

Today At A Glance

Company	Ticker	Rating	PT chg	Curr. Q (e) chg	Curr. Y (e) chg	Next Y (e) chg	Est. Type
Altra Holdings	AIMC	B to H	\$25.00 to \$21.00	-	\$1.66 to \$1.53	-	EPS
ArthroCare	ARTC	B to H	\$32.00 to \$25.00	\$0.39 to \$0.36	\$1.62 to \$1.45	-	EPS
Toray Industries	3402 JP	U to H	¥460 to ¥520	-	¥40.50 to ¥42.35	¥47.30 to ¥44.80	EPS
Ultra Petroleum	UPL	B to H	\$27.00 to \$22.00	\$0.57 to \$0.58	\$2.54 to \$2.55	\$1.76 to \$1.49	EPS
America's Car-Mart	CRMT	H	\$35.00 to \$42.00	\$0.86 to \$0.89	\$3.10 to \$3.17	\$3.45 to \$3.50	EPS
Aruba Networks	ARUN	H	\$21.00 to \$22.00	\$0.17 to \$0.16	-	-	EPS
CapitalSource Inc.	CSE	B	\$7.25 to \$8.50	-	\$0.49 to \$0.54	-	EPS
Coloplast	COLOB DC	U	DKK750.00 to DKK770.00	-	DKK48.80 to DKK51.70	DKK52.40 to DKK56.85	EPS
Dollar Tree	DLTR	B	\$88.00 to \$100.00	\$1.55 to \$1.59	\$3.99 to \$4.02	\$4.71 to \$5.00	EPS
Frontier Communications	FTR	B	\$7.00 to \$6.00	-	-	-	
General Motors Co.	GM	H	\$24.00 to \$31.00	\$0.43 to \$0.87	\$3.16 to \$3.99	-	EPS
GFI Group	GFIG	B	\$6.50 to \$5.50	-	-	-	
Hargreaves Services plc	HSP LN	B	1,200.00p to 1,495.00p	-	148.30p to 155.50p	152.20p to 160.70p	EPS
Kinross Gold Corp.	KGC	H	\$17.00 to \$11.00	-	\$1.12 to \$0.85	\$0.93 to \$0.78	EPS
Lonking Holdings	3339 HK	U	HK\$2.50 to HK\$2.30	-	RMB 0.40 to RMB 0.38	RMB 0.33 to RMB 0.30	EPS
Lowe's Cos.	LOW	H	\$22.00 to \$25.00	\$0.22 to \$0.23	\$1.61 to \$1.63	\$1.61 to \$1.65	EPS
Oceaneering Int'l	OII	H	\$48.00 to \$52.00	-	-	-	
OGE Energy Corp.	OGE	H	\$58.50 to \$58.00	-	-	-	
Renren Inc.	RENN	H	\$9.00 to \$5.51	-	-	-	
Syntel	SYNT	H	\$52.00 to \$54.00	-	\$3.19 to \$3.29	-	EPS
Home Depot	HD	H	\$34.00 to \$42.00	\$0.40 to \$0.42	\$2.38 to \$2.39	\$2.50 to \$2.76	EPS
TRW Automotive	TRW	B	\$55.00 to \$57.00	\$1.86 to \$1.62	\$7.09 to \$6.07	-	EPS
VF Corporation	VFC	H	\$130.00 to \$155.00	-	\$9.52 to \$9.50	-	EPS
Wal-Mart	WMT	H	\$54.00 to \$57.00	-	-	-	
Zions Bancorp.	ZION	H	\$18.00 to \$20.00	\$0.27 to \$0.24	-	\$1.75 to \$1.80	EPS
Allscripts Healthcare	MDRX	B	-	\$0.26 to \$0.23	\$1.12 to \$1.07	-	EPS
BioMarin Pharma	BMRN	B	-	(\$0.02) to (\$0.20)	(\$0.14) to (\$0.75)	(\$0.01) to (\$0.35)	EPS
Capgemini	CAP FP	B	-	-	€2.65 to €2.70	€3.01 to €3.08	EPS
DENTSPLY	XRAY	B	-	\$0.54 to \$0.52	\$2.35 to \$2.28	-	EPS
Eaton Vance	EV	H	-	\$0.46 to \$0.47	\$1.92 to \$1.99	-	EPS
Goldcorp Inc.	GG	H	-	-	\$3.05 to \$2.45	\$3.75 to \$3.00	EPS
Hornbeck Offshore Svcs.	HOS	H	-	-	\$1.69 to \$1.80	-	EPS
MFA Financial	MFA	B	-	\$0.26 to \$0.22	\$1.05 to \$0.93	-	EPS
Monotype Imaging	TYPE	H	-	\$0.21 to \$0.23	\$0.96 to \$0.97	\$1.08 to \$1.11	EPS
NetSpend Holdings Inc.	NTSP	H	-	\$0.13 to \$0.14	\$0.53 to \$0.52	-	EPS
P.F. Chang's	PFCB	B	-	\$0.48 to \$0.35	\$1.77 to \$1.52	-	EPS
Qlik Technologies	QLIK	B	-	\$0.03 to (\$0.06)	\$0.47 to \$0.42	\$0.65 to \$0.61	EPS
Sagent Pharmaceuticals	SGNT	B	-	(\$0.08) to (\$0.18)	(\$0.97) to (\$1.12)	\$0.45 to (\$0.25)	EPS
SunPower Corporation	SPWR	H	-	-	\$1.03 to \$0.26	-	EPS
UMC	2303 TT	H	-	-	-	TWD1.36 to TWD1.26	
VCA Antech	WOOF	H	-	\$0.34 to \$0.33	\$1.51 to \$1.46	\$1.67 to \$1.63	EPS
Accenture plc	ACN	H	-	-	-	-	
Accor	AC FP	B	-	-	-	-	
Altra Holdings	AIMC	B	-	-	-	-	
BJ's Restaurants	BJRI	H	-	-	-	-	
DDR Corp.	DDR	B	-	-	-	-	

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Deckers Outdoor	DECK	B	-	-	-	-
EOG Resources	EOG	B	-	-	-	-
Five Star Quality Care	FVE	B	-	-	-	-
Forest Oil	FST	H	-	-	-	-
Koppers Holdings	KOP	B	-	-	-	-
Lafarge	LG FP	B	-	-	-	-
Motorola Solutions	MSI	B	-	-	-	-
Questcor Pharmaceuticals	QCOR	B	-	-	-	-
Reliance Steel & Aluminum	RS	B	-	-	-	-
Reliance Steel & Aluminum	RS	B	-	-	-	-
Saint-Gobain	SGO FP	B	-	-	-	-
Senior Housing Properties	SNH	B	-	-	-	-
Spectris plc	SXS LN	B	-	-	-	-
Ultra Petroleum	UPL	B	-	-	-	-
Vulcan Materials	VMC	B	-	-	-	-

Focus Calls

Lafarge (PSE: LG FP, €31.83 , BUY) ►►

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Initial View: Better-than-expected Q4. Outlook Mixed.

Key Takeaway

Lafarge has reported a Q4-2011 operating income of €538m, €119m above the company's estimate of consensus of €419m and €55m above our estimate of €483m. It has though halved the dividend to €0.50 per share. Also, the expected 7% increase in energy costs in 2012 appears higher than for Lafarge's global competitors. However, it expects "at least" €400m of cost savings this year.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	€43.00	-	-	-	EPS	Europe

Saint-Gobain (FRA: SGO FP, €34.92 , BUY) ►►

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Trading Holding up Better Than We Expected?

