

## Key Themes This Week

### The Week Ahead

Risk assets struggled to maintain their strong start to the year last week, following a further assessment of the recent US Non-Farm Payroll number and a series of hawkish central bank comments dominated price action in the absence of any meaningful economic data releases. For the week, global equity markets registered declines of on average 1% while bond yields responded to the more hawkish central bank comments with yield on the US 10 Year Treasury Note increasing by 20 basis points to 3.71% and the yield on the German 10 Year Bund increasing by 17 basis points to 2.36%.

Comments from US Fed Chair Powell, as well as from a number of other Fed committee members weighed on risk assets sentiment. While Chair Powell reiterated the need for higher for longer interest rates on Tuesday, he also repeated his comments made in his recent press conference, that the disinflationary process has commenced, but that it will take some time to get US inflation near the Fed's 2% target. While Mr. Powell maintained a reasonably balanced assessment of the current inflationary and economic conditions, some of his fellow committee members including Williams, Kashkari, Cook and Waller, were more direct in their comments which collectively called for higher US interest rates which should remain elevated for as long as necessary.

While equity markets struggled in the face of these comments and the recent larger than expected Non-Farm Payroll release, the main reaction was seen in interest rates futures and core bond yields. Prior to last Friday weeks US jobs data and last weeks Fed committee members comments, interest futures had been pricing for terminal level for US interest rates at 4.85% as well as for two interest rates cuts by the end of 2023. This pricing shifted however last week, with interest rates futures now pricing in a terminal rate of 5.2% with the anticipated interest rates cuts now priced out of the market. Essentially, this repricing of interest rate expectations now puts the market in-line with the Federal Reserves own expectations for rates as outlined in the Staff Economic Projections or Dot Plot provided at last Decembers policy meeting.

Adding to the hawkish central bank narrative last week were the ECB and Sweden's Riksbank. Similar to the Fed, there were a number of ECB council members on the newswires with all calling for further interest rate increases in the coming months in an attempt to bring inflation under control. Also, Sweden's Riksbank increased interest rates by 0.50% to 35, but also said that further rate increases will be required during Spring.

Earnings season in the US is drawing to a close, and while there have been no nasty surprises, the overall statistics are a little underwhelming. With approximately 80% of S&P 500 companies having now reported, 70% have beaten earnings forecasts however this is below the one year average of 75% and the five year average of 77%. Equally, in aggregate, companies are reporting earnings that are just 1.1% above expectations, below the 4.5% one-year average surprise rate and the five-year average of 8.6%. Finally, at the end of last week, geo-political tensions increased with an escalation of attacks on Ukraine by Russia, a response by the latter to the possibility of increased military support for Ukraine from the west, while crude oil prices spiked higher after Russian announced that it will cut its daily oil production by 500,000 barrels per day.

We remain positive on our outlook for risk assets for 2023 but expect a period of consolidation or short-term weakness as a result of all the above factors. Crucial for the short-term direction for markets will be continued economic data, particularly on inflation, and in this regard the coming week will be important with the release of US CPI (Tuesday) and US PPI (Thursday), as well as US Retail Sales (Wednesday) and German PPI (Friday)

In this week's Trader we include comments on Irish insulation group **Kingspan** who report results this Friday, US technology group **Alphabet** which once again offers an attractive entry level following as week's weakness, and German auto manufacturer **Volkswagen** which continues to trade at an attractive level.

### Major Markets Last Week

|        | Value | Change  | % Move |
|--------|-------|---------|--------|
| Dow    | 33869 | -56.74  | -0.17% |
| S&P    | 4090  | -46.02  | -1.11% |
| Nasdaq | 11718 | -288.84 | -2.41% |

|         |       |         |        |
|---------|-------|---------|--------|
| MSCI UK | 19732 | 197.22  | 1.01%  |
| DAX     | 15308 | -168.45 | -1.09% |
| ISEQ    | 7864  | -290.91 | -3.57% |

|           |        |         |        |
|-----------|--------|---------|--------|
| Nikkei    | 27,427 | -266.33 | -0.96% |
| Hang Seng | 21,078 | -144.50 | -0.68% |
| STOXX 600 | 458    | -2.88   | -0.63% |

|           |       |       |        |
|-----------|-------|-------|--------|
| Brent Oil | 85.57 | 4.58  | 5.66%  |
| Crude Oil | 78.86 | 4.75  | 6.41%  |
| Gold      | 1866  | -1.43 | -0.08% |

