

Today At A Glance

Company	Ticker	Rating	PT chg	Curr. Q (e) chg	Curr. Y (e) chg	Next Y (e) chg	Est. Type
Kawasaki Kisen Kaisha, Ltd.	9107 JP	U to H	¥170 to ¥215	-	¥12.03 to ¥18.60	-	EPS
Kraft Foods Group, Inc.	KRFT	B to H	\$60.00 to \$61.00	\$0.88 to \$0.85	\$3.17 to \$3.10	-	EPS
Mitsui O.S.K. Lines	9104 JP	H to B	¥375 to ¥460	-	¥12.00 to ¥8.90	-	EPS
Nippon Yusen Kabushiki Kaisha	9101 JP	H to B	¥250 to ¥370	-	¥9.69 to ¥19.90	-	EPS
Spreadtrum Comms	SPRD US	B to H	\$28.50 to \$31.00	-	-	-	
Abbott	ABT	B	\$44.00 to \$46.00	-	-	-	
AbbVie	ABBV	B	\$51.00 to \$54.00	-	-	-	
Airgas	ARG	B	\$110.00 to \$126.00	\$1.21 to \$1.24	-	-	EPS
American Axle & Manufacturing	AXL	H	\$20.00 to \$22.00	\$0.55 to \$0.59	\$1.72 to \$1.81	\$2.71 to \$2.77	EPS
Autodesk Inc.	ADSK	B	\$46.00 to \$42.00	\$0.40 to \$0.39	\$1.96 to \$1.80	\$2.27 to \$2.10	EPS
Bayer AG	BAYN GR	B	€95.00 to €100.00	-	-	-	
Bristol-Myers Squibb	BMJ	H	\$49.00 to \$45.00	-	-	-	
Coal India Limited	COAL IN	H	INR380.00 to INR294.00	-	INR30.64 to INR29.06	-	EPS
Energy Recovery Inc.	ERII	H	\$4.00 to \$4.70	(\$0.03) to (\$0.01)	(\$0.15) to (\$0.06)	(\$0.01) to \$0.04	EPS
GlaxoSmithKline Plc	GSK LN	H	1,800.00p to 1,825.00p	-	-	-	
Green Plains	GPRE	B	\$17.00 to \$24.50	\$0.22 to \$0.19	\$0.65 to \$0.80	\$1.05 to \$1.50	EPS
Johnson & Johnson	JNJ	H	\$95.00 to \$98.00	-	-	-	
Jubilant Foodworks	JUBI IN	H	INR1,045.00 to INR1,063.00	-	INR37.00 to INR34.60	-	EPS
LyondellBasell	LYB	B	\$80.00 to \$83.00	\$1.55 to \$1.56	\$6.00 to \$6.20	\$7.30 to \$7.20	EPS
Merck & Co.	MRK	B	\$54.00 to \$56.00	-	-	-	
Metabolix, Inc.	MBLX	H	\$2.00 to \$1.50	-	-	-	
Novartis AG	NOVN VX	B	CHF80.00 to CHF78.00	-	-	-	
Pfizer	PFE	H	\$30.00 to \$31.00	-	-	-	
PolyOne Corporation	POL	B	\$29.00 to \$34.00	\$0.36 to \$0.33	\$1.20 to \$1.25	\$1.75 to \$1.80	EPS
Resona Holdings	8308 JP	B	¥610 to ¥670	-	¥52.35 to ¥57.91	¥58.79 to ¥59.45	EPS
Sealed Air Corp	SEE	B	\$30.00 to \$35.00	\$0.35 to \$0.34	\$1.15 to \$1.21	-	EPS
Simon Property Group	SPG	B	\$196.00 to \$186.00	\$2.15 to \$2.12	\$8.77 to \$8.68	\$9.54 to \$9.23	FFO
Zoetis, Inc.	ZTS	B	\$39.00 to \$38.00	-	-	-	
Ashland	ASH	B	-	\$1.76 to \$1.70	\$6.45 to \$6.25	\$7.85 to \$7.45	EPS
Chevron	CVX	H	-	\$3.08 to \$3.07	\$12.53 to \$12.15	\$12.95 to \$13.04	EPS
Eaton	ETN	H	-	\$1.15 to \$1.10	\$4.30 to \$4.15	\$4.90 to \$4.70	EPS
Edison Int'l	EIX	U	-	\$0.75 to \$0.79	-	-	EPS
Exelis Inc.	XLS	B	-	\$0.45 to \$0.42	-	\$1.65 to \$1.70	EPS
ImmunoGen Inc.	IMGN	B	-	-	-	-	
Mondelez International, Inc.	MDLZ	H	-	\$0.36 to \$0.35	\$1.69 to \$1.67	-	EPS
Sirona Dental Systems	SIRO	B	-	\$0.82 to \$0.80	\$3.38 to \$3.40	-	EPS
Sumitomo Mitsui Trust Holdings	8309 JP	H	-	-	¥35.23 to ¥36.27	¥40.90 to ¥40.22	EPS
Tellabs	TLAB	H	-	-	-	\$0.01 to \$0.00	EPS
Albemarle	ALB	B	-	-	-	-	
B/E Aerospace	BEAV	B	-	-	-	-	
Conn's Inc.	CONN	H	-	-	-	-	
ImmunoGen Inc.	IMGN	B	-	-	-	-	
PNM Resources	PNM	B	-	-	-	-	

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Qlik Technologies	QLIK	H	-	-	-	-
Syntel	SYNT	H	-	-	-	-
Tesla Motors, Inc.	TSLA	B	-	-	-	-
VMware	VMW	H	-	-	-	-
Zoetis, Inc.	ZTS	B	-	-	-	-

Focus Calls

Pharmaceuticals >>

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Global Pharma QM: Post-Mortem Edition (August)

Key Takeaway

After a mixed set of Q2'13 earnings, our Order of Preference is largely unchanged with key re-positioning tied to increasing confidence around our Buy case on Abbott and expectation of some positive "headline" news for Eli Lilly on ramu and the Alimta patent challenge. GSK also looks set for a strong set of newsflow around its R&D portfolio. AZN is our least favoured EU name, whilst BMJ is our least favoured name in the US and Globally.

