

BG SALES-TRADING MORNING DU 09/02/2016

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	16027	-1,1%	1%	Household Products	1,1	2,6	Basic Resources	-0,6	-7,6
NASDAQ	4283,8	-1,8%	0,3%	Oil & Gaz	0,1	-6,3	Food & BeV	-1,6	-6,3
S&P 500	1853,4	-1,4%	0,6%	Transportation	-0,1	-8,9	Personal & Household	-2,2	-6,8
NIKKEI	16085,4	-5,4%	-	Tech Hardware	-0,1	-11,5	Utilities	-2,4	-7,9
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Consumer Durables	-3,3	-10,3	Banks	-5,6	-24,3
				Banks	-3,2	-18,5	Const. & Materials	-5,5	-13,4
				Real Estate	-3	-10,5	Media	-5,1	-13,6
				Materials	-2,7	-8,9	Travel & Leisure	-4,9	-15,5

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%
CAP GEMINI	73,6	-7	SAFRAN SA	51,1	-5,8	MONEYSUPERMARKET.	310,6	-4
SAFRAN SA	51,1	-5,8	DEUTSCHE BANK AG-	13,8	-9,5	INTERMEDIATE CAP	528	-2,9
VIVENDI	16,8	-4,9	VIVENDI	16,8	-4,9	EMS-CHEMIE HOLDING	443,5	-2,1
VINCI SA	59,4	-2,3	VINCI SA	59,4	-2,3	RANDGOLD RE	6000	13,2
AIRBUS GROUP SE	51,1	-5,4	AIRBUS GROUP SE	51,1	-5,4	SHAFTESBURY PLC	829,5	-2,1

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

Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	100,2	0%	0,7%	€/§	1,1207	0,1%	3,2%	BRENT	32,4	-1,2%	-9,3%
U.S 10 ANS	105	0,5%	1,7%	€/¥	128,56	0,9%	1,5%	ONCE OR (\$)	1193,6	0,4%	12,5%

VIX Index	26	11,2%	VSTOXX Index	33,4	11,1%
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Economic Calendar

JP- Machine Tool orders (-17.2 A)
 DE - Industrial prod. (-0.6% E)
 US - Wholesale inventories (-0.1% E)
 US - JOLTS Job Openings (5.3M P)

Dividends Calendar ex-date next day

TUI (TUIT.L°)	0.56€
EUROMEDI(EUMD.PA)	0.12€ (1.85%)

Ex Div today

Markets Recap (source Street account)

Asian markets are trading sharply lower on Tuesday. The volatility has come on the back of growing concerns around bond market vulnerability to tighter credit conditions, along with questions around the effectiveness of negative interest rates. The Nikkei is under immense pressure with the yen building on its rally as the 10Y JGB yield hit zero for the first time. There have also been reports Japanese companies are starting to revise down their projected USD/JPY rate, while others are assigning poor reviews to progress in Abenomics. Financials are leading markets lower with the big four banks dragging heavily on the ASX. Commodities have been relatively more stable with oil up and copper little changed. China and Korea remain shut for the Lunar New Year holidays.

US equities came under pressure on Monday, but did finish well off their worst levels. Treasuries rallied across the curve. The dollar was mostly weaker, underperforming on the risk-sensitive yen cross. Gold jumped 3.5%, its biggest one-day gain since December 2014. Oil was weaker as WTI crude settled 3.9% lower.

There was no single driver behind today's selloff. However, a ramp in credit concerns received a lot of attention. Some of the other usual suspects such as concerns about monetary policy divergence/fatigue,

the oil rout, a sluggish earnings backdrop and the risks of China exporting deflation also remained in focus.

It was a relatively quiet day from a macro news perspective. The WSJ discussed how some hedge funds are now betting against investment-grade credit. China's FX reserves fell to the lowest level since May 2012. There was no talk of production cuts following a meeting of oil ministers from Saudi Arabia and Venezuela.

Materials underperformed despite the precious metals strength. Weakness in financials was fairly broad-based, though banks got most of the attention. Growth software continued to weigh on tech. There were several pockets of weakness in consumer discretionary. Defensive sectors held up better. Energy actually ended higher with the strength in integrations

Stocks Factor to watch today :

TECHNIP : awarded SUBSEA contract in Gulf of Mexico from Deep Guld Energy III

ZEALAND : reports lixisenatide (Lyxumia) royalty revenue for Q4 2015, and highlights 3 key regulatory events for the product in 2016.

SANOFI : pledges stable 2016 earnings at CER.

ENGIE : RUGELEY coal plant (UK) will close this summer due to worsening market conditions for coal generation.

CASINO : S&P said it was keeping retailer on creditwatch negative.

AIR LIQUIDE : announced the acquisition of a service leader in temperature controlled logistics for the Pharma industry.

Rating & TP Changes



LUXOTTICA : HOLD VS. UNDERPERFORM @*Jefferies*

MUNICH RE : TP raised to 180€ vs. 170, Market perform @*Bernstein*.



GRIFOLS : BUY vs. HOLD, TP cut to 20.6€ vs. 20.8 @ *Berenberg*

MERCK KG : TP cut to 88€ vs. 97, Equal Weight @ *Barclays*

PUBLICIS : TP cut to 68€ vs. 69, overweight @*JPM*

NOVO NORDISK : TP cut to 425DKK vs. 450, BUY @*CITI*

SWATCH : TP cut to 375CHF vs. 390, HOLD @*Vontobel*

Technical Analysis

CASINO, GFI INFORMATIQUE, : at their highest YTD

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

Engie	RATING : BUY	Fair Value EUR19 (+37%)
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Yesterday "Le Lettre de l'Expansion" indicated the new costs reduction program of Engie could target EUR2.8bn of gain over 2016-18, without mentioning any details on the type of reduction (opex/capex/other costs), on the gross/net ratio, and on which perimeter this program will be implemented. All these rumors, combined with disposals program are confirming group's reorganisation is well on track, making us comfortable with our Buy rating. We expect to get more details during group's earnings presentation (February 25th). **Positive.**

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Scor	RATING : BUY	Fair Value EUR38.5 (+32%)
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The company has reported satisfactory January 2016 renewals (c. 68% of the overall portfolio), with premiums up 2% to EUR3.0bn at constant FX. This includes a 1.0 negative point price effect. These numbers are slightly better than those of Hannover Re and Munich Re. Thanks to the improved efficiency of the retrocession cover, the company expects a combined ratio close to 94% (assuming normal loss experience), which is at the higher end of the 93-94% range of the current strategic plan, yet lower than our current estimate of 94.8%. -> **Neutral**

Software and IT Services

Yesterday Cognizant issued a cautious guidance range due to a Financial Services and Healthcare. It warned discretionary IT projects were pushed out and lead to slower growth in Q1 16 due to economic concerns, and the bottom-end of the 10-14% FY16 sales growth guidance embeds an ongoing freeze if economic concerns continue. The IT stocks in our coverage which are the most exposed to this are Temenos, Axway, Sopra Steria, Capgemini, Software AG, and Atos. Negative.

Actelion	RATING : BUY-Top Picks	Fair Value CHF166 (+36%)
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This morning Actelion posted good FY 2015 results across the board (although difference at the top line level was mainly on Tracleer) with 1% beat on core EPS in the end. More importantly, the guidance for 2016, based on assumptions that are not fully shared at this time, suggests superior earnings delivery compared to what may have been expected. Low-single-digit growth in core EBIT compares very favourably to our mid-single-digit decline, considering slightly positive currency impacts. The recent share price drop is, therefore, a clear BUY opportunity.