|        |       |       |        |
|--------|-------|-------|--------|
| Silver | 21.98 | -0.29 | -1.28% |
| Copper | 402.2 | -13.0 | -0.32% |

|          |        |       |        |
|----------|--------|-------|--------|
| Euro/USD | 1.0677 | 0.00  | -0.46% |
| Euro/GBP | 0.8856 | -0.01 | 0.76%  |
| GBP/USD  | 1.2056 | 0.00  | 0.31%  |

|                | Value | Change |
|----------------|-------|--------|
| German 10 Year | 2.36% | 0.17%  |
| UK 10 Year     | 3.40% | 0.34%  |
| US 10 Year     | 3.73% | 0.09%  |

|               |       |       |
|---------------|-------|-------|
| Irish 10 Year | 2.82% | 0.20% |
| Spain 10 Year | 3.31% | 0.20% |
| Italy 10 Year | 4.21% | 0.18% |

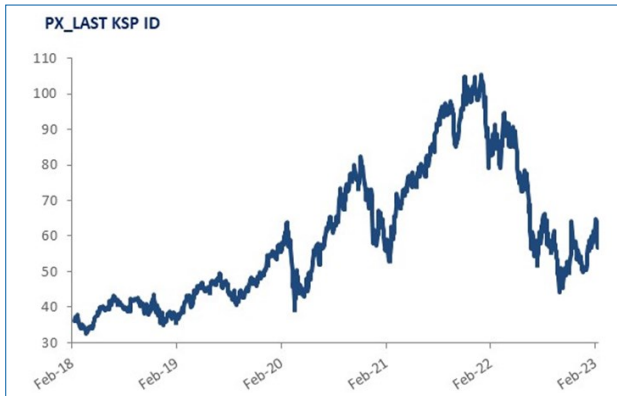
|     |       |        |
|-----|-------|--------|
| BoE | 4.00% | 0.00%  |
| ECB | 3.00% | 50.00% |
| Fed | 4.75% | 0.00%  |

All data sourced from Bloomberg

# Opportunities this week

## Kingspan Group Plc

Closing Price: €59.00



We believe that the pull back in Kingspan's share price on market reaction to peer Rockwool's Q422 numbers and guidance was overdone. In our opinion, therefore, it presents an opportunity to pick up stock at a reasonable price for investors in a stock that prior to the Rockwell "hit", had ticked up 28% in five weeks, showing the underlying strength of the company's business model. Rockwool's results were broadly in line with market expectations, but it was the guidance that FY23 revenue could dip 10% with an EBIT margin in the 8% to 10% range that spooked the market. While this does suggest that there will be pressure on the construction sector in 2023, Rockwool is expecting most of it to be in residential construction sector. Kingspan has much lower exposure to that sector than Rockwool.

Kingspan issues its FY22 numbers this coming Friday when the market is expecting it to report an 11% increase in adj. EPS to €3.38 from a 12% increase in operating profit to €809.1m and 27% increase in revenue to €8.23bn. The market already has a 133bps margin contraction to 9.8% baked into numbers. Forecasts are also already muted looking forward, with an 8% decrease in FY23 adj. EPS from a similar dip in adj. operating profit and 6% fall in revenue pencilled in. Apart from forward guidance, in the results the market will be looking at how the Insulated Panels and Insulated Boards divisions have fared, given that combined they are forecast to have delivered a 10% increase in operating profit from a 27% increase in revenue.

The current pull back in share price has Kingspan trading at 17.9x FY23 P/E and 12.4x EV/EBITDA. While this is a 14% premium to its peers, the stock has traded at an average 28% premium to the peer base over the past 5 years, the market paying a premium for business mix and momentum. It is also trading at a 28% discount to its five-year average on both metrics. Our €76.20 price target, which is in line with market targets, implies a 37% upside.

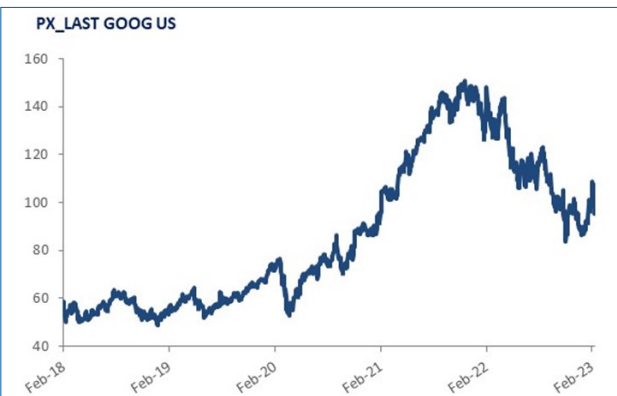
| Key Metrics     | 2022e  | 2023e  | 2024e |
|-----------------|--------|--------|-------|
| Revenue (€'Mn)  | 8228   | 7764   | 8119  |
| EPS (€)         | 3.38   | 3.10   | 3.33  |
| Price/ Earnings | 16.74x | 18.28x | 17x   |
| Div Yield       | 0.90%  | 0.83%  | 0.88% |

