

## BG SALES-TRADING MORNING DU 19/05/2016

### 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	17526,6	0%	-0,4%	Banks	3,7	-7,8	Travel & Leisure	2	-9,2
NASDAQ	4739,1	0,5%	-0,4%	Div. Financials	2	-0,8	Banks	2	-20,5
S&P 500	2047,6	0%	-0,4%	Insurance	1,7	1,7	Insurance	1,4	-15,2
NIKKEI	16658,6	0,1%	-	Semi Conducteurs	1,1	-4,8	Financial Serv.	1,4	-10,7
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Utilities	-1,9	9,6	Basic Resources	-0,6	11,1
				Materials	-1,5	4,9	Auto & Part	-0,1	-17,8
				Real Estate	-1,4	1,1	Real Estate	0,1	-2,7
				Telecom Op.	-1,4	9,8	Food & BeV	0,3	-3,7

### 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%
VEOLIA ENV	19,4	-2,1	DEUTSCHE POST AG-	27	0,8	FLSMIDTH & CO A/S	240	-3,6
RENAULT SA	77,9	0,2	AIRBUS GROUP SE	53,2	-1,8	SONOVA HOLDING AG-	128	-6,4
AIRBUS GROUP SE	53,2	-1,8	NOKIA OYJ	4,7	2,9	BURBERRY GROUP PLC	1112	-2,7
VALEO SA	131,5	-1,1	ING GROEP NV-CVA	10,3	2	COBHAM PLC	163,4	-0,8
VIVENDI	17,2	1,6	BMW	71	-0,8	JUST EAT PLC	417,9	2,9

**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	99,7	0%	0,9%	€/\$	1,122	-0,5%	2,8%	BRENT	47,5	-0,8%	32,9%
U.S 10 ANS	97,8	-0,1%	1,9%	€/¥	123,7	-0,1%	5,6%	ONCE OR (\$)	1255,2	-1,3%	18,1%
VIX Index	16		2,4%					VSTOXX Index	23,3		-4,8%

### Economic Calendar

GB - Retail sales Apr. (+2% Ey/y)  
 US - Jobless Claims  
 US - New Claims (275K E)  
 US - Philadelphia Fed Business Outlook ( 3 E)  
 US - Chicago Fed National Activity index (-0.2 E)  
 US - Leading indicators

#### Dividends Calendar ex-date next day

HUGO BOSS 3.62€ (6.26%)  
 APERAM 0.3125\$ (0.93%)  
 SAFT 0.85€ (2.27%)

#### Ex Div today

BUREAU VERITAS 0.51€ (2.51%)  
 INTERTEK 35.3p (1.07%)

### Markets Recap (source Street account)

**Asian markets are trading mixed on Thursday.** The big focus has been on the hawkish-leaning FOMC minutes. Earlier Nikkei strength coincided with a rally in dollar-yen and after data showed a rebound in Japan core machinery orders. However the market has since turned lower amid broader negative risk sentiment with emerging market currencies tallying losses against the greenback. Greater China is mixed with the mainland in positive territory. There hasn't been much in the way of notable headlines. The NBS said conditions were in place for China to record high growth. There was more talk of tightening oversight over its property sector. China's top steel body also reiterated a determination to reduce steel overcapacity. The ASX is under pressure with miners lagging. Softness in commodities such as oil and gold has extended into Asian trade. Aussie jobs growth missed expectations but market impact was generally muted. Elsewhere, there has been some focus on Moody's downgrading its US growth outlook. Headlines are also emerging of a plane disappearing from radar on route from Paris to Cairo.

**US equities were mixed today, falling off best levels following the release of the minutes from the Fed's April meeting.** Treasuries were significantly weaker. The dollar was stronger overall, but lower on

the sterling cross. Gold was down 0.2%. Oil was choppy in the wake of the morning's inventory data, with WTI settling down 0.3%.

**The minutes from the FOMC's April 26-27 meeting were the focus of the day.** The release suggested participants felt a June tightening might be appropriate if economic data continued to show improvement. This is largely consonant with this week's more hawkish Fed speak discussing the possibility of two or three hikes over the balance of the year.

**Elsewhere, Japanese Q1 GDP surprised to the upside, but some analysts cautioned that the result was helped by a downward revision to the prior quarter.** A new poll suggested diminished support for the "leave" camp in the upcoming Brexit referendum. A Goldman Sachs report downgraded equities on growth and valuation concerns.

**Financials led the market, with banks outperforming on rate expectations.** Semis were stronger. Pharma and biotech helped healthcare. Airlines were up in industrials, but machinery was weaker. Retailers were a drag on consumer discretionary. Industrial and precious metals were a drag on materials. Defensive sectors underperformed.

