

Weekly Trader

Upcoming Market Opportunities and Events

CANTOR
Fitzgerald

Monday, 30th July 2018

Key Themes This Week

Another central banks week

Another important week for the major central banks this week as the **Fed**, **BoJ** and the **BoE** all meet. The Fed kicks it off meeting on Tuesday and Wednesday. Contrary to previous occasions that involved a number central bank meetings, the Fed looks to be the least likely to materially alter policy. Recent strength in economic data, notably the **4.1% GDP** growth announced on Friday, have not urgently flagged the need for a rate hike following Fed moves in March and June. Further to this, there is no press conference scheduled after this meeting and the Fed has so far never acted at a gathering that wasn't followed by a quarterly media briefing. With the market pricing about an **18% chance of a hike this week**, a hike in September (75% probability) and a fourth hike in December (55% probability) look far more likely.

The [Bank of Japan](#) will meet on Wednesday where it looks increasingly likely that some form of adjustment (potentially minor) to current policy will occur. Last week speculation mounted that the BoJ would alter its ETF purchasing program or allow the 10 year bond yields more scope to move beyond 0%. The yield on the Japanese ten year, which now stands at just over **10bps**, jumped by the **largest amount in two years** on the news. The BoJ, who have been the pioneers in soft monetary policy for the for the last decade, have failed to reach the targeted 2% inflation level. As the other major central banks across the world continue to tighten, the market will fear any further divergence in monetary policy.

The [Bank of England](#) are expected to increase rates by 25bps this Thursday despite recent soft inflation data and the on-going [Brexit debacle](#). The market is currently pricing in a **90% probability** of a hike, up from 76% last week. Carney has shown his tendency to "flip flop" on policy decisions in the lead up to the meeting however this looks less and less likely. Should the 25 bps hike go ahead it is highly unlikely we will see another alteration this year.

Q2 Earnings

[As we noted last Friday](#), Q2 earnings season has well and truly kicked into gear. So far we have had a broadly positive batch of results within Financials, Health Care and Consumer Staples. Technology, the leader for a number of year now has seen a divergence in some of the bigger names, most notably **Facebook** and **Netflix**. Investor will pay close attention to **Apple's** results which are out tomorrow. European Financials continue to report this week, with **Bank of Ireland** (below), **Lloyds**, **BNP Paribas**, **Intesa Sanpaolo**, **Aviva** and **Allianz** all out. The Energy sector has been slightly disappointing as despite posting sizeable earnings growth numbers **Shell**, **Chevron** and **Exxon** failed to meet forecasts. Importantly however both Shell and Chevron announced buyback schemes. Health Care continued it's impressive run of results. Looking at the underlying pharmaceutical sector specifically 7 out of 7 companies in the S&P 500 who have reported have beaten market estimates. **Pfizer** (below) will report tomorrow. The market will look toward Industrials commentary on trade tariffs from the larger industrial names this week as **Caterpillar** and **Siemens** both report

Our Core Portfolio is up 7.4% vs a benchmark return of 6%

This week we cover off on Pfizer, Allianz, Aviva, Bank of Ireland and a section on trading calls so far post earnings.

Major Markets Last Week

	Value	Change	% Move
Dow	25451	392.94	1.57%
S&P	2819	16.99	0.61%
Nasdaq	7737	-82.78	-1.06%

UK Index	7680	23.75	0.31%
DAX	12828	279.54	2.23%
ISEQ	6858	-6.36	-0.09%

Nikkei	22,545	147.85	0.66%
H.Seng	28,733	477.01	1.69%
STOXX600	391	6.13	1.59%

Brent Oil	74.65	1.59	2.18%
Crude Oil	69.5	1.61	2.37%
Gold	1222	-2.54	-0.21%

Silver	15.489	0.11	0.71%
Copper	277.85	3.20	1.17%
CRB Index	432.82	0.78	0.18%

Euro/USD	1.1676	0.00	-0.14%
Euro/GBP	0.8899	0.00	-0.27%
GBP/USD	1.3121	0.00	0.15%

