# **BG SALES-TRADING MORNING DU 27/04/2016**

				LA SEANCE DE LA VEI	LLE					
	INDIC	ES U.S &	JAPON	SECTEURS S&P : BEST PERFS			SECTEURS STOXX : BEST PERFS			
Indices	Cloture	Var %	Var 17h30-22H (en %)	S&P	Var %	YTD	sтохх	Var %	YTD	
DJ	17990,3	0,1%	0,1%	Auto	1,4	-1,8	Banks	2,5	-13,9	
NASDAQ	4888,3	-0,2%	-0,1%	Oil & Gaz	1,4	11,8	Real Estate	1,3	-2,5	
S&P 500	2091,7	0,2%	0%	Materials	1,1	9	Oil & Gas	1,1	6,7	
NIKKEI	17285,5	-0,4%	-	Cap Goods	1	5,9	Utilities	1	-2,8	
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS			
				S&P	Var %	YTD	STOXX	Var %	YTD	
				Household Products	-1,6	0,9	Healthcare	-1,1	-8,7	
				PHARMA.	-0,8	-3,6	Chemicals	-1	-2,3	
				IT, SOFTW & Serv.	-0,7	-0,7	Media	-0,5	-5,7	
				Tech Hardware	-0,4	0,9	Food & BeV	-0,3	-2,7	

Valeurs les plus traitées hier vs. Moy. 3M									
C	AC 40		EURO S	TOXX 50		STOXX 600			
Stocks*	Last	Var%	Stocks*	Last	Var%	Stock*s	Last	Var%	
AIR LIQUIDE SA	100,6	-4,8	AIR LIQUIDE SA	100,6	-4,8	AMS AG	24,8	-15,6	
KLEPIERRE	41,6	2,4	INDUSTRIA DE DISENO TEXTIL	29	-0,8	COBHAM PLC	177,6	-17,5	
ENGIE	14,3	1,9	IBERDROLA SA	6,2	1,1	UPM-KYMMENE OYJ	16,2	9	
SODEXO	89,1	-0,7	MUENCHENER RUECKVER AG-REG	180,8	-0,1	AENA SA	120,9	0,2	
LAFARGEHOLCIM LTD-REG	43,3	-0,4	BANCO BILBAO VIZCAYA ARGENTA	6,8	5,3	FABEGE AB	131,4	4,4	

**DEFINITION:** \* compare les capitaux traités sur une valeur la veille rapportés à la moyenne des capitaux traités ces 3 derniers mois sur la valeur.

	J.S	DEVISES					MAT. PREMIERES					
Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Pre	em	Valeur	Var%	YTD
U.S 2 ANS	99,8	0%	0,8%	€/\$	1,1299	0%	4%	BRENT	BRENT		-0,1%	25,4%
U.S 10 ANS	97,5	0,2%	1,9%	€/¥	125,59	0,1%	4%	ONCE OR (\$)		1244	0%	17,2%
VIX Index		14		-0,9%			VSTOXX	Index	2	1,3	-:	2,6%

#### **Economic Calendar**

JP - All industry activity index Feb. (-1.4% E m/m)

GB - GDP 1Q (2.0% E y/y)

US - Pending home Sales Mar. (1.2% E y/y)

Dividends Calendar ex-date ne	ext day	Ex Div today	
INFORMA (INF.L)	13.55p (1.95%)	ACCOR (ACCP.PA)	1€ (2.6%)
COBHAM (COB.L)	8.13p (3.9%)	ING GROEP (ING.AS)	0.41€ (3.7%)
SCOR (SCOR.PA)	1.5€ (4.59%)		
MUNICH RE (MUVGn.DE)	8.25€ (4.56%)		
U-BLOX (UBXN.S)	1.9HF (0.98%)		
UNILEVER (ULVR.L)	25.56p (0.8%)		
ROYAL UNIBREW (RBREW.CO)	7.2DKK (2.42%)		