Zoetis, Inc. (NYSE: ZTS, \$30.94 , BUY) >>

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Q2'13 Animal Tracker: Key Indicators Point To Solid Quarter for Zoetis

Key Takeaway

Investors have been nervous around potential weakness in Zoetis' Q2'13 results. Our analysis of its peers through the earnings season leads us to believe that consensus EPS expectations of 36c are readily achievable. Revenue growth expectations of c3% look more challenging in the face of weighted average peer growth of c2%, though we believe that Zoetis' over-exposure in Production Animals should help here.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$38.00	-	\$1.68	\$1.82	EPS	Global

Autodesk, Inc. (NASDAQ: ADSK, \$35.03 , BUY) >>

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Darkest Before Dawn?

Key Takeaway

Our most recent field work lead us to cut estimates again for ADSK. We now assume no improvement in the 2nd half of CY13. We maintain our Buy on the stock because: i) we still believe ADSK will be a beneficiary of improving non-residential real estate when it happens; ii) we believe ADSK can realize higher operating margins; iii) recurring revenue continues to increase in the mix; iv) limited valuation downside (5X EV/ recurring rev = \$32).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▼\$46.00 to \$42.00	\$0.40 ▼\$0.39	\$1.96 ▼\$1.80	\$2.27 ▼\$2.10	EPS	Americas

Kraft Foods Group, Inc. (NASDAQ: KRFT, \$57.50 , HOLD) ▶▶

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Downgrading to Hold: Mr. Peanut's Upside is Limited**Key Takeaway**

We are downgrading KRFT to Hold, primarily on valuation and also concerns about increased competition. We still see the co. as a good operator with a strong strategy but we view this strength as adequately reflected by the multiple. In addition, the competitive pressure might increase (2Q13 likely saw some impact). KRFT might be able to offset it with more marketing support and better products but the upside still seems limited.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲\$60.00 to \$61.00	\$0.88 ▼ \$0.85	\$3.17 ▼ \$3.10	-	EPS	Americas

Mondelez International, Inc. (NASDAQ: MDLZ, \$31.94 , HOLD) ▶▶

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2Q13 Earnings Preview**Key Takeaway**

MDLZ will announce 2Q13 results after the close on August 7. After three disappointing quarters we are concerned that the company's results might underwhelm investors again given the recent earnings announcements from other CPG companies. Once the focus shifts to 2H13, the fundamental outlook is looking brighter due to easier comps. Increased FX headwinds might put a damper on expectations however.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$31.00	\$0.36 ▼ \$0.35	\$1.69 ▼ \$1.67	-	EPS	Americas

Edison International (NYSE: EIX, \$49.37 , UNDERPERFORM) ▶▶

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Never Say Never Again**Key Takeaway**

An expected rate decrease following a final order in Phase 2 of the OII in February 2014 will put pressure on the cash position of the company potentially leading to equity issuance. Other items impacting cash are a potential delay in the sale of the Four Corners coal plant and a potential cash payment to EME bondholders.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
UNDERPERFORM	\$40.50	\$0.75 ▲ \$0.79	\$3.35	\$3.30	EPS	Americas

PNM Resources, Inc. (NYSE: PNM, \$24.29 , BUY) ▶▶

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PNM Signals it May Purchase PV2 Lease in 2016**Key Takeaway**

Jefferies believes that the purchase would be meaningfully accretive (\$0.10 if the company acquires the plant without equity) and would provide an important market price signal if the company rate bases its investment in Palo Verde Unit 3. PSNM must make its election by January 31, 2014 on whether to re-lease or purchase the nuclear unit.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$28.50	\$0.65	\$1.35	\$1.40	EPS	Americas

All Research

Clean Technology - Alternative Energy

Energy Recovery Inc. (NASDAQ: ERII, \$4.41 , HOLD) ▶▶

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Q2 Beats by \$0.02; Progress at Carlsbad

Key Takeaway

Long cycle times (16-24 months) and product trials, exacerbated by uncertain global capex plans, continue to be a key risk for Energy Recovery. This dynamic recently manifested in the oil & gas initiative, where commercialization has slipped to 2H14. Operating leverage is beginning to manifest in expanding gross margins, but underlying results will likely remain choppy. We reiterate our Hold rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ \$4.00 to \$4.70	(\$0.03) ▲ (\$0.01)	(\$0.15) ▲ (\$0.06)	(\$0.01) ▲ \$0.04	EPS	Americas

Clean Technology - Alternative Energy

Green Plains Renewable Energy (NASDAQ: GPRE, \$16.58 , BUY) ▶▶

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Q2 Beats by \$0.02. Consistent Execution.