	Value	Change
German 10 Year	0.436	0.03
UK 10 Year	1.317	0.05
US 10 Year	2.9784	0.02

Irish 10 Year	0.9	0.02
Spain 10 Year	1.4	0.02
Italy 10 Year	2.775	0.14

BoE	0.5	0.00
ECB	0.00	0.00
Fed	2.00	0.00

All data sourced from Bloomberg

Opportunities this week

CFI Research Team

Pfizer

Closing Price: \$38.14



Key Metrics	2018e	2019e	2020e
Revenue (\$'Mn)	54285.9	55157.2	55610.2
EPS (\$)	2.95	3.08	3.19
Price/ Earnings	13.03x	12.49x	12.02x
Div Yield	3.55%	3.78%	3.95%

Source: All data & charts from Bloomberg & CFI

Share Price Return	1 Mth	3 Mth	YTD
PFE US	5.58%	4.23%	6.05%

Source: All data & charts from Bloomberg & CFI

- From 2019 it will be restructured into three key business Innovative Medicines, Established Medicines and Consumer Healthcare. With Innovative Medicines driving growth in the near term. Splitting Consumer Healthcare increases the possibility of either selling or spinning off this segment of the business.
- Earnings growth, pipeline advancements and return of capital are under appreciated by the market. We see both multiple expansion and upward earnings revisions in the short to medium term.
 - ◊ The market projects 6% growth for the next three years. Guidance for mid to high single digit sales growth over the coming years. Growth will be driven by Innovative Medicines (Ibrance, Eliquis and Xeljanz sales grew by 37%, 35% and 30% respectively in Q1) in the shorter term.
 - ◊ Pipeline advancements should exceed current modest expectations over the medium term. It has a large diversified pipeline with 40(of 96) projects are in late stage/registration.
 - ◊ Div yield of 3.61% vs sector average (S&P Pharmaceuticals) of 2.75%.
 - ◊ Trading at a 12% discount to sector. 12m forward P/E 12.97x vs 14.47x (S&P Pharmaceuticals).
- Sector has performed well this earnings season 7/7 beats for S&P Pharmaceuticals (Merck, Allergan, J&J...).
- Healthcare is one of our preferred sectors at present. Headwinds include Loss of Exclusivity for key products (e.g Lyrica) and Trump intervention
- Reports 31/07/2018. Price target - Consensus \$39.92/Cantor \$45

Allianz

Closing Price: €186.14



Key Metrics	2019e	2020e	2021e
Revenue (€'Mn)	129034	125406.4	126159.4
EPS (€)	17.38	18.49	19.46
Price/ Earnings	10.74x	10.09x	9.59x
Div Yield	4.67%	4.95%	5.22%

Source: All data & charts from Bloomberg & CFI

Share Price Return	1 Mth	3 Mth	YTD
ALV GR	8.13%	-4.68%	-2.80%

Source: All data & charts from Bloomberg & CFI

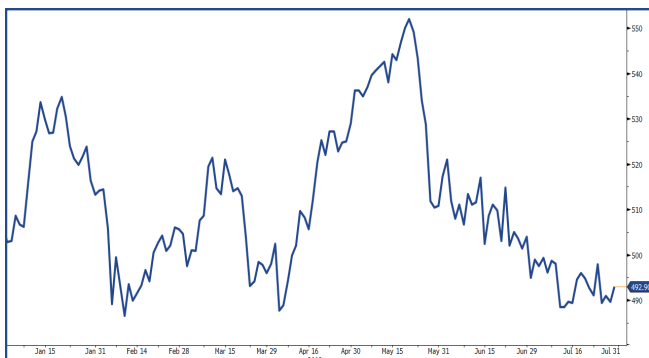
- European financials benefiting from tailwind of higher yields, strong economic data and capital deployment
- Strongest balance sheet amongst peers with reduced appetite for large scale M&A
 - ◊ €1bn share buyback program to support current levels
- Large diversified operations across both business lines and geography
 - ◊ Targeting 5% earning per share (EPS) growth
 - ◊ 13% return on equity (RoE)
 - ◊ 94% combined operating ratio
 - ◊ PIMCO seeing strong inflows into US domiciled funds (Europe has seen outflows in Q2)
 - ◊ Dividend yield of +4.5%
- Projected higher claim costs in H1 due to adverse weather conditions
- Political uncertainty and sovereign credit spreads remain a potential headwind
- Technical indicators positive into earnings release on Friday (03/08/2018)
- Support at the 50 day moving average at €180 with next resistance level at €191
- Consensus price target at €211.07 (13% upside), downside risks reduced

