# Weekly Trader

Upcoming Market Opportunities and Events

CANTOR Fitzgerald

Monday, 30th April 2018

## Key Themes This Week

**Currency Calls**

In our 2018 Outlook we outlined our calls for EURUSD ($1.23-$1.25) and EURGBP (£0.92). Regarding EURGBP, it had moved aggressively down to £0.8631 on the back of some positive Brexit news (extension of a transition agreement) and a rise in expectations for a BOE May rate hike. We however believed that move was overdone and priced in a Brexit scenario that was too optimistic. We also believed that UK data was coming in too weak to justify hiking in May. On both fronts this was proven to be the case and EURGBP has since moved backed to £0.8806. We have since had multiple emanations from both sides in the negotiation indicating that there is still a wide gulf over certain issues, in particular the Irish border. Odds on a BOE hike in the May meeting have dropped down from 88% to 22%. Lastly UK economic data, both leading & lagging, continues to come in below expectations. We maintain our original start of the year call on sterling.

Regarding EURUSD, again we have seen significant move down over the last few weeks with EURUSD trading at $1.2114. After an exceptionally weak start to the year, which led some houses moving their prediction for EURUSD up to $1.30, the dollar has bitten back over the last few weeks. We were expecting this due to the stretched nature of the Euro rally and short positioning on the dollar. This recent strength has mainly been driven by strong US economic data (relative to poorer European data) and US yield appreciation, with the US 10 year yield moving past 3% this week. We expect this dollar strength to peter out over the next few weeks with EURUSD finding support at $1.20 - $1.21. Firstly, the poor European data appears to be a Q1 specific events with some initial leading indicators for Q2 coming ahead/in line with estimates. Secondly, analysing CFTC positioning implies that the smart money, (which was net short the euro during its recent retracement) is at an inflection point and looks to be turning. The options market is implying the same thing over the next 3 months. Thirdly, the US 10 year came back off its highs and dropped below 3% as the oil price and inflation expectations declined from recent highs. US short term yields should remain range bound as well. Lastly, any trade related headlines and the ongoing deficit issues are likely to weigh on the dollar in the longer term. We maintain our original prediction for EURUSD as well.

**Other Things to Watch This Week**

We have a number of European data points this week, most notably first estimates of Q1 GDP, that will tell us whether or not the poor Q1 in Europe is the start of a trend. US Non-Farm Payrolls are on Friday with much of the focus on the wage element. One other trend we have noticed is that despite a very solid earnings season in the US & Europe, equity markets remain nonplussed and have failed to move on significantly. There may be an element of investor nervousness due to the trade issue, which has not been in the headlines recently. A US trade delegation is expected to kick off formal discussions in China on Thursday, a process we will be following with keen interest. Lastly, we have some big names reporting this week including Apple, BP, Glencore, McDonalds, AIG, Prudential, Adidas & BMW.

**This week we cover off on some of our top picks in Financials, Oils & US Tech.**

## Major Markets Last Week

| | Value | Change | % Move |
|---|---|---|---|
| Dow | 24311 | -151.75 | -0.62% |
| S&P | 2670 | -0.23 | -0.01% |
| Nasdaq | 7120 | -26.33 | -0.37% |
| UK Index | 7529 | 130.42 | 1.76% |
| DAX | 12606 | 33.86 | 0.27% |
| ISEQ | 6821 | -20.06 | -0.29% |
| Nikkei | 22,468 | 305.63 | 1.38% |
| H.Seng | 30,808 | 554.05 | 1.83% |
| STOXX600 | 385 | 1.77 | 0.46% |
| Brent Oil | 73.68 | -1.03 | -1.38% |
| Crude Oil | 67.42 | -1.22 | -1.78% |
| Gold | 1317 | -7.62 | -0.58% |
| Silver | 16.4164 | -0.21 | -1.24% |
| Copper | 308.1 | -5.05 | -1.61% |
| CRB Index | 441.74 | -3.89 | -0.87% |
| Euro/USD | 1.2103 | -0.01 | -0.87% |
| Euro/GBP | 0.8813 | 0.01 | 0.63% |
| GBP/USD | 1.3733 | -0.02 | -1.48% |