Key Takeaway

H2-2011 Operating income was 0.4% above our forecast and 0.9% above the company's estimate of consensus. The company's guidance for 2012's operating income to be "resilient" appears initially to be positive. The company estimates that consensus is currently for a 2.1% reduction. Our estimate is for a 7.6% decline. However, further guidance, at least between H1 and H2, may be provided at this morning's analyst meeting (8.30am in Paris).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	€50.00	-	-	-	EPS	Europe

Accor (PSE: AC FP, €25.30 , BUY) ►►

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All Eyes on the Future

Key Takeaway

Accor should achieve 2011 EBIT at the top of its €510m to €530m guidance. We do not expect 2012 guidance, but expect confirmation that current trading is holding up. We also expect an update on its plans to further reduce its capital intensity. We think that 2012 consensus forecasts are reflecting a 3% fall in RevPAR and that this is too conservative, we stick with our 3% increase. We reiterate our Buy recommendation with a €31 PT.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	€31.00	-	€1.27	€1.56	EPS	Europe

Pharmaceuticals>>

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Global Pharma QM - February Edition

Key Takeaway

Whilst Pharmaceuticals are still a safe haven for investors seeking yield, a bullish start to the year has sucked money from the sector. Pharmaceuticals stocks need strong drivers to offset rotational headwinds and Abbott and Novo Nordisk have these in abundance. The recent outperformance of Novo Nordisk leads us to strongly prefer Abbott as our Top Pick. Bristol-Myers and GlaxoSmithKline also look very attractive at these levels.

Coloplast (CSE: COLOB DC, DKK882.00 , UNDERPERFORM) >>

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Valuation still stretched

Key Takeaway

Whilst margin performance remains solid, Q1 showed a slowdown in top-line performance. However, favourable currency moves bring our forecasts higher. We raise our target price to DKK 770 from DKK 750 due to strong margins, but we remain concerned about more pressures in Europe eating into top-line performance. With earnings growth likely to slow and a demanding valuation, we retain our Underperform rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
UNDERPERFORM	▲ DKK750.00 to DKK770.00	DKK11.70	DKK48.80 ▲ DKK51.70	DKK52.40 ▲ DKK56.85	EPS	Europe

Spectris plc (LSE: SXS LN, 1,660.00p , BUY) >>

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FY11 results slightly better than expected

Key Takeaway

Spectris' FY11 results are slightly ahead of our forecasts across the board and the divisional performance outlines widespread yoy momentum. FY11 was a very strong year for the group and Spectris enters FY12 with cautious optimism & momentum from acquisitions. We expect FY12 consensus to rise a touch today, but with continued macroeconomic optimism Spectris is well positioned to enjoy a healthy FY12, with scope for future upgrades.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	1,675.00p	-	-	-	EPS	Europe

All Research

Business Services - Business & Employment Svcs

Hargreaves Services plc (LSE: HSP LN, 1,203.00p , BUY) >>

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Confident outlook - further upgrades

Key Takeaway

Whilst 1H12 PBT fell 12% yoy due to Maltby production issues, with a confident outlook for 2H12 and beyond, we retain unchanged FY12 PBT forecasts. With new contracts for the Energy & Commodities and Industrial Services divisions and first Tower Colliery mine production, we upgrade FY13 & FY14 PBT estimates by 5% and reiterate our Buy stance with an increased 1,495p price target.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ 1,200.00p to 1,495.00p	-	148.30p ▲ 155.50p	152.20p ▲ 160.70p	EPS	Europe

Clean Technology - Alternative Energy

SunPower Corporation (NASDAQ: SPWR, \$7.48 , HOLD) ►►

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4Q11 EPS Beat; Balance Sheet Improves; No Visibility into 2012 Profitability

Key Takeaway

SPWR beat 4Q EPS on greater revenue recognition from projects. The stock was up significantly after market on the beat and strong 2012 revenue guidance. However 1Q12 EPS loss guidance was wider than expected and there is no visibility to 2012 profitability. We believe it is too early to get excited and continue to recommend sideline.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$9.00	(\$0.13)	\$1.03 ▼ \$0.26	\$0.99	EPS	Americas

Conglomerates - Conglomerates

Conglomerates►►

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Guangdong Investment to acquire water plant in Guangzhou

Key Takeaway

GDI announced a plan to acquire a 49% stake in Guangzhou's Huangge water plant. With 200k tons daily capacity and a long term goal of 1mn tons, the plant is well positioned to benefit from Nansha district's future growth. Guangzhou's proposal of sharp water fee increases also bodes well for the plant's outlook. Thanks to its strong parent support, we expect GDI to conduct more water related M&A to enhance its growth profile. Buy.

Consumer - Apparel, Footwear & Textiles

Deckers Outdoor (NASDAQ: DECK, \$84.54 , BUY) ►►

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Last Call

Key Takeaway

We'd be buying DECK ahead of 4Q11 next Thursday, even after this week's 10% move (which only brings the stock back to its post-ICR levels). Brand fears are over done and 2011's warm winter will be a distant memory in a matter of weeks. Conservative 2012 EPS is all but priced in at this point and unlike years past, there is something to look forward to in 1H as the company adds Sanuk and anniversaries last year's messy 1H.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$125.00	\$3.25	\$5.16	\$6.10	EPS	Americas

Consumer - Apparel, Footwear & Textiles

VF Corporation (NYSE: VFC, \$143.25 , HOLD) ►►

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Grinding Higher

Key Takeaway

We think VFC is set to grind higher on the back of a strong brand portfolio, solid execution and ongoing accretion from Timberland. We are particularly impressed with the resilience of North Face and Europe in light of their respective headwinds (weather, macro). A conservative FY12 EPS guide sets the stock up for continued (and expected) beat+raise momentum over the coming quarters. Would wait for a pullback to get involved.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲\$130.00 to \$155.00	\$1.96	\$9.52 ▼ \$9.50	\$11.20	EPS	Americas

Consumer - Gaming & Lodging

Accor (PSE: AC FP, €25.30 , BUY) >>

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Key Takeaway

Accor should achieve 2011 EBIT at the top of its €510m to €530m guidance. We do not expect 2012 guidance, but expect confirmation that current trading is holding up. We also expect an update on its plans to further reduce its capital intensity. We think that 2012 consensus forecasts are reflecting a 3% fall in RevPAR and that this is too conservative, we stick with our 3% increase. We reiterate our Buy recommendation with a €31 PT.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	€31.00	-	€1.27	€1.56	EPS	Europe

Consumer - Restaurants

BJ's Restaurants, Inc. (NASDAQ: BJRI, \$53.79 , HOLD) >>

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Growth Rate Normalizing in '12; Ultimate Dev. Opportunity Expanded

Key Takeaway

EPS \$0.34 (+57%) vs. our \$0.31/cons \$0.32. Upside via COGS -50bps (price/mix) & leverage on oper/occup, G&A and D&A (14th wk), but labor +70bps on payroll taxes/benefits (cal. shift). 5.1% SSS in-line w/ pre-ann, and Jan/Feb SSS +4% w/ tough y/y compares. Stock likely weak on normalizing SSS/EPS growth. We like BJ's early-cycle growth profile & exposure to fast-growing craft beer segment, but valuation keeps us at Hold.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$48.00	\$0.32	\$1.35	-	EPS	Americas

Consumer - Restaurants

P.F. Chang's China Bistro, Inc. (NASDAQ: PFCB, \$33.85 , BUY) >>

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Not a Value Trap; Buy for 2H Turn

