Weekly **Trader**

Upcoming Market Opportunities and Events

CANTOR Fitzgerald

Monday, 12th February 2018

Key Themes This Week

Volatile Thoughts

Markets suffered their worst week in years last week as large intra-day swings in most major indices took their toll on investors' nerves. With better market action on Friday into the close, thoughts soon turned to what had caused this volatility and whether or not there were any longer-term implications for the market.

Initially, the consensus opinion was that the spike in volatility had caused strategies which use volatility as an input to begin mass selling of equities. Strategies such as risk parity and low volatility have seen significant inflows over the past three years as the market moved to ultra-low levels of volatility. Likewise, the short volatility trade, which had seen a record $3bn inflows in recent months, got punished hard, with some short VIX ETFs down 84%. We had highlighted the risks to the market that these type of strategies had presented in our 2018 Outlook as one of the warnings lights to keep an eye on. We had also forewarned of end of month rebalancing by institutional investors that was likely to be larger than normal due to the extraordinary equity returns we had seen in January.

However, volatility like we have seen in the past week never happens in a vacuum. The preceding Friday we saw a US wage inflation number of 2.9%. One consistent characteristic of the US recovery has been the absence of decent wage growth. This number stoked investors' fears that the Fed may move quicker than the market had been expecting, another risk which we had highlighted in our 2018 Outlook. Rates spiked with the ever-looming 3% level on the US ten year getting closer. Here at Cantor, we think the market becoming accustomed to this new dynamic will undoubtedly result in increased volatility. After nearly 8 years of very loose monetary policy, we are moving into a period of tightening by most major global central banks. This is coming as this bull market moves into its 9th year. While we believe that earnings and economic growth are currently strong enough to sustain good equity returns in 2018, the picture is a little less clear from then out.

While we agree that although last week's volatility was probably set off by technical factors, it will remain an ongoing trend, with volatility ticking up from the abnormally low levels we have seen over the past three years. This is not necessarily a negative. It should result in more dispersion, increasing the importance of good stock and sector selection. This is evident this week where the majority of our preferred names have retraced to attractive valuations and now have decent upside potential again. But in the longer term it should also focus investors' minds more on diversification and appropriate portfolio management as we move further into 2018.

US Infrastructure Program

Donald Trump is expected to announce details of his infrastructure spending program that will likely be a catalyst for Materials companies (including CRH) to re-rate higher. The plan calls for $1.5tn of spending but media reports have only $200bn of this coming from federal level & the rest made up by state-level & private investors. It remains to be seen if this plan will pass Congress, especially as the Republicans just voted for major tax cuts and increased spending, which will see the deficit balloon over the next decade.

This week: Ryanair, CRH, Facebook, PayPal, Siemens, Vinci & the miners.

Major Markets Last Week

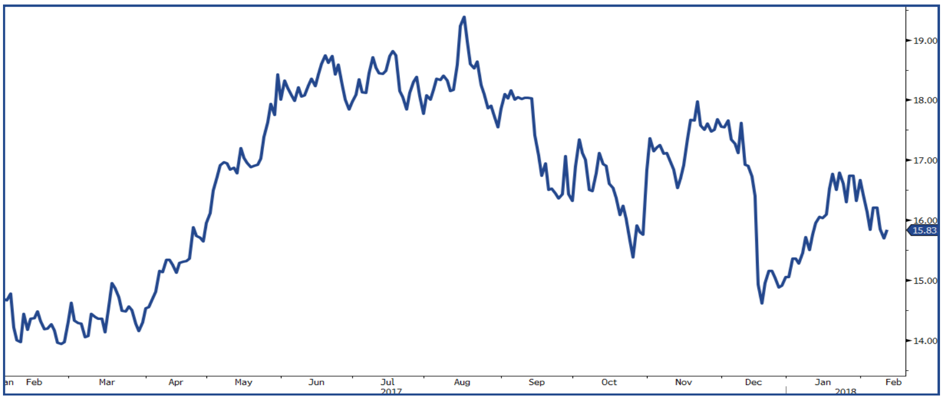
	Value	Change	% Move
Dow	24191	-1330	-5.21%
S&P	2620	-142.58	-5.16%
Nasdaq	6874	-366.46	-5.06%
UK Index	7176	-159.36	-2.17%
DAX	12312	-375.39	-2.96%
ISEQ	6710	-44.84	-0.66%
Nikkei	21,383	-1891	-8.13%
H.Seng	29,460	-2785	-8.64%
STOXX600	374	-8.28	-2.17%
Brent Oil	63.76	-3.86	-5.71%
Crude Oil	60.18	-3.97	-6.19%
Gold	1321	-18.84	-1.41%
Silver	16.4321	-0.30	-1.82%
Copper	307.5	-14.60	-4.53%
CRB Index	438.4	-5.06	-1.14%
Euro/USD	1.2266	-0.01	-0.82%
Euro/GBP	0.8865	0.00	0.07%
GBP/USD	1.3837	-0.01	-0.87%

