

## BG SALES-TRADING MORNING DU 03/02/2016

### LA SEANCE DE LA VEILLE

INDICES U.S & JAPON				SECTEURS S&P : BEST PERFS			SECTEURS STOXX : BEST PERFS			
Indices	Cloture	Var %	Var 17h30-22H (en %)	S&P	Var %	YTD	STOXX	Var %	YTD	
DJ	16153,5	-1,8%	-0,3%	Utilities	0,4	6,4	Food & BeV	-0,3	-0,4	
NASDAQ	4516,9	-2,2%	-0,6%	Consumer Durables	-0,4	-2,1	Personal & Household	-0,7	-1,2	
S&P 500	1903	-1,9%	-0,4%	Materials	-0,7	-10,9	Media	-1	-4,1	
NIKKEI	17191,2	-3,2%	-	Household Products	-1	0,3	Healthcare	-1,1	-7,4	
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS			
				S&P	Var %	YTD	STOXX	Var %	YTD	
				Semi Conducteurs	-3,4	-10,7	Oil & Gas	-4,9	-7,7	
				Banks	-3,4	-15,5	Banks	-4	-19,1	
				Oil & Gaz	-3,3	-8	Basic Resources	-3,6	-15,1	
				Div. Financials	-3	-12,6	Insurance	-3,2	-13,1	

### Valeurs les plus traitées hier vs. Moy. 3M

CAC 40			EURO STOXX 50			STOXX 600		
Stocks*	Last	Var%	Stocks*	Last	Var%	Stock*s	Last	Var%
CARREFOUR SA	26,3	-0,8	BANCO SANTANDER	3,6	-5,1	AMLIN PLC	669	
BNP PARIBAS	40,9	-5,7	CARREFOUR SA	26,3	-0,8	BETFAIR GROUP PLC	4420	
SOCIETE GENERALE	32,6	-6,4	BNP PARIBAS	40,9	-5,7	SYNGENTA AG-REG	392,3	3,7
VALEO SA	115	-5	SOCIETE GENERALE	32,6	-6,4	MAN GROUP PLC	158,7	-1,7
AXA SA	22	-2,4	DEUTSCHE BANK AG-	15,7	-3,9	ALFA LAVAL AB	132	-11,2

**DEFINITION :** \* compare les capitaux traités sur une valeur la veille rapportés à la moyenne des capitaux traités ces 3 derniers mois sur la valeur.

TAUX U.S				DEVICES				MAT. PREMIERES			
Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	100	0%	0,7%	€//\$	1,0917	0%	0,6%	BRENT	32,2	0,6%	-10%
U.S 10 ANS	103,5	-0,1%	1,9%	€/¥	130,79	0,2%	0%	ONCE OR (\$)	1127,3	-0,2%	6,2%
VIX Index	22		10%				VSTOXX Index	29,2		6,7%	

### Economic Calendar

JP - PMI Services Jan. (52.4 A, 51.5 P)  
 JP - PMI composit Jan (52.6 A, 52.2P)  
 JP - Consumer confidence Index Jan. (42.5A , 42.5E)  
 UK - Market Services PMI Jan (55.4E)  
 UK - Composite PMI Jan. (55E)  
 EUZ - Retail Sales dec. (+1.5%E y/y)  
 US - ISM non manufacturing Composite Jan. (55.2 E)  
 US - ADP employment change (190K E)

### Dividends Calendar ex-date next day

UNILEVER (ULVR.L) 23p (0.75%)  
 IMPERIAL TOB. (IMT.L) 49.1p (1.3%)

### Ex Div today

BENETEAU (CHBE.PA) 0.06€ (0.54%)

### Markets Recap (source Street account)

**Asian equities are sharply lower on Wednesday.** Volatility has picked up following the overnight sell-off in the US. The Nikkei is unwinding most of its post-BoJ rally with the yen having recovered most of its losses. Crude remains in focus with futures down another ~1% in post-settlement trade after API data revealed another surge in weekly inventories. Greater China markets are also under pressure though mainland-listed property developers are higher after the PBoC lowered the minimum mortgage down payment. The PBoC announced a weaker yuan fixing while injecting another CNY100B via 14 and 28 reverse repos. A measure of services activity also rose to its highest in six months. The Aussie has underperformed in FX after a commodity-driven decline in Australian exports during December. Conversely the kiwi has held its gains following better-than-expected New Zealand jobs figures.

**US equities closed sharply lower today.** Treasuries were significantly stronger across the curve. The dollar was weaker, lagging on the yen and euro crosses. Gold was slightly higher. Oil continued

yesterday's selloff, with WTI settling (5.5%).

**There were no specific factors behind today's weakness.** Oil remained in focus, dropping on Russian production numbers and increasing skepticism about a production "grand bargain." The debate about global monetary policy continued, with central banks' embrace of negative interest rates exacerbating negative sentiment around banking stocks. January auto sales figures were better than feared, but auto stocks remained weak.

**It was another busy day of corporate announcements.** Core Google strength was a tailwind for GOOG. KORS was helped by better comps. Guidance from PVH was well received. Analysts were pleased with the turnaround traction at MAT. BP missed expectations, while XOM's beat was largely due to taxes. UBS's results were weaker, with the bank flagging macro headwinds.