Key Takeaway

4Q Adj. EPS \$0.40 vs. our \$0.43/cons \$0.45. SSS -2.4% at Bistro vs. our -3%/cons -2.8% & -1.9% at PW vs. our -2.5%/cons -2.8%. YTD Bistro SSS up slightly & PW -1.5%, and we see meaningful 2H12 improvement after new initiatives roll to system in 2Q. '12 EPS guide \$1.50-1.60 below cons. on investments; and our est. moves to \$1.52. Stock attractive given div. yield & 5.5x EBITDA, and we see '12 as turnaround yr for the biz.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$41.00	\$0.48 ▼ \$0.35	\$1.77 ▼ \$1.52	-	EPS	Americas

Consumer - Retailing/Broadlines & Dept Stores

Dollar Tree Inc. (NASDAQ: DLTR, \$87.76 , BUY) ►►

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Expecting Solid Q4 Sales; Raising Estimates

Key Takeaway

While shares have run up, we think investors should continue to ride the good momentum in the Dollar Tree business. We believe sales exceeded our original expectations in Q4 so we raising our SSS estimate to 6%. Our checks suggest that food & consumables continued to outpace discretionary goods, so we are not modeling gross margin improvement. However, SG&A leverage should be strong and share buyback accretive.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$88.00 to \$100.00	\$1.55 ▲ \$1.59	\$3.99 ▲ \$4.02	\$4.71 ▲ \$5.00	EPS	Americas

Consumer - Retailing/Broadlines & Dept Stores

Wal-Mart Stores, Inc. (NYSE: WMT, \$62.04 , HOLD) ►►

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Expecting Positive Q4 Comp With Margin Investment

Key Takeaway

Our checks lead us to think Wal-Mart achieved its goal for positive comp store sales in US Wal-Mart stores and we are upping our comp store sales estimate to 2.0% from 1.5%, against an easy comparison of -1.8% a year ago. Given the well communicated mission to invest in price, it is unclear how much margin Wal-Mart may have given up to accomplish a better comp store sales gain, so we are not changing our \$1.45 Q4 EPS estimate.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$54.00 to \$57.00	\$1.45	\$4.47	\$4.78	EPS	Americas

Consumer - Retailing/Food & Drug Chains

Retailing/Food & Drug Chains►►

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Notes from the Road: Hoping for Goldilocks

Key Takeaway

Our pricing surveys this month showed moderating inflation while at the same time employment data continues to improve. Together, this data suggests a "Goldilocks" scenario is possible later this year if the current trends continue...assuming gas prices don't run too hot!

Consumer - Retailing/Hardlines

The Home Depot, Inc. (NYSE: HD, \$45.93 , HOLD) ►►

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Expectations Up on Housing Data; Q1 Compares Easy On Weather

Key Takeaway

While we still prefer Home Depot to Lowe's as it outperforms on the sales and EBIT line, both of these names are benefiting from the broader housing trade, which reflects another rebound in data recently. Vendor data is a little mixed, but our checks suggest Q4 should be at least in line with consensus.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$34.00 to \$42.00	\$0.40 ▲ \$0.42	\$2.38 ▲ \$2.39	\$2.50 ▲ \$2.76	EPS	Americas

Lowe's Companies, Inc. (NYSE: LOW, \$27.31 , HOLD) ►►

Expectations Up on Housing Data; Q1 Compares Easy On Weather

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Key Takeaway

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$22.00 to \$25.00	\$0.22 ▲ \$0.23	\$1.61 ▲ \$1.63	\$1.61 ▲ \$1.65	EPS	Americas

Energy - Electric Utilities

OGE Energy Corp. (NYSE: OGE, \$53.36 , HOLD) ►►

4Q11 In Line; Increase Estimates

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Key Takeaway

Management provided guidance for 2012-13 volumes which had previously been a concern with investors due to low natural gas prices. Enogex is forecasting processing volume growth of 15% in 2012 and 2013. Gathering volumes are expected to grow 6-10% in 2012 and 10-15% in 2013.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼ \$58.50 to \$58.00	\$0.40	\$3.50	\$3.70	EPS	Americas

Energy - Oil & Gas Exploration & Production

Forest Oil Corporation (NYSE: FST, \$14.40 , HOLD) ►►

Adding Another Liquids-Rich Project; Existing Projects Off to Slow Start

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Key Takeaway

FST is adding another potential liquids-rich project to its portfolio at an attractive price. Meanwhile, the company is off to a slow start in its other two liquids-rich opportunities - Wolfcamp and Eagle Ford Shales. At the current price, we think shares are reflecting substantial upside from new plays and upcoming Eagle Ford results could be headwind.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$13.00	-	-	-	EPS	Americas

Energy - Oil & Gas Exploration & Production

Oil & Gas Exploration & Production►►

U.S. Natural Gas Storage Result: Above Consensus

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Key Takeaway

The EIA reports a 127 bcf withdrawal, above consensus of 120 and in-line with JEF estimate of 130. It is also more than 100 bcf below last year's withdrawal.

Energy - Oil & Gas Exploration & Production

Ultra Petroleum (NYSE: UPL, \$25.24 , BUY) ►►

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EPS Flash: In-line EPS, 2012 Guidance Weaker-Than-Expected

Key Takeaway

Q4 volumes and 2012 guidance were weaker-than-expected. 2012 guidance suggest volumes will soon peak and fall precipitously thereafter. Conference call is today at 11am ET. Dial in (866) 831-6270, passcode 97680314.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$27.00	-	-	-	EPS	Americas

Energy - Oil & Gas Exploration & Production

Ultra Petroleum (NYSE: UPL, \$25.24 , HOLD) ►►

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Downgrading to HOLD; Revising PT to \$22

Key Takeaway

Downgrading to HOLD on bleak production outlook and weak gas price fundamentals. Rising Marcellus service costs continue to pinch IRRs while Pinedale returns appear marginal below \$5. Absent a gas price bounce or a southern DJ Basin discovery, UPL should struggle to post debt adjusted production per share growth.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼\$27.00 to \$22.00	\$0.57 ▲\$0.58	\$2.54 ▲\$2.55	\$1.76 ▼\$1.49	EPS	Americas

Energy - Oil & Gas Exploration & Production

EOG Resources, Inc. (NYSE: EOG, \$117.62 , BUY) ►►

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EPS Flash: Beat on Costs; Hitting on All Cylinders

Key Takeaway

Q4 results were rich with positive surprises. Massive upward Eagle Ford resource revision, Upper Wolfcamp success, solid Bakken infill rates, and higher Barnett Combo ip's are the highlights. Overall, EOG has accumulated best-in-class oil assets and is well positioned now to deliver a production surprise as the year unfolds.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$120.00	-	-	-	EPS	Americas

Energy - Oil Services & Equipment

Hornbeck Offshore Services, Inc. (NYSE: HOS, \$38.86 , HOLD) ►►

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OSVs Continue To Pick Up Steam In The GOM

Key Takeaway

Following a solid 4Q EPS beat, signs point towards further improvement in the GOM OSV market in 2012 and 2013 as additional UDW rigs mobilize into the region, helping to drive vessel demand higher.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$38.00	\$0.35	\$1.69 ▲\$1.80	-	EPS	Americas

Energy - Oil Services & Equipment

Oceaneering Int'l, Inc. (NYSE: OII, \$54.27 , HOLD) >>

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Solid 4Q With Visibility Improving

Key Takeaway

OII reported 4Q EPS in line with expectations and also provided 2012 guidance inline with our growth expectations. We maintain our Hold rating as we believe the shares are adequately discounting the building strength and growth opportunities in the ROV market and other subsea business segments.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$48.00 to \$52.00	\$0.46	\$2.51	\$3.19	EPS	Americas

Financials - Banks

Banks>>

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FSA mortgage investigations affects regionals more than megas

Key Takeaway

The Nikkei reports that the Japanese FSA is clamping down on mortgage lending practices in the light of rising defaults. Given the loans spreads are larger for regional banks, we see this as positive for the mega banks.