### Stocks Factor to watch today :

**TECHNIP** : announces a merger with FMC Technologies

**BREXIT** : Heads of GE, CISCO, MARS, AIRBUS and M. Bloomberg have signed a plea for Britain to stay in the EU. (FT)

### Rating & TP Changes



**GENMAB** : TP raised to 1450DKK vs. 1350, BUY @BRYAN GARNIER

**EULER HERMES** : TP raised to 99€ vs. 96, BUY @BRYAN GARNIER

**BURBERRY** : TP raised to 1550p vs. 1500, BUY @UBS

**BURBERRY** : TP raised to 1900p vs. 1388, @JPM

**COMPASS** : TP raised to 1450p vs. 135, BUY @Jefferies

**COMPASS** : NEUTRAL vs. UNDERPERFORM, TP raised to 1340p vs. 1140 @Credit Suisse

**SCHNEIDER** : TP raised to 71€ vs. 68 @ HSBC

**GRANDVISION** : Initiated with BUY, TP 26.5 @ UBS

**BURBERRY** : Initiated with NEUTRAL rating TP 1200p @BRYAN GARNIER



**BURBERRY** : TP cut to 1000p vs. 1100p, UNDERPERFORM @Credit Suisse

**H&M** : TP cut to 230SEK vs. 250, @JPM

**SOC GEN** : TP cut to 34€ vs. 35 @ JPM

**BNP PARIBAS** : TP cut 40€ vs. 41 @ JPM

**LUXOTTICA** : TP cut to 58€ (-5%) @ EXANE

### Technical Analysis

**HIGHEST YTD** : ATOS, COVESTRO, GENMAB, RECORDATI,EUROTUNNEL

**LOWEST YTD** : EUTELSAT, FREENET, SCOR, SUEZ, VEOLIA

#### Upward Signals

**REPSOL, SAINT GOBAIN** : 50D MAV crossing upward 200d MAV

#### Downward Signals

<b>Groupe SEB</b>	<b>RATING : BUY</b>	<b>Fair Value EUR102 (+4%)</b>
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Yesterday SEB announced it had signed an agreement to acquire EMSA for an undisclosed amount. The German-based company, which generated sales of EUR92m in 2015, is a significant player in kitchenware and accessories. Based on a possible consolidation from Q3 16, this acquisition would imply a positive scope effect of 1.1pp this year and 80bp in 2017. => **Positive**

<b>Euler Hermes</b>	<b>RATING : BUY</b>	<b>Fair Value EUR99 vs. EUR96</b>
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We upgraded Euler Hermes in January to play i/ the gradual improvement in underwriting performance (and clearly Q1 2016 was better than H2 2015), and ii/ potential use of excess capital through shareholder return. Yesterday, the company announced its intention to i/ buy-back 2.2m shares (4.85% of the capital) out of a 3.88m shares (8.56% of the capital) by Allianz Vie, ii/ cancel 2.7m shares (2.2m bought-back + 0.5m already held as treasury shares), and iii/ increase the 2015 dividend to EUR4.68 (5.7% yield) vs. EUR4.4 initially. Our FV is adjusted upwards to EUR99. -> **Positive**

<b>Burberry</b>	<b>RATING : NEUTRAL</b> <b>Coverage initiated</b>	<b>Fair Value 1200p (+8%)</b>
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We are initiating coverage of Burberry with a Neutral recommendation and a Fair Value of 1,200p. In a luxury sector enduring a slowdown in growth, Burberry is likely to underperform the sector in 2016/17 as was the case in 2015/16. In our view, Burberry suffers from a riskier profile compared to peers. The share is trading with a small discount vs the sector average on 2016 EV/EBIT.

<b>Wirecard</b>	<b>RATING : BUY-Top Picks</b>	<b>Fair Value EUR52 (+24%)</b>
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Wirecard has just reported its full audited Q1 figures. Revenue and EBITDA were already known and EPS was in line with our expectation. This confirms the strong start to the year. In the coming quarters, the management expects the good business performance to continue. The FY16 EBITDA guidance is confirmed (EUR290-310m vs. our EUR306.3m and cons. of EUR300.1m). The profitable growth is not already priced in with a P/E of 22.9x vs. our rest. EPS growth of +37.9%. We maintain our Buy rating and FV of EUR52, the stock is on our Q2 Top Pick list. Conference call today at 1pm. => **Slightly Positive**

<b>Genmab</b>	<b>RATING : BUY</b>	<b>Fair Value DKK1450 vs. DKK1350 (+43%)</b>
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Genmab announced that the study POLLUX met its primary endpoint of improving PFS (HR: 0.37, p<0.0001)... and the top-line results 1/ are pretty much beyond our expectations; 2/ confirm daras' best-in-class status as a treatment for multiple myeloma. Along with increasing our PoS for the second-line setting of this disease, we have raised our sales estimates for the second-line treatment of multiple myeloma by 5% (implying now a 35-45% market share for daras within this very setting, depending on the geographical area) to take into account these outstanding preliminary results. BUY reiterated with a FV of DKK 1,450 vs DKK1,350.

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