

BG SALES-TRADING MORNING DU 09/03/2016

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	16964,1	-0,6%	-0,2%	Utilities	0,8	9,7	Personal & Household	-0,1	-1,7
NASDAQ	4648,8	-1,3%	-0,8%	Food staples, Retail	0,7	0,1	Healthcare	-0,2	-10,7
S&P 500	1979,3	-1,1%	-0,5%	Food Bev & Tobacco	0,2	2,8	Telecom	-0,4	-6,1
NIKKEI	16642,2	-0,8%	-	Household Products	0,1	3,8	Chemicals	-0,5	-8,2
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Oil & Gaz	-4,1	-0,8	Basic Resources	-9,3	8,5
				Banks	-2,5	-14	Auto & Part	-2,7	-13,5
				Auto	-2,5	-8,5	Oil & Gas	-2,5	1,7
				Transportation	-2,4	-1,3	Financial Serv.	-1,5	-11,9

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%
NOKIA OYJ	5,4	-3,3	TELEFONICA SA	9,8	-0,4	SAIPEM SPA	0,4	-14,8
LEGRAND SA	47	1,1	INDITEX	29,4	-1	SEADRILL LTD	42,3	-9,6
UNIBAIL	48	-3,6	DEUTSCHE POST AG-	23,3	3,2	VISCOFAN SA	52,5	0,2
VEOLIA ENV	20,4	-1,5	IBERDROLA SA	5,8	0,3	CLOSE BROTHERS	1298	-6,2
KLEPIERRE	38,3	-3,1	UNICREDIT SPA	3,6	0,8	WIRECARD AG	34,8	-6,3

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. PREMIERES	Valeur	Var%	YTD
U.S 2 ANS	99,8	0%	0,9%	€/€	1,0983	-0,3%	0,7%	BRENT	39,4	1%	10,1%
U.S 10 ANS	98	-0,2%	1,8%	€/¥	123,56	0,4%	5,7%	ONCE OR (\$)	1257	-1,3%	18,3%

VIX Index	18,7	7,6%	VSTOXX Index	27,8	6,3%
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Economic Calendar

JP - Machine tool orders Feb. (-22.6% A)
 GB - Manuf. Prod. Jan. (-0.7%E y/y)
 US - wholesale inventories Jan. (-0.2%E)
 US - DOE Oil Inventories

Dividends Calendar ex-date next day

BARCLAYS (BARC.L)	3.5p (2.01%)
CRH (CRH.I)	0.44€ (1.78%)
DOMINO'S PIZZA	11.75p (1.11%)
SHIRE (SHP.L)	15.32p (0.41%)
APERAM (APAM.AS)	0.3125€ (1.12%)

Ex Div today

AMER SPORTS (AMEAS.HE)	0.55€ (2.14%)
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Markets Recap (source Street account)

Asian markets are trading lower on Wednesday. Negative sentiment has been partially chalked up to Tuesday's weaker-than-expected Chinese export figures. Miners are under broad-based pressure following overnight losses in commodities, and are leading declines in China and Australia. Mainland property stocks are also extending declines amid an ongoing regulatory focus on escalating Tier-1 house prices. The Nikkei's decline is again contrasting with the yen's recent strength. The ASX is the region's outperformer with sectors outside of mining mostly higher. There is no clear catalyst for the gains with Aussie consumer sentiment and housing finance both recording falls. In the commodities complex gold has traced lower while the in FX the kiwi has weakened ahead of the RBNZ, which is expected to leave the cash rate unchanged but strengthen its dovish bias at Thursday's meeting.

US equities closed down today, near worst levels. Treasuries were stronger across the curve. The dollar was stronger against the euro but lagged on the yen cross. Gold came off early highs to finish slightly lower. Copper declined 2.7%. Oil came under pressure, with WTI settling down 3.7%.

Stocks turned negative after five consecutive sessions of gains, with some focus on a larger-than

expected decline in Chinese export numbers. Several commodities reversed course, with some sell-side commentary skeptical about supply and demand fundamentals. There were some thoughts the market may have worked off its oversold condition, while policy divergence, the approaching ECB decision, and politics remained overhangs

VSLR terminated its agreement to be acquired by SUNE. URBN was helped by better inventory margins. UNFI was boosted by an acquisition. THO was buoyed by RV momentum. PSG's guidance was weak. DKS rebounded after a weak report. Wage pressures were in focus for SHAK. LL slid after a critical presentation by Whitney Tilson.

Energy and materials stocks were lower on commodity weakness. Banks extended this week's pullback. Biotech underperformed. Transports and machinery were weaker. Retailers were mixed. Tech saw some support from the "FANG" complex. Defensive sectors led the market.

Stocks Factor to watch today :

CREDIT AGRICOLE : pledged to boost cost savings and synergies by 2019.

CASINO : Confirmed its profit growth and cash flow goals for France this year as weakness in recession hit Brazil and the cost of prime cuts in France helped set 2015 operating profit back 35%

ORANGE : Stephane Richard has said he might look into the possibility of a merger with Telecom Italia if V. Bolloré invited him to but does not think that would happen.

ADECCO : sees improved 4Q growth in France makes offer for Penna.