Financials - Brokers, Asset Mgrs & Exchanges

Eaton Vance (NYSE: EV, \$27.87 , HOLD) >>

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F1Q12 Preview: Market Rally Helps, But Flows Still Lagging

Key Takeaway

Earlier this week EV reported January AUM of \$191.7B, roughly in line with our estimate. However, fund flow trends across the platform continue to be challenged within equities, offset modestly by improving fixed income trends. At approx. 13.5x our CY 2012 EPS, we view the shares as fairly valued.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$26.00	\$0.46 ▲ \$0.47	\$1.92 ▲ \$1.99	-	EPS	Americas

Financials - Brokers, Asset Mgrs & Exchanges

GFI Group Inc. (NYSE: GFIG, \$4.77 , BUY) >>

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4Q11 First Take: Operating Miss; Restructuring A Step In the Right Direction

Key Takeaway

GFIG reported 4Q results \$0.13 below our estimate. With sustainable revenue growth remaining a challenge, the restructuring efforts that GFIG has undertaken should provide some offset. That said, 2012 is off to a decent start with total revenues tracking up 5-6%. However, we expect to see more expense diligence if the revenue environment remains uncertain.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▼ \$6.50 to \$5.50	-	-	-	EPS	Americas

Financials - Brokers, Asset Mgrs & Exchanges

Brokers, Asset Mgrs & Exchanges>>

Weekly Mutual Fund Flows

Key Takeaway

For the week ended February 15th, ex-ETF domestic equities recorded redemptions while int'l/global equities continued to inflow. This represented the second domestic equity weekly outflow of 2012 while international flows have been consistently positive ytd. The four-week rolling average for taxable bonds increased for a 8th consecutive week to \$4.25B from \$3.73B. Finally, money markets remained in outflow mode for a 5th straight week.

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Financials - Consumer Finance

CapitalSource Inc. (NYSE: CSE, \$7.20 , BUY) >>

4Q'11 Noisy Results, Fundamentals Remain Solid

Key Takeaway

CSE reported EPS of \$0.03, below JEF and consensus estimates of \$0.09, mostly due to \$0.09 in one time expenses related to severance and debt extinguishment. Operating results were ahead of our expectations as interest and provision expenses were below our estimates.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$7.25 to \$8.50	\$0.09	\$0.49 ▲ \$0.54	\$0.60	EPS	Americas

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Financials - Consumer Finance

America's Car-Mart (NASDAQ: CRMT, \$40.13 , HOLD) >>

3Q'12: Solid Results With an Eye on the Future

Key Takeaway

CRMT reported EPS of \$0.73, ahead of JEF estimates of \$0.69 as higher sales prices and unit volume drove most of the beat. Credit metrics and gross margins were stable during the quarter.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$35.00 to \$42.00	\$0.86 ▲ \$0.89	\$3.10 ▲ \$3.17	\$3.45 ▲ \$3.50	EPS	Americas

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Financials - Consumer Finance

MFA Financial, Inc. (NYSE: MFA, \$7.42 , BUY) >>

Attention Shifts to Positive 1Q12 Activity

Key Takeaway

MFA reported \$0.22 in core earnings, \$0.03 below our estimate and \$0.02 below the Street. MFA's book value declined 6%Q/Q from to \$6.74 and their net spread declined 14bps to 2.69%.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$7.50	\$0.26 ▼ \$0.22	\$1.05 ▼ \$0.93	\$0.98	EPS	Americas

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Financials - Regional Banks

Zions Bancorp. (NASDAQ: ZION, \$19.16 , HOLD) ►►

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Investor Day: TARP then Rates

Key Takeaway

We feel better about ZION's risk profile and earnings potential, but see interest income/revenue growth as challenging for the next few years. We like the longer-term story for the potentially powerful EPS inflection from higher rates, but remain Hold at this time looking for visibility of an improving trajectory. TARP payback plans are the next catalyst and we leave a 25% of TARP placeholder in our EPS. PT to \$20 (from \$18).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$18.00 to \$20.00	\$0.27 ▼ \$0.24	\$1.40	\$1.75 ▲ \$1.80	EPS	Americas

Financials - REITs

DDR Corp. (NYSE: DDR, \$14.12 , BUY) ►►

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4Q11: DDR In Line With the Street; No Change to 2012 Guidance

Key Takeaway

DDR reported 4Q11 operating FFO/share of \$0.26, in line with consensus but just below our estimate of \$0.27. Conference call is on Friday, February 17 at 10:00AM (EST). Dial-in: (800) 901-5217; Passcode: 38873915.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$15.00	-	-	-	FFO	Americas

Financials - REITs

Senior Housing Properties Trust (NYSE: SNH, \$22.25 , BUY) ►►

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4Q11: Slight Miss On Acquisition Timing; Setting Up Well For 2012

Key Takeaway

SNH reported 4Q11 normalized FFO/sh of \$0.42 (excl. \$5.7M of acquisition costs), slightly below both JEF and consensus estimate of \$0.43. We attribute this slight miss to timing of 4Q11 acquisitions. Earnings conference call is today @ 1PM EST. Dial-in #: (800) 700-7860.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$25.00	-	-	-	FFO	Americas

Healthcare - Biotechnology

BioMarin Pharmaceutical Inc. (NASDAQ: BMRN, \$37.70 , BUY) ►►

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Disappointing 4Q Sales & FY12 Guidance; Ph3 GALNS Data on Track for 4Q12

Key Takeaway

For 4Q11, ~8% lower revenue (-1% q/q)/~6% higher-than expected OpEx (flat q/q) led to a wider loss. FY12 revenue guidance is below expectations. Key driver for BMRN is pipeline success (with key clinical data readouts in 2H12/1H13), however, we view strong topline growth from currently marketed products as important as well to support valuation and pipeline potential anticipation.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$40.00	(\$0.02) ▼ (\$0.20)	(\$0.14) ▼ (\$0.75)	(\$0.01) ▼ (\$0.35)	EPS	Americas

Healthcare - Biotechnology

Questcor Pharmaceuticals (NASDAQ: QCOR, \$35.78 , BUY) ►►

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Jan Rx: NS Continues to Outperform, IS Surprises Again

Key Takeaway

QCOR updated new paid Acthar prescriptions for Jan '12 showing continued robust growth in NS with another positive surprise for IS and a generally in-line performance in MS. While it is only the 1st month of the quarter, Jan Rx data looks promising on beating consensus Q1 sales ests of \$79M. We reiterate our Buy.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$50.00	-	-	-	EPS	Americas

Healthcare - Healthcare

Healthcare►►

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Jefferies' Healthcare Capsule - week ending February 17

Key Takeaway

This week, Jefferies' Healthcare Capsule features a review of Olympus (7733, NC)'s endoscope business, with which we were fascinated. The strongest performer was Shionogi (4507 JP, Buy) (+3.5% vs. TOPIX Pharma) and the weakest performer was Dainippon Sumitomo (-4.3% vs. TOPIX Pharma). Shionogi is trading at 9.8x of PER for FY3/13, which is the one of the cheapest healthcare stocks in the world.

