Please find our Research on Bloomberg BRYG <GO>)

26th May 2016

BG's Wake Up Call

	Last close	Daily chg (%)	Chg YTD (%)
Indices			
Dow Jones	17851.51	+0.82%	+2.45%
S&P 500	2090.54	+0.70%	+2.28%
Nasdaq	4894.89	+0.70%	-2.25%
Nikkei	16772.46	+0.09%	-11.96%
Stoxx 600	348.555	+1.29%	-4.72%
CAC 40	4481.64	+1.13%	-3.35%
Oil /Gold			
Crude WTI	49.18	+1.78%	+32.20%
Gold (once)	1222.24	-1.00%	+15.05%
Currencies/Rates			
EUR/USD	1.11445	-0.14%	+2.59%
EUR/CHF	1.10475	-0.27%	+1.60%
German 10 years	0.152	-13.71%	-75.97%
French 10 years	0.476	-6.37%	-51.53%
Euribor	-	+-%	+-%

Economic releases :

Date	
26th-May	CH - Industrial Prod. GB - GDP 1Q (2.1% y/y E) Monetary Forum in Singapore US - Durable Goods orders (0.5% E) US - Pending Home Sales Apr. (0.2% E y/y) US - Initial jobless claims (275K E)

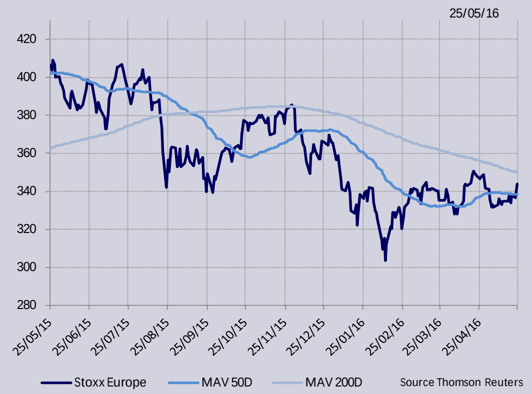
Upcoming BG events :

Date	
7th-Jun	Cahiers Verts de l'Economie (BG Paris Lunch)
8th-Jun	Cahiers Verts de l'Economie (BG Paris Lunch)
15th-Jun	GENMAB (BG Paris roadshow)
27th-Jun	IMERYS (BG Luxembourg with CFO)

Recent reports :

Date	
23rd-May	SHIRE : A "rare" opportunity!
19th-May	BURBERRY Too early to sing in the rain!
13th-May	ROYAL UNIBREW Camp Blue Lake
10th-May	SOFTWARE AG French Flair at work
3rd-May	Rémy cointreau The glass is filling up
2nd-May	Moncler Good protection from chilly conditions

List of our Reco & Fair Value : Please click here to download



NESTLÉ — BUY, Fair Value CHF80 (+9%)

More savings to come

Nestlé hosted an Investors seminar at Vevey on 24th and 25th May. This was a great opportunity to review the different divisions overall and get a deep understanding of the products. The group also announced a new savings programme of around CHF2bn per year in a three-year timeframe from 2019. Although it refused to give guidance regarding the improvement in margins, we view this positively as it shows its willingness to fully leverage its scale. We maintain our Buy recommendation.

NOVARTIS — NEUTRAL, Fair Value CHF89 (+13%)

Ready for a fresh round of refocusing on Specialty Care?

Joe Jimenez clearly stated during yesterday's Investor Day in Basel that he was driving a specialisation strategy at the helm of Novartis. So, the focus is to turn around Alcon and later on decide whether to keep it or not although it is less of a fit. The same goes for the stake in the JV with GSK in OTC and of course with Roche's stake, which will be divested before rituximab's biosimilar is launched. The same also goes for non-specialised respiratory drugs. In the end, Novartis could get a meaningful amount of cash to strengthen core businesses. Novartis could well transform itself deeply again over the next couple of years.

In brief...