| | Value | Change |
|---|---|---|
| German 10 Year | 0.577 | -0.06 |
| UK 10 Year | 1.426 | -0.11 |
| US 10 Year | 2.9624 | -0.01 |
| Irish 10 Year | 0.982 | -0.05 |
| Spain 10 Year | 1.263 | -0.05 |
| Italy 10 Year | 1.747 | -0.05 |
| BoE | 0.5 | 0.00 |
| ECB | 0.00 | 0.00 |
| Fed | 1.75 | 0.00 |

All data sourced from Bloomberg

# Financials - Earnings Season Re-cap

Pierce Byrne, CFA | Investment Analyst

After two weeks of reporting, most of the US and European bank names have reported. The sector had high expectations going into Q1 with increased credit demand in developed economies, higher interest rates as central banks push to normalise rates, increased volatility in financial markets driving trading revenues and tax reform in the US.

**AIB Group**

AIB released a positive update on Q1 performance last week which reflect the positive trading environment for Irish banks. We see a number of tailwinds for NIM and loan growth to maintain profitability. AIB is currently our preference amongst the Irish banks based on its superior efficiency and return metrics. While performance and outlook are very positive for AIB has returned to trading at a premium to the sector. While this may be warranted to some degree on the expectation of excess capital being returned to shareholders, relative valuation metrics are elevated. P/B is currently 1.04x FY18 book value as well as a P/E of 14.34 Y18 earnings.

**BOI**

BOI disappointed on NIM and capital generation both of which came in slightly behind expectations. Net loan growth for Q1 was encouraging with the mortgage business is performing particularly well. Another increase in market share in Q1 as management's strategy regarding cash back offers and competitive fixed term rates have been successful. Profitability remains an issue of concern for us. While management have begun implementing its cost strategy and are deploying investment in its IT platforms we don't see the benefit of this being felt for at least three years.

**Lloyds**

Lloyds issued a positive Q1 update last week. It remains well positioned within the domestic UK market and reported an impressive 293bps net interest margin. Loan growth remains a challenge and the uncertainty due to Brexit undoubtedly a major contributor to this. Week UK GDP data at the end of last week will have cast further doubt on the BOE raising interest in May which would have added to Lloyds bottom line. We expect Lloyds to produce consistent earnings year on year and pay a strong dividend. Similarly to AIB, Lloyds trades at a premium to the sector with its P/ B currently at 1.07x FY18 book value.

**European Banks**

This week saw a large number of EU banks report earnings. The main take away from European financials thus far have been disappointing top line growth. EU banks have struggled to grow its net interest income on the back of pricing pressure and poor volume growth. While ECB rate rises are expected to be beneficial to margins across the region, it is very unlikely that there will be any move from the ECB this year. EU banks are increasingly turning to the wealth management sector to generate additional revenue lines, and as balance sheets are typically well funded there is capacity for a lot of acquisitions throughout the sector. Finally NPE progress has been encouraging as the ECB increases pressure on banks to clean up balance sheets. We can expect a number of transactions in distressed debt especially in periphery countries that still hold relatively high stocks of NPE.

**UK Banks**

UK bank earnings last week offered mixed results. Earnings were broadly in line with expectations, loan growth disappointed. Retail banking exposures were hit by weaker credit demand on the back of Brexit concerns. Lloyds remains the pick of the retail banks with impressive operating and efficiency metrics. On the investment banking side, banks reported improved revenues and profitability. An end to legacy mis-selling of RMBS products is close with Barclays paying a $2bn fine and RBS fully provisioned for a settlement this year. PPI redress continues to weigh on UK banks but the banks are reporting an a significant drop in claims into the claim deadline in August 19.

**US Banks**

Despite posting strong beats across the board in revenue and earnings most names failed to deliver positive price action. Expectations going into earnings season were extremely high with the reward for meeting them, was avoiding a larger sell off. Trading revenues in Q1 were exceptionally strong and management guidance has moved to dampen expectations on trading revenues for the remainder of the year. Consumer lending figures were probably the biggest disappointment for Q1 earnings. Management are bullish on the credit demand outlook in the US. We like the investment banks over the retail banks in the US.