Healthcare - Health Care Facilities

Five Star Quality Care, Inc. (NYSE: FVE, \$3.60 , BUY) ►►

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First Glance: \$0.01 Beat Should Push Stock Higher

Key Takeaway

We expect FVE's stock to respond favorably to a \$0.01 Q4 earnings beat over consensus. Occupancy continues to rise, which we consider to be a very bullish signal for long-term growth. Management's Q4 conference call is set for 10am ET this morning. The dial-in is 877-260-8898. No passcode required.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$4.00	-	-	-	EPS	Americas

Healthcare - Health Care Facilities

VCA Antech, Inc. (NASDAQ: WOOF, \$23.05 , HOLD) ►►

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Volumes No Longer Rolling Over But Guidance Miss Will Keep WOOF Muzzled

Key Takeaway

Mgmt's optimistic view on 2012 volumes and commentary on guidance conservatism are encouraging, but WOOF's Q4 EPS miss and below-consensus guidance will pressure the stock today and keep it range-bound NT. While the improving economy should provide a volume tailwind, WOOF remains a show-me story and the stock's performance will depend on mgmt's ability to accelerate organic growth and expand margins back to historical levels.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$20.00	\$0.34 ▼ \$0.33	\$1.51 ▼ \$1.46	\$1.67 ▼ \$1.63	EPS	Americas

Healthcare - Healthcare Information Tech.**Allscripts Healthcare Solutions, Inc. (NASDAQ: MDRX, \$21.47 , BUY)**

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Momentum Remains Strong; 2012 EPS Guidance Below Expectations**Key Takeaway**

4Q11 results were respectable, with strong bookings coming from nearly every part of the care continuum. Guidance for 2012 proved slightly disappointing. We believe MDRX is best positioned to address the needs of providers seeking very capable, "open" platforms. Its offerings become increasingly important as the shift from fee-for-service to outcomes-based care accelerates. MDRX remains our favorite pick in the HCIT space.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$25.00	\$0.26 ▼ \$0.23	\$1.12 ▼ \$1.07	\$1.24	EPS	Americas

Healthcare - Life Sciences & Diagnostic Tools**DENTSPLY International (NASDAQ: XRAY, \$38.72 , BUY)**

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US Demand Recovery Accelerates; Initial 2012 Outlook Readily Achievable**Key Takeaway**

XRAY's 4Q11 adj. EPS of \$0.51 was \$0.01 below consensus as weaker profit trends more than offset better than expected revenue growth. We are trimming our 2012 EPS forecast to \$2.28 (from \$2.35) on recalibrated expectations for rebounding Japan / ortho volumes. Our \$45 price target is unchanged on consistent cash flow forecasts.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$45.00	\$0.54 ▼ \$0.52	\$2.35 ▼ \$2.28	\$2.65	EPS	Americas

Healthcare - Medical Supplies & Devices**ArthroCare Corp. (NASDAQ: ARTC, \$30.77 , HOLD)**

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Legal Sucker Punch KOs Part of Thesis; Downgrade to Hold**Key Takeaway**

Our thesis on ARTC has been partially based on the eventual acquisition of the company. However, because of a new and entirely unexpected DOJ civil investigation, this outcome is not likely anytime soon. Given the underlying performance of the business, the valuation at current levels is unsupportable without the premium a potential acquisition provides. We are downgrading to Hold and lowering our price target to \$25 from \$32.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼ \$32.00 to \$25.00	\$0.39 ▼ \$0.36	\$1.62 ▼ \$1.45	\$1.60	EPS	Americas

Healthcare - Medical Supplies & Devices

Coloplast (CSE: COLOB DC, DKK882.00 , UNDERPERFORM) >>

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Valuation still stretched

Key Takeaway

Whilst margin performance remains solid, Q1 showed a slowdown in top-line performance. However, favourable currency moves bring our forecasts higher. We raise our target price to DKK 770 from DKK 750 due to strong margins, but we remain concerned about more pressures in Europe eating into top-line performance. With earnings growth likely to slow and a demanding valuation, we retain our Underperform rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
UNDERPERFORM	▲ DKK750.00 to DKK770.00	DKK11.70	DKK48.80 ▲ DKK51.70	DKK52.40 ▲ DKK56.85	EPS	Europe

Healthcare - Pharmaceuticals

Pharmaceuticals>>

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Global Pharma QM - February Edition

Key Takeaway

Whilst Pharmaceuticals are still a safe haven for investors seeking yield, a bullish start to the year has sucked money from the sector. Pharmaceuticals stocks need strong drivers to offset rotational headwinds and Abbott and Novo Nordisk have these in abundance. The recent outperformance of Novo Nordisk leads us to strongly prefer Abbott as our Top Pick. Bristol-Myers and GlaxoSmithKline also look very attractive at these levels.

Healthcare - Pharmaceuticals/Specialty

Sagent Pharmaceuticals (NASDAQ: SGNT, \$21.99 , BUY) >>

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Q4 Rev. Upside; SGNT Maturing Quickly

Key Takeaway

4Q rev beat our estimates, but SGNT missed on EPS due to higher spend and slightly lower GM%. First-time '12 guidance fell short of our forecasts, but was driven primarily by a big boost in R&D, as SGNT looks to ensure its longer-term success, a move we won't argue with. With 18 expected new launches in 2012, continued progress on GM% expansion, and a significant opp'y w/ shortage products, we maintain our Buy rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$28.00	(\$0.08) ▼ (\$0.18)	(\$0.97) ▼ (\$1.12)	\$0.45 ▼ (\$0.25)	EPS	Americas

Industrials - Autos & Auto Parts

General Motors Company (NYSE: GM, \$27.17 , HOLD) >>

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Follow-Up Thoughts on GM's 4Q

Key Takeaway

GM shares rallied 9% on a mixed 4Q print. We think the stock looked past widening losses in Europe and South America and instead embraced pension disclosure that was better than feared, strong operating leverage in North America, and continued improvements in jobs data. That GM rallied 9% despite a near \$600mn quarterly loss in Europe underscores how far expectations have fallen. Even still, the path of least resistance feels higher.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$24.00 to \$31.00	\$0.43 ▲ \$0.87	\$3.16 ▲ \$3.99	\$5.11	EPS	Americas

Industrials - Autos & Auto Parts**TRW Automotive Holdings Corp. (NYSE: TRW, \$47.43 , BUY) ►►**

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4Q Beat with Another 20% Upside to Year-End Price Target**Key Takeaway**

TRW shares rallied 14% on a solidly upside 4Q report. Our sense is that the market embraced (1) TRW's improved margin outlook for 2H:12; (2) comments on the call that management is receptive to modestly leveraging up and pursuing "shareholder friendly actions" in 2H:12 or 1H:13; (3) improved jobs data that arguably supports continued strength in the auto SAAR. We see another 20% upside to our year-end price target.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$55.00 to \$57.00	\$1.86 ▼ \$1.62	\$7.09 ▼ \$6.07	\$6.41	EPS	Americas

Industrials - Building Materials**Vulcan Materials (NYSE: VMC, \$47.29 , BUY) ►►**

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Better Than Expected Q4 and Guidance for 2012. More savings to come.**Key Takeaway**

Q4 earnings were significantly better than expected at an adjusted loss of \$0.14, \$0.23 better than Bloomberg consensus. The company has also forecast a 2012 EBITDA of "approximately" \$500m, \$93m above Bloomberg's estimate of consensus. Subsequent years will also benefit from a further \$75m of savings from the company's Profit Enhancement Plan. The planned \$500m of divestments will also strengthen the balance sheet.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$51.00	-	-	-	EPS	Europe

Industrials - Building Materials**Lafarge (PSE: LG FP, €31.83 , BUY) ►►**

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Initial View: Better-than-expected Q4. Outlook Mixed.**Key Takeaway**

Lafarge has reported a Q4-2011 operating income of €538m, €119m above the company's estimate of consensus of €419m and €55m above our estimate of €483m. It has though halved the dividend to €0.50 per share. Also, the expected 7% increase in energy costs in 2012 appears higher than for Lafarge's global competitors. However, it expects "at least" €400m of cost savings this year.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	€43.00	-	-	-	EPS	Europe