NUMERICABLE SFR, ***Closing of transaction with Altice Media Group***

UBISOFT, ***The only way is up***

PHARMACEUTICALS, ***IdegLira and IGlarLixi both get strong support from AdCom"s panel voters***

TELECOM SERVICES, ***ARCEP puts additional pressure on network sharing agreements.***

Food & Beverages

Nestlé

Price CHF73.60

Bloomberg	NESN VX
Reuters	NESZn.VX
12-month High / Low (CHF)	76.8 / 67.5
Market Cap (CHF)	234,666
Ev (BG Estimates) (CHF)	245,536
Avg. 6m daily volume (000)	5 897
3y EPS CAGR	7.0%

	1 M	3 M	6 M	31/12/15
Absolute perf.	1.7%	6.1%	-1.6%	-1.3%
Food & Bev.	0.4%	4.2%	-4.9%	-2.2%
DJ Stoxx 600	-1.2%	7.5%	-8.4%	-5.9%

YEnd Dec. (CHFm)	2015	2016e	2017e	2018e
Sales	88,785	89,899	93,836	99,476
% change		*1.3%*	*4.4%*	*6.0%*
EBITDA	17,210	17,958	19,023	20,316
EBIT	13,382	13,968	14,902	16,083
% change		*4.4%*	*6.7%*	*7.9%*
Net income	10,351	10,901	11,701	12,631
% change		*5.3%*	*7.3%*	*7.9%*

	2015	2016e	2017e	2018e
Operating margin	15.1	15.5	15.9	16.2
Net margin	11.7	12.1	12.5	12.7
ROE	16.6	16.7	17.5	18.0
ROCE	12.5	12.9	14.1	15.4
Gearing	0.9	0.6	0.4	0.1

(CHF)	2015	2016e	2017e	2018e
EPS	3.30	3.49	3.75	4.05
% change	-	*5.9%*	*7.3%*	*7.9%*
P/E	22.3x	21.1x	19.6x	18.2x
FCF yield (%)	4.3%	4.6%	4.8%	5.1%
Dividends (CHF)	2.25	2.30	2.35	3.35
Div yield (%)	3.1%	3.1%	3.2%	4.6%
EV/Sales	2.8x	2.7x	2.6x	2.4x
EV/EBITDA	14.5x	13.7x	12.7x	11.7x
EV/EBIT	18.7x	17.6x	16.2x	14.7x

More savings to come

Fair Value CHF80 (+9%) BUY

Nestlé hosted an Investors seminar at Vevey on 24th and 25th May. This was a great opportunity to review the different divisions overall and get a deep understanding of the products. The group also announced a new savings programme of around CHF2bn per year in a three-year timeframe from 2019. Although it refused to give guidance regarding the improvement in margins, we view this positively as it shows its willingness to fully leverage its scale. We maintain our Buy recommendation.

ANALYSIS

- **The group announced new savings of around CHF2bn per year in a three-year timeframe from 2019.** These are structural economies that **come on top of the operational savings the group is already generating through its Nestlé Continous Excellence programme (around CHF1.5bn per year**) and are set to stem from 1/ procurement (CHF0.5bn), 2/ asset intensity (CHF1bn) and 3/ reduction in SG&A expenses (CHF0.5bn). The savings could be partly generated in 2017 and 2018 but the full impact is likely in 2019. **Management refused to commit itself to the amount to be reinvested (between 2013 and 2015, 15% of savings fuelled to the bottom line) and did not give indications regarding the margin improvement over the coming years**. The company's 2016 guidance ("increase in trading operating margin") is unchanged. We maintain our estimate of 15.5% (+29bps in LFL).

- **The group's CEO stated that it is still aiming for 5-6% organic sales growth (what is called the Nestlé model).** But **Nestlé is currently facing a more challenging environment** as a result of weak pricing (300bps of inflation was lost in Western Europe and China between 2012 and 2015), low commodity prices (Nestlé commodity price index is down 40% since 2011), **an evolving competitive landscape** (the global share of local players increased by 200bp between 2012 and 2015), **changing consumer tastes** (organic, gluten-free..) and the **fast reshaping of retail with e-commerce.** This channel is now close to 4% of total sales and Nestlé reported that its shares in the online segment are higher than in offline in AMS (Americas) and EMENA (Europe, Middle East and North Africa). **The new savings should help boost organic sales growth over coming years through an increase in brand support (marketing and R&D) and competitiveness**. **The group's guidance in 2016 is for sales to grow 4.2% organically, in line with 2015. We previously said that this appears overly cautious given 1/ the favourable comparison base** as Q2/Q3/Q4 2015 were impacted by the Maggi noodles recall in India, the negative media campaign around the Beneful petcare brand and the rebate adjustments related to the Skin Health products sold in the US and **2/ the rebound in commodity prices for two quarters**. The CEO of AOA (Africa, Oceania, Sub-Saharan Africa), **Mme Wang Ling Martello, said that the region should improve throughout the year, partly thanks to better trends at Yinlu (sell-out sales have now stabilised). Our forecast for 4.7% organic sales growth in 2016 is unchanged.**