	Value	Change
German 10 Year	0.767	0.03
UK 10 Year	1.615	0.06
US 10 Year	2.8785	0.17
Irish 10 Year	1.163	0.01
Spain 10 Year	1.458	0.00
Italy 10 Year	2.027	0.00
BoE	0.5	0.00
ECB	0.00	0.00
Fed	1.50	0.00

All data sourced from Bloomberg

Ryanair – Re-rating potential despite cautious guidance Closing Price: €15.69

Will Heffernan | Investment Analyst



Key Metrics	2018e	2019e	2020e
Revenue (€'bn)	7.05	7.636	8.41
EPS (€)	1.2	1.26	1.396
Price/ Earnings	13.2	12.57x	11.34x
Div Yield	0.46%	0.47%	0.33%

Share Price Return	1 Mth	3 Mth	YTD
RYA ID	-0.88%	-6.12%	5.05%

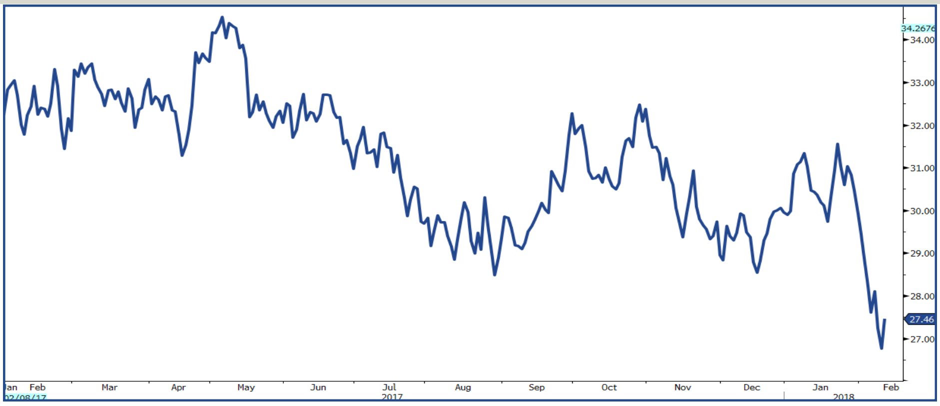
Source: All data & charts from Bloomberg & CFI

Recent results from Ryanair were solid enough but management guidance on expected fare increases this year have been weighing on the stock. Disappointingly, it expects fares to remain under pressure, unlike its peers (who had guided for increasing fares this year). Regarding FY19 fares, management stated "while we have practically no visibility on FY 19 fares, and our budget is not yet finalised, we do not share the optimism of competitors and market commentators for summer 2018 fare rises". Management held an analyst meeting the following day where the key message was that nothing has changed with the Ryanair model, despite the recent union recognition, wage increases and expected tick up in costs (management guided for a 300m fuel increase and €100m in staff costs). It should retain its comparative advantage in costs over its rivals (Average cost per seat of €27 vs €40 for Wizz Air, 51 for EasyJet and €73 for Norwegian). Management was keen to stress that its now the best paying airline out there for pilots and it currently has 5.3 pilots per aircraft versus 4.7 needed. Management has made significant progress with unions across Europe with 50 out 87 bases having already accepted the new conditions. It did stress that it foresees some problems in Dublin, where pilots have yet to agree, and we interpret management's conservative guidance as perhaps prepping the market for potential disruption.