| Total Return | 1 Mth | 3 Mth | 1 Year  |
|--------------|-------|-------|---------|
| KSP ID       | 0.07% | 4.41% | -45.39% |

Source: All data & charts from Bloomberg & CFI

## Alphabet Inc

Closing Price: \$94.86



We believe that the negative market reaction to the teething problems being faced by Alphabet's "chatbot" is disproportionate to any financial impact on the on-going business, which we believe to be minimal. As such we see the 12% pull back simply on that issue as a buying opportunity in a stock that until then had ticked up 22% in the previous five weeks. Valuation remains particularly attractive at 18.5x FY23 P/E and 9.7x EV/EBITDA, an over 20% discount to its five-year average on both metrics. Our \$125 price target implies a 31% upside.

In early February, Alphabet reported Q4 results where revenues were up 7% over Q421 at \$76.1bn, in-line with expectations. Full year revenue was up 14% to \$283bn. Q422 earnings at \$1.05 were down from \$1.53 a year-ago and slightly below the \$1.18 estimated. Operating margin came in 5% lower than Q421 at 29%. Advertising revenue from Google search was \$59bn versus \$61.2bn in Q421 and compared to expectations of \$60.4bn. YouTube reported sales of \$8.0bn, versus expectations of \$8.2bn, down from \$8.6bn in Q421. Google Cloud revenues were \$7.3bn compared to expectations of \$7.4bn, an increase of 32% on a year-ago.

Alphabet blamed a pullback in spending by advertisers and US\$ strength for the below expectations results. CEO, Sundar Pichai, did emphasise "an important journey to re-engineer our cost structure". The company has been to the forefront in recent technology lay-offs, following rapid expansion in headcount during the pandemic era, amid booming revenues amid an uptick in digital advertising. Recently it announced 12,000 job cuts, around 5% of its global workforce in response to a weakening economy. This will incur a severance charge of up to \$2.3bn in the current quarter. Activist investors have been calling for more spending restraint at Alphabet including around its loss-making Other Bets division, who's projects include the Waymo driverless car. There are also issues around its dominance in the internet search marketplace, although Alphabet maintains this is highly competitive.

| Key Metrics     | 2023e  | 2024e  | 2025e  |
|-----------------|--------|--------|--------|
| Revenue (\$'Mn) | 261421 | 292440 | 325918 |
| EPS (\$)        | 5.52   | 6.61   | 8.01   |
| Price/ Earnings | 17.28x | 14.44x | 11.92x |
| Div Yield       | 0.00%  | 0.00%  | 0.00%  |

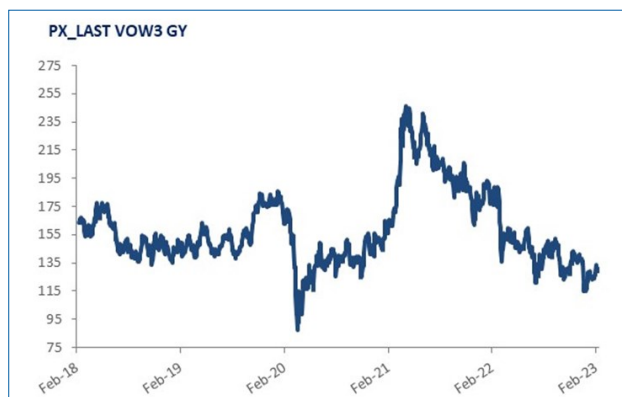
| Total Return | 1 Mth | 3 Mth | 1 Year  |
|--------------|-------|-------|---------|
| GOOG US      | 7.50% | 7.37% | -34.02% |

Source: All data & charts from Bloomberg & CFI

# Opportunities this week

## Volkswagen AG

Closing Price: €128.60



Carmaker, Volkswagen, announced preliminary results for FY22 last week. In a relatively limited disclosure, the company reported a 12% increase in revenues to €279bn for the year, with operating profit of €22.5bn over the period. Both numbers were in-line with guidance given at the Q3 results in October. Net cashflow of €5bn, however, was behind the group target of €8bn, which would have been in-line with 2021. The miss was attributed to ongoing disruption in the supply chain creating higher year-end inventories. This trend is expected to reverse in 2023 as supply chain issues ease. VW will report full Q422 and FY22 results on 14th March.

