

Today At A Glance

Company	Ticker	Rating	PT chg	Curr. Q (e) chg	Curr. Y (e) chg	Next Y (e) chg	Est. Type
Diamond Foods	DMND	U to H	\$11.00 to \$15.00	(\$0.29) to (\$0.25)	(\$0.27) to (\$0.11)	\$0.29 to \$0.52	EPS
British Land	BLND LN	H	538.00p to 528.00p	-	29.90p to 30.20p	31.10p to 31.90p	EPS
Green Dot Corp.	GDOT	H	\$12.00 to \$14.00	\$0.35 to \$0.38	\$1.10 to \$1.18	\$1.23 to \$1.25	EPS
Kratos Defense & Security	KTOS	H	\$6.00 to \$5.00	-	\$0.30 to \$0.15	-	EPS
PolyOne Corporation	POL	B	\$27.00 to \$29.00	-	-	\$1.65 to \$1.90	EPS
RigNet, Inc.	RNET	B	\$22.00 to \$25.00	\$0.26 to \$0.23	\$0.96 to \$0.93	\$1.19 to \$1.22	EPS
Spectris plc	SXS LN	B	2,270.00p to 2,675.00p	-	152.90p to 154.00p	-	EPS
AstraZeneca PLC	AZN LN	H	-	-	\$5.79 to \$5.65	\$5.44 to \$5.35	EPS
Costco	COST	H	-	-	\$4.38 to \$4.42	-	EPS
Luxfer Holdings PLC	LXFR	B	-	\$0.38 to \$0.34	-	-	EPS
Metro	MEO GR	H	-	-	€2.41 to €2.38	€2.57 to €2.37	EPS
OMNOVA	OMN	B	-	\$0.11 to \$0.09	\$0.80 to \$0.70	\$1.10 to \$1.00	EPS
Aeropostale	ARO	B	-	-	-	-	
Alphatec Holdings	ATEC	B	-	-	-	-	
Chevron	CVX	B	-	-	-	-	
Discover Financial Services	DFS	B	-	-	-	-	
E-House China Holdings	EJ	B	-	-	-	-	
J. Sainsbury	SBRY LN	H	-	-	-	-	
Lenovo	992 HK	U	-	-	-	-	
MasterCard	MA	B	-	-	-	-	
Sirius Minerals	SXX LN	B	-	-	-	-	
Boeing	BA	B	-	-	-	-	
The Gap, Inc.	GPS	B	-	-	-	-	
Trinity Exploration & Production	TRIN LN	B	-	-	-	-	
Zoetis, Inc.	ZTS	B	-	-	-	-	

Focus Calls

Metro (XETRA: MEO GR, €21.59 , HOLD) ►►

Strife but also Progress in 2012

Key Takeaway

Metro's lack of share price performance despite soaring equity markets is starting to overlook the progress made by the group over the past year. The upcoming finals (20 March) should confirm the operational and financial achievements made, even if the trading backdrop continues to throw challenges (and keep earnings risks pitched to the downside in the near term).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	€22.00	-	€2.41 ▼ €2.38	€2.57 ▼ €2.37	EPS	Europe

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J. Sainsbury (LSE: SBRY LN, 346.90p , HOLD) >>

A Successful End to 2012/13

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Key Takeaway

Market share data has already confirmed a strong Q4 for Sainsbury, and we estimate the group to report LFL of c.2% for the quarter on 19 March. The non-repetition of the heavy couponing of February/March 2012 by Tesco has likely helped. However, the risk is that Tesco's Price Match reduces the effectiveness of the extremely successful Sainsbury's Brand Match.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	330.00p	-	29.55p	30.33p	EPS	Europe

Trinity Exploration & Production plc (LSE: TRIN LN, 126.75p , BUY)

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Initiate at Buy: La Isla de la Trinidad - Solid Base, E&A Upside, Balanced Risk

Key Takeaway

Trinity is a full cycle E&P focused on Trinidad, formed via the reverse takeover of Bayfield. It has existing production and cash flows which it aims to grow via development drilling, undeveloped discoveries and exploration upside. We see upside in 2013 and beyond through SoP accretion and a partial re-rating to peer average metrics. Initiate at Buy, 180p/sh PT (38% implied upside).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	180.00p	-	\$0.19	-	EPS	Europe

Pharmaceuticals>>

Global Pharma QM: March Edition

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Key Takeaway

We highlight our initiation of Zoetis as well as reiterating our thoughts on our Top Picks AbbVie, Novartis, Sanofi and Roche in this issue. We remind investors on the downside risk in GlaxoSmithKline, whilst giving Merck & Co. shares credit as IMPROVE-IT passes without incident. Novo Nordisk continues to look an interesting trading stock and we advise investors to hold off on AstraZeneca ahead of the Capital Markets day.

