

BG SALES-TRADING MORNING DU 16/06/2016

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	17640,2	-0,2%	-0,4%	Consumer Durables	0,9	-0,6	Basic Resources	3,6	10,4
NASDAQ	4834,9	-0,2%	-0,5%	Real Estate	0,9	3,6	Retail	1,7	-12,3
S&P 500	2071,5	-0,2%	-0,5%	Auto	0,6	-9,5	Media	1,4	-13,4
NIKKEI	15434,8	-3%	-	Materials	0,4	7,5	Technology	1,4	-11,4
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Utilities	-0,7	15,6	Real Estate	0,5	-5,5
				Health Equip.	-0,7	4	Healthcare	0,5	-11,9
				PHARMA.	-0,7	-5,1	Financial Serv.	0,6	-16,4
				Insurance	-0,6	-1,2	Insurance	0,6	-20,9

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%
SAFRAN SA	57,5	0,8	SAFRAN SA	57,5	0,8	RED ELECTRICA CORP	76,9	0,6
DANONE	60,5	0,8	IBERDROLA SA	5,7	0,9	REXAM PLC	631,5	0,6
VIVENDI	15,7	4	DANONE	60,5	0,8	ORION OYJ-CLASS B	35	7,9
MICHELIN (CGDE)	86,6	-0,8	VIVENDI	15,7	4	ZODIAC AEROSPACE	21,3	11,6
SCHNEIDER	53,8	2,1	SCHNEIDER ELECTRIC	53,8	2,1	VISCOFAN SA	50	2,6

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	100,4	0%	0,7%	€/\$	1,1284	0,2%	3,9%	BRENT	47	-0,2%	31,5%
U.S 10 ANS	100,7	0,3%	1,5%	€/¥	117,46	1,6%	11,2%	ONCE OR (\$)	1308,2	1,3%	23,2%
VIX Index	20,1							VSTOXX Index	37,7		

Economic Calendar

ECB - Publishes Economic Bulletin

GB - Retail sales May (3.8% E)

GB - BoE rate Decision

US - Initial Jobless Claims (270K E)

US - Philadelphia Claims Jun (1.3E)

US - CPI May

Dividends Calendar ex-date next day

NOKIA	0.1€ (2%)
WIRECARD	0.14€ (0.35%)

Ex Div today

3I GROUPI	10.6p (1.9%)
MAN	3.07€ (3.2%)
HOPSCOTCH (HOP.PA)	0.25€ (2.9%)

Markets Recap (source Street account)

Asian markets are mostly lower on Thursday. The post-Fed selling in the US fed through to regional weakness early. Selling momentum accelerated in the afternoon where the main focus has centered on Japan. Ten-year JGB yields delved deeper into negative territory and gold extended its rally ahead of the BoJ, which kept policy unchanged as expected but lowered its near-term inflation forecasts. The ensuing yen rally coincided with a pickup in Nikkei volatility.

Greater Chinese markets are mixed with the mainland flat and Hong Kong under pressure. The PBoC fixed the yuan sharply higher following recent dollar weakness. Mainland media noted the State Council will push forward with reforms aimed at tacking the metals industry's overcapacity.

Elsewhere the ASX has erased some of its earlier gains. While Australian jobs growth came in better-than-expected, takeaways focused on the composition of employment gains. The kiwi dollar has been an outperformer after New Zealand GDP growth came in stronger-than-expected.

US equities closed mixed today, with the S&P down for the fifth consecutive session in its longest losing streak since 11-Feb. Treasuries were stronger across the curve. The dollar was weaker, faring worst against the euro and Aussie. Gold settled little changed. Oil was weaker but off worst levels on better-than-expected DOE inventory data. WTI settled down 1% and Brent settled down 1.7%.

The Fed meeting announcement was the primary focus of the day, with the FOMC opting to leave policy unchanged, as was widely expected. The release acknowledged that the pace of improvement in the labor market has slowed, but that growth in economic activity appears to have picked up. The median Fed funds projection remains for two hikes in 2016, though the longer-run rate outlook was decreased.

Stocks exhibited some resiliency for much of the day, rising after four consecutive declines. While the Fed's statement had little initial impact on equities, the market turned sharply negative in the waning minutes of the session, a move for which there was no ready explanation. Few other macro factors were at play. Brexit polls continued to show support for UK leaving the EU, but there is some sense the trend may be overstated. US economic data were mixed and had little impact on the price action.

Materials led the market on strength in industrial metals. Apparel led consumer discretionary. Banks were in line with the financial sector tape. Airlines were better. There were pockets of semi weakness in tech. Healthcare underperformed. Utilities trailed the market

Stocks Factor to watch today :

SWISS GOVERNEMENT : sees 2016 growth at 1.4%, a small unemployment is expected by the end of the year. Says outcome of June BREXIT vote is also a RISK FACTOR for the Swiss Economy.

CAR INDUSTRY : car sales up 16% in MAY, 9.7% JAN-MAY

ALTICE : New York State Regulator approved ALTICE's acquisition of CABLEVISION SYSTEMS, a \$17.7bn\$ deal that would create the 4th largest U.S. cable provider.

Rating & TP Changes



REMY COINTREAU : TP raised to 69.3€, NEUTRAL @UBS

INDITEX : TP raised to €34 vs. 33, @JPM

GEMALTO : HOLD vs. SELL @Berenberg

VEOLIA : BUY vs. NEUTRAL, FV €23 vs. 22 @Bryan Garnier

PENNON : TP raised to 830p vs. 825, SELL @Bryan Garnier



SUEZ ENV. : Tp cut to € 17.5 vs. 18.5, BUY @Bryan Garnier

H&M : TP cut to SEK225 vs. 230 @JPM

H&M : TP cut to SEK 220 vs. 242, SELL @Berenberg

DAIMLER : TP cut to 80€ vs. 90 @ Berenberg

FIAT : SELL vs. NEUTRAL, TP cut to 5€ vs. 6.96 @CITI

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

Environmental Services

Ahead of the H1-16 results (and after the FY15/16 results for Pennon), we update our models and review our investment case on environmental services companies. Despite the still challenging macro environment, we remain confident of the resilience of the companies' margins and the cost-reduction measures being implemented. We upgrade our rating on Veolia from Neutral to Buy and maintain our Buy rating on Suez as we believe current and potential additional cost-cutting measures could, at least, partly offset macro headwinds and M&A shortfall for Suez. We also maintain our Sell rating on Pennon.

