

BG SALES-TRADING MORNING DU 16/03/2016

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	17251,5	0,1%	-	Tech Hardware	1,1	0,4	Media	-0,1	-3
NASDAQ	4728,7	-0,5%	-	Food staples, Retail	0,4	1,6	Technology	-0,2	-6,5
S&P 500	2015,9	-0,2%	-	Household Products	0,2	3,2	Real Estate	-0,4	-3,9
NIKKEI	16974,4	-0,8%	-	Utilities	0,2	10,8	Food & Bev	-0,5	-3,8
SECTEURS S&P : WORST PERFS.					SECTEURS STOXX : WORST PERFS				
				S&P	Var %	YTD	STOXX	Var %	YTD
				PHARMA.	-1,7	-9,2	Basic Resources	-4,7	5,6
				Health Equip.	-1,4	-2,7	Banks	-1,9	-14,2
				Materials	-0,9	0,2	Oil & Gas	-1,8	-0,1
				Div. Financials	-0,5	-5,2	Retail	-1,8	-4,8

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%	
SAFRAN SA	57,6	3,7	SAFRAN SA	57,6	3,7	ISS A/S	245,9	-2,3	
NOKIA OYJ	5,5	0,1	UNIBAIL-RODAMCO SE	248,4	0,6	ARYZTA AG	41	-5,1	
UNIBAIL-RODAMCO SE	248,4	0,6	BANCO SANTANDER SA	4,3	-4,4	DAVIDE CAMPARI-MILANO SPA	8,5	2,1	
ARCELORMITTAL	3,6	-3	DANONE	63,7	-0,3	GALENICA AG-REG	1328	-14,2	
CREDIT AGRICOLE SA	10,3	-2,5	SOCIETE GENERALE SA	35,9	-1,9	LEGAL & GENERAL GROUP PLC	228,1	-6,4	

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	99,6	0%	1%	€/ \$	1,1093	0,1%	1,7%	BRENT	37,8	-0,3%	5,8%
U.S 10 ANS	97	0,1%	2%	€/ ¥	125,87	-0,1%	3,7%	ONCE OR (\$)	1235	0,1%	16,2%

VIX Index	16,8	-0,5%	VSTOXX Index	23,2	1,2%
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Economic Calendar

JP - Machine Tool orders Feb. (-22.5% A)
 GB - Jobless claims chage Feb. (-9.1K E)
 GB - ILO Unemployment rate Jan (5.1%E)
 GB - Osborne makes Budget speech to Parliament
 US - OMC rate Decision
 US - Housing Starts Feb. (4.6% E)
 US - Building permits Feb. (-0.2% E m/m)
 US - CPI Feb. (0.9% E)
 US - Industrial production Feb. (-0.3% E)

Dividends Calendar ex-date next day

PANDORA (PNDORA.CO) 13DKK (1.49%)
 ESSENTRA (ESNT.L) 14.4p (1.7%)
 HAMMERSON (HMSO.L) 6.4p (1.15%)
 BAT (BATS.L) 104.6p (2.59%)

Ex Div today

SGS (SGSN.VX) 68CHF (3.36%)

Markets Recap (source Street account)

Asian markets are trading mixed on Wednesday. Volatility is subdued amid some caution ahead of tonight's FOMC meeting, a light economic calendar and limited newsflow. Greater Chinese equities are narrowly mixed in early trade. Premier Li's press conference was a focus though his comments largely emphasized themes that have already come out of the NPC meetings. Some discussion in mainland media highlighted scope for more PBoC easing. The central bank also announced a weaker yuan fixing, with the offshore RMB extending losses amid uncertainty around the impact of a proposed Tobin tax on FX transactions. The yen has erased some of Tuesday's gains after BoJ Governor Kuroda mentioned there was theoretically room for rates to fall to minus 0.5%. The Nikkei has largely maintained its

underperformance. Mining and energy names are lagging on the ASX following the recent commodity softness.

US equities were mostly lower Tuesday. However, the major indexes did finish off their worst levels from near the open. Treasuries were little changed, giving back some earlier gains. The dollar was mixed. It outperformed sterling and the commodity currencies, but lagged on the yen cross. Gold lost 1.1%. WTI crude settled 2.3% lower.

It was a fairly uneventful session with some semblance of a waiting game ahead of tomorrow's FOMC meeting. The Fed is expected to leave rates unchanged, but there are some concerns about a hawkish tilt. Mixed takeaways from the economic calendar had little impact, though softer retail sales data did not help.

There was little direction from overseas developments and other asset classes. As expected, the BoJ left policy unchanged. It also tried to dampen the scrutiny surrounding negative rates. Bloomberg reported China has drafted rules for a Tobin tax to counter yuan speculation. The recent commodity rally continued to attract skepticism (and lose momentum).

While it was a quiet day of corporate news, VRX dominated the headlines following its weaker-than-expected results, guidance and lack of color on the timing of a 10K filing. DOV was out with one of the first higher-profile negative preannouncements for Q1, flagging the continued weakness in energy. MJN received a boost from a takeover speculation.

Healthcare was the worst performer on broad-based weakness. Industrial metals weighed on materials. Energy was another laggard. Banks extended this week's sluggishness. There were lots of moving pieces in industrials and consumer discretionary. Most defensive sectors held up better. Tech put in the best performance with help from some large-cap names (like AAPL).

