

BG SALES-TRADING MORNING DU 11/04/2016

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	17577	0,2%	-0,2%	Oil & Gaz	2	3,9	Oil & Gas	3,5	-2	
NASDAQ	4850,7	0%	0,3%	Transportation	1	1,7	Basic Resources	3	3,9	
S&P 500	2047,6	0,3%	-0,1%	Materials	1	2,5	Banks	2,2	-24,7	
NIKKEI	15728,8	-0,6%	-	Food Bev & Tobacco	0,8	7,4	Industrial Goods & Serv.	1,7	-3,5	
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS			
				S&P	Var %	YTD	STOXX	Var %	YTD	
				Consumer Durables	-0,9	2,4	Healthcare	0	-10,1	
				PHARMA.	-0,5	-5,4	Travel & Leisure	0,1	-10,9	
				Spec. Retail	-0,4	-2,6	Food & Bev	0,1	-3,9	
				Health Equip.	-0,2	-0,7	Personal & Household	0,3	-2,2	

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%
SAINT GOBAIN	38,7	2,6	IBERDROLA SA	5,8	1	ENEL GREEN POWER	1,9	-
BOUYGUES SA	29,8	1,9	SAINT GOBAIN	38,7	2,6	ELEMENTIS PLC	223,9	-6,2
ENGIE	13,3	1,8	UNICREDIT SPA	3,1	9,7	TGS NOPEC GEOPHYS	125,1	3
KLEPIERRE	41,7	0,5	TELEFONICA SA	9,3	2,2	AA PLC	280,9	6,1
PERNOD RICARD SA	96,9	0,5	ENEL SPA	3,8	2,8	AXEL SPRINGER SE	50,4	8

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	100,4	0%	0,7%	€/§	1,1413	0,1%	5,1%	BRENT	41,1	0,2%	15%
U.S 10 ANS	99,2	0%	1,7%	€/¥	123,06	0,1%	6,2%	ONCE OR (§)	1250,2	0,9%	17,8%
VIX Index	15,4		-5%					VSTOXX Index	24,8		-5,2%

Economic Calendar

CNY - CPI Mar. Y/Y (2.3% A, 2.4% E)
IT - Industrial Prod. (3.9% E y/y)

Dividends Calendar ex-date next day

HENKEL (HNKG.de) 1.45€ (1.6%)

Ex Div today

ELIOR (ELIOR.PA) 0.32€(1.67% =

Markets Recap (source Street account)

Asian markets are trading mixed on Monday. Greater Chinese markets are outperforming after the latest inflation data showed producer price deflation narrowed in March and record its first month-on-month increase since January 2014. The result may set the tone for the coming week's China data releases including trade on Wednesday and the GDP/industrial production/fixed asset investment/retail sales batch on Friday. The Nikkei is lagging as the first drop in core machinery orders in three months stoked concerns about the Japanese economy. FX uncertainty is another ongoing theme, with Chief Cabinet Secretary Suga on the weekend reiterating a readiness to intervene in currency markets. At the same time reports noted officials' reluctance to pull the trigger amid the potential for a US political backlash.

US equities finished higher on Friday. Treasuries were weaker across the curve. The dollar was mostly lower, but edged out gains on the yen cross. Gold gained 0.5%. Oil saw a sharp rally, with WTI crude settling up 6.6%. No clear catalyst drove the upside.

Indices gave up an earlier rally, but managed to close in the green. No clear catalyst for intraday weakness, continuation of yesterday - which saw the S&P 500 post its worst session since late February. Fed commentary cited as a tailwind, with Chair Yellen upbeat about the economic outlook, but also noting the need for gradual policy normalization. Rally in oil prices the other supportive factor today.

Positioning continued to receive attention. BofA said flow data showed investors most bullish on risk assets since July 2015.

M&A activity in focus on the corporate side. VZ planing to make a first-round bid for YHOO. GLW to buy AFOP for \$305M. NXPI considering a sale of standard products business. Retail results and guidance also receiving attention. GPS comps worse than expected. LB also reported comp results.

Energy led the market higher. Materials and industrials also beat the tape. The former supported by a rally in the metals. Consumer discretionary and healthcare the only major sectors to close lower. The latter hit by a selloff in biotech.

Stocks Factor to watch today :

VIVENDI : MEDIASET agreed to sell its pay-tv unit to VIVENDI in a deal that also includes a 3.5% share swap between the two companies.