# US Tech - Earnings Season Re-cap

Will Heffernan | Investment Analyst

**Facebook -** Facebook released Q1 results last week that were very strong. Overall EPS came in at $1.69, 25% ahead of consensus Street estimates at $1.35. Total revenue was $11.97bn, +49% yoy vs consensus estimates of $11.42bn. Total ad revenue reached $11.8bn for the quarter, again ahead of estimates $11.25bn. Importantly, Monthly Average Users (MAUs) and Daily Average Users (DAUs) were in line with expectations at 2.2bn and 1.45bn respectively. Last quarter markets were spooked by a decline in North American DAUs from 185m to 184m. North American DAUs moved back to 185m in Q1. MAUs and DAUs increased qoq across all geographies. Management also confirmed it is increasing its buyback program by €9bn. Prior to this there was approx. $2bn left to complete from the $6bn buyback previously announced in 2016. On the call management faced a lot of questions regarding data protection, privacy issues and GDPR legislation. Management is not too concerned in the longer run. It was already making a lot of changes to the platform regarding privacy and user interactions due to issues surrounding the US election.

**Paypal -** PayPal released Q1 results last weekend that were strong and should mitigate investor's concerns regarding the recent eBay news in the short term. Q1 EPS came in at 57c, ahead of consensus estimates at 54c. Net revenue was $3.69bn, ahead of the median estimate $3.59bn. Payment volume grew by 32% in the quarter. It added 8.1m (+16%) active customer accounts and Total Payment Volume (TPV) increased 32% yoy to $132bn, well ahead of estimates. Transactions per account was up 8% yoy to 34.7bn. Adj. operating margin was ahead of estimates at 22.5%. Transaction revenue was 2.42%, again ahead of estimates. Management also upgraded Q2 and FY guidance. It now sees Q2 EPS at 54-56c, Q2 net revenue at $3.78–$3.83bn. FY adj. EPS guidance has moved up $2.31-$2.34 having previously been at $2.24-$2.30. FY net revenue guidance is now at $15.2-$15.4bn, having been at $15-15.25bn. Overall these were very solid results from PayPal with strong beats on Q1 numbers and upgraded guidance for the remainder of the year. We maintain our Outperform rating

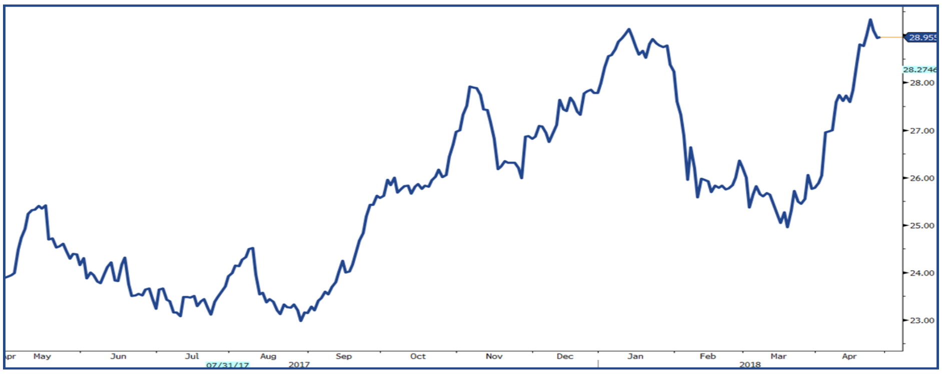
**Amazon -** Amazon released very strong Q1 results last week with the share price up 7% in after-market trading. Overall adj. EPS came in at $4.86 vs estimate of $3.121, a 55% beat. GAAP EPS was $3.27 vs est. $1.258. Operating income for the quarter came in at $1.93bn, nearly double expectations. Operating margin rose to 3.8%, an increase of 96bps yoy. Net sales also beat at $51.04bn (+42.9%) vs est. $49.96bn. AWS, its cloud business, had a very strong quarter with $5.44bn (+48.6% yoy) in sales. Management also raised guidance for Q2, moving net sales up to the $51-$54bn range (previous range $50.98-$53.46bn) and operating income up to $1.1- $1.9bn (previous range $670m - $1.72bn). Other income (which mainly consists of Amazon's ad business) was up 132%. In further positive news management announced it is raising the subscription price of its Prime service from $99 to $119. These results were achieved in the face a substantial ramp up in investment spending. Amazon is breaking with a long historical trend and appears to be consistently increasing profitability quarter to quarter. We would expect the upgraded Q2 guidance to result in 7-9% EPS and target price upgrades. Amazon appears to be moving into a sweet spot in its growth cycle where it can still spend substantially to invest (as it always has done) but now is also able to deliver shareholders strong cash flow. This is before we even take into account the other potential areas it could disrupt over the next few years. Increasingly, FY18 looks like an inflection year in the Amazon story.

