

BG SALES-TRADING MORNING DU 22/02/2016

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	16392	-0,1%	0,2%	Spec. Retail	0,8	-9,4	Real Estate	0,4	-8,1
NASDAQ	4504,4	0,4%	0%	Food staples, Retail	0,6	-2,3	Travel & Leisure	0	-9,2
S&P 500	1917,8	0%	0,2%	Transportation	0,4	-3,4	Chemicals	-0,2	-10,9
NIKKEI	16111	0,9%	-	IT, SOFTW & Serv.	0,4	-6,3	Basic Resources	-0,3	-0,8
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Auto	-1,1	-14,9	Telecom	-1,5	-8,5
				Materials	-1,1	-6,4	Banks	-1,4	-22,7
				Telecom Op.	-0,7	7,5	Insurance	-1,3	-16,8
				Utilities	-0,6	6,3	Auto & Part	-1,2	-17,7

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%
KERING	159,4	-0,6	ESSILOR	109,4	-2,2	INGENICO GROUP	91,5	-11,9
VALEO SA	124,1	4,5	ASML HOLDING NV	79	1,9	TECHNICOLOR - REGR	5,3	-3,8
ESSILOR	109,4	-2,2	VIVENDI	18	-0,7	BG GROUP PLC	1062	-
NOKIA OYJ	5,4	-3	INTESA SANPAOLO	2,3	-2	INDUSTRIVARDEN AB-A	148	0,1
CAP GEMINI	75,8	-0,1	ALLIANZ SE-REG	134	-1,3	ESSENTA PLC	813,5	9,1

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				DEVICES				MAT. PREMIERES			
Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	100	0%	0,8%	€/§	1,111	-0,2%	2,3%	BRENT	32,9	1%	-8,1%
U.S 10 ANS	98,8	-0,1%	1,8%	€/¥	125,28	0%	4,3%	ONCE OR (§)	1217,1	-0,7%	14,7%
VIX Index	20,5		-5,1%		VSTOXX Index	31,3		1,1%			

Economic Calendar

JP - Nikkei PMI Manuf. Feb. (50.2A, 52 E)
 DE - Markit Manuf. PMI Feb. (51.9E)
 EUZ - Markit Eurozone Manuf. PMI Feb. (52E)
 US - Markit US Manuf PMI (52.5 E)

Dividends Calendar ex-date next day

Ex Div today
 METRO (MPI.L) 1€ (0.3%)

Markets Recap (source Street account)

Asian markets are trading higher on Monday. The positive sentiment has translated into gains on US and European equity futures, while commodity currencies are tracking upward moves in oil and copper. Greater China is outperforming with some of the focus on the removal of the CSRC's chairman and its potential for speedier market reforms. Mainland commentary backs further RRR easing even as the PBoC said it ended preferential RRR treatment for some banks. Property names are leading after China's finance ministry announced a cut in property taxes. The central bank also injected a CNY70B in liquidity today. The Nikkei's gains have come after Japan PM Abe ruled out a snap election and a delay in the consumption tax hike. It has been fairly quiet on the macro front with the Japan flash PMI and MNI China business indicator both softening. Elsewhere earnings are driving outsized moves on the ASX while the pound has fallen sharply amid divisions in the UK's governing party over whether to back 'Brexit'.

US equities were mixed today. Treasuries were weaker with some curve flattening. The dollar was weaker. Gold settled +0.4%. Oil came under pressure, with WTI settling (3.7%).

It was a fairly quiet session today, with the market continuing to give back some of its gains from earlier in the week, which seemed to fit with the theme of skepticism given the absence of a shift in

the fundamental narrative. Core CPI surprised to the upside, posting its strongest monthly rise since August 2011. Fed President Mester downplayed spillover effects from the global economy and market volatility, but said that policy will need to remain accommodative.

JWN earnings and guidance were hit by a highly promotional environment. Weather was a drag on VFC. DE beat, but lowered guidance. AMAT was a standout following its beat and raise. TRUE missed and guided well below consensus. Negative depletion trends impacted SAM. UAL boosted its Q1 share repurchase guidance.

Select restaurants and leisure names were stronger. Tech was boosted by strength in software. Banks outperformed. Pharmaceuticals were weaker. Machinery was a drag on industrials. E&Ps weighed down energy. Materials trailed the market.

Stocks Factor to watch today :

ZEALAND : FDA accepted for review Sanofi's NDA for the fixed ratio combination of lixisenatide and insulin glargin for type 2 diabetes.

VIVENDI : has increased its stake in Telecom Italia to 22.8% Vivendi has tabled for a majority stake in the pay tv of Mediaset (il Corriere della Sera)

UCB : and **AMGEN** announce positive top-line results from the phase 3 study of Romosozumab in postmenopausal women with osteoporosis.

Rating & TP Changes



UCB :TP raised to 78€ vs. 75, NEUTRAL @Bryan Garnier

DASSAULT SYSTEMES : started with Sector Weight @ Pacific Crest

CNP ASSURANCES : TP raised to 15.4€ vs. 14.5 Neutral @ JP MORGAN

ATOS : TP raised to 58.5€ vs. 56, HOLD @ Jefferies

VEOLIA ENV : TP raised to 20.75€ vs. 17.5, Neutral @Citi

KERING : Tp raised to 183€ vs. 178, BUY @ UBS



ASTRAZENECA : TP cut to 4900p, Buy @ Jefferies

SUEZ ENV. : SELL vs. HOLD, TP cut tot 14.5€ vs. 16.5@Citi

AB INBEV : TP cut to 120€ vs. 125 BUY@ Citi

Technical Analysis

ADDIDAS (ADSGn.DE), C. DIOR (DIOR.PA), HERMES INTL(HRMS.PA), RECKITT (RB.L) : at their highest YTD.

INGENICO (INGC.PA), BIC (BICP.PA), RWE (F=RWEG.DE): at their lowest ytd.

⚠️Downward Signals⚠️

BARRY CALLEBAUT (BARN.S) : 50d MAV crossing downward 200d MAV.

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

Kering

RATING : BUY

Fair Value EUR180 (+13%)

After a 2015 year marked by Gucci sales rebound in Q4 but all in all disappointing profitability and FCF level, Kering CEO has been very clear during Friday analyst meeting: in 2016 the focus will be put on margin recovery and on CF generation in order to reduce the net debt level. We keep our Buy recommendation and our EUR180 FV. **NEUTRAL**

Genmab **RATING : BUY-Top Picks** **Fair Value DKK1170 (+53%)**

We had the opportunity to talk to Genmab's top management during a breakfast meeting in London. Unsurprisingly, most of the questions turned around Darzalex (daratumumab) and its sales guidance for 2016 (USD250-300m)... and we now think this figure is likely to be beaten should we have an European approval in the coming weeks. Apart from that, we understand that JNJ is already talking with other big pharma, and this may lead to the initiation of clinical studies evaluating Darzalex with checkpoint blockers (which validates the scenario we put forward in our latest report). BUY reiterated with a FV of DKK1,170. **POSITIVE**

UCB **RATING : NEUTRAL** **Fair Value EUR78 vs. EUR75 (+1%)**

In a couple of days time, UCB first received FDA approval for brivaracetam (as Briviact) as adjunctive therapy to treat epileptic patients with partial-onset seizures (+1 EUR to our FV) and today released top-line results from the phase III trial FRAME. Co-primary endpoints were met although key secondary one (non-vertebral fracture reduction) is not while safety requires further investigation. Overall this is positive (+2 EUR to our FV) but detailed results and second trial are needed to fully assess the value of the drug in this challenging indication of post-menopausal osteoporosis.