We would still be positive on 2-3% fare increases this year as capacity is reduced. Management announced a new €750m buyback (Feb - Oct) that should also provide a support to the share price. From a longer term perspective, it also emphasised the new generation of aircraft coming on broad in 2019 that will be 16% more fuel efficient and carry 4% more passengers. Ryanair is currently trading at an FY18 P/E of 13.12x, representing a 16% discount to its 5 year average (15.64x) and 32% discount to ten year average (19.6x). Importantly this also represents a 18.4% & 16.4% discount to Wizz Air, EasyJet, who do not have the potential earnings growth of Ryanair or the upside optionality provided by the share buyback and other initiatives such as Ryanair Rooms (management is currently making a strategic push offering flight vouchers and discounts). The Ryanair app now has 29m users and management is targeting 40m by mid year. We maintain our Outperform and recommend picking up the stock at current levels.

CRH – Valuation represents a very good opportunity Closing Price: €26.76

Will Heffernan | Investment Analyst



Key Metrics	2017e	2018e	2019e
Revenue (€'bn)	27.586	27.651	28.695
EPS (€)	1.642	1.974	2.231
Price/ Earnings	16.71	13.9	12.29
Div Yield	2.49%	2.6%	2.76%

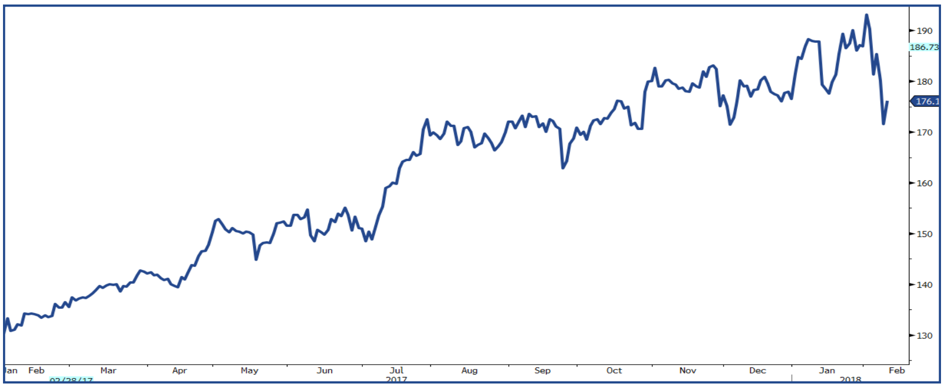
Share Price Return	1 Mth	3 Mth	YTD
CRH ID	-9.8%	-10.3%	-8.4%

Source: All data & charts from Bloomberg & CFI

CRH is currently trading at a substantial discount to what we believe is fair value. FY18 P/E is 13.67x, representing a 32% and 48% discount to 10 year (20.4x) and 5 year (26.3x) average respectively. Relative to peers, the picture is also favourable. In Europe it is currently trading at a discount to its European peers (average 14.16x) of 3.4% when historically it has always traded at a substantial premium due 60% of its EBITDA stemming from the higher margin, higher growth US market. Against its US peers, it is trading at a 29% discount (FY18 peer average of 19.4x). If you were to take a correctly weighted multiple contingent on revenue generation, CRH should be trading at approx. FY18 P/E of 17.30x. This implies it is currently trading at a 21% discount to what is a fair value multiple. From an upside perspective, when taking into account the recent 8-10% EPS accretive acquisitions, we continue to believe that €36 represents a fair value price. Current market consensus price is €34.9 which represents 30.4% upside. Management is reporting FY results on the 3rd March. Based on what peers have reported so far, we believe there may be some underwhelming results from its US business due to adverse weather and a temporary slowdown in Federal spending associated with the budget impasse. But we do not believe it will be to such an extent that would justify current valuations. We maintain our Outperform.