#### Markets Recap (source Street account)

Asian markets are narrowly mixed on Wednesday. It has been another subdued session, with trading defined by caution ahead of tonight's FOMC meeting. Greater China is little changed, showing muted reaction to a solid lift in Chinese industrial profits. There has been some discussion on Chinese banks amid reports they are facing a large capital shortfall. The Nikkei is slightly lower as the latest comments from former BoJ member Nakahara fuel uncertainty ahead of this week's central bank meeting. A larger-than-expected decline in Australian inflation has bolstered expectations the RBA will cut next week. The ASX rose immediately following the data while the Aussie dollar has come under some pressure. In commodity markets, WTI crude has risen a further ~1% in post-settlement trade after API revealed an unexpected drawdown in weekly inventories. The latest US primary voting went to script with Donald Trump and Hillary Clinton victorious in nearly all Northeastern states.

**US equities finished mixed on Tuesday.** Treasuries were mostly weaker with some curve steepening. The dollar was largely on the defensive, extending its recent underperformance vs sterling (dampened Brexit fears). However, it did outperform the yen. Gold gained 0.3%. Oil rallied, though there did not seem to be a great explanation for the move. WTI crude settled 3.3% higher at \$44.04 a barrel, marking a new 2016 high.

**Despite a busy day on both the earnings and economic calendars, there were no big directional drivers in play.** Some of this may have been a function of the waiting game ahead of the Fed and BoJ meetings on Wednesday and Thursday. The big debate surrounding the former revolves around how (and if) it describes the balance of risks. The market seems split on whether the latter will do more, though there has been some speculation about a ramp in ETF purchases.

**Earnings drove most of the notable movers today.** As usual, takeaways were mixed and fairly company specific. In addition, the positioning/expectations dynamic remained a big driver of the post-earnings price action. There were no signs of any meaningful change at the macro level. Cost-cutting and productivity continued to provide some cushion top-line weakness. Less onerous FX headwinds also helped some companies boost guidance.

**Sector trends were mixed.** Commodity equities were among the standouts. Machinery, multis and truckers helped drive the outperformance in industrials (despite airline weakness). Banks resumed their recent rally. Consumer discretionary was largely in line, while the staples lagged. Biotech and pharma weakness weighed on healthcare. Tech put in the worst performance despite good gains in the semi space. Several large-cap names weighed.

### Stocks Factor to watch today:

**ALBIOMA:** Q1 revenues at 87.2m€ vs. 78.1m€ for Q1 2015, confirms its objectives of EBITDA of 122-130m€ and net income of 25-30m€ for FY 2016.

**BIC:** Q1 net sales up 1.3% as reported and 6.9% on a constant currency basis as 517.3m€, FY2016 outlook confirmed with a mid-single digit growth in net sales.

**CAP GEMINI:** Q1 revenues of 3.1bn€, up 11.8% and 13.9% at a constant exchange rates, group confirms its 2016 outlook for growth, operating margin and free cash flow.

**DELHAIZE:** Q1 revenues growth of 4.3% at identical exchange rates, net profit group share 109m€

**STMICROELECTRONICS:** Revenues declined sequentially by 3.3% in Q1, expects Q2 revenues to increase about 5.5% on a sequential basis with a gross margin around 34%.

**WIRECARD:** Q1 2016 revenues increased by 32% at 2010m€, management confirms its expectation to reach EBITDA between 290m€ and 310m€ in 2016.

### **Rating & TP Changes**

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BAYER: TP raised to 112€ vs. 108€ @SocGen
BAYER: TP raised to 118€ vs. 111€ @ JPM
HEINEKEN: TP raised to 82€ vs 77€ @ RBC
L'OREAL: TP raised to 147€ vs. 142€ @RBC

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**SUEZ:** TP cut to 18€ vs. 19€ @HSBC

PERNORD RICARD: TP cut to 99€ vs. 100€ @ RBC

RANDSTAD: TP cut to 57€ vs. 58€ @ Barclays

BAYER: TP cut to 108€ vs. 110€ @ Barclays

Ingenico posted outstanding Q1 sales (+15% Ifl) and upgraded its 2016 organic growth target (>=+10% vs. ~+10%), despite the difficult comparison base and the already known decreasing volumes from one key GlobalCollect e-payment account in Asia. This publication should clearly reassure investors. We believe there is still room for further guidance upgrades during the year both in sales organic growth and EBITDA margin. Our FY estimates remain unchanged but we expect the consensus to make upward adjustments (we had the highest FY16 forecasts). We expect the share price today to be well in excess of EUR100. The strong profitable growth story is not yet fully valued. => Positive.

