



## Introducing the very best of Independent Research from the IRF Providers

### Company Research

- A shift towards intangible assets is causing investors to re-evaluate what makes a company stand out in the digital age - The earnings-return relationship maybe weakening; asset managers should be on the lookout for alternative valuation models - [Hedgeye](#)

#### Europe

- **Kier Group** (KIE LN) - Adjusted net debt materially higher than reported and expected to rise further. FY17 results boosted by the sale and leaseback of two major properties, forecast growth of 11% in operating profit this year unlikely - [PN Finance](#)
- **Publicis Groupe** (PUB FP) - Upside surprise in Q417, but remains guarded regarding both Q118 prospects (1-2% growth?) and margin improvement. Euro strength currently a significant headwind - [Huber Research](#)
- **Daimler** (DAI GR) - Strong performance by CEO and his executive team. Ramping up CapEx and R&D. Executive compensation heavily weighted towards (long-term) performance-based pay - [Management CV](#)
- **Zalando** (ZAL GR) - Using a blended business model with an unusual management structure to help them bring radical change to online fashion retailing. Rapid growth is predicated on thin margins and partnering with other retailers - [Management CV](#)
- **Upcoming calls with Senior Management** - [Aliya Capital](#)
  - **Delivery Hero** - A little over a year ago, they bought Foodpanda. Naspers owns ~26% of the company
  - **Schibsted** - Early investor in many large international internet properties
  - **Stamps** - Significant short interest, but the company continues to execute. How much more M+A should investors expect? How big is the TAM for their ecommerce product?

- **Zalando** - Provides insights on e-commerce trends and competition with both brick and mortar clothing retailers and Amazon

## U.S.

- **Technology, Media & Telecoms Predictions 2018** - Part II (of III), winners/losers identified in IoT (incl. automated homes/vehicles), Genomics, Silicon Photonics, 5G and Regulation (GDPR) - **CM Research**
- **Activision, EA, Nintendo, Take Two & Ubisoft** - One of the biggest upcoming video game release slates seen in many years. Crowded window means some games will not perform to their potential - **Gossamer Consulting**
- **Allergan (AGN)** - Shares trading at multi-year low as Mylan's Botox plan provides another headwind. Company to come under increasing pressure to unlock what seems like a straight-forward self-help story - **Gordon Haskett**
- **Calvin Klein (PVH)** - Recent channel checks very positive. "Our Family. #MyCalvins" campaign has given the brand a new awareness and been instrumental in driving sales - **A Line Partners**
- **Cenveo 1<sup>st</sup>-lien notes** - Investors overreacting? The notes have been sold all the way from the 60s to the 40s. Full analysis by **Independent Credit Research** including their post-bankruptcy report
- **Cheniere Energy (LNG) and Louisiana Pacific (LPX)** - Highlighted by **Phases & Cycles**. Provides technical analysis to complement clients' fundamental and quantitative research. Excellent track record since 1990
- **Medidata (MDSO)** - Highlighted in their Breaking Growth short model. Sales growth and deferred revenue are slowing; operating leverage stalled; capex rising; facing debt maturities. Forecasts are unrealistic - **Two Rivers Analytics**
- **NetGear (NTGR)** - Recent sell-off due to competition concerns for Arlo (which NTGR are looking to spin-off) after Amazon purchases Ring. But is it really a threat? AMZN aiming to enhance delivery capabilities not home monitoring - **BWS Financial**

## China

- **Cell phone optics** - Breakthroughs from photography to 3D sensing highlight an optics revolution. Companies mentioned include: **AAC Technology, Q Technology, O-film** and **Sunny Optical** - **Horizon Insights**

## Macro Research

### Commodities

- **Governments and CBs will be the main beneficiaries of DLT** (distributed-ledger technology), providing e-monies to the public, replacing high street banks in the payment mechanism. Gold and CB money will prove more important than **cryptocurrencies** - [\*\*CrossBorder\*\*](#)
- **Blockchain** - Moving from an internet of information to an internet of value. Net positive for quoted Commodity Equity. Happening rapidly, just last week [\*\*Commodity Intelligence\*\*](#) reported two blockchains starting operation in Oil alone
- **Energy** - Extreme selling in the Energy Sector ETF (XLE) could present buying opportunities. If confirmed, managed money will likely trim underweight positions - [\*\*Dantes Outlook\*\*](#)
- **Oil: supply deficit** this year and next - U.S. production growth to be more than offset by further falls in Venezuelan production; ongoing compliance from OPEC; high decline rates and strong demand - [\*\*Longview\*\*](#)