US Tech Opportunities - Short term volatility masks long term winners

Will Heffernan | Investment Analyst



Key Metrics	2018e	2019e	2020e
Revenue ($'bn)	55.1	69.8	86
EPS ($)	8.83	10.40	15.19
Price/Earnings	24.4x	20x	16.4x
Div Yield	N/A	N/A	N/A

Share Price Return	1 Mth	3 Mth	YTD
FB US	-1.82%	-1.32%	-0.2%

Source: All data & charts from Bloomberg & CFI

As we were guiding recently, markets in 2018 have so far started off with increased volatility. This has ensured more regional, sector and stock level dispersion than we have seen for years. This means that unlike 2017, whole sectors are not rising/falling together and the market is paying more attention to stock specific fundamentals, a trend we had been expecting. This has been evident in the Tech sector, where some names have being caught up in the sell-off while others have proved more resilient. Below we highlight some of our top picks in the sector that have re-traced to attractive buy in levels. **It should be noted that if the volatility in markets we saw last week continues this week, these stocks are likely to weaken further. They are all high multiple stocks which tend to lead any sell-off.** From a longer term perspective, the major headwind facing all of the below names is increased regulatory scrutiny as they grow larger.

Facebook

The major focus for markets form Facebook's Q4 results was the first ever decline in DAUs/MAUs in North America. All other metric remained solid but concerns increased about some of the changes that management is implementing in an attempt to make the platform more user friendly and trustworthy. We still believe that these changes are likely to be a drag on revenue over the next two quarters. However, Facebook is now down 11.14% from its January high and there is now 29.3% upside to the Street consensus price target of $224.02. It remains a conviction buy for most houses with 43 buys, 3 holds and 2 sells. In the immediate aftermath of results, despite the slight decline in DAUs, earnings expectations were upgraded moving up from $7.37 to $7.675, an increase of 4%. The stock is down 11% since results. From a valuation perspective it is trading at an FY18 P/E of 24x, a discount of 33%, 60% and 63% to 1, 3 and 4 year P/Es. With an attractive valuation and earnings upgrades not yet priced in, current levels represent a good point to gain exposure to Facebook where all the longer term catalysts remain in place.

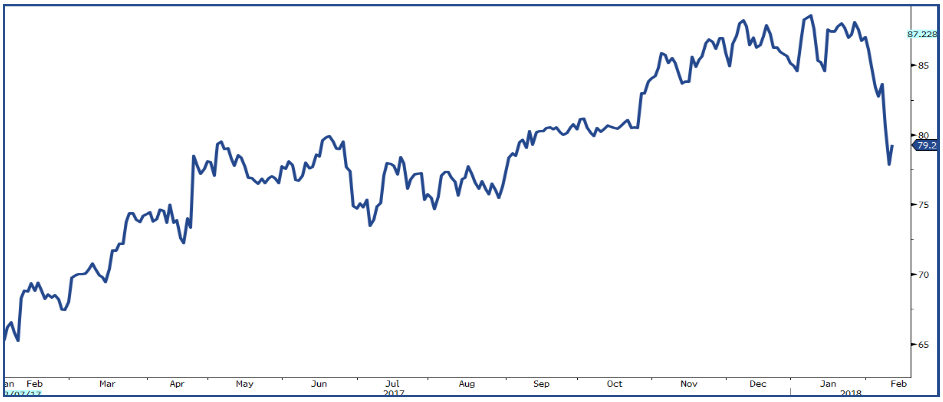
PayPal

Recent price movements for PayPal have been driven by a combination of the market sell-off and some stock specific issues stemming from its last set of results. The announcement that eBay is phasing out PayPal as a payment option was the major news on the day. At the time the split between eBay and PayPal was announced in 2014, eBay accounted for 30% of PayPal's revenue and 50% of its profits. Management does not break out the required figures in results anymore but it is generally accepted those percentages have declined substantially. The two companies had signed a 5 year operating agreement that expired in 2020 but this announcement will see PayPal being a payment option until 2023. Management expects that if current trends continue, eBay volume would represent less that 4% of total trading volume and less than 10% of revenues by 2020. Volume loss will be mostly "unbranded" which is lower margin. There will also be some cost savings as PayPal incurs significant fraud and other costs associated with eBay. One final potential positive to note is that PayPal was contractually restricted from providing services to some of eBay's main competitors (potentially Amazon and Alibaba) but it should now be able to offer these merchants services from 2020 onwards.