Zoetis, Inc. (NYSE: ZTS, \$33.82 , BUY) >>

Animal Magnetism: Initiating Coverage With A Buy Rating

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Key Takeaway

Zoetis deserves a premium rating due to its strong underlying growth profile, combined with the valuation accelerants of significant operating margin expansion, capital allocation upside and its scarcity value. We see mid-term EPS 12%-17% ahead of the initial consensus estimates and set a 12-month PT of \$40. Jefferies acted as a Book Runner in ZTS' January IPO.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$40.00	-	\$1.41	\$1.69	EPS	Global

AstraZeneca PLC (LSE: AZN LN, 3,070.00p , HOLD) >>

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If It's Broke, Fix It

Key Takeaway

AstraZeneca's past strategy of focusing on a "pure play" pharmaceuticals model, fueled by its foray into biologics following the MedImmune acquisition, failed in spectacular fashion. With a new CEO on board and a new strategy about to be deployed, we think investors are too optimistic about how quickly it can be turned around. Nevertheless the shares could offer an attractive re-rating story for value investors over the next 2-3 years.

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HOLD	3,000.00p	-	\$5.79 ▼ \$5.65	\$5.44 ▼ \$5.35	EPS	Global

All Research

Consumer - Food

Diamond Foods, Inc. (NASDAQ: DMND, \$15.89 , HOLD) >>

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Upgrading to Hold – When Revenue Losses Lead to Profit Growth

Key Takeaway

We are raising DMND to Hold from Underperform with a new \$15 PT as our bear thesis of combined revenue and margin pressure did not play out. Even though DMND continues to face revenue losses, the company apparently cut enough unprofitable SKUs and reduced costs to enhance margins, an event that we had underestimated. Together with the potential for eventually covering the remaining 29% of short interest, we see only limited downside.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$11.00 to \$15.00	(\$0.29) ▲ (\$0.25)	(\$0.27) ▲ (\$0.11)	\$0.29 ▲ \$0.52	EPS	Americas

Consumer - Food Retailers

Metro (XETRA: MEO GR, €21.59 , HOLD) >>

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Strife but also Progress in 2012

Key Takeaway

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
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Consumer - Food Retailers

J. Sainsbury (LSE: SBRY LN, 346.90p , HOLD) >>

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A Successful End to 2012/13

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HOLD	330.00p	-	29.55p	30.33p	EPS	Europe

Consumer - Retailing/Broadlines & Dept Stores

Costco Wholesale Corp. (NASDAQ: COST, \$103.75 , HOLD) >>

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Low Quality Beat; Strong Traffic Equals High Multiple

Key Takeaway

Store level operating results were in line, but the EPS beat reflected lower pre-opening expenses, other income, and a lower adjusted tax rate. Similar to last quarter, much of the EBIT margin expansion appears to be coming from growth in the higher margin international business. This may help insulate COST from competitive price pressure in the U.S if it intensifies. High multiple reflects good traffic gains and higher store growth.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$92.00	\$0.99	\$4.38 ▲ \$4.42	\$4.80	EPS	Americas

Consumer - Retailing/Specialty Stores

Aeropostale, Inc (NYSE: ARO, \$13.94 , BUY) >>

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4Q "Pre-Game": Expectations Bar Very Low = Buy This Stock

Key Takeaway

ARO reports 4Q earnings on March 14. While topline trends were certainly challenged over the holiday season, we believe expectations are now low enough for FY'14. Further, we see several potential positive catalysts down the road (store closure announcements, share buybacks) and continue to believe this call is based on the balance sheet and cash generating properties of ARO. We see limited downside and attractive risk/reward.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$18.00	\$0.24	\$0.68	\$1.00	EPS	Americas

Consumer - Retailing/Specialty Stores

Retailing/Specialty Stores>>

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4Q "Pre-Game": Earnings Round 3; Buy VRA Into Print

Key Takeaway

Several companies in our universe report earnings this week; below are our brief thoughts on VRA, ULTA and ZUMZ. ARO also reports earnings this week; please see our separate company note for ARO with a more detailed earnings preview.

