

BG SALES-TRADING MORNING DU 20/05/2016

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	17435,4	-0,5%	0,4%	Food staples, Retail	2,5	-0,8	Auto & Part	-0,2	-18
NASDAQ	4712,5	-0,6%	0,3%	Utilities	0,9	10,7	Banks	-0,2	-20,7
S&P 500	2040	-0,4%	0,6%	Consumer Durables	0,7	-1,9	Media	-0,4	-7,8
NIKKEI	16725,8	0,5%	-	Household Products	0,6	2,3	Const. & Materials	-0,4	-2
			SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS			
				S&P	Var %	YTD	STOXX	Var %	YTD
				Auto	-1,1	-8,9	Chemicals	-2,9	-9,7
				Cap Goods	-1	2,8	Oil & Gas	-2,7	2,5
				Real Estate	-1	0,2	Basic Resources	-2,6	8,3
				Div. Financials	-1	-1,8	Telecom	-1,5	-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%
TECHNIP SA	49,3	6,3	BAYER AG-REG	88,5	-8,2	THOMAS COOK GROUP	72,4	-19,1
VALEO SA	130,1	-1,1	TELEFONICA SA	9,1	-2,1	BAYER AG-REG	88,5	-8,2
SOCIETE GENERALE	34,5	1,3	DEUTSCHE POST AG-	25,7	-1,6	RESTAURANT GROUP	335,4	5,4
BNP PARIBAS	45,3	0,7	ENEL SPA	3,9	-0,9	TECHNIP SA	49,3	6,3
AXA SA	20,9	0,7	INTESA SANPAOLO	2,3	2,4	PHOENIX GROUP	827	-0,4

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

Taux U.S	Valeur	Var%	Yld	DEVISES	Valeur	Var%	YTD	MAT. PREMIERES	Valeur	Var%	YTD
U.S 2 ANS	99,8	0%	0,9%	€//\$	1,1212	0,1%	2,8%	BRENT	48,7	0,7%	36,2%
U.S 10 ANS	98	0,1%	1,8%	€/¥	123,47	-0,2%	5,8%	ONCE OR (\$)	1254,5	0,1%	18,1%

VIX Index	16,3	2,4%	VSTOXX Index	24,4	4,7%
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Economic Calendar

DE - PPI (-3%E y/y, +0.1%m/m)

GB - CBI industrial

US - Existing home Sales

US - Baker Hughes Rig Count

Dividends Calendar ex-date next day

GEOX	0.06€ (2.1%)
CAMPARI	0.09€ (1.1%)
MONCLER	0.14€ (0.9%)
TOD's	2€ (3.6%)
CARREFOUR	0.7€ (2.9%)
GENERALI	0.7€ (5.7%)
FERRAGAMO	0.46€ (2.2%)
LUXOTTICA	0.89€ (1.8%)
AIR LIQUIDE	2.6€ (2.7%)
SAFRAN	0.78€ (1.33%)
UNIPOLSAI	0.15€ (8.23%)
UFF	1.1€ (4.3%)

Ex Div today

H. BOSS	3.6€ (6.3%)
APREAM	0.3\$ (0.93%)
SAFT	0.85€ (2.27%)

Markets Recap (source Street account)

Asian markets are trading higher on Friday. Some of the focus has remained on a re-pricing of rate hike expectations following the hawkish FOMC takeaways. However some dollar weakness and stronger oil prices appear have contributed to a recovery in Asian risk sentiment. Energy M&A has been another highlight after Oil Search made an offer for InterOil. The ASX's gains are being led by energy stocks amid oil's rally and the M&A headlines. The Nikkei has recovered from earlier losses amid reports Japanese lawmakers plan to proceed with next year's consumption tax hike but accompany it with a supplementary budget. Last Night BoJ Governor Kuroda reiterated ahead of the G7 a preparedness to

ease further. Greater China is higher amid another day of limited newsflow. The G7 finance minister meetings take center stage over the next few days but are not expected to have meaningful directional implications beyond some headline noise.