We would see minimal P&L impact in the short term with the greatest risk being to 2021 earnings following the end of the 5 year agreement in 2020. There has subsequently been earnings upgrades in FY18 ($2.245 to $2.282), flat in FY19 and a slight decline in 2020 (3.277 - $3.273). Based on those earning changes, we believe the market has overreacted to the eBay news. PayPal has spent the last few years diversifying its revenue stream away from over-reliance on eBay through the signing of multiple partnerships with financial institutions and retailers, rapidly moving from a competitor to the payment partner of choice. Over the past 18 months PayPal has signed 24 partnerships including deals with Apple, Visa and JP Morgan. Management is at the very early stages of these agreements so there is considerable headroom for account and payment volume growth. PayPal was up 87% in 2017 and we had been looking for a buying opportunity. There is now 15.22% upside to the Street consensus price target of $84.79. It is currently trading at an FY18 P/E of 31.87x, representing a discount to 1, 5 and 10 year P/E of 30%, 15% and 15.5% respectively. As with Facebook, all the longer term catalysts remain in place and management should continue to excel.

European Industrials - Substantial price declines yet earnings still solid

Will Heffernan | Investment Analyst



Key Metrics	2018e	2019e	2020e
Revenue (€'bn)	42.09	43.52	44.96
EPS (€)	5.227	5.688	6.212
Price/Earnings	15.18x	13.92x	12.71x
Div Yield	3.24%	3.51%	3.85%

Share Price Return	1 Mth	3 Mth	YTD
DG FP	-6.85%	-5.91%	-6.82%

Source: All data & charts from Bloomberg & CFI

Siemens

Recent results from Siemens have reinforced our conviction that the turnaround story is in full swing. The negative trends in P&G were outweighed on the day by the healthy nature of its order back book. New orders which came in at €22.5bn (+14%) versus estimates of €19.7bn. Siemens book-to-bill ratio is now at 1.13, which is very strong, and the order backlog now stands at €128bn. Digital Factory continues to post substantial growth with 17% increase in new orders and a 7% growth in revenue. Mobility was also another strong performer with 53% increase in orders, 24% increase in Revenue and 140bps added to margin. Management have taken measures to offset the slowdown in P&G, including 6,000 job cuts recently announced. It expects to have these jobs cuts completed by year-end and we should see the benefits in the 2019 numbers. The P&G performance actually shows that Siemens continues to be best performer among peers in the P&G sector. But there is no denying that the sector is likely to continue to face longer term headwinds due to the secular change to renewables globally. Management has set in place the right initiatives to offset margin pressures and are recalibrating the divisional mix between new orders and servicing, which should also help. But in reality, the business transition that Siemens is currently undertaking will reduce its reliance on P&G as years pass.

We have been highlighting that Siemens is a multi-year restructuring story and management on the call reaffirmed its Vision 2020 strategy. Digital Factory continues to grow and is one of the highest margin divisions. The IPO of Healthineers continues management's strategy of spinning off non-core businesses and focusing the company on automation and factory digitalisation. Likewise, the joint venture with Alstom that will spin of its Mobility division. The more streamlined Siemens business model at the end of this period will focus on high margin areas with bigger growth potential. Siemens is in a much better place than its peers to be a market leader in this area due to its substantial investment in best in class software and robotics We continue to believe that Siemens will remain the market leader in this space. It has sold off hard with the rest of European industrials over the past two weeks and there is now 22.95 upside to the Street consensus price target of €131.54. It is currently trading on an FY18 P/E of 14.17x which represents a discount of 24.4% to other European multi-industrials. It FY18 dividend is 3.55%, moving to 3.95% in FY20. As we expected, the P&G headwinds were already priced into the stock prior to results and earnings expectations have moved up with FY18 EPS moving up from €7.39 to €7.554, an increase of 2%. FY19 & 20 have also seen similar upgrades in earnings expectations.