Key Takeaway

Q2 EPS of \$0.19 was \$0.02 above our forecast. To reflect a slightly more upbeat view of the recovery trajectory for ethanol margins, we are raising 2013E \$0.15 to \$0.80 and 2014E \$0.45 to \$1.50. Upside to our estimate would hinge on industry margins, success with investments in adjacencies and efforts to improve process yields. We reiterate our Buy rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲ \$17.00 to \$24.50	\$0.22 ▼ \$0.19	\$0.65 ▲ \$0.80	\$1.05 ▲ \$1.50	EPS	Americas

Clean Technology - Alternative Energy

Tesla Motors, Inc. (NASDAQ: TSLA, \$138.00 , BUY) ▶▶

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New Model S Options and Pricing for North America

Key Takeaway

Late Friday Tesla adjusted pricing and options on the Model S. We believe the changes are intended to provide additional customization and to bring certain options closer in line with competitors. The new pricing should help distinguish between more and less price-sensitive buyers and improve margins; however, the impact may be difficult to discern in the near term. We include a chart of the new vs. old pricing options below.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$130.00	-	-	-	EPS	Americas

Clean Technology - Clean Technology

Clean Technology▶▶

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Project Finance

Key Takeaway

Investments in the clean technology sector often combine capital intensity with new technologies. Securing project finance can prove to be a critical step in the path to commercialization. Project finance succeeds best when you have long-term off-take agreements with quality-credit counter-parties, but commodity-based projects that sell into open markets (such as biofuels) can also benefit from the project finance model.

Clean Technology - Clean Technology**Clean Technology** ▶▶

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Key Themes

Key Takeaway

A healthier capital spending cycle and opportunities to arbitrage feedstocks and address inefficiencies should support a more favorable environment for key clean technology themes in 2013-2015, including natural gas as a transportation fuel, biomass as a chemical feedstock, and efficiency as the lever to reduce water stress.

Clean Technology - Industrial Biotech**Metabolix, Inc. (NASDAQ: MBLX, \$1.47 , HOLD)** ▶▶

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Q2 \$0.03 light, but some incremental progress.

Key Takeaway

We expect the technology value of Metabolix's PHA IP to continue to be masked by lumpiness in order flow and a lack of clarity around the value share in its manufacturing partnerships, as well as whether a step up in its cash burn will be required to move biochemical partnerships to commercialization. We reiterate our Hold rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼\$2.00 to \$1.50	(\$0.27)	(\$0.92)	(\$0.61)	EPS	Americas

Consumer - Food**Kraft Foods Group, Inc. (NASDAQ: KRFT, \$57.50 , HOLD)** ▶▶

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HOLD	▲\$60.00 to \$61.00	\$0.88 ▼\$0.85	\$3.17 ▼\$3.10	-	EPS	Americas

Consumer - Food**Mondelez International, Inc. (NASDAQ: MDLZ, \$31.94 , HOLD)** ▶▶

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$31.00	\$0.36 ▼\$0.35	\$1.69 ▼\$1.67	-	EPS	Americas

Consumer - Retailers**Jubilant Foodworks (NSEI: JUBI IN, INR1,138.95 , HOLD) ▶▶**

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Green shoots in a tough environment**Key Takeaway**

Jubilant 1Q14 was slightly below forecast. While the demand environment continues to be weak, management commentary points to some green shoots. However, it may be too premature to call for a sustainable recovery given the otherwise tepid demand environment. Combined with the relentless inflation in underlying costs, we remain cautious on the overall earnings growth trajectory. Maintain Hold.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲ INR1,045.00 to INR1,063.00	-	INR37.00 ▼ INR34.60	INR46.50	EPS	Asia

Consumer - Retailing/Hardlines**Conn's Inc. (NASDAQ: CONN, \$65.82 , HOLD) ▶▶**

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Dropping Coverage**Key Takeaway**

Due to a reallocation of resources, we are dropping coverage of Conn's Inc (CONN). Our last rating on CONN was Hold with a \$49 price target.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$49.00	\$0.68	\$2.64	\$3.50	EPS	Americas

Consumer - Retailing/Specialty Stores**Retailing/Specialty Stores▶▶**

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2Q Earnings "Pre-Game" And the Week Ahead**Key Takeaway**

Heading into 2Q earnings we remain favorable on the sector. The macro backdrop continues to improve against a still compelling fashion cycle, as companies maintain clean inventory levels and attractive cash flow profiles. KORS, FOSL, and TUMI report this week as well as July Same Store Sales. DECK and GPS remain our top picks.

Energy - Electric Utilities**Edison International (NYSE: EIX, \$49.37 , UNDERPERFORM) ▶▶**

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Never Say Never Again**Key Takeaway**

An expected rate decrease following a final order in Phase 2 of the OII in February 2014 will put pressure on the cash position of the company potentially leading to equity issuance. Other items impacting cash are a potential delay in the sale of the Four Corners coal plant and a potential cash payment to EME bondholders.

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UNDERPERFORM	\$40.50	\$0.75 ▲ \$0.79	\$3.35	\$3.30	EPS	Americas

Energy - Electric Utilities**PNM Resources, Inc. (NYSE: PNM, \$24.29 , BUY) ▶▶**

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PNM Signals it May Purchase PV2 Lease in 2016**Key Takeaway**

Jefferies believes that the purchase would be meaningfully accretive (\$0.10 if the company acquires the plant without equity) and would provide an important market price signal if the company bases its investment in Palo Verde Unit 3. PSNM must make its election by January 31, 2014 on whether to re-lease or purchase the nuclear unit.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$28.50	\$0.65	\$1.35	\$1.40	EPS	Americas

Energy - Integrated Oil**Chevron (NYSE: CVX, \$124.95 , HOLD) ▶▶**

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2Q 13 Results - Miss Driven by US Downstream**Key Takeaway**

Chevron navigated the treacherous waters of the 2Q reporting season rather better than its peers, escaping with only a minor miss, which was mainly driven by its struggling US downstream division. Although free cash generation remains elusive whilst it develops its gigantic projects in Australia, its sector-leading unit cashflow upstream portfolio is limiting the growth of net debt, despite the continuation of the buyback at present.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$135.00	\$3.08 ▼ \$3.07	\$12.53 ▼ \$12.15	\$12.95 ▲ \$13.04	EPS	Europe

Energy - Maritime Group**Maritime Group▶▶**

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Jefferies Shipping Weekly**Key Takeaway**

Last week, the Chinese National Bureau of Statistics reported that the official July PMI rose to 50.3 which represents a slight improvement from June's final reading of 50.1. With the reading still very close to dipping below 50, we believe Chinese officials are likely to continue to pursue "mini" stimulus measures, such as the recent increase in the rail spending budget, which should have a positive impact on dry bulk shipping demand in 2H13 and 2014.