Opportunities this week

CFI Research Team

Aviva

Closing Price: £4.89



Key Metrics	2018e	2019e	2020e
Revenue (£'Mn)	28332.7	29867.3	31540.0
EPS (£)	0.56	0.60	0.65
Price/ Earnings	8.81x	8.19x	7.62x
Div Yield	6.06%	6.71%	7.68%

Source: All data & charts from Bloomberg & CFI

Share Price Return	1 Mth	3 Mth	YTD
AV/ LN	-3.05%	-6.71%	-3.34%

Source: All data & charts from Bloomberg & CFI

- UK insurers benefiting from higher yields with a 78% probability of a rate hike on Thursday by the Bank of England (BOE)
- Management looking to grow EPS by 5% with cash remittance expect to be over £3bn for FY18
- £2bn capital available to generate value for shareholders
 - ◊ £900mln deleveraging of high yield hybrid debt reducing projected interest cost
 - ◊ £600mln in bolt on M&A as appropriate (focus on existing markets & digital/data capabilities)
 - ◊ £500mln in shareholder distributions in H2 18 (+unused component of M&A budget)
- Strong progressive dividend policy moving close to 7% in FY18 on current levels
- Projected higher claim costs in H1 due to adverse weather conditions
- Political uncertainty and sovereign credit spreads remain a potential headwind
- Investment case focused on cash generation and capital deployment generating shareholder value
- Technical indicators indicating positive price momentum, earnings announcement Thursday (02/08/2018)
- Support at the 200 day moving average 484 GBp, resistance at 510 GBp
- Consensus price target of 578 GBp (+17.9% Upside)

Bank of Ireland - Half year results show continued progress

Closing Price: €7.35

News

Bank of Ireland released strong results this morning, which should be received well by the market. The headline numbers include net interest margin (NIM) of 223bps, in line with guidance but marginally behind our full year estimate. Management have reported a reduction of 3% from H218 in operating expenses at €933m on lower staff costs and further sourcing efficiencies. Profit before tax (PBT) came in ahead of our estimates and consensus at €500mln reflecting improving profitability and recognition of an impairment gain of €81m. The balance sheet posted loan growth of €0.5bn, with new lending coming in at €7.7bn (our full year estimate is €14.4bn). Mortgage market share ticked up to 28%, with new lending in the residential mortgages growing by 30%, as the market reacted positively to its fixed offering. The NPE position has reduced to 7.5% (European average c. 4-5%), coming in at €5.9bn or 7.5% of gross loans. Capital levels were also strong, coming in at 14.1% an increase of 50bps on the back of 90bps organic capital generation.

Comment

The market should have a positive reaction to this morning's results and give investors more faith that Mrs McDonagh can deliver on her ambitious transformation. The headline positives investors will take will be loan growth, cost base reduction, and profitability. Loan growth came on the back of strong performance in new lending with residential mortgages leading the way with 30% yoy growth. The market can take confidence from the operating expense reduction showing management's ability to deliver a lower cost base. NIM was still slightly below our expectation but in line with guidance as the UK book remains a drag on asset margins. Profitability beat expectation on the back of an €81m impairment gain which may concern investors, however, we see a lot of positives on the balance sheet pointing towards continued improvement in underlying operations. We maintain our Outperform.

