International Game Technology PLC

NYSE:IGT

17 days

Downgraded from Neutral on September 20, 2018

Report created on October 6, 2018

IHSMarkit.com

Please send inquiries to score@ihsmarkit.com

Summary

- Perception of the company's creditworthiness is negative and weakening
- Bearish sentiment is moderate and increasing
- Economic output for the sector is expanding but at a slower rate

The Score aggregates factors from multiple information sources at IHS Markit to provide a single score that is more dynamic than any single source.

Find out more about our methodology on page 2.

Disclaimer

Last close price as of October 3, 2018

18.95

52 week range

18.50 - 29.64

Bearish sentiment Neutral

Short interest

Short interest is moderate for IGT with between 5 and 10% of shares outstanding currently on loan. This represents an increase in short interest as investors who seek to profit from falling equity prices added to their short positions on October 3.

Money flow Neutral

ETF/Index ownership

ETF activity is neutral. The net inflows of $782 million over the last one-month into ETFs that hold IGT are not among the highest of the last year and have been slowing.

Economic sentiment Negative

PMI by IHS Markit - Consumer Services

According to the latest IHS Markit Purchasing Managers' Index (PMI) data, output in the Consumer Services sector is rising. The rate of growth is very weak relative to the trend shown over the past year, and has continued to ease. However, the rate of expansion may accelerate in the coming months.
Score, an IHS Markit product

Methodology

The Score Report by IHS Markit combines equity short interest, ETF fund flow data, and credit default swap (CDS) spreads with the sector level PMI economic indicator to help investors gauge change in market sentiment for a company.

Four components are analyzed by IHS Markit when computing a sentiment score:

- Securities Finance Short Interest score measures the magnitude of investor short selling. High or increases in short interest imply that more investors believe valuations are high.

- Exchange Traded Fund (ETF) dataset measures the daily flow of money into and out of ETFs’ holdings of a particular company's share of equity. After converting the data into a rolling 21-day summation, it is compared to the one-year range. Analyses indicate that a larger than normal quantity of money flowing out of ETFs often indicates an exhaustion of negative sentiment. Note that there may be instances when a company's historical ETF flows are inadvertently skewed as a result of corporate action data that is not publicly available at the time when the daily fund flow data is captured.

- The Purchasing Managers Index (PMI) measures economic output at the sector level. The analysis includes three aspects of the metric: magnitude, direction of recent trend, and distance from a 12-month average.

- Credit Default Swap spreads provide insight into investors’ perception of the credit quality of a company. IHS Markit’s CDS price history ranks the 5-year CDS spread vs. its most recent one- and three-year ranges to measure relative credit sentiment. Increases in CDS spreads often indicate credit concerns for a bond issuer.

The overall score ranks the company’s average score across every available component versus its peers within the same sector. The algorithm requires at least three components to produce the score. The sentiment is calculated based on the company’s overall score's percentile ranking among other companies in the sector, with the top 33% of the scores receiving a 'Positive', the middle 34% a 'Neutral', and the bottom 33% 'Negative'. Please note that it is possible to rank positively, neutral, or negatively across most or all categories and the company can still receive a different sentiment rating based on how the overall score compares to its peers.
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