Equity Strategy - Global**Global▶▶**

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Myanmar and Vietnam: Silk Road Beneficiaries (II)**Key Takeaway**

After overheating through 2005-07, Vietnam experienced a dramatic fall from grace post 2008 GFC suffering from high inflation, a deteriorating balance of payments position and serial currency devaluation. During the past six months there has been a significant turnaround in both the trade and current account positions as well as rising foreign exchange reserves.

Financials - Banks

Banks >>

Singapore Macro and Credit Monitor, June 2013

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Key Takeaway

System loans grew by S\$8B in June, +15% YoY. Macro indicators were stable; PMI indicates manufacturing expansion for five consecutive months. Loan growth moderated MoM (+0.4%, +0.7% in May) and deposits continue to lag loan growth. We expect healthy loan growth moderation in 2H. Low funding cost and higher gapping income would create stable-to-rising margin outlook. Maintain positive view on the sector with Buy on UOB and DBS.

Financials - Banks

Sumitomo Mitsui Trust Holdings, Inc. (TSE: 8309 JP, ¥493 , HOLD) >>

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Solid Business, Shame about the Share Price

Key Takeaway

We maintain our HOLD rating on SMTH and leave our target price unchanged at ¥470, with tweaks to our earnings forecasts. We believe the earnings profile of the business is captured by the current share price and that the shares are fairly valued. Compared with the megabanks it looks expensive - with the shares trading at 13.6x our FY3/14 estimates vs. c.10x for the megabanks.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	¥470	-	¥35.23 ▲ ¥36.27	¥40.90 ▼ ¥40.22	EPS	Asia

Financials - Banks

Resona Holdings (TSE: 8308 JP, ¥522 , BUY) >>

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The Man with the Plan, and Executing

Key Takeaway

We reiterate our BUY rating on Resona and raise our target price to ¥670 from ¥610, c.30% upside. The repurchase of DIC common shares in July was a positive step towards the full repayment of the public funds and towards eliminating dilution. We take a conservative approach to potential NII expansion and forecast flat loan deposit spreads. With a 3% dividend yield, we believe Resona provides an attractive alternative to the megabanks.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲¥610 to ¥670	-	¥52.35 ▲ ¥57.91	¥58.79 ▲ ¥59.45	EPS	Asia

Financials - Regional Banks

Regional Banks >>

H.8 Update - Weekly Loan Monitor (7/24)

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Key Takeaway

Total loans decreased 0.2% this week (vs. down 0.2% last week) largely due to resi mortgage. C&I balances held flat, while CRE (up 0.1%) continued its weekly growth streak. Total loans are down 0.2% since 2Q and up 2.4% Y-Y. During earnings, most banks seemed fairly confident that loan demand would pick-up in the back half of the year. It is still very early in the new quarter, but this has not been the case so far.

Financials - REITs

Simon Property Group, Inc. (NYSE: SPG, \$157.61, BUY) >>

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2Q13 Post Review: International Expansion Takes Center Stage

Key Takeaway

While operating trends remain positive at SPG, we came away from the quarter feeling slightly less enthusiastic about US mall fundamentals as tenant sales growth seems to be slowing. We find it interesting SPG is ramping up internationally just as US sales growth is moderating. We like this balanced approach to development, redevelopment and acquisitions, and reiterate our BUY rating although we lower our PT to \$186 from \$196.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▼\$196.00 to \$186.00	\$2.15 ▼ \$2.12	\$8.77 ▼ \$8.68	\$9.54 ▼ \$9.23	FFO	Americas

Healthcare - Biotechnology

ImmunoGen Inc. (NASDAQ: IMGN, \$18.93, BUY) >>

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FY4Q13 Earnings: Incremental Pipeline Data in 2H13, NORTH Data in 2014

Key Takeaway

On its FY4Q13 earnings call, IMGN noted that first-line MARIANNE data for Kadcyla is now expected in late 2014 (vs. 1H14 previously). This has no impact to our model. Additionally, IMGN noted that they remained on track with the Phase 2 NORTH trial of IMGN-901, but will not disclose data until 2014. We remain positive on Kadcyla prospects and see pipeline candidates as promising sources of upside.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$21.00	(\$0.27)	(\$1.03)	-	EPS	Americas

Healthcare - Life Sciences & Diagnostic Tools

Sirona Dental Systems, Inc. (NASDAQ: SIRO, \$72.30, BUY) >>

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3Q13: Good, But Not Great...