The IPO of Porsche was completed when the shares began trading on 28th September. The sale of 25% of the Porsche share capital was split equally between the non-voting Preference shares, which were the subject of the IPO and Ordinary voting shares bought by the Porsche controlling family at a 7% premium to the IPO price. The relatively limited issuance of Preference shares led to strong demand, especially as almost 40% of the offering had already been placed with four large institutions. The shares have gained 30% since IPO. Half of the proceeds from the IPO were returned to shareholders. The success of the Porsche IPO has heightened speculation that other VW controlled brands, notably Lamborghini, could follow suit.

VW Pref shares went ex a €19.06 special dividend on the 19th December, which was paid on the 9th January 2023, representing a yield of around 13%. With a current market cap of around €75bn compared to over €90bn for Porsche, which VW still own 75% of, and a prospective PE multiple of 5x, we see considerable value in VW shares, with a dividend yielding over 6%. We have a Buy rating on VW with a €226 price target (adjusted for the €19 special dividend) for the Preference shares, which have risen broadly in-line with the German market year-to-date.

| Key Metrics     | 2022e  | 2023e  | 2024e  |
|-----------------|--------|--------|--------|
| Revenue (€ Mn)  | 277560 | 281041 | 288247 |
| EPS (€)         | 32.05  | 28.99  | 30.75  |
| Price/ Earnings | 4.01x  | 4.44x  | 4.18x  |
| Div Yield       | 10.35% | 6.36%  | 6.79%  |

| Total Return | 1 Mth | 3 Mth  | 1 Year  |
|--------------|-------|--------|---------|
| VOW3 GY      | 1.75% | -4.46% | -31.24% |

Source: All data & charts from Bloomberg & CFI

## This Weeks Market Events

| Monday   | Tuesday   | Wednesday  | Thursday  | Friday  |
|--|---|--|---|---|
| <b>Corporate</b>                                 | <b>Corporate</b>  | <b>Corporate</b>   | <b>Corporate</b>  | <b>Corporate</b>  |
| Activision Blizzard Inc<br>ON Semiconductor Corp | The Coca-Cola Co<br>The Charles Schwab Corp<br>Thyssenkrupp AG<br>Adani Enterprises Ltd<br>Marriott International Inc<br>Airbnb Inc | Barclays PLC<br>Vinci SA - Sales Report<br>Glencore PLC<br>The Kraft Heinz Co<br>Analog Devices Inc<br>Biogen Inc<br>Klepierre SA<br>Cisco Systems Inc<br>Shopify Inc                  | Kerry Group PLC<br>Nestle SA<br>Pernod Ricard SA<br>Renault SA<br>Airbus SA<br>DoorDash Inc<br>DraftKings Inc<br>Paramount Global<br>Standard Chartered PLC | Kingspan Group PLC<br>Deere & Co<br>Allianz SE<br>NatWest Group PLC<br>Hermes International<br>Mercedes-Benz Group AG |
| <b>Economic</b>                                  | <b>Economic</b>   | <b>Economic</b>  | <b>Economic</b>   | <b>Economic</b>   |
| JPN: Q422 GDP                                    | UK: Unemployment rate (Dec)<br>EU-19: Q422 GDP (2nd reading)<br>EU-19: Employment (Q422)<br>US: CPI Inflation (Jan)                 | UK: CPI Inflation/PPI<br>Output prices (Jan)<br>EU-19: Total Trade Balance (Dec)<br>US: NY Fed / Empire State Index (Jan)<br>US: Retail sales (Jan)<br>US: Industrial Production (Jan) | IRL: CPI (Jan)<br>US: Housing starts (Jan)<br>US: Initial Jobless Claims (w/e 30th Jan)<br>US: Philly Fed Index (Feb)<br>US: PPI Final Demand (Jan)         | UK: Retail Sales (Jan)<br>FRA: Final HICP Inflation (Jan)   |

## Analyst Conviction List

The Analyst Conviction List highlights the buy-rated stocks that we feel have the greatest potential for share price upside at the current time and where new money purchases could be made. In addition to traditional analytical methods including valuation, industry background and competitive positioning, we also consider ESG factors in our equity research process.