Opportunities this week

CFI Research Team

Trading Calls Review Post Earnings

UnitedHealth Care

We included UnitedHealth Group (UNH) in the [Trader](#) on the Monday 16th July. Results out on Tuesday afternoon resulted in the share price falling 4% at the open. We wrote at that time that we believed this was an overreaction. The underlying numbers were very solid with the market seemingly disappointed that the upgraded guidance from management was not as major as previous quarters. In short the market punished the stock for performing well over the past year or so. The stock has recovered over the last week is now **flat (-20bps)** from our original buy note. We maintain our conviction in the underlying [investment case](#) and UNH represents a very solid [defensive name](#) for clients to include in their portfolios.

Coca Cola

We advised clients to pick up Coca Cola in our [21st May Trader](#) as we liked management's Capital Market Day, ambitious targets and sugarless drink strategy. [Recent results](#) have only backed up our conviction in this stock and it also fits our recent push for clients to add more [defensive names](#) to their portfolios in a [barbell manner](#). The stock is **up 10%** since then, a very strong return for a consumer staple in just over two months. We would recommend longer term investors to hold onto the stock as a defensive name in their portfolio. For shorter term, actively trading clients it is now pricing at \$46.37 we would recommend taking profits at the \$47 - \$48 range.

SAP

SAP has posted an **18% gain** since our [last note](#) and **25% gain** from its lows this year, when we [recommended clients to pick up the stock](#). It is currently pricing at €103.28 which leaves 8.8% upside to consensus price target of €112.42. While recent results have backed up the longer term [investment case](#) behind the stock and we believe it retains [defensive qualities](#) in a growth sector, short term clients should look to take profits around the €103 - €105 mark, a level it has failed to break through twice in recent months.

AIB

Having encouraged clients to pick up AIB at the [€4.60 - €4.70 level](#), [Friday results](#) were welcome and the stock is **now up 7.52%** from that level. Though AIB's longer term investment case is reliant on capital distribution and moving to a [solid income play](#), in the shorter term it makes for a positive trading call around previously outlined levels. The remains approx. 7.5% upside to our own price target of €5.28%.

PayPal

We included PayPal as trading calls recently both in [February](#) and [May](#). **The two calls were up 22% and 27%** respectively until PayPal's [results](#) last week. The underlying numbers were fine but the stock has sold off 4.25%. Some of this is due to [US Tech worries](#) but also after a year of stellar quarters, these results, while beating expectations, did not produce enough of an upgrade to satisfy the market. PayPal was also up 25% YTD so some profit taking was inevitable. There is now 10.6% upside to consensus price target of €96.74 and we would encourage clients to pick it up on any substantial weakness.

Microsoft

Microsoft, along with PayPal and Amazon, were the names we were most happy to buy into results which in US Tech is not something that we would normally advise. However the Microsoft's [fundamentals](#) are in such good shape with such [strong catalysts](#) it became an obvious call. Our [call on the 9th July](#) has worked out well with the stock **trading up 10%** to \$110.94 in exactly two weeks. This was driven in part by [strong results](#) last week. It has since come off to \$108.9, leaving 12.3% upside to consensus price target of \$122.38. While the short term money may dictate further weakness due to profit taking, we still maintain our positive outlook on Microsoft due the [number and quality of tailwinds](#) backing up the investment case.

Amazon

Amazon recently hit an all-time high of \$1,848.99. Our [trading call](#) in March is now **up 35%** and there remains 12.9% upside to consensus price target of \$2,087.98. It received a further boost from [strong results](#) last week and analysts have upgraded their price targets by 13% on average. In the short term for clients who followed the trading call, it would be wise to take some profits. However the [longer term investment case](#) for Amazon [remains](#) so [compelling](#) that we believe it has significant room to run over the next few years.