Consumer - Retailing/Specialty Stores

The Gap, Inc. (NYSE: GPS, \$36.38 , BUY) ►►

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10 Things We Expect To Hear From Meeting With Management

Key Takeaway

We are meeting with GPS management this week. We think it will be an upbeat meeting and below highlight 10 things we expect to hear from management. We view valuation as compelling and GPS remains among our top picks.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$50.00	\$0.56	\$2.80	-	EPS	Americas

Energy - Integrated Oil

Chevron (NYSE: CVX, \$118.73 , BUY) ►►

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Analyst Meeting - From Strength to Strength

Key Takeaway

Chevron produced a solid strategy update, with its 2017 production goal of 3.3 million boe/d maintained despite project slippage as it adds more US unconventional volumes to its portfolio. Despite additional capital intensity, CVX's mostly oil-linked volumes deliver sector-leading unit cashflow, which should allow it to generate sufficient cash to continue attractive shareholder distributions. We are maintaining our Buy rating on CVX.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$125.00	-	-	-	EPS	Europe

Energy - Oil & Gas Exploration & Production

Trinity Exploration & Production plc (LSE: TRIN LN, 126.75p , BUY)

►►

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Initiate at Buy: La Isla de la Trinidad - Solid Base, E&A Upside, Balanced Risk

Key Takeaway

Trinity is a full cycle E&P focused on Trinidad, formed via the reverse takeover of Bayfield. It has existing production and cash flows which it aims to grow via development drilling, undeveloped discoveries and exploration upside. We see upside in 2013 and beyond through SoP accretion and a partial re-rating to peer average metrics. Initiate at Buy, 180p/sh PT (38% implied upside).

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BUY	180.00p	-	\$0.19	-	EPS	Europe

Financials - Brokers, Asset Mgrs & Exchanges

Brokers, Asset Mgrs & Exchanges►►

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Feb Retail Flows: Trends Moderate but Remain Strong

Key Takeaway

Net new flows into US retail mutual funds remained strong in Feb but were down from a record January. The slowdown was broad-based with all major asset classes experiencing a m/m decline. On a relative basis, flows into traditional mutual funds held up better than ETFs. Of the firms we track, and keeping in mind the high bar set in January, only EV and TROW recorded m/m improvement in flows.

Financials - Consumer Finance

Consumer Finance►►

February Master Trust Preview, Expect COF Credit to be Buoyed by Tax Refunds

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Key Takeaway

We expect master trust results to show a modest increase in charge-offs of 15bps on average, while COF shows improving metrics. COF historically has shown improvement of about 39bps into February and we anticipate that tax refunds through February have benefited COF's portfolio, with higher exposure deeper in the credit spectrum.

Financials - Consumer Finance

Discover Financial Services (NYSE: DFS, \$41.84 , BUY) ►►

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Investor Day Sentiment Positive

Key Takeaway

Comments were all around positive at DFS' investor day. Loan growth guidance was increased, credit is expected to remain benign for an extended period, NIM should stay elevated, and OpEx should remain contained. With positive commentary on capital return, we expect Thursday's CCAR results to be a near term catalyst.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$45.00	-	-	-	EPS	Americas

Financials - REITs

British Land (LSE: BLND LN, 555.00p , HOLD) ►►

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Room for Expansion

Key Takeaway

BLND is collecting capital and with it comes a cash drag on earnings until invested and the development profits are diluted. Our proforma estimates indicate corporate expansion rather than growth, and we remain holders on a reduced PT of 528p (-2%).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼ 538.00p to 528.00p	-	29.90p ▲ 30.20p	31.10p ▲ 31.90p	EPS	Europe

Healthcare - Medical Supplies & Devices

Alphatec Holdings, Inc. (NASDAQ: ATEC, \$2.00 , BUY) ►►

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Second Time's a Charm...Solus Approved (Again)