Industrials - Building Materials**Saint-Gobain (FRA: SGO FP, €34.92 , BUY) ►►**

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Trading Holding up Better Than We Expected?**Key Takeaway**

H2-2011 Operating income was 0.4% above our forecast and 0.9% above the company's estimate of consensus. The company's guidance for 2012's operating income to be "resilient" appears initially to be positive. The company estimates that consensus is currently for a 2.1% reduction. Our estimate is for a 7.6% decline. However, further guidance, at least between H1 and H2, may be provided at this morning's analyst meeting (8.30am in Paris).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	€50.00	-	-	-	EPS	Europe

Industrials - Capital Goods**Spectris plc (LSE: SXS LN, 1,660.00p , BUY) ▶▶****FY11 results slightly better than expected**

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Key Takeaway

Spectris' FY11 results are slightly ahead of our forecasts across the board and the divisional performance outlines widespread yoy momentum. FY11 was a very strong year for the group and Spectris enters FY12 with cautious optimism & momentum from acquisitions. We expect FY12 consensus to rise a touch today, but with continued macroeconomic optimism Spectris is well positioned to enjoy a healthy FY12, with scope for future upgrades.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	1,675.00p	-	-	-	EPS	Europe

Industrials - Chemicals**Koppers Holdings (NYSE: KOP, \$37.84 , BUY) ▶▶****Q4 Miss by \$0.13. 2012 On Track, but Watch for Europe**

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Key Takeaway

Excluding (\$1.06) in impairment and costs associated with closing the Australian carbon black facility, Koppers reported Q4 EPS of \$0.37, \$0.13 below consensus and \$0.10 below our estimate. Revenue increased 25% YoY and adjusted operating profits 6% as prices lagged raw material cost inflation. Segment profits were \$0.05 below our forecast, interest expense a \$0.01 headwind and taxes another \$0.04.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$43.00	-	-	-	EPS	Americas

Industrials - Diversified Industrials**Toray Industries Inc. (TSE: 3402 JP, ¥569 , HOLD) ▶▶****Upgrade to Hold: bad news priced in; expect almost flat OP in FY3/13E**

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Key Takeaway

We upgrade Toray to Hold, because the profit slowdown has been priced in by the recent underperformance (-12% in 3mth vs. TOPIX). Our new PT is ¥520, downside from here is limited, in our view. OP in FY3/13E to be almost flat YoY.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲¥460 to ¥520	-	¥40.50 ▲¥42.35	¥47.30 ▼¥44.80	EPS	Asia

Industrials - Diversified Industrials**Altra Holdings, Inc. (NASDAQ: AIMC, \$20.55 , HOLD) ▶▶****Downgrade to Hold; Time to Refocus on the Margin**

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Key Takeaway

We are lowering our investment rating to HOLD from BUY. 4Q11 EPS were 25% short of expectations on margin weakness. We saw poor execution and are disappointed in 2012 guidance.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼\$25.00 to \$21.00	\$0.36	\$1.66 ▼\$1.53	\$1.70	EPS	Americas

Industrials - Diversified Industrials

Altra Holdings, Inc. (NASDAQ: AIMC, \$21.54 , BUY) >>

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Initial Take: 4Q Miss; '12 Guide Miss; Favorable Sales, But Pressure on Margin

Key Takeaway

4Q11 EPS were 25% short of expectations. Core sales were +11% and better than expected, but margin was very weak as AIMC failed to anticipate and manage several margin-impacting items. 2012 guidance of \$1.50-\$1.60 is likewise below Street expectations of \$1.63.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$25.00	-	-	-	EPS	Americas

Industrials - Machinery

Lonking Holdings Ltd (HKSE: 3339 HK, HK\$3.21 , UNDERPERFORM) >>

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Look at flowers through the fog; are wheel loaders immune to a slowdown?

Key Takeaway

China machinery investors were heartened by the 2H11 growth in wheel loader volume according to CCMA – maybe things weren't so bad or wheel loaders are defensive. We point out cases of wheel load volume being inflated, and suspect industry volume may not have grown in 2H11. Lonking's 2H11 volume appears to have fallen slightly short of our low expectations. We cut our margins and target price given our more cautious margin view.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
UNDERPERFORM	▼ HK\$2.50 to HK\$2.30	-	RMB 0.40 ▼ RMB 0.38	RMB 0.33 ▼ RMB 0.30	EPS	Asia

Industrials - Materials (Steel)

Reliance Steel & Aluminum Co. (NYSE: RS, \$55.86 , BUY) >>

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4Q11 Results Beat Estimates; Maintain BUY & \$64 PT

Key Takeaway

RS reported 4Q11 EPS of \$0.91 which beat our \$0.80 est. and consensus of \$0.78. Management guided to 1Q12 EPS of \$1.15-1.25 and expects better YoY results in 2012. We continue to see favorable risk/reward maintain our 12-month price target of \$64. We maintain our BUY rating and also note RS to be among the defensive names under coverage; well positioned to weather near term pricing headwinds.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$64.00	\$1.27	\$5.75	\$7.15	EPS	Americas

Industrials - Materials (Steel)

Reliance Steel & Aluminum Co. (NYSE: RS, \$52.48 , BUY) ►►

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First Take on RS Results

Key Takeaway

RS reported 4Q11 EPS of \$0.91 which beat our \$0.80 est. and consensus of \$0.78. Operating results were slightly ahead of our expectations, though most of the beat was due to lower interest/tax expense. Management guided to 1Q12 EPS of \$1.15-1.25 (vs. \$1.26 cons.) and expects better YoY results in 2012.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$64.00	-	-	-	EPS	Americas

Industrials - Transport. & Logistics

Transport. & Logistics►►

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Rail & Intermodal Volumes (Week 6): Volumes Decelerate on Tough Comps

Key Takeaway

U.S. total rail volumes increased 0.7% YoY in Week 6 (vs. +10.7% YoY in Week 5), as a tough comp was a drag on rail volumes. Autos posted another strong YoY gain (+21.4% YoY), while Coal remained weak (-4.4% YoY). Coal volumes are likely to continue dominating sentiment in the group, until natural gas prices increase.

Natural Resources - Metals & Mining

Goldcorp Inc. (NYSE: GG, \$45.27 , HOLD) ►►

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4Q In-Line

Key Takeaway

Goldcorp reported 4Q EPS of \$0.66, modestly beating the Street's estimate of \$0.60. Production was in-line with guidance. Growth projects continue to proceed on schedule. Proven and probable reserves increased 8% to 64.7 million ounces after raising the gold price assumption from \$950 to \$1200. However, we continue to believe Goldcorp is expensive relative to our favorite metal name FCX.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$52.00	\$0.57	\$3.05 ▼ \$2.45	\$3.75 ▼ \$3.00	EPS	Americas

Natural Resources - Metals & Mining

Kinross Gold Corp. (NYSE: KGC, \$10.31 , HOLD) ►►

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\$3B Impairment - Reducing Target

Key Takeaway

Over the past year, the price of gold has risen 24% while Kinross shares have declined 39%. We reiterate our call that high risk gold equities like Kinross are likely to face further multiple compression. With the success of the GLD, there is no longer any reason for investors seeking gold price risk to pay premium multiples and take on risks unrelated to gold price risk.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼ \$17.00 to \$11.00	\$0.21	\$1.12 ▼ \$0.85	\$0.93 ▼ \$0.78	EPS	Americas