Our initial Analyst Conviction List is provided below:

| Company                          | FX  | Industry               | Price when in ACL | Current price | Price target | Div yield | Fwd P/E (x) | 3m move           | ESG Score (0-100) |
|----------------------------------|-----|------------------------|-------------------|---------------|--------------|-----------|-------------|-------------------|-------------------|
| Flutter Entertainment PLC        | EUR | Entertainment          | 147.30            | 139.15        | 154.0        | 0.00%     | 31.71       | 4.1%              | 42                |
| TotalEnergies SE                 | EUR | Oil&Gas                | 43.41             | 59.35         | 72.0         | 4.73%     | 6.72        | 5.9%              | 90                |
| Barclays PLC                     | GBp | Banks                  | 192.00            | 185.72        | 230.0        | 3.37%     | 5.71        | 17.4%             | 92                |
| FedEx Corp                       | USD | Transportation         | 242.77            | 209.37        | 300.0        | 2.20%     | 12.52       | 19.2%             | 69                |
| Ryanair Holdings PLC             | EUR | Airlines               | 18.12             | 14.63         | 19.44        | 0.00%     | 12.96       | 12.0%             | 27                |
| Microsoft Corp                   | USD | Software               | 336.06            | 263.10        | 340.0        | 1.03%     | 24.47       | 6.5%              | 97                |
| ASML Holding NV                  | EUR | Semiconductors         | 737.10            | 611.70        | 690.0        | 0.95%     | 26.56       | 10.9%             | 93                |
| Smurfit Kappa Group PLC          | EUR | Forest Products&Paper  | 45.07             | 36.39         | 42.65        | 3.83%     | 10.64       | -1.3%             | 66                |
| CRH PLC                          | EUR | Building Materials     | 42.93             | 43.02         | 50.0         | 2.63%     | 13.56       | 12.0%             | 92                |
| Volkswagen AG                    | EUR | Auto Manufacturers     | 152.56            | 128.60        | 226.0        | 5.89%     | 4.45        | 4.6%              | 81                |
| Alphabet Inc                     | USD | Internet               | 125.15            | 94.86         | 125.0        | 0.00%     | 14.02       | -1.9%             | 93                |
| Aviva Plc                        | GBp | Insurance              | 389.00            | 440.00        | 485.0        | 9.82%     | 8.00        | 0.4%              | 83                |
| <i>*Closed trades</i>            |     |                        |                   |               |              |           |             |                   |                   |
|                                  |     |                        | Entry price       | Exit Price    | Profit       |           |             |                   |                   |
| LVMH Moet Hennessy Louis Vuitton | EUR | Apparel                | 708.90            | 772.30        | 8.94%        |           |             |                   |                   |
| Caterpillar Inc                  | USD | Machinery-Const&Mining | 205.88            | 250.73        | 21.78%       |           |             |                   |                   |
| Hibernia REIT                    | EUR | REITS                  | 1.31              | 1.634         | 24.70%       |           |             |                   |                   |
| Deere & Co                       | USD | Machinery              | 353.87            | 422.29        | 19.30%       |           |             |                   |                   |
| Shell PLC                        | GBp | Oil&Gas                | 1683.00           | 2225          | 32.20%       |           |             |                   |                   |
| Apple Inc                        | USD | Computers              | 151.28            | 174.15        | 15.12%       |           |             | Source: Bloomberg | Source: Bloomberg |

Source: Bloomberg

## Bond Market Commentary

In Europe this week the delayed German inflation data showed that the ECB's fight against inflation is a long way from the end. German inflation in January fell to 9.2% (from 9.6% in December) it was lower than expected, but this will push up the revision to the Eurozone January headline figure. The ECB's Survey of Professional Forecasters inflation expectations for 2023 and 2024 were revised higher to 5.9 and 2.7% respectively. The Hawks at the ECB are aware of the fight on their hands and ECB member Klaas Knot amongst others came out last week warning that the pace of 50bp hikes may have to be maintained into May. Money markets pricing of the terminal rate in Europe has notched up a few basis points in the last week to 3.5% (3.43% before the ECB meeting). Euro Bond markets remained volatile last week with German 2-yr yields rising to the highest rate since 2008 - 2.80% and remains inverted versus the German 10-year by 40bps. The Irish 10-yr yield was stable this week versus our French peers ahead of their meeting in the six nations at the Aviva Stadium Saturday afternoon.