**Alphabet -** Alphabet reported Q1 revenue of $31.15bn which was up 26% yoy and beat the consensus estimate of $30.25bn. Adj. EPS of $12.681 compared very favourably to est. $12.072. Q1 Sites revenue grew by 23.1% to $22bn vs est. of $21.25bn while Network revenue also beat estimates at $4.6bn (+16%). Operating income was a slight miss at $7.6bn vs est. $7.7bn. As we expected, Alphabet continued to face margin pressures in Q1 with operating margins declining to 22.5% vs estimates of 25.5%. This was driven by the ongoing increase in Traffic Acquisition Costs (TAC) which was up 2.8% in the quarter. Management was keen to reiterate that TAC is expected to grow at a slower rate going forward.

The other major point to note was a major uptick in CapEx. Management tripled spending to $7.7bn in the quarter, well ahead of analysts' estimates. There was a $2.4bn real estate transaction (Chelsea Market Property) in these numbers but even when that is removed, CapEx was close to double what the market was expecting This reported contained enough for both the bulls and bears. The very strong Sites revenue growth (+23%) points to its continuing longer term runaway still being intact. One of the key questions going forward is whether or not the surge in TAC costs over the last three quarters subsides (management has guided for this to occur in Q2/18). This earnings report was not a particularly clean one with multiple once off exceptional items and accounting. We would not expect this report to generate near term earnings upgrades and we may actually see some slight downgrades on the back on increased CapEx. Of all the above names, we retain the least conviction in Alphabet.

# Oil Majors - Earnings Season Re-cap

David Fahy | Investment Analyst



| Key Metrics | 2018e | 2019e | 2020e |
|---|---|---|---|
| Revenue ($m) | 342355 | 347727 | 359882 |
| EPS ($) | 2.48 | 2.76 | 2.85 |
| Price/ Earnings | 14.16x | 12.7x | 12.3x |
| Div Yield | 5.30% | 5.58% | 5.55% |

| Share Price Return | 1 Mth | 3 Mth | YTD |
|---|---|---|---|
| RDSA LN | 13.35% | 0.73% | 4.21% |

Source: All data & charts from Bloomberg & CFI

**Shell**

On Thursday, Shell released solid Q1/18 results with earnings beating street estimates as higher prices and tax reform drove returns. Management highlighted that progress is being made with its $30bn billion divestment program while reiterating its intent to buy back at least $25bn (+10% of market cap) over the next two years. Profits are now at their highest level since oil traded at $100 a barrel in 2014. However the stock has fallen by 0.48% since the announcement. This is predominately due to Operating cash flow coming in relatively light (-1% yoy), as unusually high tax payments (due to the settling a number of outstanding claims) and margins calls on a number of hedges offset earnings. Investors are now wary that cash flow is not increasing at a quick enough pace to fulfil the promised $25bn share buyback. Further to this, Management declined to say when the buyback program would begin, as it works to reduce net debt before commencing.