Key Takeaway

SIRO's fiscal-3Q13 (Jun) adj. EPS of \$0.91 was \$0.01 ahead of consensus, but the absence of more material core revenue growth upside on the heels of IDS was somewhat disappointing. We are raising our FY13 EPS forecast to \$3.40 (from \$3.38) to account for the better 3Q13 experience. Our FY14 EPS forecast (\$3.75) and price target (\$85) are unchanged.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$85.00	\$0.82 ▼ \$0.80	\$3.38 ▲ \$3.40	\$3.75	EPS	Americas

Healthcare - Pharmaceuticals

Bayer AG (XETRA: BAYN GR, €89.53, BUY) >>

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Global Pharma QM: Post-Mortem Edition (August)

Key Takeaway

After a mixed set of Q2'13 earnings, our Order of Preference is largely unchanged with key re-positioning tied to increasing confidence around our Buy case on Abbott and expectation of some positive "headline" news for Eli Lilly on ramu and the Alimta patent challenge. GSK also looks set for a strong set of newsflow around its R&D portfolio. AZN is our least favoured EU name, whilst BMJ is our least favoured name in the US and Globally.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲€95.00 to €100.00	-	€5.68	€6.47	EPS	Global

Abbott Laboratories (NYSE: ABT, \$36.84 , BUY) ▶▶

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲\$44.00 to \$46.00	-	\$2.55	-	EPS	Global

AbbVie (NYSE: ABBV, \$45.25 , BUY) ▶▶

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲\$51.00 to \$54.00	\$0.68	\$3.17	\$3.21	EPS	Global

GlaxoSmithKline Plc (LSE: GSK LN, 1,712.50p , HOLD) ▶▶

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲1,800.00p to 1,825.00p	-	116.23p	128.00p	EPS	Global

Novartis AG (SWX: NOVN VX, CHF67.55 , BUY) ▶▶

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▼CHF80.00 to CHF78.00	-	\$5.04	\$5.24	EPS	Global

Bristol-Myers Squibb (NYSE: BMJ, \$43.99 , HOLD) >>

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼\$49.00 to \$45.00	-	\$1.71	\$1.86	EPS	Global

Johnson & Johnson (NYSE: JNJ, \$93.77 , HOLD) >>

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲\$95.00 to \$98.00	-	\$5.98	-	EPS	Global

Merck & Co. (NYSE: MRK, \$48.58 , BUY) >>

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲\$54.00 to \$56.00	-	\$3.47	\$3.67	EPS	Global

Pfizer, Inc. (NYSE: PFE, \$29.11 , HOLD) >>

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲\$30.00 to \$31.00	-	\$2.15	\$2.19	EPS	Global

Zoetis, Inc. (NYSE: ZTS, \$30.16 , BUY) >>

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▼ \$39.00 to \$38.00	-	\$1.68	-	EPS	Global

Healthcare - Pharmaceuticals**Zoetis, Inc. (NYSE: ZTS, \$30.94 , BUY) >>**

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Q2'13 Animal Tracker: Key Indicators Point To Solid Quarter for Zoetis**Key Takeaway**

Investors have been nervous around potential weakness in Zoetis' Q2'13 results. Our analysis of its peers through the earnings season leads us to believe that consensus EPS expectations of 36c are readily achievable. Revenue growth expectations of c3% look more challenging in the face of weighted average peer growth of c2%, though we believe that Zoetis' over-exposure in Production Animals should help here.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$38.00	-	\$1.68	\$1.82	EPS	Global

Industrials - Aerospace & Defense Electronics**B/E Aerospace, Inc. (NASDAQ: BEAV, \$71.55 , BUY) >>**

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Creating Comfort**Key Takeaway**

The Business section of the Sunday, August 4, New York Times highlights the efforts of Lufthansa and other airlines such as Delta to create a better Business Class seat to satisfy evolving passenger needs. B/E Aerospace is highlighted in a related web-based video. We continue to rate BEAV BUY and our EPS estimates are unchanged at \$3.55 and \$4.25 for 2013 and 2014, respectively.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$85.00	-	-	-	EPS	Americas

Industrials - Aerospace & Defense Electronics**Exelis Inc. (NYSE: XLS, \$15.05 , BUY) >>**

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The Benefit from Restructuring and Higher Interest Rates Should Propel Profit**Key Takeaway**

Second quarter results show the beginnings of cost savings from restructuring and the drive to improve XLS's cost structure. Lower restructuring and pension expense in 2014 could account for close to \$0.15 of 2014 EPS growth. We maintain our 2013 EPS estimate of \$1.55, but raise our 2014 estimate a nickel to \$1.70. We continue to rate shares of XLS a BUY.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$17.00	\$0.45 ▼ \$0.42	\$1.55	\$1.65 ▲ \$1.70	EPS	Americas

Industrials - Autos & Auto Parts**American Axle & Manufacturing Holdings Inc. (NYSE: AXL, \$20.94 , HOLD) >>**Elaine Kwei, CFA
(212) 284-2187
ekwei@jefferies.com**Clean 2Q Beat; 2013 Guidance Appears Conservative****Key Takeaway**

AXL shares closed up 5.8% on Friday (vs. the S&P 500 up 0.2%) after reporting a 2Q earnings beat on stronger than expected margin improvement. AXL maintained its 2013 guidance, although our sense is this could be seen as conservative given the strength of demand in pickup trucks. Adjusted EBITDA in the second half is expected to step up into the 14%+ range.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲\$20.00 to \$22.00	\$0.55 ▲\$0.59	\$1.72 ▲\$1.81	\$2.71 ▲\$2.77	EPS	Americas

Industrials - Chemicals**Albemarle Corporation (NYSE: ALB, \$62.32 , BUY) >>**Laurence Alexander, CFA
(212) 284-2553
lalexander@jefferies.com**Bromine Pricing Ticking Higher?****Key Takeaway**

