US debt ceiling and continuing North Korean agitation we believed that the recent weakness could become extended. That is what happened and the Tech sector continued to sell off. The technical outlook for the sector remains weak with most indicators pointing to continued weakness in the immediate short term. However, we are not in the business of calling bottoms. We remain positive on all of our US tech names from a longer term perspective. Specifically, we believe Amazon and Google have now retraced sufficiently to represent good buy in points. Amazon is currently pricing at \$965.9 with consensus price target at \$1150.3, indicating potential upside of 19.1%. Google is currently pricing at 941.41. Consensus price target is 1091.7, representing potential upside of 16%. We are positive also on FB and Apple from a longer term perspective but believe their rally year to date remains stretched. For long term holders we would recommend continuing to maintain positions in these two names. But we would advise against new buying these two names until they are at more attractive levels or have broken out to a new range.

## European Stocks - Our preferred picks into year end

Cantor Fitzgerald Research Team

### Siemens

Siemens share price has basically moved in sync with the Euro over the last few months. It retraced 18% as the euro strengthened and as the euro consolidated/weakened, it rallied 3.76%. Approx. 55% of Siemens revenue comes from outside the European Union. We believe if the euro weakens further or continues to trade in a range as it has been, Siemens should be one of the main beneficiaries as it has re-traced to attractive buy in levels. It is currently pricing at €110.8 with 17%% potential upside. It was up 2.5% last week, despite a stronger euro. FX headwinds aside, we believe the current "Vision 2020" restructuring program should result in earnings upgrades for Siemens in the near term and that the recent reaction to already flagged weakness in its Power & Gas division is overdone.

### Inditex

Inditex currently has 47% of revenue coming from outside the European union. Its short lead time model means that the majority of its cost base will always be in euro (approx. 60%) due to its centralised distribution centre. So while a stronger euro is weak from a sales perspective, Inditex gets a double blow as it doesn't have the compensating reduction in production costs. The recent retracement was further accelerated by a well known Wall Street investment banks reducing its price target for Inditex. It still maintained a buy rating and reduced its price target only marginally from €41 to €40.5. However, on the day Inditex sold off by approx. 3.5%. To put it in perspective, there has been a marginal downgrade in EPS expectations (-2.3%) while the stock has retraced 14.5%. There is now 20% upside to consensus price target. We believe the recent movement has been an overreaction. With markets becoming accustomed to a stronger euro, we believe Inditex has the potential to re-rate higher.

### Smurfit Kappa

Smurfit's shares are gradually recovering following a marginally negative reaction to its H1/17 results considering the tough raw material cost inflation it had to contend in the period. Margins are set to recover in H2/17 and into early 2018 as corrugated box pricing improves. Organic volume growth is improving in Europe as the underlying economy shows signs of steady improvements, which Smurfit's underlying operational performance is correlated too. Smurfit's management team are bullish on the company's outlook saying "it is better positioned today than at any other point in its recent history. Its capital structure, its asset base and its integrated business model continue to strengthen. This will enhance its ability to translate today's market conditions into improved earnings in 2017 and beyond". Valuations are also reasonable at 12.5x earnings considering the likely recovery in pricing in H2/17 and strong volume, and could see Smurfit holding a 13x – 14x earnings multiple. It also offers an attractive dividend yield of 3.3%. We think Smurfit's consensus 12 month target price at €29.12 is an achievable target with in the near term.

### Kingspan

Despite closing at new all time highs last week, we remain positive on the long term growth potential of Kingspan due to the structural shift towards ever increasing demand for greater energy efficient buildings. It is a global leader in creating energy efficient buildings and manufactures innovative and high performance products. The Group recently completed an acquisition in Columbia which opens up yet another brand new sales region in South America for the Group which may present attractive growth opportunities over the long term. The company also began manufacturing in Mexico and this region will likely be a focus of future growth. In our opinion, Kingspan is becoming a truly global business which is continually expanding its product range. The Group remains focus on innovation which has been a cornerstone of Kingspan's strategy for many years and has enabled to produce best in class products which helps it differentiate itself from its peers and should help it recover cost inflation which it had to contend with in the first half of 2017. Management remain active looking for a new acquisition target, and we think the market should reactive favourable to a new acquisition given management excellent track record in deploying capital efficiently in recent years. Kingspan currently trades at 20.6x FY17e earnings. Out next target range for Kingspan would be between €36 to €38.