- **Free cash flow and return on capital are expected to increase**. Free cash flow should benefit from CAPEX discipline and working capital efficiency. The **CFO stated that working capital as a % of sales is expected to decline (no conclusion to be drawn for 2016) but should remain in positive territory** due to the group's category exposure (water, ice cream). **Nestlé applies strict M&A criteria: it wants ROIC to be above WACC (Nestlé: 7%) within five years**. The **CEO said that a buyback is also a means of using excess cash but that this is exceptional. Our view is that the announcement of a programme is likely** as the group's ratio of net debt/EBITDA should be well below 1x at the end of 2016, a level at which the company could see its credit rating upgraded to AAA (which it does not want).

VALUATION/ NEXT CATALYST

- Our Fair Value remains at CHF80. At yesterday's share price, the stock is trading at 21.1x P/E 2016e vs 20.7x for Danone and 21.3x for Unilever. We consider the stock's valuation as justified due to the group's highly defensive profile / H1 2016 results due on 18th August.

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Healthcare

Novartis

Price CHF78.90

Ready for a fresh round of refocusing on Specialty Care?

Fair Value CHF89 (+13%) **NEUTRAL**

Bloomberg	NOVN VX
Reuters	NOVN.VX
12-month High / Low (CHF)	102.3 / 68.5
Market Cap (CHF)	207,279
Ev (BG Estimates) (CHF)	210,901
Avg. 6m daily volume (000)	6,094
3y EPS CAGR	5.7%

	1 M	3 M	6 M	31/12/15
Absolute perf.	5.6%	10.2%	-10.6%	-9.1%
Healthcare	1.7%	5.7%	-7.1%	-6.1%
DJ Stoxx 600	0.5%	6.7%	-8.5%	-4.7%

YEnd Dec. (USDm)	2015	2016e	2017e	2018e
Sales	49,414	50,145	52,551	55,856
% change		*1.5%*	*4.8%*	*6.3%*
EBITDA	13,119	12,996	13,822	15,372
EBIT	7,544	7,496	8,322	9,872
% change		*-0.6%*	*11.0%*	*18.6%*
Net income	6,017	6,568	7,603	9,133
% change		*9.2%*	*15.8%*	*20.1%*

	2015	2016e	2017e	2018e
Operating margin	15.3	14.9	15.8	17.7
Net margin	12.2	13.1	14.5	16.4
ROE	8.1	8.5	9.9	11.6
ROCE	14.4	13.4	14.6	16.9
Gearing	21.4	22.5	20.8	16.4

(USD)	2015	2016e	2017e	2018e
EPS	5.01	4.96	5.28	5.92
% change	-	*-1.1%*	*6.5%*	*12.1%*
P/E	15.9x	16.1x	15.1x	13.5x
FCF yield (%)	0.6%	3.1%	4.5%	5.0%
Dividends (USD)	2.75	3.00	2.64	2.96
Div yield (%)	3.5%	3.8%	3.3%	3.7%
EV/Sales	4.3x	4.2x	4.0x	3.7x
EV/EBITDA	16.2x	16.4x	15.3x	13.6x
EV/EBIT	28.1x	28.4x	25.4x	21.1x

Joe Jimenez clearly stated during yesterday's Investor Day in Basel that he was driving a specialisation strategy at the helm of Novartis. So, the focus is to turn around Alcon and later on decide whether to keep it or not although it is less of a fit. The same goes for the stake in the JV with GSK in OTC and of course with Roche's stake, which will be divested before rituximab's biosimilar is launched. The same also goes for non-specialised respiratory drugs. In the end, Novartis could get a meaningful amount of cash to strengthen core businesses. Novartis could well transform itself deeply again over the next couple of years.