On Thursday, Albemarle raised prices on elemental bromine and HBr by 25% in China, India and other parts of Asia. We estimate these product lines represent ~15% of bromine sales (~6% of total sales), with >50% in Asia. Assuming full realization (a best case scenario), we estimate a potential tailwind of \$0.24 in 2015. While elemental Br and HBr in Asia could be improving, BFRs should remain challenged near-term.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$74.00	\$1.10	\$4.20	\$4.90	EPS	Americas

Industrials - Chemicals**Ashland (NYSE: ASH, \$87.44 , BUY) >>**Laurence Alexander, CFA
(212) 284-2553
lalexander@jefferies.com**Q3 Review: Asset review & buybacks the main catalysts through mid-2014****Key Takeaway**

We expect Ashland shares to remain in a \$80-\$100 range until the current strategic reviews are completed, moving up to our \$104 price target next summer. If asset shifts prove accretive, we envisage a stretch target of \$126 (14x a stretch 2015E estimate of \$9). We reiterate our Buy rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	\$104.00	\$1.76 ▼\$1.70	\$6.45 ▼\$6.25	\$7.85 ▼\$7.45	EPS	Americas

Industrials - Chemicals**Airgas, Inc. (NYSE: ARG, \$105.83 , BUY) ▶▶**

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Waiting for the non-res revival**Key Takeaway**

With consensus converging on our estimates, near-term industrial indicators still favorable, and savings from the SAP initiatives on track, we expect Airgas to maintain 9x EBITDA multiple into next year. Accordingly, we are raising our price target \$16 to \$126, implying a 21% total return through the end of calendar 2014. We reiterate our Buy rating.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲\$110.00 to \$126.00	\$1.21 ▲ \$1.24	\$5.00	\$5.80	EPS	Americas

Industrials - Chemicals**LyondellBasell Industries N.V. (NYSE: LYB, \$68.95 , BUY) ▶▶**

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Favorable feedstock dynamics & buybacks support bridge to 2015**Key Takeaway**

Favorable feedstock dynamics contributed to better than expected results both in refining and European olefins in Q2, and we expect these tailwinds to strengthen into 2014. With buybacks continuing in an accelerated fashion, we are raising 2013E \$0.20 to \$6.20. We are raising our price target \$3 to \$83.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲\$80.00 to \$83.00	\$1.55 ▲ \$1.56	\$6.00 ▲ \$6.20	\$7.30 ▼ \$7.20	EPS	Americas

Industrials - Chemicals**PolyOne Corporation (NYSE: POL, \$29.04 , BUY) ▶▶**

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Q2 Model Update**Key Takeaway**

While 1H has been a strong start to the year, we remain cautious on underlying end-market demand trends. We are raising 2013E \$0.05 to \$1.25 and 2014E \$0.05 to \$1.80. Given evidence of solid execution integrating Spartech and share gains in key end-markets, we reiterate our Buy rating and raise our price target \$5 to \$34.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲\$29.00 to \$34.00	\$0.36 ▼ \$0.33	\$1.20 ▲ \$1.25	\$1.75 ▲ \$1.80	EPS	Americas

Industrials - Machinery**Eaton Corp. (NYSE: ETN, \$66.06 , HOLD) ▶▶**

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2Q13 Model Update**Key Takeaway**

Lower than expected sales were offset by better than expected margins which resulted in operating results in line with expectations. EPS of \$1.09, ex items (JEF est \$1.10/cons \$1.11). 2013 Guidance was lowered at the mid-point by \$0.10 on a lowered organic growth forecast of 1% (prior: 2-3%).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$65.00	\$1.15 ▼ \$1.10	\$4.30 ▼ \$4.15	\$4.90 ▼ \$4.70	EPS	Americas

Industrials - Machinery**Machinery** ▶▶

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July Preliminary Truck Orders Reasonably Good

Key Takeaway

ACT Research reported preliminary truck orders for July, with Class 8 orders of 17,600 units and Class 5-7 orders of 14,900. Class 8 orders were up 36% yoy but down 6.5% sequentially with a SAAR of ~259k. The summer tends to be a seasonally low order period prior to picking back up in 3Q. Class 5-7 orders were up 3% yoy for a ~191k SAAR.

Industrials - Paper & Packaging**Sealed Air Corp (NYSE: SEE, \$30.36 , BUY)** ▶▶

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2Q13 Recap: Making Good Progress on Integration and Pricing Initiative

Key Takeaway

We like the progress the company is making on the integration of Diversey and the restructuring effort in Europe should further enhance its cost position. While the macro environment remains challenging, we are raising our PT to reflect the improved execution and believe there should be good momentum to the stock as we approach SEE's analyst day in September.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲\$30.00 to \$35.00	\$0.35 ▼\$0.34	\$1.15 ▲\$1.21	\$1.66	EPS	Americas

Industrials - Transport. & Logistics**Nippon Yusen Kabushiki Kaisha (TSE: 9101 JP, ¥291 , BUY)** ▶▶

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Japan 1Q Forex and Cost Cuts Deliver First Beat in Years

Key Takeaway

JP shipping results beat company guidance and our estimates for the first time in years on JPY gain, savings from lower bunker price, and cost efficiency gains, as stated by the companies. We upgrade (1) NYK to Buy for potential upside from its conservative guidance assumptions; (2) MOL to Buy for potential increase in 2H iron ore shipments; and (3) K-Line to Hold on valuation.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲¥250 to ¥370	-	¥9.69 ▲¥19.90	-	EPS	Asia

Kawasaki Kisen Kaisha, Ltd. (TSE: 9107 JP, ¥208 , HOLD) ▶▶

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲¥170 to ¥215	-	¥12.03 ▲¥18.60	-	EPS	Asia

Mitsui O.S.K. Lines (TSE: 9104 JP, ¥381 , BUY) ▶▶

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Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▲¥375 to ¥460	-	¥12.00 ▼ ¥8.90	-	EPS	Asia

Jefferies Equity Research - Jefferies Equity Research**Jefferies Equity Research▶▶**

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Equity Research Monthly - August 2013**Key Takeaway**

Jefferies Equity Research presents its global analysts' universes, upcoming investor conferences, and recent highlights for August 2013.