Chairman Powell warned markets last week in a Q&A session that the FED may need to raise rates more than expected. However, market observers have grown more optimistic of a "soft landing" or a slowdown in economic growth that avoids recession for the US economy. A hot January jobs number and the lowest unemployment rate since 1969 (3.4%) both point to a lower chance of recession in the economy. However, the key indicator for markets and the FED for a recession; the spread between the US 2-10yr (is now -87bps). The US 2-yr has climbed to its highest level over the 10-yr since the 1980s. While avoiding a recession is possible for the world's biggest economy, economists believe the likelihood of a recession in the next 12-months is 66% based on the above spread inversion. The FED seems to be winning the battle on higher rates for longer with the market pricing now in line with the FED's DOT plot of 5.125%.

The UK economy just narrowly avoided a recession in Q4 with a flat growth rate in the last quarter of 2022. The BoE's chief Economist Pill sees a weak outlook ahead for the UK economy and a mild recession is expected with the economy stagnating on the back of record inflation. UK 10-yr yields were higher at 3.36% last week, off the lows of 3% seen recently. Elsewhere in the world last week, the Australian and Swedish central banks hiked rates by 25bps and 50bps respectively and the Bank of Japan is expected to nominate a more hawkish Governor in Kazuo Ueda to succeed Governor Kuroda in April.

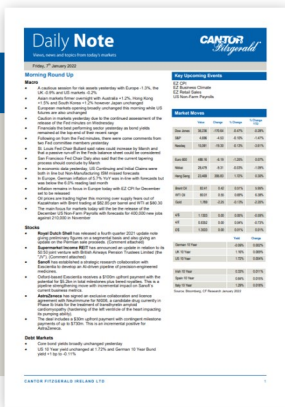


## Bond Prices &amp; Yields

| Country           | Type          | Maturity             | Coupon | Offer Price | Offer Yield | Rating (S&P)  | Issue Size | Minimum Tradeable Size |
|-------------------|---------------|----------------------|--------|-------------|-------------|---------------|------------|------------------------|
| <b>2 Year</b>     |               |                      |        |             |             |               |            |                        |
| Ireland           | Fixed         | 03/18/2024 Corp      | 3.40   | 100.78      | 2.66%       | AA-           | 8bn        | 0.01                   |
| Germany           | Fixed         | 06/14/2024 Corp      | 0.20   | 96.65       | 2.80%       | AAA (Fitch)   | 11bn       | 0.01                   |
| Italy             | Fixed         | 08/15/2024 Corp      | 0.00   | 97.05       | 3.17%       | BBB+          | 14bn       | 1,000                  |
| UK                | Fixed         | 04/22/2024 Corp      | 1.00   | 97.11       | 3.50%       | AA (Fitch)    | 34bn       | 0.01                   |
| US                | Fixed         | 01/31/2025 Govt      | 4.13   | 99.32       | 4.49%       | Aaa (Moody's) | 42bn       | 100                    |
| <b>5 Year</b>     |               |                      |        |             |             |               |            |                        |
| Ireland           | Fixed         | 05/15/2027 Corp      | 0.20   | 90.46       | 2.60%       | AA-           | 7bn        | 0.01                   |
| Germany           | Fixed         | 04/16/2027 #185 Corp | 0.00   | 90.60       | 2.40%       | AAA (Fitch)   | 4.bn       | 0.01                   |
| Italy             | Fixed         | 04/01/2027 Corp      | 1.10   | 91.21       | 3.43%       | BBB+          | 14bn       | 1,000                  |
| UK                | Fixed         | 07/22/2027 Corp      | 1.25   | 91.69       | 3.28%       | AA (Fitch)    | 39bn       | 0.01                   |
| US                | Fixed         | 01/31/2028           | 3.500  | 98.38       | 3.86%       | Aaa (Moody's) | 43bn       | 100                    |
| <b>10 Year</b>    |               |                      |        |             |             |               |            |                        |
| Ireland           | Fixed         | 10/18/2032 Corp      | 0.35   | 79.55       | 2.79%       | AA-           | 4bn        | 0.01                   |
| Germany           | Fixed         | 08/15/2032 Corp      | 1.70   | 94.87       | 2.31%       | AAA (Fitch)   | 28bn       | 0.01                   |
| Italy             | Fixed         | 12/01/2032 Corp      | 2.5    | 76.86       | 3.99%       | BBB+          | 16.5bn     | 1,000                  |
| UK                | Fixed         | 06/07/2032 Corp      | 4.25   | 107.05      | 3.36%       | AA (Fitch)    | 39bn       | 0.01                   |
| US                | Fixed         | 02/15/2032 Govt      | 3.5    | 98.66       | 3.66%       | Aaa (Moody's) | 35bn       | 100                    |
| <b>Financials</b> |               |                      |        |             |             |               |            |                        |
| BNP               | Snr Preferred | 05/20/2024           | 2.375  | 98.99       | 3.20%       | A+            | 1bn        | 1,000                  |
| BPCE              | Snr Preferred | 01/15/2026           | 0.250  | 91.21       | 3.47%       | A             | 1bn        | 100,000                |
| HSBC              | Snr Preferred | 09/04/2028           | 1.375  | 90.45       | 3.28%       | AA-           | 750m       | 100,000                |
| VW                | Snr Unsecured | 02/12/2030           | 0.375  | 78.13       | 4.02%       | BBB+          | 750m       | 1,000                  |