Technology - Computer Services & IT Consulting

NetSpend Holdings Inc. (NASDAQ: NTSP, \$8.40 , HOLD) ►►

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Modest 4Q EPS Beat + In-Line F12 Guide

Key Takeaway

NTSP's 4Q earnings results included a ~1% miss on the top line vs. JEF/Street, but a modest EPS beat (\$0.13 vs. JEF/Street = \$0.12) driven by margins 200 bps higher than JEF. NTSP's F12 guide was largely in line, though new partner launch investment is set to pressure margins. Given the pull-back in shares going into the print, we think NTSP's results should have a neutral-ish impact on the stock. Reiterate Hold rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$9.00	\$0.13 ▲ \$0.14	\$0.53 ▼ \$0.52	\$0.63	EPS	Americas

Technology - Computer Services & IT Consulting

Syntel, Inc. (NASDAQ: SYNT, \$55.25 , HOLD) ►►

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Big EPS Beat Helped By FX

Key Takeaway

4Q revs/EPS solidly beat JEF/Street/Guidance, but the op. margins received significant tailwind from FX, and stronger than normal seasonality. The F12 guidance, we believe, is conservative and has a potential for upside, as SYNT's F12 visibility increases over next few qtrs. We are slightly raising our EPS ests and PT, but maintain Hold rating as we don't see much upside from here, especially after today's run-up.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$52.00 to \$54.00	\$0.75	\$3.19 ▲ \$3.29	-	EPS	Americas

Technology - Computer Services & IT Consulting

Capgemini (NXT PA: CAP FP, €31.66 , BUY) ►►

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FY11A Rock Solid, Upside to FY12E?

Key Takeaway

Our sense is that management's "limited organic growth" stance on FY12E guidance is likely to prove highly conservative as the year progresses. We note improved US traction, premium growth in the Top Line Initiatives (TLIs), Consulting Services recovery and the prospect of large outsourcing contract signings, e.g. with Rolls Royce. We retain our Buy rating with a €42 PT.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	€42.00	-	€2.65 ▲ €2.70	€3.01 ▲ €3.08	EPS	Europe

Technology - Computer Services & IT Consulting

Accenture plc (NYSE: ACN, \$57.88 , HOLD) ►►

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Incremental + Read-Thru From Capgemini

Key Takeaway

Cap reported earlier, and while we think the stock is up solidly mostly due to better than expected 2012 margin guidance (largely co-specific), we believe Cap's top-line outlook and commentary portray a largely intact demand environment for N. Amer and Europe, including for discretionary projects. We think this should provide even more confidence in ACN's near-term ests, though we continue to rate ACN at Hold largely due to valuation.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$58.00	-	-	-	EPS	Americas

Technology - Data Networking & Wireline Equip.

Aruba Networks, Inc. (NASDAQ: ARUN, \$24.65 , HOLD) >>

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Good Q2...Business As Usual...Maintain Hold Rating

Key Takeaway

Aruba Networks reported solid fiscal Q2'12 revenue, slightly higher than Street estimates. EPS results were in-line with Street expectations. The company continues to perform well, capitalizing on strong demand drivers for WLAN. Nevertheless, we believe the shares are fully valued.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$21.00 to \$22.00	\$0.17 ▼ \$0.16	\$0.65	\$0.80	EPS	Americas

Technology - Internet

Renren Inc. (NYSE: RENN, \$5.51 , HOLD) >>

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Investing for Mobile Internet and eCommerce

Key Takeaway

Renren will report results on March 9. We expect weak seasonality for online ads and online games in 4Q11, with widening operating loss. Due to Mobile Internet investment, 56.com and group-buy platform, Renren will remain loss-making for FY12. Revise down PT by 39% to USD5.51, and we estimate net cash per share of USD3. Maintain Hold. Positive surprises include faster than expected eCommerce adoption, Mobile Internet breakthrough.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼ \$9.00 to \$5.51	-	(\$0.04)	(\$0.16)	EPS	Asia

Technology - Semiconductors

UMC (TSEC: 2303 TT, TWD15.10 , HOLD) >>

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Fairly priced

Key Takeaway

We continue to like the UMC story, though we find the current risk-reward unattractive. Trading at 0.9x P/BV, the stock is already trading on a mid-cycle multiple, which we believe is fair value. We update our model following the Q4 results, keeping 12E EPS unchanged, but lowering 13E EPS by 7.5%. Following our downgrade of the stock from Buy to Hold on 1 Feb, we continue to await a better entry point.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	TWD15.00	-	TWD0.77	TWD1.36 ▼ TWD1.26	EPS	Asia

Technology - Semiconductors

Semiconductors>>

Mercury 4Q11 GPU Update

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Key Takeaway

According to Mercury's interim Q4 GPU update, NVDA gained ~100 bps of share in notebook discrete GPU from AMD QoQ (overall market units decreased by 15%). Desktop discrete GPU market share positions remained unchanged QoQ (overall market units decreased by 8%). As both Intel and AMD transition to lower power form factors, we continue to expect headwinds for discrete GPU, primarily in notebook, for both NVDA and AMD.

Technology - Software

Qlik Technologies (NASDAQ: QLIK, \$31.31 , BUY) ►►

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Not As Good A Q As We Expected

Key Takeaway

QLIK's 4Q11 rev was not as strong as we expected; Large deal vol growth was up less than we anticipated and NG EPS missed guidance. 1Q12 rev/ NG EPS guidance was lower than the Street, but CY12 rev guidance was ahead and NG EPS guidance in line. QLIK is hiring aggressively and plans for re-acceleration through the year.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$31.00	\$0.03 ▼ (\$0.06)	\$0.47 ▼ \$0.42	\$0.65 ▼ \$0.61	EPS	Americas

Technology - Software

Monotype Imaging Holdings Inc. (NASDAQ: TYPE, \$14.71 , HOLD) ►►

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Solid Fundamentals Continue

Key Takeaway

TYPE slightly exceeded Street rev expectations for 4Q11, guided revs ahead of the Street for 1Q12/ in-line for CY12. Excluding BITS-related transaction costs (which were not prev reflected in our/ Street models), 4Q11 NG EPS was in-line, as was the MP of 1Q12 and CY12 guidance. Maintain Hold as we continue to think upside risk to ests is limited. PT is unchanged at \$17.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$17.00	\$0.21 ▲ \$0.23	\$0.96 ▲ \$0.97	\$1.08 ▲ \$1.11	EPS	Americas

Technology - Telecom Equipment/Wireless

Motorola Solutions, Inc. (NYSE: MSI, \$48.21 , BUY) ►►

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National Public Safety Network Likely Approved Soon

Key Takeaway

Our checks indicate that the payroll tax extension bill that will be voted on Friday will include legislation for using the 700MHz D Block spectrum for a national public safety network and fund it via an auction of other spectrum. We believe the public safety will initially be funded with \$2B and that a total of \$7B will be spent once the auction proceeds are available.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$58.00	-	-	-	EPS	Americas

Telecommunications - Telecom Services

Frontier Communications Corporation (NYSE: FTR, \$4.46 , BUY) ►►

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FTR Takes Painful, Prudent Path

Key Takeaway

Yesterday after the market close, FTR announced a ~47% cut to its annual dividend in conjunction with reporting 4Q11 results. Given a sustained dividend yield in excess of 15%, we believe this was widely expected. We view the move as prudent, and believe returns can accrue to equity investors via de-levering and the still substantial ~9% dividend yield (40% payout ratio). We maintain Buy rating, PT to \$6.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▼ \$7.00 to \$6.00	\$0.02	\$0.22	\$0.30	EPS	Americas

