

BG SALES-TRADING MORNING DU 11/07/2016

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	18146,7	1,4%	0,2%	Auto	2,9	-8,8	Auto & Part	3,9	-23,8
NASDAQ	4956,8	1,6%	0,1%	Semi Conducteurs	2,7	4,8	Banks	3,8	-32,4
S&P 500	2129,9	1,5%	0,3%	Materials	2,5	7,5	Real Estate	2,9	-8,9
NIKKEI	15779,2	4,4%	-	Transportation	2,4	0,7	Technology	2,6	-10,2
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Consumer Serv.	0,6	-2,3	Food & Bev	0,4	0
				Food Bev & Tobacco	0,9	13,1	Healthcare	0,5	-4,8
				Telecom Op.	1	21,3	Personal & Household	0,5	0,3
				Utilities	1	21,3	Oil & Gas	1,2	9,1

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%
DANONE	64	-0,7	DANONE	64	-0,7	REXAM PLC	645	-
SODEXO	99	1,6	GENERALI	10,6	7,8	TDC A/S	35,5	9,2
ENGIE	14,5	2,2	INTESA SANPAOLO	1,8	10	BOVIS HOMES GROUP	739,5	12
CARREFOUR SA	22	2,4	SAP SE	69,4	2,9	ACKER & VAN HAAREN	100,5	-5,5
SAINT GOBAIN	34,1	3,3	ING GROEP NV-CVA	9,1	5,7	PERSIMMON PLC	1420	6,2

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	-0,1%	0,6%	€/ \$	1,1046	-0,2%	1,2%	BRENT	44,7	0,2%	25,2%
U.S 10 ANS	102,2	-0,2%	1,4%	€/ ¥	112,38	-1,1%	16,2%	ONCE OR (\$)	1363,4	0,5%	28,3%
VIX Index	13,2		-10,6%					VSTOXX Index	24,6		-7,3%

Economic Calendar

JP - Machine Orders May (-11.7A -8.7E)

Us - Labor market conditions June

Dividends Calendar ex-date next day

Ex Div today

DIA	0.16€(3.11%)
ABB	0.74CHF (3.87%)
HF (HFCO.PA)	0.5€ (3.65%)

Markets Recap (source Street account)

Asian markets are higher on Monday, with Friday's post-US payrolls rally carrying into today's session.

The Nikkei's strength is also being chalked up to a decisive Japan upper house election that has fed suggestions PM Abe will have an easier timing passing stimulus measures. Meanwhile Nintendo has surged as its Pokemon Go remains atop smartphone app rankings. Earlier, data showed Japan core machinery orders contracted at a much smaller pace in May.

Solid gains on Chinese markets have followed weekend data that showed a slowdown in consumer inflation. While the drop was mainly driven by lower food inflation, press and sell-side takeaways have noted the data increases the likelihood of further policy support. The yuan's mid-point was little changed from Friday as mainland media viewed the renminbis' current level as close to its equilibrium. Elsewhere, the ASX 200 is up strongly after Australia's Coalition government won re-election following eight days of ballot counting since the 2-Jul vote.

US equities finished sharply higher on Friday. S&P 500 closed just shy of an all-time high. Treasuries were mostly stronger with the curve flattening. The dollar was mixed, and lagged on the yen cross. Gold lost 0.3%, but recovered from a morning selloff. Oil was higher, with WTI crude settling up 0.6%.

Main story today was the better than expected June jobs report, which beat expectations by more than 100K. Print helped to relieve labor market concerns and fit with the recent string of stronger June

economic data which has provided a boost for equities in the face of global headwinds. Reliance in safe-haven assets another key area of focus, as treasuries and precious metals held up strong in the face of better data.

Corporate calendar relatively quiet today. GPS beat on comps. CUDA beat on earnings. JUNE hit after FDA halted clinical trial. M&A activity highlighted by PLCM taken private for \$2B and scrapping deal to be acquired by MITL.

All ten major sectors closed higher. Materials the best performer, followed by industrials and financials. Defensive sectors lagged, but still posted strong gains. Telecom and utilities the two worst performers

Stocks Factor to watch today :

IPSEN : David Meek appointed CEO from July 18th.

GEMALTO : fast tracks LTE adoption for IoT in Japan

LAFARGEHOLCIM : enters into agreement with Nima Limited for divestment of Lafarge India.

FUTURES 8-00 : CAC +0.7%, FTSE +0.4%, DAX +0.8%, ESTOXX +0.7%

Rating & TP Changes



BURBERRY : TP raised to 1350p vs. 1250 @DBK

RWE : raised to BUY, TP raised to 17€ vs. 13 @ Jefferies

SCOR : BUY vs. HOLD, TP raised to 30€ vs. 27.4 @HSBC

HERMES : TP raised to 310€ vs. 300 @ Bernstein

ADIDAS : TP raised to 130€ vs. 120 @Barclays



FERRAGAMO : TP cut to 23€ vs. 25 @ Bryan Garnier

FERRAGAMO : TP cut to 20€ vs. 24 @ Barclays

LUXOTTICA : TP cut to 52€ vs 57 @ DBK

HUGO BOSS : HOLD vs. BUY @ DBK

HUGO BOSS : TP cut to 50€ vs. 55 @ Barclays

PRADA : HOLD vs. BUY, TP cut to HKD25 vs. 35 @DBK

KERING : TP cut to 175€ vs. 177, BUY @UBS

HANNOVER RE : HOLD vs. BUY, TP cut to 100€ vs. 105 @HSBC

MUNICH RE : HOLD vs. BUY, TP cut to 165€ vs. 185@HSBC

LVMH : TP cut to 180€ vs. 186 @ Bernstein

TOD'S : TP cut to 45€ vs. 65 @Barclays

Technical Analysis

HIGHEST YTD : ACTELION, AHOLD, EDENRED, MERCK, SABMILLER, SODEXO,

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

Salvatore Ferragamo

RATING : BUY

Fair Value EUR23 vs. EUR25

Ahead of H1 results publication, we want to be more cautious on short term even if we remain confident on medium-long term. As for some others peers, we expect that Q2 2016 should mark a slowdown versus Q1 2016. Actually, we expect sales to decline 3% organically following -2.4% in Q1. Nevertheless, H1 EBIT margin should grow 60bp to 19.4%. For 2016, we have lower our sales expectations (from +2% to no growth) and our 2016-2017 EBIT by 5% and, consequently, our Fair Value from EUR25 to EUR23. Negative.

Danone

RATING : NEUTRAL vs. BUY

Fair Value EUR67 vs. EUR71

Our view is that the acquisition of WhiteWave is value destructive for shareholders and will prevent Danone from focusing on the improvement of its organic performance. We downgrade our recommendation to Neutral and our Fair Value to EUR67.