DCC

[DCC](#) has been a difficult stock to call this year. Without any [real news](#), either [positive](#) or negative, it has declined from its January highs and remains range bound. Our trading call in February is **up 3.4%** since then but was **up 10%** in May. In between then we have had some [results](#) that, although solid, did not contain enough for any [significant upgrades](#). For clients who purchased DCC at the time, we are happy to hold the stock as we believe there is further upside with 16.4% upside to consensus price target at £82.89.

Opportunities this week

CFI Research Team

Trading Calls Review Post Earnings

Adidas

Our [trading call](#) on Adidas from 2nd July is still in early days but **is up 2% so far**. There remains 15% upside to consensus price target at €216.64 and we are happy to hold onto the stock into results on the 9th August from a longer term perspective. We have seen some evidence of [loss of momentum](#), most notably an earnings miss from Skechers along with some weaker athletic retail data. However Adidas remains the maker leader in Europe, No. 2 in the US and is making great strides in China, where athletics and keeping fit government programs are expected to drive growth. It retains upcoming catalysts in Autumn with several major new product launches planned.

Morgan Stanley

[Morgan Stanley](#) is our preferred US bank and this was backed up by recent results, which were strong, especially relative to peers. Our [trading call on June 25th](#) for clients to buy Morgan Stanley has worked out with the **stock now up 7%** since then and is now trading at \$51.11. In the immediate few days after the call, Morgan Stanley and the wider sector sold off due to yield curve compression and other sectoral issues. However with the release of results, the market moved back to assessing fundamentals and MS got its due recognition for being best in class. There remains 15.4% upside to consensus price target at \$59. As long we continue to see a positive back-drop for financials (yield appreciation, lending growth & solid macro data) allied with continuing volatility, Morgan Stanley should continue to outperform.

Apple

Our [trading call](#) for Apple in February has paid off quite well. We advised clients to get in at \$155 - \$160 level worked out quite well with it trading down to \$155.15. **It has since risen by 25%** and is now trading at \$194.21, leaving just 3% upside to consensus price target at \$200.76. For active short term clients who followed the call, we would recommend taking profits at this level as we see slight downside risks to earnings and guidance tomorrow. Tomorrow's price action will be dictated by the dynamic between handset sales (which the market has long feared may be slowing) and continuing growth in services revenue (which has been very strong for the past few quarters). There will also be a focus on any announcements regarding September product launches. The longer term investment case remains positive.

Facebook

We had [advised clients](#) to pick up FB at its recent lows of \$151 and it had traded up to a record high of \$217.5, representing a return of 44% in 4 months. Having advised clients to take profits at \$205, we missed out on the last leg of the rally. However [results](#) last week resulted in a 20% decline for the stock and it is now at \$175.14, representing 18.8% upside \$208.14. Even though forward looking valuations remain quite attractive, we are advising clients to stave off picking up FB for now as we assess short term headwinds.

Cantor Core Portfolio - In Detail

Cantor Core Portfolio

Date: 27/07/2018



Performance YTD	%
Portfolio	7.4%
Benchmark	6.0%
Relative Performance	1.4%
P/E Ratio	19.53x
Dividend Yield	2.6%
ESMA Rating	6
Beta	1.03

Sectors	Portfolio	Benchmark	+ / -
Consumer Discretionary	11%	12%	
Consumer Staples	5%	10%	
Energy	5%	7%	
Financials	24%	18%	
Health Care	5%	13%	
Industrials	22%	12%	
Information Technology	16%	14%	
Telecommunication Services	0%	3%	
Utilities	0%	3%	
Materials	12%	6%	
Real Estate	0%	2%	

FX	Portfolio	Benchmark
EUR	63%	44%
GBP	21%	16%
USD	16%	40%

Currency YTD %	
GBP	-0.12%
USD	2.99%

Benchmark

Weighted Average Contribution

Index	Currency	PE	Outlook	Weighting	YTD Return (EUR)	Weekly Return	Price	Total Contribution
STOXX Europe 600	EUR	15	Neutral	60%	3.3%	1.6%	392	2.0%
S&P 500	USD	18	Neutral	40%	9.9%	1.3%	2,819	4.0%
Total				100%				6.0%

