

BG SALES-TRADING MORNING DU 13/05/2016

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	17720,5	0,1%	0,1%	Telecom Op.	0,7	12,7	Telecom	0,6	-8,4
NASDAQ	4737,3	-0,5%	0,3%	Real Estate	0,7	4,6	Utilities	0,6	-5,1
S&P 500	2064,1	0%	0,2%	Food Bev & Tobacco	0,7	9,4	Travel & Leisure	0,5	-11
NIKKEI	16412,2	-1,4%	-	Consumer Durables	0,7	-0,5	Media	0,3	-7,5
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Tech Hardware	-1,5	-9,3	Basic Resources	-2,4	7,4
				Transportation	-1,5	-0,8	Chemicals	-1,9	-8
				Semi Conducteurs	-1,4	-7	Technology	-1,1	-13,4
				Health Equip.	-0,7	1,5	Banks	-1	-22,8

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%
CREDIT AGRICOLE	8,7	-4,9	GENERALI	12,6	-4	SUNRISE COMM	61,8	5,4
VIVENDI	16,9	2,7	BAYER AG-REG	95,2	-4,8	ZALANDO SE	28,3	-4,3
RENAULT SA	82,2	1,1	BASF SE	67	-2,1	DSV A/S	293,3	3,9
MICHELIN (CGDE)	90,6	-0,5	BMW	75,7	-1,5	TALKTALK TELECOM	269,1	-0,7
SAINT GOBAIN	38,3	-0,5	VIVENDI	16,9	2,7	AEGON NV	4,3	-11,4

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				DEVISES				MAT. PREMIERES			
Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	100	0%	0,8%	€/ \$	1,1352	-0,4%	4,1%	BRENT	47,2	-0,6%	32,1%
U.S 10 ANS	99,1	0,2%	1,7%	€/ ¥	123,2	0,7%	6%	ONCE OR (\$)	1273,9	0,5%	19,9%
VIX Index	14,4		-1,9%					VSTOXX Index	24,4		2,5%

Economic Calendar

DE - GDP 1Q (1.6%A , 1.5%E)
 EUZ - GDP 1Q(1.6%E)
 US - Retail sale Apr. (0.8%E)
 US - Business inventories
 US - U. of Michigan Conf. (89.5E)
 US- Baker Hughes U.S. Rig Count May

Dividends Calendar ex-date next day

FRESENIUS SE	0.55€ (0.9%)
EIFFAGE	1.5€ (2.2%)
CASINO	3.12€ (6.3%)
ESSILOR	1.11€ (0.99%)
LAFARGEHOLCIM	1.5CHF (3.4%)
MICHELIN	2.85€ (3.11%)
AMUNDI	2.05€ (4.96%)
HAVAS	0.15€ (2.07%)

Ex Div today

TEMENOS	0.45CHF (0.88%)
ADIDAS	1.6€ (1.4%)
SWATCH	1.5CHF (2.42%)
SAP	1.15€ (1.7%)
FRESENIUS MED CARE	0.8€ (1.1%)
EDP RENOVAVEIS	0.05€ (0.7%)
RENAULT	2.4€ (2.9%)

Markets Recap (source Street account)

Asian markets are mostly lower on Friday. Negative risk sentiment is evident across the major indices, with trading characterized by an element of caution ahead of upcoming China data including loans, industrial production and fixed asset investment. Greater Chinese markets are mixed with the mainland flat. Bank lending has been a discussion point amid reports of a rise in Q1 non-performing loans and a marked drop-off in April loans. The Nikkei has swung lower where the corporate calendar has been headlined by a number of high profile earnings results. The ASX is lagging with miners tracking the

weakness in commodity prices. Korean equities are under pressure after the BoK left its repo rate unchanged as expected. Risk currencies have also taken some losses with the Aussie, kiwi and won all lower against the dollar.

US equities finished mixed on Thursday. Treasuries were weaker across the curve. The dollar was mostly stronger, outperforming on the yen cross. Gold was weaker, closing down 0.3%. Oil finished higher in volatile trading. WTI crude settled up 1%.

Equities fell throughout the morning session before rebounding a bit in the afternoon. No clear catalyst for the action, though a number of factors in play. The selloff in AAPL contributed to early weakness. Another jump in jobless claims received some attention, along with some more fedspeak. Oil volatility also a factor with the IEA report out today. Lingering retail concerns another area of focus.

Earnings results continued to center in the consumer discretionary sector. KSS, RL and JACK the notable reporters. Elsewhere, BLOX reportedly received privatization offer and Bayer reportedly considering a bid for MON.