### Developed Markets

- **Eurozone economic growth outlook is deteriorating** as the lagged effects of reduced monetary pumping by the ECB and commercial banks ripple through the economy. [\*\*AAS Economics\*\*](#) modelling forecasts negative yearly industrial production growth and falling inflation
- **Bearish Europe** - Proprietary Money Flow Unit model is indicating a minimum 10% decline in Spain's IBEX with a potential decline of 35% from the 2017 high. The CAC and DAX are also poised for further weakness - [\*\*Cerundolo Investment Research\*\*](#)
- **Monetary to fiscal policy handoff will be fumbled** - Success depends on the consumer, but they are already under pressure, households will use tax cuts to repair their finances. U.S. equities vulnerable, especially Consumer Discretionary - [\*\*MacroMavens\*\*](#)
- **T-Note futures** - Everybody is on the other side of this trade because they believe the Fed's rate hike blather. A major short squeeze looms. Can't ignore slowdown in autos and housing - [\*\*Belkin Report\*\*](#)
- **Core inflation pressures building** - Biggest jumps in advanced economies (6 month basis) have been in Slovakia, Israel and Japan. Asian inflation picking up; China: inflation much higher than official figure suggests - [\*\*Economic Perspectives\*\*](#)

### Emerging Markets

- **Trade war looms for US & China** - Leland Miller, CEO of [\*\*China Beige Book\*\*](#), correctly forecasted President Trump imposing huge steel and aluminium tariffs (including in recent interviews on CNBC and Bloomberg). Further trade action to come, specifically against China
- **Xi and Trump policy priorities** imply U.S. inflation to diverge from Chinese growth. Investors underestimating both Washington's determination to confront China on trade and Beijing's to curtail excess leverage growth - [\*\*Entext\*\*](#)
- **China's deleveraging delusions** - Credit flows to the faster growing parts of the economy have been accelerating and that will continue. Overweight Chinese equities, debt and renminbi - [\*\*Asianomics\*\*](#)
- **Pressure on Indonesian rupiah** - Due to the push of weakening external accounts and unwillingness of Bank Indonesia to provide the rupiah with the necessary shift in policy towards tightening - [\*\*Redward\*\*](#)

### Researchers Visiting London

- **OASIS - [\*\*Stray Reflections\*\*](#)' intimate hedge fund and technology gathering in Abu Dhabi. 11-14 March**
- **[\*\*Primary Insight\*\*](#) with Leighton Thomas - Cutting Edge Expert Network. 12-13 March**
- **Equity Valuation, Risk & Market Timing with Rob McCreery and Chris Tinker of [\*\*Libra Investment Services\*\*](#) - Lloyds, Voestalpine, Fiat, Tele2, M&S and WPP. 12-14 March, 12-14 April & 5-7 May**
- **Global Capital Flows with Michael Howell of [\*\*CrossBorder Capital\*\*](#) - Favours EM over DM. U.S. 10-yr yield to reach 3.5% in 2018. Japan - policy switch from liquidity-targeting to exchange rate-targeting. 12 & 15 March**
- **Global Macro with Andrew Hunt of [\*\*Andrew Hunt Economics\*\*](#) - With Asian nominal GDP growth picking up there is a growing potential for a profound change in global inflation. The ECB will decide the outlook for global real interest rates in 2018-19. 13 March**
- **[\*\*Forensic Accounting Presentation\*\*](#) for equity investors with Paul Nagy of [\*\*PN Finance\*\*](#). 13 March**
- **Calls with Senior Management hosted by Ari Shrage of [\*\*Aliya Capital\*\*](#) - Schibsted - 14 March; Stamps & Zalando - 15 March and Delivery Hero - 22 March**
- **Global Macro with Chris Watling of [\*\*Longview Economics\*\*](#) - Recent Macro reports: UK: Limping towards a recession? Italy: Helicopter money and the Italian election – the implications for BTPs. Recent trade:**

Short GBP. 20 March

- **Story Investing with Alex Gavrish of [Etalon Investment Research](#) (event-driven value equities). For further information [click here](#). 2-4 April**

Note: All **bold underlined** text are clickable links to Research Provider Overviews.

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**Edward Blad**

[Edward@independentresearchforum.com](mailto:Edward@independentresearchforum.com)

+44 (0)203 405 7120

Bloomberg IB / [eblad2@bloomberg.net](mailto:eblad2@bloomberg.net)

[LinkedIn](#)

**Alexis Vatistas**

[Alexis@independentresearchforum.com](mailto:Alexis@independentresearchforum.com)

+44 (0)203 405 7123

Bloomberg IB / [avatistas6@bloomberg.net](mailto:avatistas6@bloomberg.net)

[LinkedIn](#)

**Declan Wooloughan**

[Declan@independentresearchforum.com](mailto:Declan@independentresearchforum.com)

+44 (0)203 405 7125

Bloomberg IB / [dwooloughan3@bloomberg.net](mailto:dwooloughan3@bloomberg.net)

[LinkedIn](#)



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