Vinci

We have been long Vinci August 2017 and it has performed well for us (+17.9% until its recent sell off). It has however struggled of late and is now down 11.6% from its January high. This has been driven by some issues in its recent results but more so by the general European sell off. Results last week were solid enough with total order book rising 7% to €29.3bn. Domestic sales rose 4.9%, driven by a strong performing French economy, while international revenue grew by 7.5%. From a business segment perspective, contracting rose 10% at Vinci Energies and Eurovia. Concessions grew by 16.8%.

Guidance by management on the call following earnings release was generally positive and stated that rising interest rates, traditionally a headwind for infrastructure companies, would have a limited impact. Vinci has an excellent balance sheet and is coming to the end of a substantial capex cycle, meaning raising debt, re-financing and yield increases will have little impact going forward. However, the CEO did state that its 2018 traffic plans are likely to be less ambitious than 2017. Management also confirmed that it is interested in growing in airports business, increasing speculation that it may increase its stake in Aeroports de Paris (ADP) from its current 8% level. ADP is 50% owned by the French state and is likely to be one of the assets up for discussion as part of Emmanuel Macron's privatisation drive.

There is currently 20.9% upside to the street consensus price target of €94.12. In our opinion the stock could move to €100 (+28% upside) over the next 12 months driven by all the catalysts previously outlined. There have been no earnings downgrades post result, yet the stock has traded down 12% from its January highs. It has an FY18 dividend of 3.29%, growing to 4% in FY20

Miners - Technical Update & Trading Calls

Will Heffernan | Investment Analyst

The commodity sector has traded up over the past year as expectations of stronger global growth, inflation and a weak US dollar all helped push the sector on. In general, expectations for global growth have ticked up and importantly, Emerging Market countries (the major producers and consumers of commodities) have also participated in this renewed growth spurt. We remain concerned over a pullback in the short term, driven by a strong US dollar (short dollar positioning is stretched and we have seen some dollar strength over the last two weeks) and increased supply of certain commodities coming on board in 2018 (most notably oil from US shale producers and new metal supply from South America and South East Asia). There is also the issue of China, which is currently going through a controlled economic slowdown. China is responsible for consuming the majority of metals globally. However, if the longer term weaker dollar trend continues and expectations of global growth/inflation continue to tick up, the below stocks should perform well. Of the three below, we rate Rio and BHP as the best names if clients wish to have exposure to this sector.

Rio Tinto - Significant Iron Ore Exposure

It is currently trading at £37.88 with a street consensus price target of £41.36, representing 9% upside. It had pushed past this price target to £41.89 but has since come off as the US dollar found support. Continuing strength in USD allied with general market volatility could see it pushing back down the bottom of the previous range at approx. £33.93, a decline of another 10%. Support is also likely to be found at the 100 DMA (£37.12) and bottom of the previous upward sloping trend channel at £35.95 (blue line in the adjacent chart).

BHP Billiton - Significant Oil Exposure

It is currently trading at £14.75 with a street consensus price of £15.35, representing just 4.1%. It most recent high was £16.64, well above that target price. The bottom of the recent range in red is £13.10, which is a further decline of 11%. Support can also be found at the 100 DMA (£14.40) and at bottom of the upward sloping trend channel (blue line) at £14. RSI is currently 35 (with under 30 indicative of oversold) and MACD is trending down, indicating there is still some weakness before it will bounce.

Glencore - Copper, Cobalt & Nickel

It is currently trading at £3.61 with a consensus price target of £4.51, representing 25% upside. It has the worst debt situation of the three ($28.4bn vs $16.3 for BHP & $8.1b for Rio). This, plus its overreliance on sub-Saharan supply lines, has weighed on the stock. It is the weakest out of the three from technical perspective, having already moved past its 100 DMA at £3.71. Next level of support is the bottom of the previously upward sloping trend channel at £3.50.