#### STMicroelectronics RATING: NEUTRAL Fair Value EUR6.3 (+24%)

STMicroelectronics has reported Q1 2016 sales is slightly below estimates and EPS below consensus. The group has posted Q1 2016 sales of USD1,613m, down 3.3% seq., with a gross margin stable at 33.4% and EPS of -USD0.05, below consensus expectations (cons. USD0.00, BG ests. -USD0.02). Q2 2016 guidance is broadly in line with expectations with revenues set to rebound 5.5% (+/- 350bp) sequentially, i.e. sales close to USD1,702m, while current expectations were for USD1,710 (BG ests. USD1,702m).

### adidas Group RATING : BUY Fair Value under review

adidas Group has pre-released some numbers of its Q1 given a significant discrepancy with the consensus estimates. Group sales soared 22% FX-n (CS: +12%e) and 17% as reported to EUR4.8bn, 7% above expectations at EUR4.49bn. Consequently the operating profit rose 35% to EUR490m (+24% above the CS at EUR394m!), implying a operating margin close to 10.2%, whilst the Street was anticipating a profitability close to 8.8% (-10bp vs. Q1 15). ADS raises its FY16 outlook => Positive

### BIC RATING : NEUTRAL Fair Value EUR119 (-13%)

Q1 sales increased 1.3% on a reported basis and 6.9% LFL to EUR517m, matching the CS of EUR515m. Adjusted for the special premium (EUR11.4m), the normalised IFO margin was down 290bp to 17% (CS: 18.4%) after a 150bp-decrease in the GM (less favourable fixed cost absorption) and a higher brand support (+80bp). FY16 outlook is reiterated and BIC will host a conference call today at 4:00pm (Paris time). => Negative

#### Albioma RATING : BUY Fair Value EUR16 (+17%)

The French biomass energy producer reported this morning solid Q1-16 sales helped by positive base effect compared with last year (strikes in Guadeloupe) and supported by the effect of riders to the electricity sale agreements for the Albioma Le Gol and Albioma Bois-Rouge plants signed in the first quarter of 2016 with EDF. All in all total Q1-16 sales were up 12% YoY to EUR87.2m. Positive.

## Delhaize RATING : BUY Fair Value EUR104,5 vs. EUR105 (+14%)

Delhaize Q1 16 revenue growth woked out at +4.3% at cc to EUR6153m (vs EUR6084m). LFL sales growth reached +2.6% in the US (vs +2.1% e), +2.9% in Belgium (vs +2.7% e) and +10.8% in SEE (vs +3.6% e). On the whole, Delhaize realized a very robust performance with a +62 bp improvement in underlying operating margin to 3.6%. Only FCF (the detail of which needs to be clarified) may disappoint somewhat but, at this stage of the year, cannot wipe out the strong commercial momentum. Buy.

#### Capgemini RATING : BUY Fair Value EUR90 (+15%)

This morning Capgemini reported Q1 16 sales globally in line with both our ests. and the consensus average, with a bit more fx headwinds than we anticipated however. Management reiterates FY16 guidance (revenue growth of 2.5-4.5% lfl, operating margin of 11.1-11.3%, free cash flow above EUR850m), with the delivery of synergies with Igate ahead of schedule. We deem the share price will react positively near term.

CRH RATING: BUY Fair Value EUR30 (+16%)

CRH has released it interim statement this morning. Q1 sales increase is healthy, up 9% on a proforma basis, with a strong progress in Americas at +22%, while Europe is flat. H1 2016 EBITDA guidance is "close to EUR1bn", ie a mid-single digit percentage growth, which sound low to us. H2 EBITDA should "make progress", but CRH says construction demand in the United States should grow "at a modest pace". Somewhat negative in our view.