ANALYSIS

- The key take-away from the Novartis Meet-The-Management Day in Basel yesterday was that top management agreed to say that Alcon post-turnaround would be questioned within the group, that Roche's stake would be sold by the end of 2017 and the minority stake in the joint-venture with GSK in Consumer Healthcare also divested at some point. All of these assets do not fit with a strategy of specialisation. Core is Pharmaceuticals and differentiated generics. That said, Novartis is mainly considering bolt-on acquisitions (up to USD5bn), except if something bigger arises but that would need to be "clearly understood by shareholders" (unlike Bayer's move?).
- Time will tell how to reconcile the two positions i.e. a very significant amount of cash and leverage capacity with the idea of making bolt-on acquisitions. But a rough calculation would suggest that Roche's stake at the market place is worth CHF13-14bn, the stake in the Consumer JV with GSK at least CHF12bn and Alcon maybe CHF15-18bn, so Novartis can clearly position itself towards something big if needed, for instance to close the gap in immunology more quickly than by waiting for its internal developments to reach the market. Obviously, a lot will depend on the type of opportunity that arises and also on how quick and deeply Alcon's business is turned around and how quick also Entresto responds to new marketing impetus.
- On these two topics: 1- **Alcon**'s new CEO gave a first good impression and is determined to pursue a customer-centric strategy with three key priorities: (i) a good customer service, with appropriate training; (ii) fax the issues around the supply chain which includes an increase in inventories in-house to prevent any disruption; (iii) interacting more with opinion leaders to improve products and procedures. Alcon also recognises that more focus has been put on IoLs and contact lenses than before when surgical equipments were given priority. 2- **Entresto**: things are definitely imporving since it has gained support from bodies like NICE and IQWIG and has received class I recommendations in key guidelines by ESC, ACC and AHA. As a consequence, Novartis has decided to double the current sales force in support of Entresto in the US (700) over the coming months to have a first Primary Care sales force and increase audience and prescription base.
- We found Novartis also very confident about its NBS initiative launched in 2014. Up to then, the cost base was growing at a pace of 4.2% per year on average. And the idea over the next 5 years is to keep the base flat (ex. R&D costs), which would save no less than USD5bn.
- On the R&D front, we were less impressed. After several management changes, the new organisation is well in place with younger people in charge. But although Novartis tried to share its enthusiasm about meaningful opportunities like LEE011, ABL001, RTH258 or ofatumumab, we are not fully sure that this is enough to drive Novartis through a period that will also be characterised by several patent expiries. Hence maybe a way to close the loop with the previous chapter: BD activities are required to strengthen the portfolio and bring Novartis back on a growth trajectory. From that perspective, the division that looks well on track is Sandoz whose biosimilar opportunity is a step towards change with manufacturing and development costs already largely in the cost base, thus offering significant margin leverage.

VALUATION

- The asset swap with GSK was only a first step towards a refocusing of Novartis towards Specialty Care. This strategy could well be highly value-creative but requires some more time.

NEXT CATALYSTS

- 3-7 June 2016: ASCO meeting - Click here to download

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TMT

Numericable SFR

Price EUR27.70

Bloomberg	NUM FP
Reuters	NUME.PA
12-month High / Low (EUR)	46.5 / 27.0
Market Cap (EURm)	12,139
Avg. 6m daily volume (000)	274.7

	1 M	3 M	6 M	31/12/15
Absolute perf.	-2.5%	-14.8%	-14.0%	-17.3%
Telecom	-0.2%	4.3%	-10.2%	-6.5%
DJ Stoxx 600	-1.2%	7.5%	-8.4%	-5.9%

	2015	2016e	2017e	2018e
P/E	19.1x	20.2x	15.9x	11.8x
Div yield (%)	19.5%	NM	NM	NM

Closing of transaction with Altice Media Group

Fair Value EUR28,4 (+3%) **NEUTRAL**

ANALYSIS

- SFR yesterday announced the closing of the acquisition of **Altice Media Group France**, partly owned by Patrick Drahi's personal holding company, which publishes major national press titles such as **Libération**, **L'Express**, **L'Expansion**, L'Etudiant and Stratégies, and operates an international news channel - i24 News. The transaction should value Altice Media Group France at an **enterprise value of EUR241m** or **4.5x pro forma EBITDA adjusted for synergies** and tax losses carried forward. Our estimates for pre-synergies EBITDA is about **EUR20m**. The impact on earnings should be very limited. The transaction is **funded by SFR's own resources**, and EUR100 million of the purchase price will be deferred by one year from closing. **Impact on leverage is not significant**.
- Beyond industrial and anti-churn synergies, in our view, one important **financial impact of the transaction is fiscal**. It allows SFR to include SFR Press at a discounted VAT in most mobile and fixed bundles, benefiting from a positive VAT impact, without needing to pay content fees to an external provider. On our estimates, the **positive effect on EBITDA** ranges from **EUR50m to EUR100m** in 2016 and should enable the group to reach our target of EUR3.982bn, and stands at **close to EUR150m** over a full year.

VALUATION

- We stick to our Fair Value of EUR28.4, with a Neutral recommendation.

NEXT CATALYSTS

- NC-SFR Q2 results on 9th August.

