

## BG SALES-TRADING MORNING DU 24/05/2016

### 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	17492,9	0%	-0,1%	Materials	1,2	7,2	Technology	0,6	-10,2
NASDAQ	4765,8	-0,1%	-0,3%	Tech Hardware	0,8	-4,5	Healthcare	0,5	-9,2
S&P 500	2048	-0,2%	-0,1%	Semi Conducteurs	0,4	-2,3	Travel & Leisure	0,3	-9
NIKKEI	16498,8	-0,9%	-	Food Bev & Tobacco	0,2	5,2	Real Estate	0,2	-2,3
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Utilities	-1	9,8	Chemicals	-1,6	-10,3
				Food staples, Retail	-0,7	-1,6	Oil & Gas	-1,4	2,4
				Telecom Op.	-0,7	8,4	Auto & Part	-1,3	-18,1
				Health Equip.	-0,7	1,1	Telecom	-1	-7,9

### 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%
VINCI SA	66,4	0,5	BAYER AG-REG	84,4	-5,7	BUNZL PLC	2031	0,3
CAPGEMINI	82,9	1,4	VINCI SA	66,4	0,5	GLANBIA PLC	16,1	1,9
SAFRAN SA	59,9	1,1	SAFRAN SA	59,9	1,1	ADMIRAL GROUP PLC	1878	0,3
TECHNIP SA	47,4	-0,7	DEUTSCHE TELEKOM AG-REG	15,8	-0,4	SWEDISH ORPHAN BIOVITRUM AB	118,2	2,3
MICHELIN (CGDE)	87,8	-0,6	UNICREDIT SPA	2,9	-3	OCI NV	12,2	-9,9

**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

Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	99,7	0%	0,9%	€/\$	1,1215	0%	3,2%	BRENT	47,4	-0,8%	32,6%
U.S 10 ANS	98,2	0,1%	1,8%	€/¥	122,52	0,1%	6,6%	ONCE OR (\$)	1245,3	-0,3%	17,2%

VIX Index	15,8	4,1%	VSTOXX Index	23,3	3%
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### Economic Calendar

DE - GDP 1Q (+1.3% E y/y)  
 GBP - BoE Carney, Broadbent, Weal and Vleighe in Parliament  
 DE ZEW survey current situation (49E )  
 DE ZEW survey Eco sentiment (12E )  
 FR - Business Climate (104E )  
 US - New Home Sales Apr. (2% E m/m)

### Dividends Calendar ex-date next day

RALLYE	1.83€ (11%)
COFACE	0.48€ (6.8%)
TELE1	5.35SEK
SOC GEN	2€ (6.04%)
ALTAMIR	0.56€ (5.02%)

### Ex Div today

AEGON	0.13€
SEB	1.54€
GEMALTO	0.47€

### Markets Recap (source Street account)

**Asian markets are trading lower on Tuesday.** The Nikkei has weakened amid a stronger yen backdrop. Japan Finance Minister Aso said he was satisfied with the dollar-yen around 109.00 (recently trading around 109.40). Greater China is trading down with mainland press highlighting support for demand-side policies and a need to curb property speculation. There is also some focus on a WSJ article that the yuan has been back under tight government control. The ASX is lower with the Aussie dollar selling off after RBA Governor Stevens viewed inflation as a bit too low and reiterated his commitment to the central bank's inflation target. The US dollar is higher against a number of other currencies with Philadelphia Fed President Harker the latest official to lean hawkish in an earlier speech.

**US equities finished slightly lower, near worst levels, on Monday.** Treasuries were little changed after some intraday weakness. The dollar was mixed and lagged on the yen cross. Gold closed lower by 0.1%.

Oil weaker, with WTI crude settled down 0.7%.

**No clear catalysts in focus today, though a lot of moving pieces.** Lack of surprises from G7, but some disappointment over inability to coordinate on stimulus and continued currency disagreements between US and Japan. Economic calendar highlighted by weaker-than-expected preliminary PMI, and Eurozone flash composite PMI hitting a 16-month low. Fedspeak continues to lean hawkish, with latest speakers downplaying political risks.