**Energy stocks trailed the market.** Banks underperformed. Semis and software lagged. Airlines were lower. Biotech was weak. Select chemical names helped materials. Utilities led the market again

### Stocks Factor to watch today :

**AXA** : says to dispose of Hungarian banking activities , impact 80M€ one-time loss in net income.

**HANNOVER RE** : substantial price declines in some reinsurance markets at the start of the year. says falling prices won't hit 2016 profit goals.

**AUTOS** : Vehicle sales figures for January VW sales fell 14.6% and deliveries at BMW were down 4%.

**QIAGEN** : reported 4Q results and said it expected to report adjusted net sales growth of about 2% in the 1stQ of 2016

**EDF** : the Six Union member's on EDF's 18-seat board would vote against the French utility's plans for two nuclear reactors in the UK. CDC could buy a stake in EDF power grid unit RTE. (Macron in Le Figaro).

**VINCI** : signed a 54 year concession contract with the ministry for Transport to design, finance, build operate and maintain the 24km western Strasbourg bypass. This represents an investment of around 500M€

**UNIBAIL RODAMCO** : forecast underlying sales growth of 6-8% this year and pledged to raise its annual cash distribution to shareholders in line with recurring EPS growth from 2016.

**BOURBON** : said 4Q adjusted revenue fell 14% to 334M€. The company would continue to stack up to 20% of its vessels temporarily as demand for offshore service vessels decreases.

### Rating & TP Changes



**LVMH** : TP raised to 171.9€ vs. 164.9 BUY @GOLDMAN SACHS

**LVMH** : TP raised to 175€ vs. 173, Buy @ UBS



**INFINEON** : TP cut to 13.8€ vs. 14, BUY @ UBS

**LVMH** : TP cut to 162€ vs. 184,@COWEN

**CITI** : TP cut to 4.5€ vs. 5.7, NEUTRAL @ CITI

**SANOFI** : TP cut to 84€ vs. 88, Equal weight @ Barclays

**KERING**: TP cut to 189€ vs. 196,@EXANE

**SWATCH** : Underperform vs. NEUTRAL @EXANE

### Technical Analysis

**BEIERSDORF** : COLRUYT, BIOMERIEUX, SOFTWARE : at their highest YTD

#### ⬇️Downward Signals⬇️

**FERROVIAL** : 50D mav crossing downwards 200D MAV

<b>LVMH</b>	<b>RATING : BUY</b>	<b>Fair Value EUR182</b>
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LVMH reported yesterday 2015 FY results that are slightly above consensus. 2015 sales grew 6% organically to EUR36.66bn (consensus: EUR35.55bn), implying no real slowdown in Q4 (+5% vs +6% on 9M). 2015 FY profitability has slightly declined with a 20bp EBIT margin erosion to 18.5%. We remain Buy on the stock with an unchanged EUR182 FV. **Positive**

<b>The Swatch Group</b>	<b>RATING : NEUTRAL</b>	<b>Fair Value CHF420</b>
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The Swatch Group has released this morning its FY 2015 results with sales (CHF8.45bn vs cs at CHF8.66bn) declining 0.9% at same forex, including -5% in H2 and EBIT (CHF1.45bn vs cs at CHF1.57bn) is down 17%, implying a margin down 290bp to 17.2% (-380bp in H2). Positive growth in January, especially in MC. **Negative**

<b>Hannover Re</b>	<b>RATING : SELL</b>	<b>Fair Value EUR107</b>
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January 2016 renewals (65% of FY P&C premiums) ended up with a 1.5% decrease in premium volume to EUR4.355bn (at unchanged exchange rates). The price impact has not been quantified overall but the company has confirmed the overall price erosion, with "considerable" price decline in some markets (including aviation and marine) and "pleasing outcomes in US business and in the German market". This 1.5% decrease is mainly driven by price pressure on the non-proportional business (-4.8%), which represents 30% of the business. For the full year 2016, the company confirms its previous guidance: a EUR950m net income, including a EUR825m natcat budget (vs. EUR690m budgeted for 2015) and a 2.9% ROI (vs. 3.0% budgeted for 2015). **NEUTRAL**

<b>Infineon</b>	<b>RATING : BUY</b>	<b>Fair Value EUR15</b>
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Yesterday, Infineon reported FQ1 in line with expectations with EPS at EUR0.17 vs. EUR0.16 expected by the Street, however concerns raised due to low operating margin guidance for FQ2. Following the conference call, we remain confident about Infineon capability to leverage on International Rectifier acquisition and FY16 guidance of a current operating margin of 16%. Given that there is no impact on this FY16 guidance, management's cautiousness regarding Q2 anticipations (+3% sequential growth of sales and 13% margin) is positive in our view and gives room for good surprise. Overall, we see the long term story as unchanged. **We reiterate our Buy recommendation.**

<b>QIAGEN</b>	<b>RATING : NEUTRAL</b>	<b>Fair Value EUR24</b>
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QIAGEN released full set of results consistent with preannounced FY2015 and outlook for 2016. As a reminder, 2015 numbers came short of estimates impacted by timing of milestones and weaker instrument sales from the molecular diagnostic division. Turning to 2016, FY guidance does not leave place for operational leverage and FX headwind should be slightly higher than previously communicated (300bp vs 200bp). Q1 2016 outlook confirms significant investments in H1, delaying to H2 2016 earnings ramp. **NEGATIVE**

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