Cantor Core Portfolio - In Detail

Performance YTD	%
Portfolio	-0.4%
Benchmark	-3.3%
Relative Performance	2.8%
P/E Ratio	20.49x
Dividend Yield	2.2%
ESMA Rating	6
Beta	1.03

Sectors	Portfolio	Benchmark	+ / -
Consumer Discretionary	6%	11%	
Consumer Staples	5%	14%	
Energy	5%	6%	
Financials	24%	15%	
Health Care	5%	9%	
Industrials	21%	15%	
Information Technology	16%	9%	
Telecommunication Services	0%	3%	
Utilities	0%	3%	
Materials	18%	15%	
Real Estate	0%	2%	

FX	Portfolio	Benchmark
EUR	63%	54%
GBP	21%	26%
USD	16%	20%

Currency YTD %	
GBP	0.75%
USD	-1.96%

Benchmark

Weighted Average Contribution

Index	Currency	PE	Outlook	Weighting	YTD Return (EUR)	Weekly Return	Currency Contribution	Total Contribution	
ISEQ 20 INDEX	EUR	16	Neutral	32%	-4.0%	-0.9%	0.0%	-1.3%	
UK 100 INDEX	GBP	14	Neutral	26%	-4.8%	-1.1%	0.5%	-1.2%	
S&P 500 INDEX	USD	17	Neutral	20%	-1.6%	-0.8%	-2.0%	-0.3%	
IBEX 35 INDEX	EUR	13	Positive	6%	-0.2%	-0.3%	0.0%	0.0%	
DAX INDEX	EUR	13	Positive	16%	-2.5%	-0.7%	0.0%	-0.4%	
Total				100%		-3.9%	-1.54%		-3.3%

Core Portfolio

Weighted Average Contribution

Stock	Currency	Yield*	Hold /Sold	Sector	Weighting	Total Return Local	Weekly Return	Currency Contribution	Total Contribution	
GLANBIA PLC	EUR	1.1	H	Consumer Staples	5%	-7%	0.0%	0.0%	-0.3%	
RYANAIR HOLDINGS PLC	EUR	0.0	H	Industrials	5%	8%	-0.2%	0.0%	0.4%	
INDUSTRIA DE DISENO TEXTIL	EUR	2.7	H	Consumer Discretionary	6%	-8%	-0.4%	0.0%	-0.5%	
LLOYDS BANKING GROUP PLC	GBp	5.8	H	Financials	5%	-1%	-0.2%	0.5%	0.0%	
BANK OF IRELAND	EUR	2.0	H	Financials	5%	7%	-0.2%	0.0%	0.4%	
ALLIANZ SE-REG	EUR	4.1	H	Financials	5%	2%	-0.2%	0.0%	0.1%	
FACEBOOK INC-A	USD	0.0	H	Information Technology	4%	2%	-0.1%	-2.1%	0.0%	
PAYPAL HOLDINGS INC	USD	0.0	H	Information Technology	4%	3%	-0.5%	-2.1%	0.0%	
ALPHABET INC-CL A	USD	0.0	H	Information Technology	4%	0%	-0.4%	-2.0%	-0.1%	
AMAZON.COM INC	USD	0.0	H	Information Technology	4%	21%	-0.1%	-2.4%	0.7%	
iShares STOXX Europe 600 Banks ETF	EUR	3.4	H	Financials	5%	2%	-0.2%	0.0%	0.1%	
SIEMENS AG-REG	EUR	3.4	H	Materials	6%	0%	-0.3%	0.0%	0.0%	
VINCI SA	EUR	3.1	H	Industrials	5%	-2%	-0.2%	0.0%	-0.1%	
SMURFIT KAPPA GROUP PLC	EUR	3.3	H	Materials	6%	-2%	-0.1%	0.0%	-0.1%	
ALLIED IRISH BANKS PLC	EUR	2.3	H	Financials	4%	1%	-0.1%	0.0%	0.0%	
CRH PLC	EUR	2.4	H	Materials	6%	-6%	-0.4%	0.0%	-0.4%	
KINGSPAN GROUP PLC	EUR	1.0	H	Industrials	5%	1%	-0.1%	0.0%	0.0%	
ROYAL DUTCH SHELL PLC	GBp	5.8	H	Energy	5%	-6%	-0.4%	0.5%	-0.3%	
DCC PLC	GBp	1.7	H	Industrials	6%	-5%	-0.3%	0.5%	-0.3%	
GLAXOSMITHKLINE PLC	GBp	6.2	H	Health Care	5%	-3%	-0.2%	0.5%	-0.1%	
Total					100%		-4.4%	-6.63%		-0.4%