Key Takeaway

Alphatec announced earlier-than-expected FDA approval of the Solus ALIF device. The approval significantly enhances ATEC's spine portfolio and this differentiated product could meaningfully contribute to the top line in coming quarters. As neither guidance nor our model had included Solus, today's approval provides a solid cushion and potential for upside to estimates. Maintain Buy rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$2.50	-	-	-	EPS	Americas

Healthcare - Pharmaceuticals

Pharmaceuticals >>

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Global Pharma QM: March Edition

Key Takeaway

We highlight our initiation of Zoetis as well as reiterating our thoughts on our Top Picks AbbVie, Novartis, Sanofi and Roche in this issue. We remind investors on the downside risk in GlaxoSmithKline, whilst giving Merck & Co. shares credit as IMPROVE-IT passes without incident. Novo Nordisk continues to look an interesting trading stock and we advise investors to hold off on AstraZeneca ahead of the Capital Markets day.

Healthcare - Pharmaceuticals

Zoetis, Inc. (NYSE: ZTS, \$33.82, BUY) >>

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Animal Magnetism: Initiating Coverage With A Buy Rating

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BUY	\$40.00	-	\$1.41	\$1.69	EPS	Global

Healthcare - Pharmaceuticals

AstraZeneca PLC (LSE: AZN LN, 3,070.00p, HOLD) >>

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If It's Broke, Fix It

Key Takeaway

AstraZeneca's past strategy of focusing on a "pure play" pharmaceuticals model, fueled by its foray into biologics following the MedImmune acquisition, failed in spectacular fashion. With a new CEO on board and a new strategy about to be deployed, we think investors are too optimistic about how quickly it can be turned around. Nevertheless the shares could offer an attractive re-rating story for value investors over the next 2-3 years.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	3,000.00p	-	\$5.79 ▼ \$5.65	\$5.44 ▼ \$5.35	EPS	Global

Industrials - Aerospace & Defense Electronics

Kratos Defense & Security Solutions, Inc. (NASDAQ: KTOS, \$4.48, HOLD) >>

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Recognizing an Impairment and Striving to Improve the Business

Key Takeaway

Kratos reported Q4 EPS of (\$1.61) vs. our estimate of (\$0.08). The loss was due to non-cash goodwill and intangible asset impairment charges of \$96.6MM. Revenues of \$263.6MM matched our forecast. Excluding one time items, we estimate KTOS broke even.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼ \$6.00 to \$5.00	-	\$0.30 ▼ \$0.15	-	EPS	Americas

Industrials - Aerospace & Defense Electronics

The Boeing Company (NYSE: BA, \$84.16 , BUY) >>

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A Comprehensive Solution to Put the 787 Back into Service

Key Takeaway

The FAA announced it has approved Boeing's certification plan for the redesigned 787 battery system. Approval of the plan is the first step in the process of returning the aircraft to commercial service. Boeing is required to conduct extensive testing and analysis to demonstrate compliance with safety regulations and special conditions.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$87.00	-	-	-	Core EPS	Americas

Industrials - Capital Goods

Spectris plc (LSE: SXS LN, 2,339.00p , BUY) >>

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Still More to Come

Key Takeaway

Spectris has re-rated in the last 12 months. Its valuation, however, is still at a discount to its quality peers, with the shares having retreated in the last few weeks despite being exposed to similar trends in a sector that has continued a healthy rise. We nudge our forecasts higher and raise our price target to 2675p (from 2270p) to better reflect Spectris' valuation relative to its peers. We reiterate our Buy recommendation.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ 2,270.00p to 2,675.00p	-	152.90p ▲ 154.00p	164.80p	EPS	Europe

Industrials - Chemicals

OMNOVA Solutions, Inc. (NYSE: OMN, \$8.31 , BUY) >>

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Slow Start to 2013 Likely Offsets Refinancing Benefits

Key Takeaway

2013 is likely off to a slow start. Even with the recent term loan refinancing, we are lowering 2013E \$0.10 to \$1.00, up 18% YoY, with most of the cuts applying to 1H13. We reiterate our Buy rating given expected acceleration into 2014 and significant operating leverage to a cyclical recovery.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$10.00	\$0.11 ▼ \$0.09	\$0.80 ▼ \$0.70	\$1.10 ▼ \$1.00	EPS	Americas