**Busy day of M&A.** BAYN.GR made official offer to acquire MON for \$62B. TBUP rejected latest offer from GCI. Men's Warehouse founder reportedly preparing a PE-backed bid for company from TLRD. CF scrapped planned purchase of OCI.NA.

**Defensive sectors led the market lower again, continuing the recent trend.** Healthcare and consumer discretionary also underperformed, with the latter dragged down by retail. Materials and consumer staples the only major sectors to close higher. The former helped by M&A news.

### Stocks Factor to watch today :

VOLKSWAGEN : faces investor revolt against management.

SEB : has agreed to byr WMF, a german maker of coffee machines and silverware.

### Rating & TP Changes



**IPSEN** : TP raised to 63€vs. 60, BUY @ *Bryan Garnier*

**HANNOVER RE** : started with NEUTRAL, TP 97€ @UBS

**SCOR** : started with BUY, TP 32€@UBS

**PERNOD RICARD** : TP raised to 108€ vs. 107, OUTPERFORM @ *Credit Suisse*



**SWATCH** : FV cut to 370CHF vs. 410, NEUTRAL @*Bryan Garnier*

**BAYER** : TP cut to 113€ vs. 125, OUTPERFORM @*Bernstein*

### Technical Analysis

**HIGHEST YTD** : ACTELION, GENMAB, PANDORA, RECORDATI, TEMENOS, UBISOFT, VINCI

**LOWEST YTD** : BAYER, RICHEMONT? H&M, SWATCH

**BAYER** : TP cut to 124€, BUY @DBK

**BURBERRY** : TP cut to 1220p vs. 1350, @*Barclays*

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

The Swatch Group	RATING : NEUTRAL	Fair Value CHF370 vs. CHF410 (+28%)
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Given very poor Swiss watches industry momentum (-9% YTD) and clear tough environment for the luxury industry, we have decided to be more cautious on The Swatch Group prospects. Following this review, we lower our 2016-2017 EBIT by 9% implying a further margin erosion (-110bp to 16.1%), hence our new CHF370 FV versus CHF410 previously. Neutral recommendation reiterated. Negative

Genmab	RATING : BUY	Fair Value DKK1450 (+28%)
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JNJ and Genmab yesterday announced that Darzalex (daratumumab) has been approved by the EC as a treatment for heavily pre-treated patients with multiple myeloma. While such approval was widely expected, its timing was quite important as for respecting (and even beating) the FY 2016 sales guidance that was given for this compound. Of course, the US will remain the very main driver of this growth, but we do believe JNJ should be able to generate USD50-100m within the old continent. BUY rating reiterated with an unchanged FV of DKK1,450.

Groupe SEB	RATING : BUY	Fair Value Under Review vs. EUR102
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They made it! Barely a few days after having acquired German based EMSA, Groupe SEB has announced its intention to buy WMF Group for a total amount of EUR1,585m, entirely paid in cash (2nd good news!). Based on our estimates the net debt/EBITDA ratio of NewCo should be around 2.8x at the end-2016e and below 2x in 2018. In our view the relative high transaction multiple (2016e EV/EBITDA of 11.3x) is justified by leading positions (N°1 worldwide in professional coffee machines, N°1 in Germany in cookware) and a strong accretive impact of SEB's P&L on a full-year basis despite cautious estimates and synergy plan (2017e: +20% on sales and >20% on EPS according to SEB). Conference today at 9:30am (Paris time). Buy recommendation and FV is placed under review. => **Positive**

Ipsen	RATING : BUY-Top Picks	Fair Value EUR63 vs. EUR60 (+17%)
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Yesterday night, Exelixis announced that the CABOSUN phase II trial had achieved its primary endpoint i.e. PFS improvement when comparing cabozantinib to sunitinib in first-line RCC. After showing very solid efficacy results in second-line, "cabo" confirms a strong profile in RCC overall. Exelixis and Ipsen will open discussions with the European regulators to see if CABOSUN alone can support filing and approval for the drug in this setting. Exelixis is committed to conduct a phase III trial but conditional approval looks possible. This would be meaningful incremental value for Ipsen.

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