

## Today At A Glance

Company	Ticker	Rating	PT chg	Curr. Q (e) chg	Curr. Y (e) chg	Next Y (e) chg	Est. Type
AbbVie	ABBV	B	\$80.00 to \$85.00	-	\$4.48 to \$5.15	\$4.96 to \$5.54	EPS
Gilead Sciences	GILD	H	\$82.00 to \$84.00	\$2.35 to \$2.40	\$8.07 to \$8.08	\$9.92 to \$9.30	EPS
Paradise	034230 KS	B	KRW35,000 to KRW28,000	-	-	-	
Radius Health	RDUS	B	\$26.00 to \$45.00	-	-	-	

## Focus Calls

### Gilead Sciences, Inc. (NASDAQ: GILD, \$92.90 , HOLD) ►►

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#### Too Early to Judge the Impact of ABBV Competition on GILD

##### Key Takeaway

Express Scripts' decision to exclusively offer its genotype 1 HCV infected patients ABBV's Viekira Pak was in line with our expectations after a year of outspoken anti-GILD protests from ESRX management. Nonetheless, the stock reaction suggests investors see heightened risk of price and market share competition than previously expected, but whether other payors covering the other 95% of U.S. HCV patients will follow suit is uncertain.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$82.00 to \$84.00	\$2.35 ▲ \$2.40	\$8.07 ▲ \$8.08	\$9.92 ▼ \$9.30	EPS	Americas

### AbbVie (NYSE: ABBV, \$67.71 , BUY) ►►

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#### Positive EPS Momentum Looks Set To Drive AbbVie in 2015

##### Key Takeaway

We have raised our 2015E EPS estimate by 15% to reflect our more positive view on the near to mid term revenue potential for Viekira Pak for HCV. We believe that Viekira's strong label and attractive pricing should enable AbbVie to garner at least c25% of the HCV market in 2015E/16E. As a result we have increased our PT to \$85 and reiterate AbbVie as one of our "Top 5 for 2015" along with Pfizer, Novartis, Bayer and AstraZeneca.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$80.00 to \$85.00	-	\$4.48 ▲ \$5.15	\$4.96 ▲ \$5.54	EPS	Global

## Healthcare Services►►

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### 2015: H/C Provider Thesis Shifts From Reform To Improving Utilization Trends

##### Key Takeaway

We have a positive view on H/C providers for 2015 and expect the group to outperform given our belief that recent improvement in H/C utilization will carry over into 2015 and drive incremental growth for most names. That said, we expect the investment theme to shift from H/C reform drivers to utilization and company-specific factors given the relative lack of Medicaid catalysts and modest growth in exchange enrollment. Top Picks: CTRX, HCA, MD, CYH, AFAM.

## Aerospace &amp; Defense Electronics&gt;&gt;

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## What's Up with Air Traffic November: Flying Plenty of Packed Birds

## Key Takeaway

The November Jefferies Air Traffic survey has a 3.9% increase. So, the IATA report for November could notch growth at 5.5 to 6.0%, slightly ahead of our forecast of 5.6% for 2014. The backdrop continues to be positive, with lower oil prices setting the stage for greater demand from the consumer because of improved disposable income and lower fuel surcharges. This development has not been captured in the share prices of the civil aircraft producers.

## All Research

## Consumer - Retailing/Hardlines

## Retailing/Hardlines&gt;&gt;

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## Chart of the Week: EHS Poor Predictor Of Comps In Recent Years

## Key Takeaway

Single Family Existing Home Sales for November looked better than the average for the quarter ending October, however we note that the historically strong correlation between EHS and the home improvement retail industry has unraveled in recent years. Home price appreciation, which remains strong, has proven to be a bigger factor in driving the home improvement retailers' sales performance.

## Healthcare - Biotechnology

## Radius Health, Inc. (NASDAQ: RDUS, \$37.45 , BUY) &gt;&gt;

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## Successful Ph3 for Abaloparatide-SC; Further Upside Potential with RAD1901

## Key Takeaway

Ph3 for ABL in osteoporosis hit all endpoints of study for regulatory approval & for potential advantages (vs. Forteo, \$1.25B in 2013 sales). While ABL commercial potential can be debatable, we view current valuation implies below our ~31% increased peak estimate of \$670M. Now with positive Ph3 asset, progress in potentially differentiated breast cancer product RAD1901 (initial Ph1b data in 2015) will likely provide further upside.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$26.00 to \$45.00	(\$0.53)	(\$3.17)	(\$1.91)	EPS	Americas

## Healthcare - Biotechnology

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## Healthcare - Healthcare Services

## Healthcare Services►►

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## Healthcare - Pharmaceuticals

## AbbVie (NYSE: ABBV, \$67.71, BUY) ►►

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## Industrials - Aerospace &amp; Defense Electronics

## Aerospace &amp; Defense Electronics►►

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## S. Korea (Mirae) - Mirae: Gaming &amp; Leisure

## Paradise Co., Ltd. (KSE: 034230 KS, KRW24,050, Buy) ►►

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## Risk on Chinese government restrictions

## Key Takeaway

On 21 December, major media outlets in Korea reported that the Chinese government had uncovered illegal gambling activities by a large numbers of Chinese gamblers in Korean casinos. As such, we think foreigner-only casinos in Korea (i.e. Paradise and GKL) are likely to see slower growth in their Chinese VIP drop amounts. The negative impact of the slowed growth on Paradise shares is likely to be relatively large in the short term, given that: 1) the company hosts a high portion of Chinese VIPs; and 2) its valuation premium has been boosted by the increasing number of Chinese VIPs visiting the casino. Long term, however, we expect Paradise to show stable revenue growth (on a rise in the portion of mass customers) and strong growth potential (on plans to develop an integrated resort, dubbed Paradise City, in Yeongjongdo). As such, the short-term share price correction should offer a good opportunity to accumulate Paradise shares. We maintain our BUY rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
Buy	▼KRW35,000 to KRW28,000	-	-	-		Asia

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### Conferences

Title	Dates	Location
Jefferies 2015 Global Data Center REIT Summit	1/13/2015	New York
Jefferies 4th Annual Winter Consumer Summit, January 19 - 21, 2015, Beaver Creek, CO	1/19/2015 - 1/21/2015	Avon
Jefferies Meetings at NATPE	1/20/2015 - 1/21/2015	Miami

### Company Marketing

Title	Dates	Location
DCC PLC (DCC LN)	1/5/2015	Toronto
FairPoint Communications Inc (FRP)	1/5/2015 - 1/6/2015	San Francisco
CES - Samsung Electronics Co Ltd (005930 KS) IR Group Meeting	1/5/2015	Las Vegas
CES - Lattice Semiconductor Corp (LSCC) Group Dinner	1/5/2015	Las Vegas

### Analyst Marketing

Title	Dates	Location
Laurence Alexander	12/29/2014	New York
Laurence Alexander	1/5/2015	New York
Sean Darby	1/5/2015 - 1/9/2015	Hong Kong
Christie Ju - China Strategy	1/5/2015 - 1/7/2015	Boston, New York, Toronto

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## Company Specific Disclosures

Brian Tanquilut holds a long, equity position in Express Scripts.

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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.

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Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
<b>BUY</b>	1042	51.97%	275	26.39%
<b>HOLD</b>	818	40.80%	146	17.85%
<b>UNDERPERFORM</b>	145	7.23%	5	3.45%

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