Stocks Factor to watch today :

SOC. GEN: to absorb Kleinwort Benson

PUBLICIS : partners with Troyka group in Nigeria

EUROPEAN CAR : sales up 10% Jan- Feb to 2,187mln cars vs. 1.987m year ago.

SANOFI : and DICE molecules announce a 5 year drug research partnership

SOLVAY : to exit INOVYN joint venture early

ZODIAC : warned its operating income would stall this year as a result in delivering aircraft seats.

CASINO : has received more than 10 offers for the sale of its activities in Vietnam, some of them topping 1bn€ (source close to the matter)

Rating & TP Changes



CAMPARI : TP raised to 9.4€ vs. 8.4, BUY @Campari

CAMPARI : TP raised to 10€ vs. 9.1, BUY @NOMURA

UBISOFT : TP raised to 28€ vs. 20, NEUTRAL @ Mizuho

DIASORIN : TP raised to 43€ vs. 41, HOLD @Jefferies

WOLSELEY : TP raised to 4300p vs. 4150, Overweight @ JPM

HANNOVER RE : TP raised to 118€ vs. 115 @JPM



SAFILO : TP cut to 12.5€ vs. 14 @Bryan Garnier

ORPEA : initiated with SELL, TP 60€ @Berenberg

LUXOTTICA : TP cut to 61€(-3%) @ Exane

RICHEMONT : TP cut to 78CHF (-5%) @Exane

DBV TECH : TP cut to 43\$ vs. 48 @ CITI

RWE : TP cut to 10.8€ vs. 19.8, NEUTRAL @Credit Suisse

Technical Analysis

⚠️ Downward Signals ⚠️

DIRECT LINE : (DLGD.L), UNITED UTILITIES (UU.L) : 50d MAV crossing downward 200d MAV

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

Campari RATING : BUY Fair Value EUR9,4 vs. EUR8,4

The acquisition of the company Société des Produits Marnier Lapostolle (SPML) marks the return of Campari to its previous strategy of generating half of its growth through acquisitions. The rationale is strong: SPML is a good fit for Campari both in terms of portfolio and geography. Besides, it is margin-enhancing. We revise upwards our EPS estimates by 5% in 2016 and 13% in 2017. Our Fair Value is adjusted from EUR8.4 to EUR9.4. Buy recommendation maintained.

Transgene RATING : CORPORATE Fair Value EUR4.5

Admittedly, the company has been through pretty tumultuous times in the recent past, hence the need to initiate a restructuring plan. But what's next? In our opinion, the future of Transgene lies in the different Phase I/II evaluating its lead compound in combination with PD-1/PD-L1 blockers (and for which top-line results are expected by the end of 2017). Our Fair Value is EUR4.5.

Grandvision RATING : BUY Fair Value EUR29,5

After having reported FY15 comparable growth of 4.1% on 21st January, FY15 results are released this morning: FY sales increased 13.8% to EUR3,205m (CS: EUR3,203m) and the adj. EBITDA reached EUR512m, slightly below expectations (CS: EUR522m) only because of the dilutive impact from acquisitions as the EBITDA grew 9.2% organically vs. 5.3% for the top line. Hence the adj. EBITDA margin remained flat at 16% (BG: 16.2%e / CS: 16.3%). MT targets are reiterated (sales growth +5% excl. large acquisitions and adj. EBITDA to grow in the high single-digits). We would recommend investors to take advantage of any price weakness as the growth model is intact. Conference call today at 8am GMT/9am CET. Buy recommendation and FV of EUR29.5 confirmed. => **Negative**

Ubisoft RATING : BUY Fair Value EUR34

After having already sold through more copies in its first 24 hours than any previous title in the company history, Ubisoft yesterday announced that *The Division* registered the biggest first 5 days ever for a new video game franchise with USD330m generated worldwide (i.e. 4.5/5.5m units). We believe that *Tom Clancy's The Division* could be the first Ubisoft game in history to reach the 15m unit threshold on a 12-month basis. => **Positive**.

Software and IT Services

Yesterday evening Oracle reported Q3 FY16 sales (FYE 31st May) revenues in line with expectations - with cloud SaaS/PaaS sales growth way above company guidance - and non-GAAP EPS 3% above consensus expectations and company guidance. Q4 FY16 outlook reflects Oracle's accelerated positive momentum in the cloud, based on strong bookings. We view these numbers as a positive read-across for European Software vendors

Safilo RATING : BUY Fair Value EUR12,5 vs. EUR14

At the Analysts' Meeting yesterday, Safilo came back on all the commercial reorganisation and transformation plan initiated in 2015. Although they were part of the 2020 Strategic Plan, these measures had a more painful impact than initially expected due to some headwinds (proprietary brands, Asia-Pacific). For 2016 pending question marks remain (e.g.: relaunch of Carrera, normalization in Asia-Pacific, Gucci transition), hence our 8% downwards revision in our FY16 adj. assumptions but we remain convinced that sales and earnings momentum will improve this year, also thanks to new catalysts (Givenchy, Swatch, Havaianas). FV reduced to EUR12.5 but Buy recommendation maintained.