**Warning: The value of your investment may go down as well as up. You may get back less than you invest.**  
**Warning: Past performance is not a reliable guide to future performance.**  
**Warning: Not all investments are necessarily suitable for all investors and specific advice should always be sought prior to investment, based on the particular circumstances of the investor.**

# Cantor Publications & Resources



## Daily Note

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

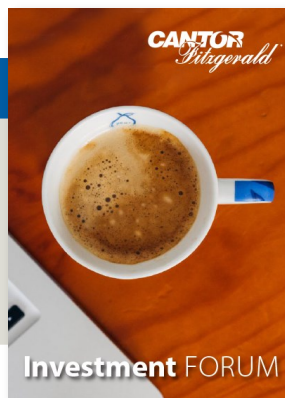
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Each quarter our Private Client and Research departments collaborate to issue a publication which highlights the very best current stock ideas, through our Analyst Conviction List along with the performance of our flagship products and funds, most recent private equity deals and structured product investment opportunities.

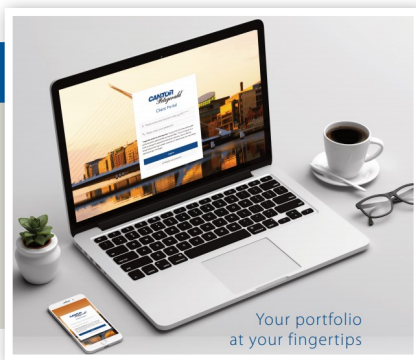
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## Regulatory Information

### Issuer Descriptions: (Source: Bloomberg)

#### Flutter Entertainment PLC

Flutter Entertainment provides and mobile and online gambling and gaming services primarily in the UK, Australia, the US and Ireland. The company offers betting on a wide range of sporting events as well as offering online games, including bingo, casino games and poker. The more recent acquisition of stakes in FanDuel (now owns 95%) makes it the largest online sports betting business in the US.

#### LVMH Moët Hennessy Louis Vuitton

LVMH Moët Hennessy Louis Vuitton is a diversified luxury goods group. The company produces and sells wine, cognac, perfumes, cosmetics, luggage and watches and jewellery

#### TotalEnergies SE

TotalEnergies SE engages in the exploration and production of fuels, natural gas and low carbon electricity. Headquartered in Courbevoie, France, it operates through the following business segments: Exploration & Production; Integrated Gas, Renewables & Power; Refining & Chemicals and Marketing & Services divisions.

#### Royal Dutch Shell PLC

Royal Dutch Shell Plc, through subsidiaries, explores, produces, and refines petroleum. The Company produces fuels, chemicals, and lubricants. Royal Dutch Shell owns and operates gasoline filling stations worldwide. It operates through the following segments: Integrated Gas, Upstream, Oil Products, Chemicals and Corporate. The company was founded in February 1907 and is headquartered in The Hague, Netherlands.

#### Barclays PLC

Barclays PLC is a global financial services provider engaged in retail banking, credit cards, wholesale banking, investment banking, wealth management, and investment management services.

#### FedEx Corp

FedEx Corp. delivers packages and freight to multiple countries and territories through an integrated global network. The company provides worldwide express delivery, ground small parcel delivery, less-than-truckload freight delivery, supply chain management services, customs brokerage services and trade facilitation and electronic commerce solutions

#### Ryanair Holdings PLC

Ryanair is one of the largest airlines in Europe. The carrier flies to c.190 destinations, serving more than 30 countries throughout Europe, plus Morocco. It specialises in short-haul routes between secondary and regional airports, operating a fleet of c.300 Boeing 737-800s from 75 bases. Under normal conditions the company flies around 116m passengers annually from airports in Ireland, UK, Belgium, France, Germany, Italy, Spain and Sweden.