Shell is our preferred name in the energy sector. We anticipate that oil will continue to trend upward as supplies tightens while demand remains supported by the macroeconomic backdrop. There are both headwinds and tailwinds to supply on the horizon including geopolitical issues and US shale producers coming on stream. There is 8.1% upside to the consensus price target. From a fundamental, longer term perspective we maintain our Outperform rating on the stock. In the immediate term, from a technical perspective, the stock (and oil itself) appears to be overbought and signals point toward a short term retracement. Should it sell off the first level of support is the 100DMA of 2415 GBp, the next level is 2315 - 2345 GBp.

**Chevron**

Chevron results surpassed all Q1 profit and production estimates. EPS was 1.90c, up 73.11% on the quarter and above expectations of 1.47c. Revenues were $37.7bn, up 12.99% over the quarter but below expectations of $42.15bn. Net profit was $3.63bn, up 74.74% over the quarter and above expectations of $2.88bn. Dividends per share were 1.12c, above expectations. Cash flow from operations was $5bn up from $3.8bn in Q4. Adhering to historic trends, working capital requirements increased in the first quarter hampering cash flows. Over the past month CEO Mike Wirth has hinted at the possibility of resuming share buybacks. However during earnings call on Friday he told investors, the board "want to see cash flow materialize" before recommencing the buyback program which suspended in 2015. Chevron has already increased its dividend to 3.7% this year. The stock price increased by 1.93% on Friday.

**Total**

Totals earnings were generally in line. However record production, new projects and acquisitions mean upstream volumes may exceed Total's 6% growth target for the year. EPS was 0.887c, down -6.46% on the quarter and below expectations of 0.912c. Revenues were $35.23bn, up 3.97% over the quarter but below expectations of $34.92bn. Net profit was $2.347bn, down –2.28% over the quarter and in line with expectations. Dividends per share were 52c, as management increased the interim dividend and commenced share buybacks. The stock price increased by 1.86% since the since the result on Thursday.

**Exxon**

Exxon results were not as impressive as the aforementioned competitors, as earnings failed to reach market expectations. EPS was $1.089, up 15.06% on the quarter but below expectations of $1.103. Revenues were $68.2bn, up only 7.78% over the quarter however it was above expectations of $67.06bn. Net profit was $4.65bn, up 15.96% over the quarter below expectations of $4.84bn. Dividends per share were 77c. Cash flow from operations and asset sales ($1.4bn) were $10bn up from $8.9bn last year. Exxon production figures were underwhelming declining by 6% over the quarter. With only 3.9 million barrels a day, this marks the lowest number in 19 years, below all estimates. Unlike peers there is no share buyback expected. The stock price fell by -3.8% on Friday.

# Cantor Core Portfolio - In Detail

| Performance YTD | % |
|---|---|
| Portfolio | 0.8% |
| Benchmark | -2.3% |
| Relative Performance | 3.1% |
| P/E Ratio | 20.49x |
| Dividend Yield | 2.3% |
| ESMA Rating | 6 |
| Beta | 1.03 |

| Sectors | Portfolio | Benchmark | + / - |
|---|---|---|---|
| Consumer Discretionary | 10% | 11% | |
| Consumer Staples | 5% | 14% | |
| Energy | 5% | 6% | |
| Financials | 24% | 15% | |
| Health Care | 5% | 9% | |
| Industrials | 27% | 15% | |
| Information Technology | 12% | 9% | |
| Telecommunication Services | 0% | 3% | |
| Utilities | 0% | 3% | |
| Materials | 12% | 15% | |
| Real Estate | 0% | 2% | |

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

| Currency YTD % | | |
|---|---|---|
| GBP | 1.67% | |
| USD | -1.40% | |

## Benchmark

Weighted Average Contribution

| Index | Currency | PE | Outlook | Weighting | YTD Return (EUR) | Weekly Return | Price | Total Contribution | |
|---|---|---|---|---|---|---|---|---|---|
| ISEQ 20 INDEX | EUR | 16 | Neutral | 32% | -2.9% | 0.0% | 6,827 | -0.9% | |
| UK 100 INDEX | GBP | 14 | Neutral | 26% | -1.0% | 0.2% | 7,538 | -0.3% | |
| S&P 500 INDEX | USD | 17 | Neutral | 20% | -2.0% | -0.2% | 2,670 | -0.4% | |
| IBEX 35 INDEX | EUR | 13 | Positive | 6% | -0.9% | 0.0% | 9,966 | -0.1% | |
| DAX INDEX | EUR | 13 | Positive | 16% | -3.8% | -0.2% | 12,589 | -0.6% | |
| **Total** | | | | 100% | | -0.2% | | | -2.3% |