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Conferences

Title	Dates	Location
'Best of Ireland' company conference. 12 March 2012	11/30/2011	London
Jefferies 2012 Clean Technology Conference	2/22/2012 - 2/23/2012	New York
Jefferies Spring 2012 Mid-Atlantic Corporate Access Summit	3/2/2012	Baltimore
Jefferies Copper Seminar	3/15/2012	London
Jefferies 2012 Electronic Payments Summit	5/3/2012	New York
Jefferies 2012 Global TMT Conference	5/7/2012 - 5/10/2012	New York

Company Marketing

Title	Dates	Location
City National Corp (CYN)	2/14/2012	Los Angeles
Fidessa Group - Presentation to Sales (HG event)	2/14/2012	London
Hargreaves Services – Presentation to sales (HG event)	2/14/2012	London
Inphi Corp (IPHI)	2/15/2012	Portland, OR
First Republic Bank (FRC)	2/15/2012	San Francisco
Gen-Probe Inc (GPRO)	2/16/2012	Dallas, Houston
Compuware Corp (CPWR)	2/16/2012 - 2/17/2012	Los Angeles, San Francisco, San Mateo
Metals USA Holdings Corp (MUSA) Group Lunch	2/16/2012	New York
BAE Systems – Presentation to sales (HG event)	2/16/2012	London
United Technologies Corp (UTX) at NYR Game	2/17/2012	New York
Spectris – Presentation to sales (HG event)	2/17/2012	London
Pernod-Ricard SA (RI FP)	2/20/2012 - 2/24/2012	Boston, New York
Morgan Sindall Company Sales Presentation (HG Event)	2/21/2012	London
SolarWinds Inc (SWI)	2/21/2012 - 2/22/2012	New York
Ophir Energy PLC presentation to sales	2/21/2012	London
NRG Energy Inc (NRG) Dinner - Clean Tech Conference	2/21/2012	New York
Albemarle Corp (ALB) Dinner - Clean Tech Conference	2/22/2012	New York
A.M. Castle (CAS)	2/22/2012 - 2/24/2012	Chicago, New York
Fresenius Presentation to Sales	2/22/2012	London
Celldex Therapeutics Inc (CLDX)	2/22/2012	Boston
Hain Celestial Group Inc. (HAIN)	2/22/2012	London
Galliford Try Company Sales Presentation (HG Event)	2/22/2012	London
MEMC Electronic Materials Inc (WFR) Dinner - Clean Tech Conference	2/22/2012	New York
Legg Mason Inc (LM)	2/23/2012 - 2/24/2012	San Francisco
Novo Nordisk A/S (NVO)	2/23/2012	Portland, OR
CapitaMalls Asia Ltd (6813 HK)	2/23/2012 - 2/24/2012	Hong Kong
Sinclair IS Pharma Company Sales Presentation (HG Event)	2/23/2012	London
Pendragon PLC Company Sales Presentation	2/23/2012	London
Go-Ahead Company Sales Presentation (HG Event)	2/24/2012	London
Hutchison Port Holdings Trust (HPHT SP)	2/24/2012	Hong Kong
Renova Energia S.A.	2/27/2012 - 2/29/2012	Frankfurt, Geneva, London, Zurich
GFI Group Inc (GFIG)	2/27/2012 - 2/28/2012	Dallas, Houston
Smith & Nephew Presentation to Sales	2/27/2012	London
Commerce Bancshares Inc/MO (CBSH) Group Meeting	2/27/2012	New York
Lafarge SA (LG FP)	2/27/2012 - 2/29/2012	Baltimore, Boston, New Jersey, New York, Philadelphia
Keller Company Sales Presentation (HG Event)	2/27/2012	London

Analyst Marketing

Title	Dates	Location
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Jeffrey Holford	2/14/2012 - 2/23/2012	Connecticut, New York
Paul Fremont	2/14/2012	Connecticut
Emlen Harmon, Casey Haire	2/14/2012 - 2/16/2012	Los Angeles, Portland, OR, San Francisco
Philip Ng	2/15/2012	Mid-Atlantic
Randal Konik	2/15/2012 - 2/17/2012	Los Angeles, Pasadena, San Francisco
Will Smith, David Reynolds	2/15/2012	Frankfurt
Ken Usdin	2/15/2012	Denver
David Windley	2/15/2012 - 2/16/2012	Mid-Atlantic, New York
George Notter	2/15/2012 - 2/16/2012	Boston
Thomas Wei	2/16/2012	Boston
Financials Ideas Lunch	2/16/2012	San Francisco
Peter Nesvold	2/17/2012	Connecticut
Laurence Alexander	2/17/2012	Mid-Atlantic
Vishal Agarwal	2/20/2012 - 2/23/2012	Hong Kong, Singapore
Raj Denhoy	2/21/2012	Mid-Atlantic
Robert Lea	2/21/2012 - 2/27/2012	Austin, Berwyn, Chicago, Connecticut, Kansas City, Mid-Atlantic, New York, Philadelphia, San Francisco
Peter Misek	2/21/2012 - 2/22/2012	Cleveland, Detroit, Toronto
James Grzinic, Charlotte Edgar	2/21/2012 - 2/24/2012	London
David Windley	2/21/2012	Denver
Joseph Fong	2/21/2012 - 2/24/2012	Boston, New York
Youssef Squali, Cynthia Meng, David Reynolds	2/22/2012 - 2/24/2012	Edinburgh, Geneva, London
Daniel Fannon	2/22/2012	San Diego
Aaron Schwartz	2/23/2012	Boston
Ken Usdin	2/23/2012	Boston
Thomas Wei	2/23/2012	Connecticut
Jason Kupferberg	2/23/2012 - 2/24/2012	San Francisco
James Grzinic, Charmaine Yap	2/23/2012	Geneva
Ken Usdin	2/24/2012	Toronto
Biren Amin	2/24/2012	Connecticut
Ross MacMillan	2/24/2012	Boston
Scott Mushkin	2/24/2012	Frankfurt
Jason Kupferberg	2/27/2012	New York
Randal Konik, Taposh Bari	2/27/2012 - 2/28/2012	Chicago, Denver
Joseph Fong	2/27/2012 - 3/2/2012	Copenhagen, Edinburgh, Geneva, London, Stockholm, Zurich
Thomas Seitz	2/27/2012 - 3/2/2012	Edinburgh, Frankfurt, Geneva, Glasgow, London, Zurich
Daniel Fannon	2/27/2012 - 2/29/2012	Austin, Dallas, Houston

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Amy Yacko owns shares of Boston Scientific Corp. common stock.

An individual involved in the preparation of this report owns shares of GlaxoSmithKline common stock.

An individual involved in the preparation of this report owns shares of GlaxoSmithKline Plc common stock

An individual involved in the preparation of this report owns shares of Merck & Co. common stock.

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Mohammad Hassan owns shares of Nvidia Corporation common stock.

Daniel Furtado owns shares of Redwood Trust, Inc. common stock.

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4. Stocks are sorted to a maximum of 30 stocks with the maximum country exposure at around 50%. Limits are also imposed on a sector basis.
5. Once a month, analysts are invited to recommend their best ideas. Analysts' stock selection can be based on one or more of the following: non-Consensus investment view, difference in earnings relative to Consensus, valuation methodology, target upside/downside % relative to the current stock price. These are then assessed against existing holdings to ensure consistency. Stocks that have either reached their target price, been downgraded over the course of the month or where a more suitable candidate has been found are removed.
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7. Performance is calculated in US dollars on an equally weighted basis and is compared to MSCI World AC US\$.
8. The conviction list is published once a month whilst global equity markets are closed.
9. Transaction fees are not included.
10. All corporate actions are taken into account.

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Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
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HOLD	604	41.20%	65	10.76%
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