## Irish REITs - Upcoming H2 should be positive

Closing Price: €1.50

Will Heffernan | Investment Analyst



Green REIT Key Metrics	2017e	2018e	2019e
Revenue (€'m)	55.15	58.8	73.8
EPS (€'c)	5	5.5	7.2
Price/ Earnings	29.86x	27.15x	20.74x
Div Yield	3.01%	3.35%	4.35%

Share Price Return	1 Mth	3 Mth	YTD
GRN ID	1.5%	3.25%	8.82%

Source: All data &amp; charts from Bloomberg

We had been [guiding clients](#) to pick up some REIT exposure into the second half of the year as we believe a confluence of events, most notably continuing healthy demand, Brexit related moves and a constrained European interest rate environment would ensure a positive H2 for commercial office REITs. Interest rates and REITs tend to trade in an inverse pattern. Traditionally yields pay a decent dividend and are thought of as income play. So anytime that income premium is reduced there is less incentive on investors behalf to hold REITs. Another factor is funding costs. REITs traditionally are involved in development of long term real estate assets. Any tick up in yields impinges on their ability to achieve attractive financing terms to fund these developments. We believe European rates may move higher from here due to Mr Draghi's expected tapering announcement in the second half of the year. However, consensus expectations for the ECB not increase rates until early 2019. We believe any rate rises that may occur will be very slow, gradual and tempered by weakened inflation expectations. In that environment REITs should continue to outperform.

Despite a consolidation in commercial property prices, there remains enough scope for upside from increased rental income in order to justify a re-rating from current levels. In terms of expected rental value for Dublin prime office real estate, current estimates have it moving up from €62 per sq. ft. to €65 in 2018. This represents a significant upswing from the 2012 figure of €28. From 2019 onwards the picture is a little less clearer, with approx. 4m feet of office space under construction. This could be a headwind to further rental appreciation from a longer term perspective. Take up of new office space rose by 56% in the first half of 2017, driven in part by at least 15 global financial institutions announcing post Brexit moves. It should also be noted that Dublin prime office yields have gone through a period of decline but remain above most office yields in most European cities. For international investors this means they continue to remain an attractive relative trade. Lastly, the number of pre-letting arrangements (approx. 30%) continues to be quite strong which is another positive indicator for the health of the market.

**Green REIT**

Green REIT is currently trading at €1.50, with 10% upside to consensus price target of €1.66. It recently broke above €1.50, a level it had failed to break on 3 previous occasions. The recent tick down in European yields has undoubtedly helped the sector. There have also been some recent positive developments with new the addition of Barclays as a flagship tenant in One Molesworth Square along with AIB taking up the majority of space in its Central Park development.

**Hibernia REIT**

Hibernia recently announced it had let 24,000 sq. ft. in its 1 Windmill Lane development to Core Media for €57.6 per sq. ft. in a 21 year lease. Hibernia has had a good year and is up 22% year to date. We believe this leaves just 5% upside into the second half the year. We believe both REITs present good investment opportunities but maintain our preference for Green REIT.

# Cantor Core Portfolio - In Detail

## Cantor Core Portfolio

Date: 07/09/2017

Performance YTD	%
Portfolio	2.7%
Benchmark	1.5%
Relative Performance	1.2%
P/E Ratio	20.54x
Dividend Yield	2.6%
ESMA Rating	6
Beta	1.01

Sectors	Portfolio	Benchmark	+ / -
Consumer Discretionary	6%	11%	
Consumer Staples	5%	14%	
Energy	5%	6%	
Financials	20%	15%	
Health Care	5%	9%	
Industrials	27%	15%	
Information Technology	16%	9%	
Telecommunication Services	4%	3%	
Utilities	0%	3%	
Materials	12%	15%	
Real Estate	0%	2%	

FX	Portfolio	Benchmark
EUR	59%	54%
GBP	21%	26%
USD	20%	20%

Currency YTD %		
GBP	-7.6%	
USD	-12.8%	

### Comments: Sector

**Consumer Staples:** Currency volatility weighing on the sector

**IT:** Bounceback following July/early August sell off. Some stock specific news also helping - new iPhone launch, WhatsApp monetization progress