BANKS : NATIXS' Chairman F. Perol said it more worried about the Europe's banking sector now than when he took the reins of BPCE during the depths of the global financial crisis in 2009/

Rating & TP Changes



ALTICE : Coverage initiated with BUY rating, TP 16.3€ @Bryan Garnier

NUMERICABLE SFR : coverage initiated with NEUTRAL rating, TP 28.4 @Bryan Garnier

FRESENIUS SE : initiated with OUTPERFORM, TP 73.5€ @Bernstein

VINCI : TP raised to 72€ vs. 70, BUY @Bryan Garnier



GEMALTO : UNDERPERFORM vs. SECTOR PERFORM, TP cut to 5€ vs. 65 @Credit Suisse

SAP : TP cut to 78\$ vs. 81, Sector Perform @RBC

AXA : TP cut to 28.5€ vs. 29.8, @HSBC

VIVENDI : TP cut to 20.6€ vs. 20.9 @SocGen

BURBERRY : TP cut to 1400p vs. 1450 @Bernstein.

Technical Analysis

HIGHEST YTD : ACS (ACS.MC), ACTELION, (ATLN.S), ARM (ARM.L), BAT (BATS.L), BUREAU VERITAS (BVI.PA), DIAGEO (DGE.L), GENMAB (GEN.CO)

Upward Signals

UNIBAIL RODAMCO : Stock price crossing upward 50d, 100d, 200d MAV

Downward Signals

BEIERSDORF : 50d MAV crossing downward 200d MAV

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

VINCI	RATING : BUY	Fair Value EUR72 vs. EUR70 (+11%)
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Vinci profile remains solid, despite tough environment in France in civil works and non res for public clients, which has put Contracting margins under pressure last year. Don't expect massive rebound in 2016, which will remain a transition year but the cycle should gradually improve though. Besides, numerous positive newsflows should underpin the share price : steady toll roads traffic, the Grand Paris projects, M&A in Vinci Energies, new airports projects, well-oriented new res market (Pinel extended) and better margins in Contracting. Buy reiterated. Fair Value adjusted to EUR72 vs EUR70. Positive.

SAP	RATING : NEUTRAL	Fair Value EUR73 (+8%)
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On Friday night last week SAP pre-announced Q1 16 results below expectations, but reiterated FY16 guidance amidst of a strong start in Q2 and the expectation of increasing momentum as the year progresses. Q1 16 licence sales were down 10% lfl due to: 1). Continuing political and economic instability in Latin America; 2). A slower-than-anticipated start to the year in North America. Cloud subscriptions performed in line with expectations. As such, we expect a slightly negative reaction in the near term.

Ubisoft **RATING : BUY** **Fair Value EUR34 (+27%)**

As at end-March *Tom Clancy's The Division* continues to experience strong sales and that *Far Cry Primal* is well received by gamers, we reflect in our model what we wrote in our previous notes. We have increased our FY16/19e EPS sequence by +5.4% on average. Both games should be well ranked in the next NPD release (US Top 10 sellers in March). We maintain our Buy rating and FV of EUR34 (our FV is a minimum price for a potential public offer). The group boasts positive momentum. => **Positive**.

Prada **RATING : NEUTRAL** **Fair Value HKD37 (-44%)**

Ahead of the FY15 results presentation which is hosted today in New York (11am NY time/5pm Paris time), Prada released FY15 results last Friday, which fell short of expectations. The EBITDA margin came in at EUR803m (CS: EUR830m), representing a margin decline of 430bp to 22.6%. Low double-digit SSS decline and price adjustments towards the end of the year have significantly squeezed the profitability pending the first positive results from the cost-cutting measures. During the presentation, the management should come back more in details on these initiatives and give a glimpse into current trading. Neutral recommendation confirmed. => **Negative**

Dialog Semiconductor **RATING : BUY** **Fair Value EUR39 (+13%)**

While we expect 2016 to be a transition year for Dialog, we continue to see numerous opportunities for the group over the long term. However, to catch these opportunities we believe that the company will accelerate its investments which may lead to higher OPEX. As a result, we adjust our model to integrate higher research costs which implies a cut of 2% on average in our EPS for FY16/17/18e. We maintain our Buy rating and FV of EUR39. → Negative

Altice **RATING : BUY** **Fair Value EUR16,3 (+17%)**
Coverage initiated

We are initiating coverage of Altice with a Buy recommendation and a Fair Value of EUR16.3. We believe the share price over estimates the uncertainty on the French market and does not reflect opportunities prompted by expansion in Portugal and the US sufficiently well. Altice is highly indebted, but it can prove the efficiency of its model by leveraging up the diversification of geographical locations and markets where it operates.

Numericable SFR **RATING : NEUTRAL** **Fair Value EUR28,4 (-4%)**
Coverage initiated

We are initiating coverage of Numericable-SFR with a Neutral recommendation and Fair Value of EUR28.4. We are forecasting a still difficult year in 2016 for the group, but expect a recovery by 2017 driven by renewed investments and the change in management. But market consolidation will not be there to help.