## Core Portfolio

Weighted Average Contribution

| Stock | Currency | Yield* | Hold / Sold | Sector | Weighting | YTD Return (EUR) | Weekly Return | Price | Total Contribution | |
|---|---|---|---|---|---|---|---|---|---|---|
| GLANBIA PLC | EUR | 1.5 | H | Consumer Staples | 5% | -5% | -0.1% | 13.99 | -0.3% | |
| RYANAIR HOLDINGS PLC | EUR | 0.0 | H | Industrials | 5% | 2% | -0.1% | 15.57 | 0.1% | |
| INDUSTRIA DE DISENO TEXTIL | EUR | 3.0 | H | Consumer Discretionary | 6% | -13% | 0.1% | 25.56 | -0.8% | |
| LLOYDS BANKING GROUP PLC | GBp | 6.1 | H | Financials | 5% | -2% | -0.1% | 0.65 | 0.0% | |
| BANK OF IRELAND | EUR | 2.8 | H | Financials | 5% | 7% | 0.1% | 7.44 | 0.3% | |
| ALLIANZ SE-REG | EUR | 4.6 | H | Financials | 5% | 1% | 0.0% | 196.8 | 0.0% | |
| FACEBOOK INC-A | USD | 0.0 | H | Information Technology | 4% | -10% | -0.1% | 173.6 | -0.4% | |
| PAYPAL HOLDINGS INC | USD | 0.0 | H | Information Technology | 4% | 1% | -0.3% | 74.13 | 0.0% | |
| ALPHABET INC-CL A | USD | 0.0 | H | Information Technology | 4% | -3% | -0.1% | 1031 | -0.2% | |
| AMAZON.COM INC | USD | 0.0 | H | Consumer Discretionary | 4% | 25% | -0.1% | 1573 | 0.9% | |
| iShares STOXX Europe 600 Banks ETF | EUR | 3.5 | H | Financials | 5% | -2% | 0.1% | 17.79 | -0.1% | |
| SIEMENS AG-REG | EUR | 3.6 | H | Industrials | 6% | -7% | -0.1% | 105.24 | -0.4% | |
| VINCI SA | EUR | 3.2 | H | Industrials | 5% | -1% | 0.1% | 82.96 | -0.1% | |
| SMURFIT KAPPA GROUP PLC | EUR | 2.6 | H | Materials | 6% | 24% | -0.4% | 35.28 | 1.5% | |
| ALLIED IRISH BANKS PLC | EUR | 3.1 | H | Financials | 4% | -6% | -0.1% | 4.97 | -0.2% | |
| CRH PLC | EUR | 2.6 | H | Materials | 6% | -1% | 0.3% | 29.29 | 0.0% | |
| KINGSPAN GROUP PLC | EUR | 1.2 | H | Industrials | 5% | 3% | 0.2% | 37.96 | 0.1% | |
| ROYAL DUTCH SHELL PLC | GBp | 5.9 | H | Energy | 5% | 5% | 0.2% | 25.84 | 0.3% | |
| DCC PLC | GBp | 1.8 | H | Industrials | 6% | -10% | -0.1% | 70.20 | -0.5% | |
| GLAXOSMITHKLINE PLC | GBp | 6.1 | H | Health Care | 5% | 9% | -0.1% | 14.74 | 0.5% | |
| **Total** | | | | | 100% | | -0.7% | | | 0.8% |

*Red Denotes Deletions

*Green Denotes Additions

*Yields are based on the mean of analyst forcast

All data taken from Bloomberg up until 25/04/2018.