Industrials - Chemicals

PolyOne Corporation (NYSE: POL, \$24.90 , BUY) >>

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Adjusting Estimates for Spartech Acquisition

Key Takeaway

To reflect the completion of the Spartech acquisition, we are raising our 12-month price target for PolyOne \$2 to \$29, which effectively maintains our target multiple at 7.6x EBITDA and implies 16% total return. We reiterate our Buy rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$27.00 to \$29.00	\$0.28	\$1.40	\$1.65 ▲ \$1.90	EPS	Americas

Industrials - Industrials

Industrials▶▶

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U.S. Industrial Monthly Short-Cycle Monitor: Conditions Unchanged

Key Takeaway

Our 6 leading indicators are mixed this month. Of our 12 key end-markets, 9 remain favorable, and more improved versus last month than weakened. But overall we do not believe industrial conditions improved much over the last month. **CONFERENCE CALL TODAY @ 10AM; 866-900-5944; Code: 19699269**

Industrials - Materials (Steel)

Luxfer Holdings PLC (NYSE: LXFR, \$13.59 , BUY) ▶▶

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Reiterate BUY Following Strong 4Q12 Results; LXFR Top Small Cap Pick

Key Takeaway

We reiterate our BUY following 4Q12 and maintain LXFR as a top pick. With far better returns/margins and lower debt relative to specialty metals peers and numerous interesting growth opportunities via new products/favorable secular demand trends we expect LXFR's >40% discount to peers (EV/'13 EBITDA 4.6x) to close over time as trading liquidity gradually improves.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$18.75	\$0.38 ▼ \$0.34	\$1.64	\$1.93	EPS	Americas

Natural Resources - Metals & Mining

Metals & Mining▶▶

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Monthly

Key Takeaway

Global Metals and Mining has a heterogeneous set of fundamentals and valuations. We continue to counsel investors to be selective within the sector.

Natural Resources - Metals & Mining

Sirius Minerals (LSE: SXX LN, 25.00p , BUY) ▶▶

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Busy Months Ahead

Key Takeaway

Sirius Minerals' site visit yesterday highlighted the ongoing progress made and challenges that lie ahead in development of the large scale York Potash project. While financing risks remain, SXX should benefit from a variety of catalysts on the horizon as governmental approval for onshore mining is expected in late May and a development partner should be secured by year end, helping alleviate funding challenges.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	30.00p	-	(2.58p)	-	EPS	Global

Property - China Property**E-House China Holdings (NYSE: EJ, \$4.91 , BUY) ►►**

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4Q12 Turned Profitable, Driven by Surging Volume**Key Takeaway**

E-House returned to profitability on physical market recovery and good cost control in 4Q12. Management is optimistic on 2013, anticipating 20%+ in GFA sold and the online division to generate operating earnings. We believe a new round of tightening policies will create more uncertainties, and continuous execution improvement is the key to future success.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$4.50	-	-	-	EPS Non-GAAP	Asia

Technology - Computer Hardware**Lenovo Group Ltd (HKSE: 992 HK, \$8.31 , UNDERPERFORM) ►►**

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C1Q Shipments Tracking In-line; Acquisition Deal with Blackberry Unlikely**Key Takeaway**

PC and handset shipments are tracking in-line this quarter. While an acquisition deal with Blackberry is unlikely, we believe Lenovo is actively seeking a fast track in overseas smartphone business, given organic growth is challenging. Maintain Underperform and HK\$7 PT on continuing headwinds to PC demand and an increasingly competitive smartphone market in China.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
UNDERPERFORM	HK\$7.00	-	-	-		Asia

Technology - Computer Services & IT Consulting**Computer Services & IT Consulting►►**

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JEF "Payments Roundtable" Call 3/15: Emerging Payments Trends**Key Takeaway**

On Friday, 3/15 at 11am ET, we are hosting our next "Payments Roundtable" call to discuss emerging payments trends and topics for 2013 and beyond, including: 1) implications of the recent V/JPM deal, 2) pros and cons of various mobile wallets, 3) thoughts on alternative networks/new entrants. Our guest speakers will be Jeff Green and David Kaminsky of Mercator Advisory Group.