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TMT

Ubisoft

Price EUR31.64

The only way is up

Fair Value EUR34 (+7%) **BUY**

Bloomberg	UBI.FP
Reuters	UBIP.PA
12-month High / Low (EUR)	31.6 / 14.9
Market Cap (EURm)	3,519
Avg. 6m daily volume (000)	315.2

	1 M	3 M	6 M	31/12/15
Absolute perf.	19.0%	25.0%	19.0%	18.6%
Softw.& Comp. SVS	1.4%	7.7%	-0.3%	-1.7%
DJ Stoxx 600	-1.2%	7.5%	-8.4%	-5.9%

	03/16	03/17e	03/18e	03/19e
P/E	31.1x	24.5x	16.4x	12.1x
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- According to people familiar with the matter, relayed by Bloomberg, Ubisoft is working with financial advisers to find a white knight (considering private-equity funds or teaming up with a strategic partner already in video games) that will help it fend off the unwanted embrace of Vivendi and its chairman, Vincent Bollore. The family is preparing for a fight that could last until Ubisoft's shareholder meeting scheduled for September. As a reminder, Vivendi owns 17.73% of the capital and 15.66% of voting rights vs. the Guillemot family's 8.71% and 15.71% respectively.
- We see no breaking news here. **All scenarios are in favour of an increase in the share price: 1/** Vivendi at least keeps its stakes or increases its stakes giving sense to the speculation; **2/** Vivendi comes to a takeover bid (but to succeed and limit the risk of buying an empty shell, it will have to be a friendly move); **3/** the Guillemot family increases its stake to try to defend itself (notably by investing the ~EUR150m that it will obtain from its current stake in Gameloft) or find a white knight (with similar values); **4/** the best way currently for UBI to protect itself from a raider is to communicate more and deliver strong fundamentals (no game delays…) in order to show that it can remain independent. Whichever is the case, this justifies an increase in the share price in coming months (good momentum and speculation). Lastly, **we totally exclude creeping control from Vivendi without paying a premium to shareholders**. In our view, **if Vivendi intends to acquire Ubisoft it will be through a proper public offer. And if it wants to really succeed in the video game business beyond a possible operation** (that cannot happen before the end of October)**, it could only be through a friendly deal** (to avoid losing key star developers/creators).

VALUATION

- **We maintain our Buy rating.** We expect good news flow in the coming weeks and months. Our **FV of EUR34** is derived from UBI's 12m fwd average multiples over the past two console cycles applied to our FY16/17e estimates (unreliability of a longer horizon guidance in this industry), to which we have added a 15% premium (digital sales and other entertainment revenues). **Our valuation does not include any speculative premium.**

NEXT CATALYSTS

- **UBI's E3 press conference:** on 13th June at 1:00pm in Los Angeles (local time)
- **UBI's investor meeting:** on 14th June at 8:00am in LA (local time).

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Sector View

Pharmaceuticals

IdegLira and IGlarLixi both get strong support from AdCom"s panel voters

	1 M	3 M	6 M	31/12/15
Healthcare	-0.3%	5.8%	-7.6%	-7.7%
DJ Stoxx 600	-1.2%	7.5%	-8.4%	-5.9%

*Stoxx Sector Indices

Companies covered

ACTELION	BUY	CHF173
ASTRAZENECA	BUY	5100p
BAYER	NEUTRAL	U.R.
GLAXOSMITHKLINE	BUY	1700p
IPSEN	BUY	EUR63
NOVARTIS	NEUTRAL	CHF89
NOVO NORDISK	NEUTRAL	DKK400
ROCHE HOLDING	BUY	CHF293
SANOFI	NEUTRAL	EUR86
SHIRE PLC	BUY	5900p
UCB	NEUTRAL	EUR80

After backing Xultophy by an unanimous vote 16-0 in favour of its approval, FDA AdCom's vote yesterday also supported strongly the approval of Sanofi/Zealand's fixed-combination of glargine and lixisenatide (12-2). This is very much in line with expectations. Now the toughest part of the process is starting, with discussions on labelling, positioning, reimbursement and pricing. The products are key for all three players involved.

