

BG SALES-TRADING MORNING DU 04/02/2016

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	16336,7	1,1%	1,2%	Oil & Gaz	4	-4,3	Basic Resources	2,1	-13,4
NASDAQ	4504,2	-0,3%	0,8%	Materials	3,3	-7,9	Oil & Gas	0,2	-7,6
S&P 500	1912,5	0,5%	1%	MEDIAS	2,9	-1,2	Real Estate	0,1	-5,6
NIKKEI	17045	-0,9%	-	Cap Goods	1,8	-6	Chemicals	-0,1	-11,5
SECTEURS S&P : WORST PERFS.					SECTEURS STOXX : WORST PERFS				
				S&P	Var %	YTD	STOXX	Var %	YTD
				Spec. Retail	-2,1	-10,6	Banks	-3,4	-21,8
				IT, SOFTW & Serv.	-1,2	-4,8	Healthcare	-2,4	-9,7
				Consumer Serv.	-1,1	-3,5	Telecom	-2,2	-5,8
				Auto	-1	-17,3	Insurance	-2,1	-14,9

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%	
LVMH	151,8	4,5	LVMHI	151,8	4,5	AMLIN PLC	669		
UNIBAIL-RODAMCO	231,6	3	UNIBAIL-RODAMCO	231,6	3	BETFAIR GROUP PLC	4420		
AXA SA	20,9	-4,9	AXA SA	20,9	-4,9	SYNGENTA AG-REG	403	2,7	
KERING	153	-0,1	BNP PARIBAS	39,6	-3,2	AMADEUS IT HOLDING	36,1	-1,9	
BNP PARIBAS	39,6	-3,2	DEUTSCHE BANK AG-	14,7	-6	HARGREAVES LANSD	1285	-2,4	

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%	€/\$	1,1082	-0,2%	2%	BRENT	35,4	0,4%	-0,8%
U.S 10 ANS	103,2	-0,1%	1,9%	€/¥	130,72	0,2%	-0,2%	ONCE OR (\$)	1143,2	0%	7,7%
VIX Index	21,6							VSTOXX Index	30,7		5,4%

Economic Calendar

GB - BOE rate decision (0.5% = E)
 US - Chain Store sales
 US - Initial Jobless claims (280K E)
 US - continuing claims (2240K E)
 US - Factory orders (-2.8% E)

Dividends Calendar ex-date next day

Ex Div today

IMP. TOBACCO (IMT.L) 49.1p
 UNILEVER (ULVR. L) 23p
 VICTREX (VCTX.L) 35.09p

Markets Recap (source Street account)

Asian markets are trading mostly higher on Thursday. Risk sentiment has recovered following last night's commodity rally and late surge in US equities. Commodity equities are driving the ASX's outperformance, and energy producers are among the leading gainers on regional indices. The Nikkei is lagging with the yen building on its recent gains. The currency's appreciation has added to anxiety about Japanese company guidance coming against the backdrop of an emerging market slowdown. Greater Chinese markets have opened with solid gains while newsflow remains light leading into the Lunar New Year holidays. The PBoC announced a significantly stronger yuan fixing coupled with an additional CNY150B in liquidity injections. There has also been more pushback against further rate easing following the latest comments by the PBoC's head of research.

US equities closed mostly higher in volatile trading today. Treasuries were mixed with some curve steepening. The dollar came under heavy pressure and ended substantially weaker. Gold was up 1.3%. Oil bounced despite somewhat bearish inventory data, with WTI settling +8.0% and Brent settling +7.1%.

The dollar's weakness was the big story today, though there was nothing specific behind the move.

However, the slide came amid an ongoing debate about policy divergence, central-bank impotence, and the potential spillover effects of negative rates.

On the economic front, the ISM non-manufacturing index fell in January to its lowest level since February 2014, but remained in expansion territory. The ADP private-payroll report came in ahead of consensus.

There were several corporate releases today, but none was significant enough to shift the macro narrative. YHOO was hit by weak guidance and uncertainty about its restructuring. CMG January comps were largely below expectations. MRK beat, but revenues were light. ADSK was boosted by a restructuring announcement.

The weak dollar drove strength in materials and energy. Utilities and telecom benefited from defensive rotations. Machinery outperformed. Healthcare underperformed but biotech was stronger. Financials lagged, though banks rallied to finish off their worst levels. Consumer sectors were weaker. Tech trailed the market, with the "FANG" names weaker

Stocks Factor to watch today :

CREDIT SUISSE : posted its first full-year loss since 2008.