**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** US takes hardline stance ahead of North Korea summit
- **US** US wages jump on back of sturdy economic expansion
- **Europe** Mifid II regime shines light on trading relations
- **UK** Amber Rudd resigns as UK home secretary
- **Ireland** Brexit boost as UK fintech start-up looks to set up Dublin base

## This Weeks Market Events

| Monday | Tuesday | Wednesday | Thursday | Friday |
|---|---|---|---|---|
| **Corporate** | **Corporate** | **Corporate** | **Corporate** | **Corporate** |
| McDonalds<br>Ferguson | BP<br>Shire<br>Apple<br>Mondelez | Glencore AGM<br>Standard Chartered<br>J Sainsbury<br>AIG<br>Prudential Financial | Rolls Royce AGM<br>Unilever AGM<br>Bayer<br>Adidas<br>Glencore | Smurfit Kappa<br>FBD AGM<br>IAG<br>Intercontinental Hotels. BNP. Soc Gen. BMW. BASF. Berkshire Hathaway. |
| **Economic** | **Economic** | **Economic** | **Economic** | **Economic** |
| German CPI & Retail Sales.<br>US PCE & Home Sales.<br>Italian CPI | US ISM, Vehicle Sales & Oil Stock.<br>UK Lending & PMI.<br>Irish Unemployment | EU GDP & Unemployment.<br>German & French PMI.<br>US Mortgage Applications.<br>UK Construction PMI | US PMI & Balance of Trade.<br>EU PPI & CPI | EU PMI & Retail Sales.<br>US Non Farm Payrolls & Avg hourly earnings. |

## Upcoming Events

07/05/2018 GE Factory Orders. GE Construction PMI

08/05/2018 DE Ind. Prod. UK House Price Index. US JOLTs

09/05/2018 FR Ind. Prod. US PPI

10/05/2018 CN Inflation Rate. UK Manf & Ind. Prod. UK Construction Output. BOE MPC Decision. US Inflation Rate

11/05/2018 CN New Loans. CN Vehicle Sales US Michigan Inflation Expectations. ES Inflation Rate.

07/05/2018 Tyson Foods

08/05/2018 Deutsche Post. Intesta Sanpaolo. E.ON. LaFargeHolcim. Walt Disney. Anglo American AGM.

09/05/2018 ING. An-Bev. Siemens. Deutsche Telekom. Heidelberg Cement. IFG. Next. ITV. Barratt

10/05/2018 BT. Aviva AGM

11/05/2018 N/A

All data sourced from Bloomberg

## Cantor in The Media

- AIB may return to €4.6bn to investors - The Irish Times - Stephen Hall - Please click here
- Irish Financials and the impact of Brexit 1 year on - Newstalk - Alan Breen - Please click here

# Cantor Publications & Resources

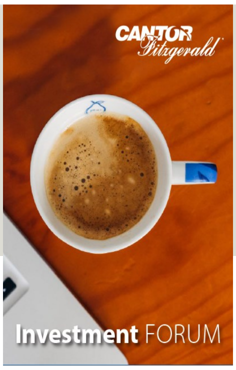

Daily Note

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**

# 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

**IFG:** IFG Group PLC is a focused financial services company. The Company offers full platform services, pension administration and independent financial advice

**IPL Plastics:** IPL Plastics comprises two operating divisions focused on Plastics and Environmental Services. IPL Plastics 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.

**Goldman Sachs:** Goldman Sachs Group, Inc., a bank holding company, is a global investment banking and securities firm specializing in investment banking, trading and principal investments, asset management and securities services.

**Morgan Stanley**: Morgan Stanley is a US based provider of financials and investment banking services

**Total:** Total explores, produces and refines petroleum.

**Chevron:** Chevron explores, produces and refines petroleum.

**Exxon:** Exxon explores, produces and refines petroleum.

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

**Historical Record of recommendation**

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

**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

**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

**Total:** We do not have a rating on this stock

**Chevron:** We do not have a rating on this stock

**Exxon:** We do not have a rating on this stock

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

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

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

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