Natural Resources - Metals & Mining**Coal India Limited (NSEI: COAL IN, INR254.60 , HOLD) ▶▶**

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Overburden of concerns on deep-lying value**Key Takeaway**

Net profit declined 17% YoY and was below estimate on lower e-auction realization and higher contractual expenses. Valuations will remain under pressure on subdued earnings, Government stake sale overhang and weak international prices. Maintain Hold.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▼INR380.00 to INR294.00	-	INR30.64 ▼ INR29.06	-	EPS	Asia

Property - Hong Kong Property**Hong Kong Property▶▶**

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Polarized Sector Performance; Prefer Diversified Portfolio**Key Takeaway**

Reduced Mainlander purchase of ultra-luxury properties in HK indicates weak demand for the segment, owing to strict policies. Diversion of interest to property markets outside HK poses a threat to the investment market, despite abundant liquidity. Cheung Kong's (CK) upcoming launch of The Rise should signal its take on ASP. We expect mixed sector performance and prefer CK, New World (NWD) and Wharf on diversified businesses.

Technology - Computer Services & IT Consulting**Syntel, Inc. (NASDAQ: SYNT, \$72.91 , HOLD) ▶▶**

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Generally Positive Management Meetings**Key Takeaway**

Key takeaways from recent SYNT management meetings include: 1) limited implications if outplacement provisions in immigration reform bill become law, 2) high client concentration creates sentiment headwind, but relationships with top clients remain strong, and 3) F13 revs guidance could be slightly conservative, we believe.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$71.00	-	-	-	EPS	Americas

Technology - Data Networking & Wireline Equip.**Tellabs, Inc (NASDAQ: TLAB, \$2.31 , HOLD) ▶▶**

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Still Hard to See a Turnaround Here... Maintain Hold Rating**Key Takeaway**

Tellabs' Q2 revenue and EPS results were roughly in-line with Street expectations. The most redeeming thing about the stock remains the tangible book value (\$2.46/share). We remain on the sidelines with respect to the stock – it's still difficult to see a potential turnaround in the business.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$2.25	\$0.00	(\$0.05)	\$0.01 ▼ \$0.00	EPS	Americas

Technology - Semiconductors**Spreadtrum Communications Inc. (NASDAQ: SPRD US, \$30.00 , HOLD) ▶▶**

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Offer Unlikely to be Raised Further; Downgrade to Hold**Key Takeaway**

We continue to expect SPRD to close the transaction to be acquired by Tsinghua Unigroup, despite near-term business deterioration. We do not expect Tsinghua to raise the offer further. We revise up our PT to \$31, matching the raised offer price. With only 3% upside, we downgrade SPRD to Hold from Buy.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	▲\$28.50 to \$31.00	-	\$3.14	\$3.31	EPS	Asia

Technology - Software**VMware, Inc. (NYSE: VMW, \$82.17 , HOLD) ▶▶**

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What's in the 10-Q?**Key Takeaway**

New Information: Moderate. VMW's 2Q 2013 10-Q contained new information on restructuring charges and cash costs, EMC-related disclosures, and a variety of supplemental data. We updated our model to reflect the additional detail but made no change to estimates. Maintain Hold.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$86.00	\$0.83	\$3.35	\$3.93	EPS	Americas

Technology - Software**Qlik Technologies (NASDAQ: QLIK, \$32.43 , HOLD) ▶▶**

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What's in the 10-Q?**Key Takeaway**

New Information. Low. We reviewed QLIK's recently filed 10-Q for 2Q13 and highlight the following: (i) Revenue breakdown by geography; (ii) Billings detail by channel and by new/ existing customers and (iii) other tidbits including customer base and maintenance renewal rates. Our thesis on the stock is unchanged. Maintain Hold.

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
HOLD	\$31.00	\$0.04	\$0.39	\$0.60	EPS	Americas

Technology - Software**Autodesk, Inc. (NASDAQ: ADSK, \$35.03 , BUY) ▶▶**

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Darkest Before Dawn?**Key Takeaway**

Our most recent field work lead us to cut estimates again for ADSK. We now assume no improvement in the 2nd half of CY13. We maintain our Buy on the stock because: i) we still believe ADSK will be a beneficiary of improving non-residential real estate when it happens; ii) we believe ADSK can realize higher operating margins; iii) recurring revenue continues to increase in the mix; iv) limited valuation downside (5X EV/ recurring rev = \$32).