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%	0%	-0.2%	14.70	0.0%
RYANAIR HOLDINGS PLC	EUR	0.0	H	Consumer Discretionary	5%	-4%	-0.3%	14.42	-0.2%
INDUSTRIA DE DISENO TEXTIL	EUR	2.8	H	Consumer Discretionary	6%	-1%	-0.3%	28.43	0.0%
LLOYDS BANKING GROUP PLC	GBp	5.4	H	Financials	5%	-5%	0.0%	0.63	-0.3%
BANK OF IRELAND	EUR	2.8	H	Financials	5%	5%	0.5%	7.24	0.3%
ALLIANZ SE	EUR	4.9	H	Financials	5%	2%	0.2%	186.9	0.1%
FACEBOOK INC-A	USD	0.0	H	Information Technology	4%	-1%	-0.6%	174.9	0.1%
PAYPAL HOLDINGS INC	USD	0.0	H	Information Technology	4%	16%	0.0%	85.46	0.8%
ALPHABET INC	USD	0.0	H	Information Technology	4%	19%	0.4%	1253	0.9%
AMAZON.COM INC	USD	0.0	H	Information Technology	4%	55%	0.4%	1817	2.4%
iShares STOXX Europe 600 Banks ETF	EUR	3.2	H	Financials	5%	-7%	0.1%	16.52	-0.3%
SIEMENS AG	EUR	3.4	H	Industrials	6%	7%	0.3%	120.78	0.4%
VINCI SA	EUR	3.1	H	Industrials	5%	5%	0.2%	87.36	0.2%
SMURFIT KAPPA GROUP PLC	EUR	2.8	H	Materials	6%	25%	-0.1%	34.70	1.5%
ALLIED IRISH BANKS PLC	EUR	3.1	H	Financials	4%	-10%	0.0%	4.84	-0.4%
CRH PLC	EUR	2.2	H	Materials	6%	1%	-0.2%	29.72	0.1%
KINGSPAN GROUP PLC	EUR	1.1	H	Industrials	5%	11%	-0.2%	40.24	0.6%
ROYAL DUTCH SHELL PLC	GBp	5.2	H	Energy	5%	9%	-0.1%	26.61	0.5%
DCC PLC	GBp	1.9	H	Industrials	6%	-4%	0.2%	70.80	-0.2%
GLAXOSMITHKLINE PLC	GBp	5.2	H	Health Care	5%	21%	0.0%	15.53	1.1%
Total					100%		0.4%		7.4%

All data taken from Bloomberg up until 06/07/2018.

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

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

*Red Denotes Deletions

*Green Denotes Additions

*Yields are based on the mean of analyst forecast

From the News - Monday's Headlines

- **Global** Pakistan set to seek up to \$12bn IMF bailout
- **US** Iran warns US it has forces "in places you cannot think"
- **Europe** Deutsche shifts half of euro clearing to Frankfurt
- **UK** MPs to dig deeper into online political ads
- **Ireland** Taxpayers could face bill of €1bn to complete National Broadband Plan

This Weeks Market Events

Monday	Tuesday	Wednesday	Thursday	Friday
Corporate	Corporate	Corporate	Corporate	Corporate
Bank of Ireland, Caterpillar	Hibernia REIT, BP, Standard Chartered, Apple, Pfizer Greencore	Smurfit Kappa, FBD Holdings, Lloyds, Volkswagen BNP Paribas Intesa Sanpaolo	Barclays, Aviva, Siemens, ING Group, Soc Gen, Rolls Royce	IRES REIT, Allianz, Credit Agricole, IAG, RBS, William Hill
Economic	Economic	Economic	Economic	Economic
UK Consumer Credit, EA Sentiment	CN Manufacturing, DE Employment & Retail Sales, EA GDP, US Price Data Fed Meeting	US ISM & PMI BoJ meeting EIA Crude Oil Stock	BOE Interest Rate Decision	EA Composite PMI, US Hourly Earnings Data US Non Farms US PMI