Technology - Computer Services & IT Consulting**Green Dot Corp. (NYSE: GDOT, \$14.78 , HOLD) ►►**

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GDOT & WMT: Framing the Scenarios**Key Takeaway**

Our proprietary analysis examines the evolving relationship between GDOT & WMT (65% of GDOT revs), highlighting the wide range of potential downside/upside EPS impacts from both near-term and longer-term developments, such as Bluebird, pricing pressure, and issues surrounding the F15 WMT contract renewal. We are raising ests and PT due to possible near-term upside to Street, but maintain Hold rating due to longer-term overhangs.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲\$12.00 to \$14.00	\$0.35 ▲\$0.38	\$1.10 ▲\$1.18	\$1.23 ▲\$1.25	EPS	Americas

Technology - Computer Services & IT Consulting

MasterCard, Inc. (NYSE: MA, \$530.89 , BUY) >>

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Mid-Qtr Card Vols Healthy Despite Headwinds

Key Takeaway

Earlier, MA released mid-qtr spend vol metrics that remain essentially healthy despite headwinds (i.e., lapping of debit processing deals, and delayed tax refunds). While US processed vols growth slowed noticeably vs Q4, cross-border accelerated, and global processed vols remain robust. Separately, MA indicated digital wallets (i.e., PayPal) will be charged a new acquirer-like fee starting in July. Maintain Buy.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$552.00	-	-	-	EPS	Americas

Technology - Internet

Internet>>

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Less Buzz than Usual at SXSW as Focus Shifts Away from Consumer / Social Svcs

Key Takeaway

The South by Southwest (SXSW) conference has developed a reputation for being a key springboard for consumer / social Internet apps and services like Twitter (2007) and Foursquare (2009). At this year's SXSW, we didn't see any true breakout apps or services, signaling to us the consumer Internet space continues to mature in favor of the larger, more-established, incumbent players.

Technology - Software

Software>>

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Building Information Modeling: Expert Call

Key Takeaway

We will be hosting a conference call at 11 a.m. on Monday March 18th on Building Information Modeling (BIM). BIM is a standard promoted by Autodesk and others for Architecture, Engineering and Construction (AEC). Learn more about what BIM is, who uses it and how it is changing the AEC industry.

Technology - Software

Software>>

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Reminder: Cybersecurity and the Fed Conference Call

Key Takeaway

We will be hosting a conference call tomorrow, Wednesday, March 13 at 12:00PM ET to discuss current federal cybersecurity legislation and related funding activities in greater detail. The call will feature insights into the current federal cybersecurity spending environment, as well as key priorities, upcoming initiatives, and catalysts in this area.

Telecommunications - Telecom Services
RigNet, Inc. (NASDAQ: RNET, \$21.48 , BUY) ►►

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Solid Results
Key Takeaway

In our view, RNET reported better than expected 4Q results. The company ended the year with \$62.5 million of cash and maintains a net cash position, which we believe could potentially be used to expand into adjacent markets via M&A. Additionally, we see scope for material ARPU expansion over the mid-to-long term. As such, we maintain buy rating and are raising our TP to \$25.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$22.00 to \$25.00	\$0.26 ▼ \$0.23	\$0.96 ▼ \$0.93	\$1.19 ▲ \$1.22	EPS	Americas

Jefferies Events For further details please call your Jefferies contact

Conferences

Title	Dates	Location
Jefferies 2013 Denver Specialty Pharmaceuticals Summit	3/21/2013	Denver
Jefferies 2013 Trucking Summit	3/26/2013	New York
Jefferies 2013 Healthcare REIT Summit	4/2/2013	New York
Jefferies 2013 Electronic Payments Summit	4/11/2013	New York
Jefferies 2013 Global Technology, Media & Telecom Conference	5/7/2013 - 5/9/2013	New York
Jefferies 2013 Hoare Govett UK Companies Forum	5/15/2013	London, EC2
Jefferies 2013 Global Healthcare Conference	6/3/2013 - 6/6/2013	New York
Jefferies 2nd Asia Pacific Cross-Thinking Summit - Hong Kong	7/10/2013 - 7/11/2013	Hong Kong
Jefferies 3rd Annual Asia Summit- Hong Kong	10/23/2013 - 10/24/2013	Hong Kong