SWISSCOM : posted a 20.2 drop in full year net income after price reductions for roaming fees. Fallout from the strong CHF and tougher competition hurt its business.

LAFARGEHOLCIM : reviewing its divestment plan in India (cf – BG comment)

TOTAL : announced heads of agreement to supplying to ENN in China.

MOBISTAR : posted a weaker than expected quarterly profit as it took an additional provision for a tax on mobile phone masts.

CGG : had raised 350m€ in a rights issue .

DASSAULT SYSTEMES : posted a 24% rise in 2015 earnings per share and forecast double digit percentage organic growth in new licence revenue and an increase of about 7% in total revenue this year

Rating & TP Changes



GLAXOSMITHKLINE : TP raised to 1670p vs. 1635, BUY @BRYAN GARNIER

GLAXOSMITHKLINE : TP raised to 1449p vs. 1399, Market perform @Bernstein

ADIDAS : TP raised to 114€ vs. 70.5, BUY @GOLDMAN SACHS

INFINEON : reinstated with BUY rating, TP 15€ @BERENBERG

NOVO NORDISK : TP cut to 432DKK vs. 435, Overweight @ Barclays

STMICORELECTRONICS : reinstated to sell, TP 4.5€ @BERENBERG



THE SWATCH GROUP : TP cut to 410CHF vs. 420, NEUTRAL @ BRYAN GARNIER

Technical Analysis

DEVOTEAM, C. DIOR, HERMES, LVMH, COLRUYT : at their highest YTD

AEGON, ALLIANZ, GENERALI, ATOS, AXA, BAYER, BUREAU VERITAS, DIA, HANNOVER RE, H&M, IMERYS, LUXOTTICA, LAFARGEHOLCIM, MERCK KG, MUNICH RE, NOVARTIS, NOVO NORDISK, RANDSTAD : at their lowest YTD

Downward Signals

QIAGEN : 50D MAV crossing downward 200D MAV

ACTELION, ESSILOR, LAGARDERE, SUEZ ENV. : stock price crossing downward 50D, 100D, 200D MAV

Bryan Garnier ... Today's comment(s)

The Swatch Group

RATING : NEUTRAL

Fair Value CHF410 vs. CHF420

Following poor The Swatch Group 2015 results, we are lowering our FY 16 EBIT by 4%. Given this move, our FV is reduced from CHF420 to CHF410. Neutral recommendation unchanged.

GlaxoSmithKline RATING : BUY Fair Value 1670p vs. 1635p (+17%)

Yesterday GSK reported FY 2015 figures that were roughly in line with expectations. Hopefully, this should be the end of the tough period for the company that is entering a new growth phase that will be led by a handle of new products and by the restructuring of the businesses acquired to Novartis last year. GSK has confirmed the objective to growth EPS by 10% this year and high single-digit by 2020 and has brought its objective of GBP6bn in sales for its new products forward by two years to 2018 which makes this guidance even more comfortable than before. We reiterate our BUY.

LafargeHolcim RATING : SELL Fair Value CHF60 (+50%)

In a press release this morning, LafargeHolcim confirms they are not in discussion with Birla anymore (regarding the disposal of 5mt of cement capacity) because of regulatory issues. A new proposal to the Indian anti-trust authorities is under way. According to the press, Birla would have decided to take legal action against the Swiss group. Finally, Bloomberg said this morning Russian bank Sberbank is about to sell the 37.2 millions shares it acquired recently from Russian Cement group Eurocement. The stake would be valued at CHF1.5bn at the current share price of LafargeHolcim. **Negative.**

Munich Re RATING : SELL Fair Value EUR200 (+18%)

Preliminary Q4 2015 net income is EUR0.7bn, in line with expectations (EUR0.73bn). Q4 operating profit is EUR1.4bn, way ahead of consensus (EUR1.09bn), driven by higher reserve releases in P&C reinsurance. FY net income is EUR3.1bn, in line with consensus and slightly ahead of company guidance (c. EUR3bn). The good news is on the dividend (EUR8.25 vs. EUR7.75 last year and consensus EUR8.1), generating a 4.9% yield on top of the ongoing EUR1bn share buyback program. -> Positive