Upcoming Events

06/08/2018 HSBC Holdings PLC, Tyson Foods Inc

07/08/2018 Walt Disney Co, Commerzbank AG, Standard Life Aberdeen PLC, InterContinental Hotels Group PLC

08/08/2018 Glencore PLC, Paddy Power Betfair PLC, Prudential PLC

09/08/2018 adidas AG, Glanbia PLC, Irish Residential Properties REIT PLC, Kerry Group PLC

10/08/2018

06/08/2018 DE Factory Orders MoM, EA Retail PMI

07/08/2018 DE Balance of Trade, FR Balance of Trade, US API Crude Oil Stock Change

08/08/2018 CN Balance of Trade, IE Residential Property Prices YoY

09/08/2018 CN Inflation Rate, IE Inflation rate, US PPI

10/08/2018 GB GDP, GB Balance of Trade, US Core Inflation

All data sourced from Bloomberg

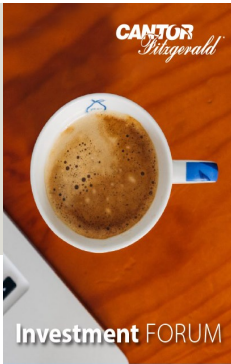
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Regulatory Information

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.
- 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 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.
- Ryanair:** Ryanair was added to the Core Portfolio at inception in and have had an Outperform recommendation since then
- 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.
- 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
- Netflix:** Netflix Inc. is an Internet subscription service for watching television shows and movies.
- General Electric:** GE is a globally diversified technology and financial services company
- Aviva plc:** Aviva PLC is an international insurance company that provides all classes of general and life assurance, including fire, motor, marine, aviation, and transport insurance. The Company also supplies a variety of financial services, including unit trusts, stockbroking, long-term savings, and fund management.
- Pfizer:** Pfizer Inc. operates as a pharmaceutical company. The Company offers medicines, vaccines, medical devices, and consumer healthcare products for oncology, inflammation, cardiovascular, and other therapeutic areas.
- UnitedHealth Group:** Incorporated owns and manages organized health systems in the United States and internationally
- Coca Cola:** The Coca-Cola Company manufactures, markets, and distributes soft drink concentrates and syrups. The Company also distributes and markets juice and juice-drink products. Coca-Cola distributes its products to retailers and wholesalers in the United States and internationally.
- SAP:** SAP is a German software company whose products allow businesses to track customer and business interaction
- Microsoft:** Microsoft Corporation develops, manufactures, licenses, sells, and supports software products.
- Adidas:** adidas AG manufactures sports shoes and sports equipment. The Company produces products that include footwear, sports apparel, and golf clubs and balls. adidas sells its products worldwide.
- Morgan Stanley:** Morgan Stanley is a US based provider of financials and investment banking services

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

Historical Record of recommendation

Aviva: We have an Outperform rating on Aviva as of 01/03/2018

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

Allianz: We have been positive on Core Portfolio stock, Allianz since 24/04/14 and no changes have been made to the recommendation since then

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

SAP: We have changed our outlook on SAP to "Outperform" from "Market Perform" as of 20/07/2017

AIB: We moved our rating from outperform to market perform on the 25/06/2018

Microsoft: We have had an Outperform rating on Microsoft since 12/01/2018



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Regulatory Information

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

DCC: We have an Outperform on DCC as of 17/8/15 changing to Outperform from Not Rated.

UnitedHealth Group: We have had an outperform rating on UnitedHealth Group since 09/07/2018

The Coca-Cola Company: We currently do not have a rating on this stock

Adidas: We currently do not have a rating on Adidas

Morgan Stanley: We do not currently have a rating on Morgan Stanley

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

Pfizer: At present we do not have a rating on this stock

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