Rating & TP Changes



DIALOG SEMI : BUY vs. HOLD, TP raised to 40€ vs. 38, BUY @ *BRYAN GARNIER*

HEINEKEN : BUY vs. NEUTRAL, TP raised to 85€ vs. 83 @ *Goldman Sachs*

CRH : BUY vs. HOLD @ *Jefferies*

ACTELION : TP raised to 130CHF vs. 129, EQUAL WEIGHT @ *Barclays*

BURBERRY : HOLD vs. BUY @ *HSBC*

SECHE ENV. : BUY vs. HOLD, @ *SocGen*



WORLDPAY : TP cut to 278p vs. 290, Neutral @ *Bryan Garnier*

L'OREAL : TP cut to 1160€ vs. 185, Neutral @ *UNS*

EDF : Started with UNDERPERFORM rating, TP 7.5€ @ *Jefferies*

MERCK KG : TP cut to 88€ vs. 92, HOLD @ *HSBC*

RWE AG : TP cut to 9.5€ vs. 10.5, REDUCE @ *HSBC*

MERCK KG : TP cut to 82€, HOLD @ *SocGen*

ST GOBAIN : TP cut to 46.6€ vs. 48.7, BUY @ *DBK*

Technical Analysis

Upward Signals

JERONIMO MARTINS (JMT.LS) : 50D MAV crossing upward 200d MAV

Downward Signals

ASTRAZENECA(AZN.L), KPN (KPN.AS) : 50D MAV crossing downward 200d MAV

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

Sword Group

RATING : BUY

Fair Value EUR28 (+22%)

We reiterate our Buy rating following the analysts' meeting held yesterday. Carried by a strong backlog-driven momentum in IT Services (deals with European institutions and sport organisations) and Software (large multi-year deployments in Asset Finance), Sword is in our view likely to maintain lfl revenue growth around 15% over 2016-17 while maintaining its EBITDA margin above 15%. The still strong dividend yield makes the Sword share attractive as well.

Collectis RATING : BUY Coverage initiated Fair Value EUR37 (+56%)

We are initiating coverage of Collectis with a Buy recommendation and a FV of EUR37. The company is one of the rare developers of immunotherapies based on CAR T-cells that are genetically modified in order to better recognise and destroy cancer cells. The segment is in full boom and Collectis is developing an approach that clearly stands out from the crowd since it is less costly and complex from a logistical perspective. Added to this, Collectis has the ability to provide new modifications to these cells and has already signed two sizeable partnerships, leading us to believe that the group has what it takes to become a leader in this flourishing segment. Last but not least, a more aggressive scenario would put our valuation at EUR120 per share.

Sanofi RATING : NEUTRAL Fair Value EUR88 (+21%)

Sanofi and Merck have decided to end their JV SP MSD that has been operating in vaccines for the two parent companies in Europe. The two companies will recover freedom to operate which makes sense but this will be far from transforming from a financial perspective at first glance.

LafargeHolcim RATING : BUY Fair Value CHF50 (+20%)

Local newspaper said yesterday that numerous groups would be interested by Lafarge India, while the bidding process could start in a month's time. Pricing remains uncertain but the combination of a decent interest level, solid cement volume consumption in January and promising infrastructure spend commitment in the 2016-17 government budget (+23% y/y) will certainly help. A favourable outcome for LafargeHolcim looks possible now, after several months of uncertainties. Positive.

Worldpay RATING : NEUTRAL Fair Value 278p vs. 290p (0%)

Worldpay is struggling in the US (49% of group's sales), so the poor lfl top-line growth associated cannot create any leverage on its proprietary platform. We see no way out as the management does not intend to sell this division, whereas the market is consolidating. The real leverage on profitability won't be visible until H2 17e (once investment in its technology platforms is complete, i.e. Worldpay fully independent from RBS). WP's fundamentals are not impressive for the Payments sector (lfl sales growth, EBITDA and EBIT margin, FCF, financial position). We have revised downward our restated FY16/17e EPS sequence by 3.0% on average. Neutral rating reiterated and FV cut from 290p to 278p. => **Slightly negative**

Dialog Semiconductor RATING : BUY vs. NEUTRAL Fair Value EUR40 vs. EUR38 (+25%)

Following the conference held yesterday by Dialog about Q4-15 results, we upgrade our recommendation to Buy from Neutral and increase our FV to EUR40 from EUR38. We believe all the bad news are now over and we expect a rerating to gradually occur as 1/ the share trades at a strong discount vs. peers (P/E 2016e at 10.6x vs. 19.3x), 2/ the momentum will be improving throughout the year with positive news flow and recurring seq. growth, 3/ the group clarified its M&A target profile and said it is now looking for smaller acquisition than Atmel with lower risks from an investor perspective and 4/ the group is making an important step towards investors with the proposition to put in place a framework for a share buy-back program.

E.ON RATING : BUY Fair Value EUR10,2 (+22%)

E.ON posted this morning 2015 metrics in line with targets and with expectations, while guiding for cautious 2016 EBITDA, as anticipated. No cut in dividend was mentioned for 2016, at least so far, confirming our view E.ON has stronger balance sheet than RWE. The spin-off E.ON/Uniper was confirmed yet the difficult market environment will oblige the group to review its targets for both entities. We continue to prefer E.ON over RWE. Positive.