**Industrials:** Positive price action on the back of recent tick up in growth and continuing health in industrial PMIs

**Consumer Disc:** sector continues to suffer on the back of a poor earnings season and adverse currency moves

### Underperformers:

**Indifex:** Price remains under pressure due to euro strength Majority of analysts have now revised estimates. Buy

**BOI -** mixture of yields and sterling weakness plus media stories hinting at loss of UK postal relationship. Buy

**Verizon:** Tmobile increased sector competition in what was already a very competitive sector

**Financials ETF:** Yield depreciation proving to be a general headwind to the sector. Positive on sector Buy

### Outperformers:

**DCC:** recent weakness was overdone and has rallied 10% since our call in mid July

**Vinci:** up 5.5% since inclusion in core portfolio and better pricing environment. Buy.

**Siemens:** Recent post results weakness has abated as euro holds steady and attractive valuation. Buy.

**Glanbia:** Rallying off recent lows & Upgraded to buy at Investec

### Benchmark

### Weighted Average Contribution

Index	Currency	PE	Outlook	Weighting	Total Return Local*	Currency Contribution	Total Contribution
ISEQ 20 INDEX	EUR	17	Neutral	32%	-4.4%	0.0%	0.5%
UK 100 INDEX	GBP	15	Neutral	26%	4.1%	-1.5%	0.0%
S&P 500 INDEX	USD	19	Neutral	20%	4.0%	-2.6%	0.0%
IBEX 35 INDEX	EUR	15	Positive	6%	-5.4%	0.0%	0.5%
DAX INDEX	EUR	14	Positive	16%	-1.8%	0.0%	0.5%
<b>Total</b>				<b>100%</b>		<b>-4.08%</b>	<b>1.6%</b>

### 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%	-11.4%	0.0%	0.2%
GREENCORE GROUP PLC	GBP	2.3	S	Consumer Staples	5%	-16.1%	-0.2%	-1.2%
RYANAIR HOLDINGS PLC	EUR	0.0	H	Industrials	5%	9.4%	0.0%	1.0%
INDUSTRIA DE DISEÑO TEXTIL	EUR	2.3	H	Consumer Discretionary	6%	-12.9%	0.0%	0.0%
DAIMLER AG-REGISTERED SHARES	EUR	5.8	S	Consumer Discretionary	6%	-0.9%	0.0%	0.0%
LLOYDS BANKING GROUP PLC	GBP	5.6	H	Financials	5%	-7.3%	-0.2%	-0.1%
AMERICAN INTERNATIONAL GROUP	USD	2.0	S	Financials	5%	-4.7%	0.1%	-0.2%
BANK OF IRELAND	EUR	2.3	H	Financials	5%	-6.7%	0.0%	-0.5%
ALLIANZ SE-REG	EUR	4.4	H	Financials	5%	6.6%	0.0%	0.9%
FACEBOOK INC-A	USD	0.0	H	Information Technology	4%	14.1%	-0.5%	1.0%
PAYPAL HOLDINGS INC	USD	0.0	H	Information Technology	4%	26.5%	-0.6%	1.4%
ALPHABET INC-CL A	USD	0.0	H	Information Technology	4%	0.2%	-0.5%	0.2%
AMAZON.COM INC	USD	0.0	H	Information Technology	4%	4.1%	-0.6%	0.1%
iShares STOXX Europe 600 Banks ETF	EUR	4.0	H	Financials	5%	-4.1%	0.0%	-0.2%
GENERAL ELECTRIC CO	USD	3.8	S	Industrials	5%	-4.3%	-0.2%	-0.3%
SIEMENS AG-REG	EUR	3.3	H	Industrials	6%	-11.0%	0.0%	-0.7%
VINCI SA	EUR	2.7	H	Industrials	5%	5.2%	0.0%	0%
SMURFIT KAPPA GROUP PLC	EUR	3.2	H	Materials	6%	1.6%	0.0%	0.2%
CRH PLC	EUR	2.2	H	Materials	6%	-14.0%	0.0%	-0.6%
KINGSPAN GROUP PLC	EUR	1.3	H	Industrials	5%	1.1%	0.0%	1.1%
ROYAL DUTCH SHELL PLC-B SHS	GBP	6.6	H	Energy	5%	10.0%	-0.3%	-0.3%
DCC PLC	GBP	1.8	H	Industrials	6%	2.2%	-0.3%	0.8%
GLAXOSMITHKLINE PLC	GBP	5.2	H	Health Care	5%	-1.4%	-0.3%	-0.2%
VERIZON COMMUNICATIONS INC	USD	5.3	H	Telecommunication Services	4%	1.4%	-0.5%	-1.0%
<b>Total</b>					<b>100%</b>		<b>-4.12%</b>	<b>2.7%</b>

All data taken from Bloomberg up until 07/09/2017.