Rating	Price target	Curr. Q (e)	Current year (e)	Next year (e)	Est. type	Region
BUY	▼\$46.00 to \$42.00	\$0.40 ▼ \$0.39	\$1.96 ▼ \$1.80	\$2.27 ▼ \$2.10	EPS	Americas

Jefferies Events For further details please call your Jefferies contact**Conferences**

Title	Dates	Location
Jefferies 2013 Boston Healthcare Summit	8/12/2013	Boston
Jefferies 2013 Global Industrials Conference	8/12/2013 - 8/15/2013	New York
Jefferies Semiconductor & Hardware Summit	8/27/2013 - 8/28/2013	Chicago
Jefferies Fall 2013 Mid-Atlantic Corporate Access Day	9/4/2013	Baltimore
Jefferies Advanced Analytics and Big Data Intelligence Summit	9/17/2013 - 9/18/2013	Boston
Jefferies Tobacco Summit	9/26/2013	New York
Jefferies 3rd Annual Asia Summit- Hong Kong	10/23/2013 - 10/24/2013	Hong Kong
Jefferies Global Healthcare Conference in London	11/20/2013 - 11/21/2013	London

Company Marketing

Title	Dates	Location
Charles River Laboratories International Inc (CRL)	8/5/2013 - 8/6/2013	Chicago, Kansas City
Morgan Sindall Group PLC (MGNS LN)	8/5/2013 - 9/3/2013	London
Countrywide PLC (CWD LN)	8/6/2013 - 8/9/2013	Boston, Chicago, Denver, Los Angeles, Mid-Atlantic, New York, San Diego, San Francisco
NewLink Genetics Corp (NLNK)	8/6/2013 - 8/7/2013	Chicago, Denver
F&C Asset Management PLC (FCAM LN)	8/6/2013 - 8/15/2013	London
CapitaMalls Asia Ltd (6813 HK)	8/6/2013 - 8/7/2013	Hong Kong
Hutchison Port Holdings Trust (HPHT SP)	8/6/2013	Hong Kong
Pendragon PLC (PDG LN)	8/6/2013 - 9/10/2013	Edinburgh, London
Precision Drilling Corporation (PDS)	8/7/2013 - 8/8/2013	New York
DENTSPLY International Inc (XRAY)	8/7/2013 - 8/8/2013	Los Angeles, San Francisco

Tissue Regenix Group PLC (TRX LN)	8/7/2013 - 9/4/2013	London
American Electric Power Co Inc (AEP)	8/7/2013 - 8/9/2013	Los Angeles, Newport Beach, San Francisco
Cosmo Pharmaceuticals SpA (COPN SW)	8/7/2013 - 8/9/2013	Boston, Mid-Atlantic, New York
GFI Group Inc (GFIG)	8/8/2013	Boston
InterXion Holding NV (INXN)	8/8/2013	London
Linde AG (LIN GR)	8/12/2013	New York
Consolidated Edison Inc (ED)	8/12/2013 - 8/13/2013	Los Angeles, San Francisco
Yandex NV (YNDX)	8/13/2013 - 8/14/2013	Denver, San Francisco, Santa Fe
DCC PLC (DCC LN)	8/13/2013 - 8/16/2013	Boston, Chicago, New York, Toronto
Kawasaki Kisen Kaisha Ltd (9107 JP) - Group Conference Call	8/13/2013	Hong Kong
Novozymes A/S (NZYMB DC)	8/14/2013	New York
ARM Holdings PLC (ARM LN)	8/14/2013 - 8/15/2013	Copenhagen, Oslo, Stockholm
Rolls-Royce Holdings PLC (RR/ LN)	8/14/2013	London
MEDNAX Inc (MD)	8/15/2013	Baltimore
Kamada Ltd (KMDA)	8/15/2013	New York
WuXi PharmaTech Cayman Inc (WX)	8/15/2013	New York
Novo Nordisk A/S (NOVOB DC)	8/16/2013	Seattle

Analyst Marketing

Title	Dates	Location
David "Dave" Windley	8/5/2013	Chicago
Jared Holz	8/6/2013 - 8/7/2013	Chicago
Mark Lipacis	8/7/2013	Toronto
Aaron Schwartz	8/7/2013 - 8/8/2013	Chicago, Milwaukee
Daniel Fannon	8/7/2013	Boston
Sundeep Bajikar	8/8/2013	New York
Aaron Schwartz, Ross MacMillan	8/9/2013	New York
Sandy Morris, Sonal Sagar	8/12/2013 - 8/16/2013	Boston, Connecticut, Mid-Atlantic, New York
Brian Tanquilut	8/12/2013 - 8/13/2013	Connecticut, New York
Mike Betts	8/12/2013 - 8/14/2013	Boston, New York
Jason Kupferberg	8/12/2013	New York
Arya Sen - Indian oil & gas and Asian agribusiness	8/12/2013 - 8/16/2013	Hong Kong, Singapore
Subash Chandra, Biju Perincheril	8/13/2013	Connecticut
Emlen Harmon, Casey Haire	8/13/2013	Boston
Consumer Finance Group Lunch	8/13/2013	New York
Paul Fremont	8/13/2013 - 8/14/2013	Los Angeles, San Francisco
Ming Tan & Jaclyn Wang - Hong Kong /China Financials	8/14/2013 - 8/15/2013	Singapore
Group Lunch with Brian Pitz, Brian Fitzgerald, Thomas Seitz, Kunal Madhukar	8/14/2013	New York
Ken Usdin, Emlen Harmon	8/15/2013	New York
Phil Ng	8/16/2013	Boston

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Jefferies Group LLC is advising Bristol Myers Squibb on its business combination with Reckitt Benckiser Group Plc regarding Latin American licenses. At this time, Jefferies expects to receive or intends to seek paid investment banking assignments from Sirona Dental Systems, Inc within the next three months.

Jefferies expects to receive or intends to seek paid investment banking assignments from Sirona Dental Systems, Inc within the next 12 months.

Anthony Crowdell owns shares of Consolidated Edison common stock.

Paul Fremont has a long, equity position in Unisource Energy Corp.

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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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2. Only stocks with a Buy or Underperform rating are allowed to be included in the recommended list.
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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.
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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\$.
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9. Transaction fees are not included.
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			Count	Percent
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