

# Hedge Funds Expect H&M To Fall Further

Stockholm (HedgeNordic) – Swedish retailer Hennes & Mauritz shares plunged 33 percent in 2017, marking their worst year since the beginning of this century. The share has continued its slump in the first two months of 2018 and is currently down close to 17 percent since the beginning of the year. However, short data compiled by Bloomberg reveals that hedge funds are expecting the stock to fall further.

Short interest in H&M is now above 9 percent of outstanding shares, according to Markit data. A year ago, it was only 4 percent. Hedge funds betting against the Stockholm-based company include AQR Capital Management, according to data compiled by Bloomberg.

H&M is now the most shorted stock on the Swedish benchmark OMXS30 index after Getinge, a manufacturer of sterilization and disinfection products for the healthcare industry.

Analysts that cover H&M are also pessimistic about the prospects for the stock, with the average price target of estimates collected by Bloomberg falling to 136.4 kronor. That is about 3 percent below the company's current share price.

Of the 36 analysts who cover H&M and are tracked by Bloomberg, two have buy ratings. Nineteen are advising clients to sell. This is the lowest level of buy ratings since 1999.

*Picture source*