Company Marketing

Title	Dates	Location
Novartis AG (NOVN VX)	3/13/2013	London
Westport Innovations Inc (WPRT)	3/13/2013	Los Angeles
EADS (EAD FP)	3/13/2013	Edinburgh
Washington Real Estate Investment Trust (WRE)	3/13/2013	New York
Sanofi SA (SAN FP)	3/13/2013 - 3/14/2013	Atlanta, Ft. Lauderdale
Autoliv Inc (ALV)	3/14/2013	Los Angeles
Accor SA (AC FP)	3/14/2013 - 3/15/2013	Hong Kong, Singapore
Koninklijke Ahold NV (AH NA)	3/14/2013 - 3/15/2013	Edinburgh, London
Glanbia PLC (GLB ID)	3/14/2013 - 3/15/2013	London
Medtronic Inc (MDT)	3/14/2013 - 3/15/2013	Atlanta
WM Morrison Supermarkets PLC (MRW LN)	3/14/2013 - 5/17/2013	London
KEC International Ltd/India (KECI IN)	3/14/2013 - 3/15/2013	Chicago, Jersey City, Kansas City
Adecco SA (ADEN VX)	3/15/2013	Edinburgh
Redwood Trust Inc (RWT)	3/15/2013	San Francisco
DSM N.V. (DSM NA)	3/15/2013	New York
F&C Asset Management PLC (FCAM LN)	3/15/2013 - 3/22/2013	London
Salamander Energy PLC (SMDR LN)	3/18/2013 - 3/21/2013	Edinburgh, London
Sino-Ocean Land Holdings Ltd (3377 HK)	3/18/2013 - 3/19/2013	Singapore
AO Smith Corp (AOS)	3/19/2013	New York
Rolls-Royce Holdings PLC (RR/ LN)	3/19/2013	Edinburgh
Data Center Disruptors: Silicon Photonics Deep Dive at OFC - Luxtera and Kotura	3/19/2013	Anaheim
Associated Banc-Corp (ASBC)	3/19/2013	Mid-Atlantic
Recordati SpA (REC IM)	3/20/2013	London

AM Castle & Co (CAS)	3/20/2013 - 3/22/2013	Boston, New Jersey, New York
Sonoco Products Co (SON)	3/20/2013 - 3/21/2013	Detroit, Milwaukee, Minneapolis
Inmarsat PLC (ISAT LN)	3/20/2013	Boston
Powa	3/20/2013	London
Domino Printing Sciences PLC (DNO LN)	3/21/2013	London
Hang Lung Properties Ltd (101 HK)	3/24/2013 - 3/25/2013	Abu Dhabi, Doha
Seaspan Corp (SSW)	3/25/2013 - 3/26/2013	Boston, New York
France Telecom SA (FTE FP)	3/25/2013 - 3/26/2013	Dublin, Edinburgh
Mitsubishi Corp (8058 JP)	3/25/2013 - 3/27/2013	Hong Kong, Singapore
Deere & Co (DE)	3/25/2013 - 3/27/2013	Austin, Dallas, Denver, Houston
Premier Farnell PLC (PFL LN)	3/25/2013 - 4/19/2013	London
ASOS PLC (ASC LN)	3/26/2013 - 3/28/2013	Atlanta, Ft. Lauderdale, Jersey City, Mid-Atlantic, Nassau
Chico's FAS Inc (CHS)	3/26/2013	Kansas City
TRW Automotive Holdings Corp (TRW) Dinner	3/26/2013	New York