*Red Denotes Deletions

*Green Denotes Additions

*Yields are based on the mean of analyst forcast

All data taken from Bloomberg up until 07/02/2018.

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** Era of market tranquility comes to an abrupt end
- **US** Trump signs deficit swelling budget deal
- **Europe** European shares lead global rally after turmoil
- **UK** Consumer spending falls for the first time in five years
- **Ireland** Consumer confidence hits highest point since 2001

Current Stock Trading News

From a market trading perspective we are long Bank of Ireland, Inditex, Kerry Group, and Kingspan.

This Weeks Market Events

Monday	Tuesday	Wednesday	Thursday	Friday
Corporate	**Corporate**	**Corporate**	**Corporate**	**Corporate**
Cisco	Kering Daimler	N/A	Norwegian Air Shire Nestle	Air France KLM Danone Allianz
Economic	**Economic**	**Economic**	**Economic**	**Economic**
IE Construction PMI CN Loan Growth	UK RPI UK Inflation Rate JP GDP	DE GDP DE Inflation Rate EU GDP US Inflation	US NY Manf. Index US PPI	UK Retail Sales US Housing Starts & Permits

Upcoming Events

19/02/2018 N/A

20/02/2018 Green REIT. Heidelberg. Kerry Group. Glenveagh. Greencoat. HSBC

21/02/2018 Glanbia. Lloyds

22/02/2018 Ardagh Group. IRES REIT. Barclays. RSA

23/02/2018 IAG. Kingspan. William Hill. RBS. Next. Centrica. BAT. Standard Life

19/02/2018 EU Construction Output

20/02/2018 DE PPI. DE ZEW Index

21/02/2018 EU PMI. US Existing Home Sales

22/02/2018 DE Ifo. UK GDP 2nd Est. JP Inflation Rate

23/02/2018 DE GDP. EU Inflation Rate

All data sourced from Bloomberg

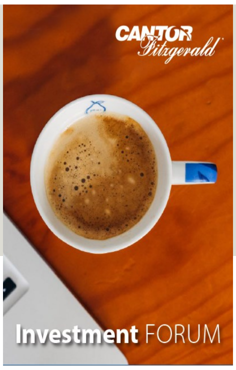
Cantor Publications & Resources


Daily Note

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

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.

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

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.

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.

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

VINCI SA: VINCI is a global player in concessions and construction with expertise in building, civil, hydraulic, and electrical engineering

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

Datalex: Datalex plc provides e-business infrastructure and solutions to customers in the global travel industry. The Group's services encompass Internet booking engines that link to reservation systems of travel providers, as well as support systems that allow travel companies to gather marketing information from airline data.

One51: The One51 Group comprises two operating divisions focused on Plastics and Environmental Services. One51 is a grey market stock and is not listed on a traditional exchange. Client should be aware that are increased liquidity risks associated with trading these type of stocks.

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

SAP: SAP is a German software company whose products allow businesses to track customer and business interaction

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 asset

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.

Rio Tinto: Rio Tinto is an international mining company

BHP Billiton: BHP is an international mining company

Glencore: Glenore is an international mining company

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

Historical Record of recommendation

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.

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

CRH: We have added CRH to our core portfolio on the 01/01/16, with a recommendation of Outperform

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

VINCI SA: We initiated coverage of Vinci SA with an Outperform rating, on 25/08/2017.

Miners: We currently do not have a rating on Rio, BHP or Glencore

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/

We have assessed the publication and have classed it as Research under MIFID II. All charges in relation to this publication will be borne by Cantor

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