Seven of the ten major sectors closed higher. Defensive sectors led, with telecom and consumer staples the best performers. Healthcare, tech and industrials trailed the tape

Stocks Factor to watch today :

AMGEN : may acquire Medivation

Rating & TP Changes



ROYAL UNIBREW : Initiated with BUY rating, FV 325DKK @Bryan Garnier

DIA : BUY vs. NEUTRAL, FV 6.5€ @Bryan Garnier

PANDORA; TP raised to 1200DKK vs. 1100DKK, **OUTPERFORM** @RBC

EIFFAGE : TP raised to 80€ vs. 79, @JPM



FERRAGAMO : TP cut to 25€ vs. 25.8, BUY @Bryan Garnier

S. FERRAGAMO : TP cut to TP raised to 23.5€ vs. 23 @ JPM

S. FERRAGAMO : TP cut to TP raised to 27€ vs. 29 @ RJM

HUGO BOSS : TP cut to 56€ @Exane

ALLIANZ : TP cut to 170€ vs. 175, NEUTRAL @Credit Suisse

BUREAU VERITAS : TP cut to 19€ vs. 19.5 @Barclays

Technical Analysis

HIGHEST YTD : Daily mail (DMGOa.L), D. POST (DPWGn.DE), GENMAB* (GEN.CO),

LOWEST YTD : BIC*, ERICSSON, MUNICH RE, NOKIA, TELENET, YARA

Upward Signals

EDENRED, METRO : 50d MAV crossing upward 200d MAV

RWE : stock price crossing upward 50,100 & 200d MAV

Downward Signals

ARM : 50d mav crossing downward 200d MAV

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

Ubisoft

RATING : BUY

Fair Value EUR34 (+22%)

Ubisoft posted an outstanding FY15/16 (mainly thanks to the outperformance of its fiscal Q4 titles – *The Division* and *Far Cry Primal* – and of its digital revenues), i.e. halfway between the consensus and our estimates, and well above the guidance (in revenue, non-IFRS operating income and net income). The group reiterated its FY16/17 targets and is on the right path to achieve its 3-year strategic plan. We expect a good news flow in the coming months/years (the E3 trade fair in Los Angeles, an improvement of UBI's fundamentals and the speculation surrounding the stock) and, since the entry of Vivendi in its share capital, we see very few risk of game delays as the publisher has to demonstrate it can remain independent. EPS sequence upgraded by 4.4% over the next 3 years. => **Positive**.

Salvatore Ferragamo	RATING : BUY	Fair Value EUR25 vs. EUR25.8 (+27%)
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Salvatore Ferragamo Q1 16 sales stood at EUR321m versus consensus at EUR324m. Sales declined 2.4% organically after +2% in Q4 15. EBIT grew 4.5% to EUR49m (consensus: EUR44m), implying EBIT margin at 15.2% (14.3% in Q1 15). We slightly lower (less than 2%) our 2016 EBIT estimates and consequently adjust our FV from EUR25.8 to EUR25. We remain Buy on the stock. Neutral.

LafargeHolcim	RATING : BUY	Fair Value CHF50 (+15%)
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Strong share price volatility yesterday, as the market successively reacted to poor Q1 first and then to optimistic comments from management during the conference call. We have adjusted our estimates and continue to believe on the gradual recovery of the results dynamic over the course of 2016. Hence, we are still above consensus with a CHF6bn EBITDA in 2016, corresponding to a 7% organic growth, while consensus look more cautious. Buy reiterated.

Bureau Veritas	RATING : NEUTRAL	Fair Value EUR22 (+9%)
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First part of the year was a bit more challenging than anticipated with Q1 lfl revenue down 0.6% (vs.0.3% anticipated) and no improvement is expected in Q2. Nevertheless, management confirmed for the FY 2016 its guidance of lfl revenue growth between 1% to 3% (our estimate is 1.6%) benefited from better comps and ramp-up of new contracts (no yet disclosed). Adjusted EBITA margin target was also confirmed between 16.5% and 17% compared with 16.7% in 2015. Strong rerating since the beginning of the year (relative performance of 20% vs. Stoxx600) that could be at risk if there is trouble in H2 rebound anticipated. Negative.

DIA	RATING : BUY vs. NEUTRAL	Fair Value EUR6,5 (+28%)
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1/ In the past, management was rather elusive has to a comeback of LFL to positive territory in Iberia. Today, CEO provided the market with a clear set in stone guidance which is for positive LFL excl. calendar in Iberia in Q2. 2/ Over the last year, the relationship between the topline (declining LFL rates) and the bottom line (growing underlying margin) in Iberia has appeared to be unhealthy. This relationship seems much more appropriate in Q1 16. Buy vs Neutral.

Video Games

The NPD Group has released data for the April packaged video games sales in the US. Hardware sales were down 23% Y/Y (the PS4 was again the top-selling console), due to declines in handheld and last generation consoles. Packaged software was down 21% (vs. BG est.: -15%), mainly impacted by a difficult comparison base, with Dark Souls III (Bandai Namco) as the best-seller game over the month. Ubisoft placed one game in the Top 10 (The Division #4 after being #1 in March). We maintain our ratings within our sector coverage: Buys on UBISOFT (FV of EUR34) and on GAMELOFT (FV of EUR7.2). => **Negative**.

Royal Unibrew	RATING : BUY Coverage initiated	Fair Value DKK325 (+12%)
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We are initiating coverage of Royal Unibrew with a Buy recommendation and a fair value of DKK325 (+12%). The company is very tightly run and management is doing a great job. Royal Unibrew is a leading regional beverage provider in the wider Baltic Sea area and owns profitable niche export businesses (super premium beer to Italy, non-alcohol malt beverages and Faxe beer all over the world).