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

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

## From the News - Monday's Headlines

- **Global** Apple tests customer loyalty with \$1,000 iPhone
- **US** Irma unleashes its fury on Florida coast
- **Europe** Merkel primed for victory after strong campaign
- **UK** BOE to step up warnings over rate rises
- **Ireland** Providence Resources hits water bearing sands in disappointing news
- **Dublin** Reputation as global financial centre improves

## Current Stock Trading News

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

## This Weeks Market Events

Monday	Tuesday	Wednesday	Thursday	Friday
<b>Corporate</b>	<b>Corporate</b>	<b>Corporate</b>	<b>Corporate</b>	<b>Corporate</b>
Associated British Foods.	Applegreen Apple iPhone Launch SuperGroup	NA	Falcon Oil & Gas AGM Next Morrisons	NA
<b>Economic</b>	<b>Economic</b>	<b>Economic</b>	<b>Economic</b>	<b>Economic</b>
NA	UK Inflation Rate. US JOLTs	DE Inflation Rate. IEA Oil Report. US PPI	US Inflation. BOE Interest Rate Decision	US Retail Sales. US NY Empire Manf. Index

## Upcoming Events

18/09/2017 Green REIT.

19/09/2017 NA

20/09/2017 Diageo. Inditex

21/09/2017 Ryanair AGM.

22/09/2017 NA

18/09/2017 EA Inflation Rate

19/09/2017 EA Construction Output. US Housing Starts

20/09/2017 UK Retail Sales, US Fed Interest Rate Decision

21/09/2017 US House Price Index

22/09/2017 DE PMI. US PMI

## Cantor in The Media

- Briefing : Datalex - The Sunday Times - Investment Analyst William Heffernan— Please [click here](#)
- Draghi dismisses fears of another asset price bubble hitting Eurozone - The Irish Independent - Head of fixed Income Strategy and Sales Ryan McGrath - Please [click here](#)



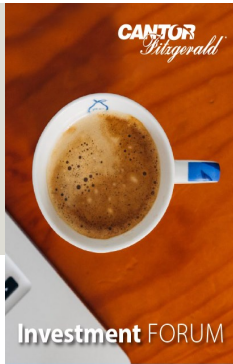
# Cantor Publications & Resources



## 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.

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## Investment Forum

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

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## 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.
- 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.
- 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 cars, 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 its 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
- Verizon:** Verizon Communications Inc. is an integrated telecommunications company that provides wire line voice and data services, wireless services, internet services, and published directory information.
- Apple:** Apple Inc. designs, manufactures, and markets personal computers and related personal computing and mobile communication devices along with a variety of related software, services, peripherals, and networking solutions. The Company sells its products worldwide through its online stores, its retail stores, its direct sales force, third-party wholesalers, and resellers
- Hibernia REIT:** Hibernia REIT plc operates as a real estate investment trust. The Company invests in commercial properties including offices, industrial properties, retail stores, warehousing and distribution centers, and other related property assets.
- Green REIT:** Green REIT plc operates as a property investment company. The Company invests in a portfolio of long-lease and freehold, primarily commercial and mainly Dublin-based properties.

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



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## Regulatory Information

### Historical Record of recommendation

**Inditex:** We have initiated coverage of Inditex with an Outperform rating, as of 23/01/2016

**Siemens:** We changed our rating to Outperform on the 30/01/2017

**Kingspan:** We have changed our rating for Kingspan from Not Rated to Outperform on the 14/03/2016

**Smurfit Kappa Group:** We have added Smurfit Kappa to our core portfolio on the 01/01/2016 and we have upgraded our recommendation from Market Perform to Outperform

**Apple:** We changed our rating on Apple to Outperform from Market Perform, as of 02/08/2017

**Hibernia REIT:** We have an Outperform rating for Hibernia REIT since 22/08/14 and no changes to the recommendation since then.

**Green REIT:** We have an Outperform rating for Green REIT since 09/02/15 and no changes to the recommendation have been made in the last 12 months

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

**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.

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