US equities closed lower today. Treasuries were slightly stronger. The dollar was mixed, better on the euro cross but lagging vs the yen. Gold lost 1.5%. Oil declined, but ended well off worst levels. WTI settled nearly unchanged.

The predominant theme today was the market adjusting its near-term rate expectations following yesterday's release of April's FOMC minutes. Today's Fed speak leaned hawkish, with Dudley noting a June or July hike might be reasonable. On the economic front, jobless claims declined, but not quite as much as expected. The Philadelphia Fed index was the latest manufacturing survey to miss for May.

Earnings painted a somewhat brighter picture for retail, with AEO earnings beating and URBN posting better comps. However, LB and SSI both lowered guidance. WMT's report was a bright spot as earnings, revenue, and comps all beat. In tech, CRM beat on all key metrics, and improving margins at CSCO helped drive EPS upside.

Utilities led the market today. Consumer staples rebounded with help from WMT. Industrial metals rallied in materials. Retail cushioned consumer discretionary. Networking and communications stocks weighed on tech. Biotech lagged in healthcare. Banks were weaker. Industrials trailed the market, with airlines a notable drag.

Stocks Factor to watch today :

EIFFAGE : BPI would sell 6.8% stake in the construction company,

AVANQUEST : is about to acquire a U.S. based rival (source close to the matter)

SANOFI : DTPA vaccine for 18-month olds EUCLID contract awarded.

Rating & TP Changes



DIAGEO : TP raised to 1840p vs. 1790, NEUTRAL @BRYAN GARNIER

SHIRE : TP raised to 5600p vs. 5300, added to ANALYSTS' FOCUS LIST @JPM



BURBERRY : TP cut to 1175p vs. 1250, UNDERPERFORM @ RBC

ALSTOM : TP cut to 25€ vs. 26.2 @JPM

TECHNIP : TP raised to 60€ vs. 56 @ JPM

Technical Analysis

HIGHEST YTD : GENMAB, DUFY (DUFN.S), 3I group (III.L), EUROTUNNEL (GETP.PA), LONZA (LONN.S), RECORDATI(RECI.MI)

LOWEST YTD : ASS. BRIT FOOD (ABF.L), BAYER (BAYGn.DE), BIC (BICP.PA), DAIMLER (DAIGN.DE), EUTELSAT, FREENET, H&M (HMB.ST), INMARSAT, SCOR, SES (SESF.D.PA), SKY (SKYB.L), SUEZ (SEVI.PA), VEOLIA (VIE.PA), YARA (YAR.OL)

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

Diageo

RATING : NEUTRAL

Fair Value 1840p vs. 1790p (+1%)

We revise upwards our EBIT estimates by 3% on average over the next three years to take into account the better performance of the high margin US market. We expect organic sales in the country to increase 2.8% in 2015/16 and 4% in 2016/17 vs respectively +2% and +2.5% before. We maintain our Neutral recommendation but we lift our Fair Value to 1840p.

Richemont	RATING : BUY	Fair Value CHF81 (+32%)
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Richemont reported FY 16 (end March 16) this morning with revenues at EUR11.1bn (consensus: EUR11.16bn), implying a 1% organic sales decline of which -6% in Q4 alone. FY current EBIT stood at EUR2.15bn (consensus: EUR2.27bn), down 11%. Current EBIT margin is down 400bp to 19.5%. Furthermore, April sales are clearly disappointing with 15% sales decline. Negative.

Carrefour	RATING : BUY	Fair Value EUR30 (+25%)
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The equity story of Carrefour (13x 2017 P/E vs 16x for peers) may appear as an endless prelude and one is running out of patience. The direction of the share is not clear because, at some point, one struggles to understand the post-turnaround commercial strategy. If investors are not supposed to focus on the “short-term market share monitoring”, as the saying goes, then let’s try to clarify the long-term aim (i.e. omnichannel and premiumisation). Report (35 pages) to follow.