ANALYSIS

- For Novo-Nordisk, Sanofi and Zealand now, the first regulatory step for their fixed-dose combinations of basal insulin and GLP1 is behind them and panellists have strongly supported the approval of their respective products. The approval per se is not a surprise but the magnitude of the support is reassuring. So, it is now highly likely that the two products will be approved by the FDA in coming months.
- That said, the story is far from over because although we've seen meaningful delays in approving drugs for diabetes in the past (from Tresiba to Lyxumia or Saxa-dapa), and although approvals are not yet fully granted, for some time the heart of the topic in our view is elsewhere i.e. in the final labelling including positioning (initiation or intensification), in the reimbursement and pricing. We think we are clearly in a situation where, in the current environment, payers will try to limit the influence of these drugs while their sponsors will try to make them fully new and ultimately the best available products in a single injection and with single co-pay.
- We are in particular very interested in seeing how Novo-Nordisk and Sanofi will exactly position their respective drugs. Our understanding from recent discussions is that LixiLan is no longer a brand name considered for Sanofi that would like to give it full virginity and make it a completely different proposition from Lantus. At the same time, the objective is to switch as many non-controlled Lantus patients as possible from Lantus to the FDC before biosimilars get too influential. From a pricing standpoint also we have heard very different strategies between Sanofi and Novo-Nordisk and we are curious to see how it will play out and influence payers. IGlarLixi offers leverage to Sanofi's franchise and will get (small) premium over Lantus whereas it is less easy for Novo-Nordisk to get a premium over Victoza although it has to be the case.

VALUATION

- No change to our numbers for the time being. However, keep in mind that we have IGlarLixi is Zealand's FV with a PoS of 85%. An extra 5% PoS would add DKK6 to the FV.

NEXT CATALYSTS

- 10-14th June 2016: ADA meeting, New Orleans (full phase III data for IGlargLixi presented)

Click here to download

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Sector View

Telecom services

ARCEP puts additional pressure on network sharing agreements.

	1 M	3 M	6 M	31/12/15
Telecom	-0.2%	4.3%	-10.2%	-6.5%
DJ Stoxx 600	-1.2%	7.5%	-8.4%	-5.9%

*Stoxx Sector Indices

Companies covered		
ALTICE	BUY	EUR16,3
ILIAD	NEUTRAL	EUR212
NUMERICABLE SFR	NEUTRAL	EUR28,4

ARCEP is finalising its analysis of existing network sharing agreements. Nothing new with regards to the published guidelines, but concerned parties are required to submit the resulting contractual amendments they plan to implement by 15th June. Pressure is high, this is a moment of truth for Iliad.

ANALYSIS

- As a reminder, with regards to the agreement between Free and Orange: for **3G services**, ARCEP believes agreements should be terminated between the **end of 2018 and the end of 2020**. For **2G services** the termination could come into effect between the **beginning of 2020 and the end of 2022**. With regards to SFR and Bouygues Telecom **4G sharing agreement**, ARCEP is calling for an end **between the end of 2016 and the end of 2018**. There is no news with regards to the guidelines, and we still believe these **should be compatible with the operators' network roll-out plans**. As already mentioned, the organisation of a progressive **region-by-region termination process** might put **strong constraints** on Free.
- ARCEP is now asking the operators to submit the **contractual amendments** they plan to implement in order to comply with the guidelines **by 15th June**. This deadline **places sharp pressure** on the operators, and ARCEP seems **very determined to exercise its new-found authority**. This is **a moment of truth for Iliad** in particular, who has to **manage its transition** into a fully fledged mobile infrastructure operator.

VALUATION

- No change in our fair values and recommendation on the sector.

NEXT CATALYSTS

- Iliad Q2 results by the end of August, NC-SFR Q2 results on 9th August.

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Bryan Garnier stock rating system

For the purposes of this Report, the Bryan Garnier stock rating system is defined as follows:

Stock rating

BUY	Positive opinion for a stock where we expect a favourable performance in absolute terms over a period of 6 months from the publication of a recommendation. This opinion is based not only on the FV (the potential upside based on valuation), but also takes into account a number of elements that could include a SWOT analysis, momentum, technical aspects or the sector backdrop. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.
NEUTRAL	Opinion recommending not to trade in a stock short-term, neither as a BUYER or a SELLER, due to a specific set of factors. This view is intended to be temporary. It may reflect different situations, but in particular those where a fair value shows no significant potential or where an upcoming binary event constitutes a high-risk that is difficult to quantify. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.
SELL	Negative opinion for a stock where we expect an unfavourable performance in absolute terms over a period of 6 months from the publication of a recommendation. This opinion is based not only on the FV (the potential downside based on valuation), but also takes into account a number of elements that could include a SWOT analysis, momentum, technical aspects or the sector backdrop. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.

Distribution of stock ratings

BUY ratings 56.3% NEUTRAL ratings 34.5% SELL ratings 9.2%

Bryan Garnier Research Team

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