#### Caterpillar Inc

Caterpillar designs, manufactures and markets construction, mining and forestry machinery. The company also manufactures engines and other related parts for its equipment and offers financing and insurance. It distributes its products through a worldwide organisation of dealers.

#### Microsoft Corp

One of the world's leading technology companies, Microsoft Corporation develops, manufactures, licences, sells and supports software products. Microsoft also develops video game consoles (e.g. Xbox) and digital music entertainment devices. Its products include the Windows operating system, Office productivity applications and Azure cloud services. It also owns LinkedIn, the business-oriented social network..

#### Apple Inc

Apple Inc. designs, manufactures and markets mobile communication devices, personal computers and related equipment along with a variety of related software, services, peripherals and networking solutions. Apple sells its products worldwide through its online stores, retail stores, direct sales force, third-party wholesalers and resellers. Half of its revenue comes from iPhone sales and over half its revenue is generated outside the Americas.

#### ASML Holding NV

ASML Holding N.V. develops, produces and markets semiconductor manufacturing equipment, specifically machines for the production of chips through lithography. The company services clients worldwide.

#### Smurfit Kappa Group PLC

Smurfit Kappa Group PLC manufactures paper packaging products. The company offers container boards, corrugated containers, and other paper-based packaging products. Smurfit Kappa Group serves clients globally.

#### CRH PLC

CRH is an Irish-based international company that makes and distributes cement, concrete, aggregate, glass and asphalt for commercial, residential and infrastructure projects across the globe. CRH has over 3,100 operating locations and a presence in circa 30 countries. It is one of the main building materials suppliers in North America and the largest heavy-side materials business in Europe.

#### Volkswagen

Volkswagen manufactures and sells vehicles. The company offers economy and luxury automobiles, sports cars, trucks and commercial vehicles worldwide. Volkswagen also provides leasing and financial services.

#### Hibernia REIT PLC

Hibernia REIT operates as a real estate investment trust. The company invests in commercial properties including offices. While it has the scope to invest in industrial properties, retail stores, warehousing and distribution centres and other related property assets, Hibernia focusses on high-end office properties in Dublin, Ireland, with strong and improving ESG credentials.

#### Deere & Co

Deere & Company manufactures and distributes a range of agriculture, construction, forestry and commercial and consumer equipment worldwide. Deere, which trades mainly through the John Deere brand, also provides servicing and financing for its product range.

#### Alphabet Inc.

Alphabet Inc. operates as a holding company. The Company, through its subsidiaries, provides web-based search, advertisements, maps, software applications, mobile operating systems, consumer content, enterprise solutions, commerce, and hardware products.

#### Aviva PLC

Aviva offers insurance and financial services. The company offers property and casualty, life and health, credit, motor and travel insurance, as well as fund management services.

## Regulatory Information

### Historical record of recommendation

|                               |  |
|-------------------------------|--|
| Flutter Entertainment rating: | Buy; issued 16th September 2022; previous: Buy; issued 11th March 2022 |
| TotalEnergies rating:         | Buy; issued 1st December 2022; previous: Buy; 12th January 2022        |
| Barclays rating:              | Buy; issued 9th September 2022; previous: Buy; 1st April 2022          |
| Fedex rating:                 | Buy; issued 13th July 2022; previous: Buy; 9th February 2022           |
| Ryanair rating:               | Buy; issued 31st January 2023; previous: Buy 15th August 2022          |
| Microsoft rating:             | Buy; issued 10th February 2023; previous: Buy: 10th August 2022        |
| ASML rating:                  | Buy; issued 26th January 2023; previous: 19th October 2022             |
| Smurfit Kappa rating:         | Buy; issued 10th November 2022; previous: Buy: 4th August 2022         |
| CRH rating:                   | Buy; issued 30th November 2022; previous: Buy: 31st August 2022        |
| Volkswagen rating:            | Buy; issued 11th November 2022; previous none: 14th January 2022       |
| Alphabet Inc rating:          | Buy; issued 9th February 2023; previous Buy: 3rd November 2022         |
| Aviva PLC rating:             | Buy; issued 26th August 2022; previous Buy: 27th May 2022              |

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**Dublin:** Cantor Fitzgerald House, 23 St. Stephen's Green, Dublin 2, D02 AR55.  
Tel: +353 1 633 3800.

email : [ireland@cantor.com](mailto:ireland@cantor.com) web : [www.cantorfitzgerald.ie](http://www.cantorfitzgerald.ie)

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