Analyst Marketing

Title	Dates	Location
Philip Ng	3/13/2013	Boston
Peter Nesvold	3/13/2013 - 3/21/2013	Los Angeles, Portland, OR, San Francisco, Seattle
Corey Davis	3/13/2013	Boston
Lee Simpson	3/13/2013	Frankfurt
Andrew Douglas	3/13/2013	Geneva, Zurich
Brian Pitz, Brian Fitzgerald	3/14/2013 - 3/15/2013	Atlanta, Tampa
Luke Folta	3/14/2013	Chicago
Andrew Douglas	3/14/2013	Frankfurt
Omotayo "Tayo" Okusanya	3/15/2013	New Jersey
Ian Hilliker, Terence McManus	3/15/2013	Dublin
Jeffrey Holford, Swayampakula "R K" Ramakanth	3/15/2013	New York
Douglas Mavrinac	3/18/2013 - 3/20/2013	Atlanta, Charlotte, Orlando, Richmond, Tampa
Lee Simpson	3/18/2013 - 3/22/2013	Boston, Connecticut, New York, San Francisco, Santa Fe
Jerry Dellis, Ulrich Rathe, Giles Thorne	3/18/2013 - 3/22/2013	Boston, New York, Philadelphia, Toronto, Wilmington
Andrew Douglas	3/18/2013 - 3/20/2013	Berwyn, Boston, New York, Princeton, West Conshohocken
Jason Kupferberg	3/18/2013	New York
Eun Yang	3/18/2013 - 4/4/2013	Los Angeles, San Diego, San Francisco
Brian Pitz, Brian Fitzgerald	3/18/2013 - 3/21/2013	Chicago, Kansas City, Milwaukee, Minneapolis
Sandy Morris, Sonal Sagar	3/18/2013 - 3/19/2013	Edinburgh
Ken Usdin	3/19/2013 - 3/20/2013	Atlanta, Tampa
Daniel "Dan" Fannon	3/19/2013	Denver
Jason Kupferberg	3/19/2013 - 3/22/2013	Edinburgh, Geneva, Glasgow, London, Zurich
Kean Marden, Will Kirkness	3/19/2013	Frankfurt
Philip "Phil" Ng	3/19/2013 - 3/20/2013	Milwaukee, Minneapolis
Brian Tanquilut	3/19/2013 - 3/20/2013	Denver, Kansas City
Daniel "Dan" Furtado	3/19/2013 - 3/20/2013	Baltimore, Philadelphia
Omotayo "Tayo" Okusanya	3/20/2013	New York
Biren Amin	3/20/2013	Denver
Seth Rosenfeld	3/20/2013	Frankfurt
Laura Loppacher - Jefferies Engage	3/20/2013	London
James Kisner	3/21/2013 - 3/22/2013	Portland, OR, Seattle
Scott Graham	3/21/2013	Connecticut
Omotayo "Tayo" Okusanya	3/21/2013	Boston

Laurence Alexander	3/21/2013 - 3/22/2013	Houston
Omotayo "Tayo" Okusanya	3/25/2013 - 3/26/2013	Cleveland, Columbus, Pittsburgh
Jon Wood	3/25/2013 - 3/27/2013	Austin, Dallas, Houston, San Antonio
Daniel "Dan" Furtado	3/26/2013 - 3/27/2013	Charlotte, Orlando, Richmond, Tampa
Daniel "Dan" Fannon	3/26/2013 - 3/27/2013	Los Angeles
Sundeep Bajikar, Yoshihiro Azuma	3/26/2013 - 3/27/2013	Hong Kong
Eun Yang	3/26/2013 - 4/3/2013	Chicago, Denver, Kansas City, Minneapolis

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Buy - Describes stocks that we expect to provide a total return (price appreciation plus yield) of 15% or more within a 12-month period.

Hold - Describes stocks that we expect to provide a total return (price appreciation plus yield) of plus 15% or minus 10% within a 12-month period.

Underperform - Describes stocks that we expect to provide a total negative return (price appreciation plus yield) of 10% or more within a 12-month period.

The expected total return (price appreciation plus yield) for Buy rated stocks with an average stock price consistently below \$10 is 20% or more within a 12-month period as these companies are typically more volatile than the overall stock market. For Hold rated stocks with an average stock price consistently below \$10, the expected total return (price appreciation plus yield) is plus or minus 20% within a 12-month period. For Underperform rated stocks with an average stock price consistently below \$10, the expected total return (price appreciation plus yield) is minus 20% within a 12-month period.

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NC - Not covered. Jefferies does not cover this company.

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1. The aim of the conviction list is to publicise the best individual stock ideas from Jefferies Global Research
2. Only stocks with a Buy rating are allowed to be included in the recommended list.
3. Stocks are screened for minimum market capitalisation and adequate daily turnover. Furthermore, a valuation, correlation and style screen is used to ensure a well-diversified portfolio.
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.
6. All stocks are inserted at the last closing price and removed at the last closing price. There are no changes to the conviction list during the month.
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	716	45.06%	85	11.87%
UNDERPERFORM	133	8.37%	2	1.50%

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