

BG SALES-TRADING MORNING DU 31/08/2016

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	18454,3	-0,3%	0%	Banks	1,4	-2,7	Banks	1,8	-22,4
NASDAQ	5223	-0,2%	0%	Div. Financials	0,9	5,1	Insurance	1,4	-19,5
S&P 500	2176,1	-0,2%	0%	Transportation	0,8	5,1	Technology	1,3	2,2
NIKKEI	16910,4	1,1%	-	Insurance	0,6	4,7	Auto & Part	1,3	-14
SECTEURS S&P : WORST PERFS.					SECTEURS STOXX : WORST PERFS				
				S&P	Var %	YTD	STOXX	Var %	YTD
				Utilities	-1	12,6	Basic Resources	-2,9	26,8
				Consumer Durables	-0,8	5,3	Travel & Leisure	-0,2	-13,9
				Spec. Retail	-0,8	4,9	Personal & Household	-0,2	2,7
				Household Products	-0,7	8,7	Utilities	-0,1	-5,6

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%	
LAFARGEHOLCIM	48,4	3,4	SAP SE	79,7	2,4	ACKERMANS & VAN H	106,6	-6,6	
VIVENDI	17,4	1,4	VIVENDI	17,4	1,4	ARM HOLDINGS PLC	1696	0,5	
AXA SA	18,3	1,9	INDITEX	31,9	0,6	WIRECARD AG	44,3	3	
ORANGE	13,5	0	GENERALI	11,2	2,6	IG GROUP HOLDINGS	954	-0,4	
LEGRAND SA	53,9	0,3	AXA SA	18,3	1,9	TRELLEBORG AB-B SHS	163,9	0,6	

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	99,9	0%	0,8%	€/€	1,1146	0%	2,6%	BRENT	47,4	-0,1%	32,5%
U.S 10 ANS	99,3	-0,1%	1,6%	€/¥	115,05	-0,3%	13,6%	ONCE OR (\$)	1313	0,1%	23,7%
VIX Index	13,1		1,4%					VSTOXX Index	19,4		-4%

Economic Calendar

GB - Gfk Consumer confidence Aug. (-7A -8E)
 JP - Industrial production Jul. (-3.8%A, -3.0%E)
 DE - Retails Sales Jul. (0.3%E)
 US - Fed's Evans speaks on Eco Policy in Beijing
 DE - Unemployment change (-4K E)
 EUZ - CPI Core Aug. (0.9%E)
 US - ADP Employment Change Aug. (175K E)
 US - Pending Home Sales Jul. (2.2% E)
 US - Crude oil Inventories

Dividends Calendar ex-date next day

ARM	3.78p (0.22%)
INTERCON HOTELS	22.6p (0.68%)

Ex Div today

Markets Recap (source Street account)

Asian markets are trading mixed on Wednesday. The Nikkei is outperforming the region, with the dollar-yen having risen more than 2% since Friday amid the recent hawkish-leaning Fed'speak. An unexpected stall in Japanese industrial production had marginal impact though was viewed as supporting the case for more stimulus. Meanwhile BoJ member Funo reiterated a pledge to continue monetary easing using all three policy dimensions.

Greater China is little changed with mainland markets seeing some positive momentum late in the morning session. Media have talked up the prospects for a more proactive fiscal policy stance while China's vice finance minister repeated there was no basis for long-run yuan depreciation. Elsewhere the ASX is under broad-based pressure with commodity softness weighing on the miners.

In commodity markets oil extended lower earlier after API revealed a bigger-than-expected crude

inventory build and an unexpected surge in distillate stocks. Copper has recovered following recent declines that have been chalked up to weakening Chinese demand and growing warehouse stockpiles

US equities finished lower on Tuesday. Treasuries were mostly weaker with a bit of curve steepening. The dollar was broadly stronger, particularly on the yen cross. Gold lost 1%. Oil extended yesterday's decline, with WTI crude settling down 1.2%.

Relatively quiet session once again with the long holiday weekend approaching. However, a few notable corporate developments. MDLZ abandoned its pursuit of HSY. AGU and POT in merger talks. Some disappointing retail results, particularly ANF, GIII and FRED. AAPL hit with record fine for Irish tax breaks.

Elsewhere, monetary policy remained in the spotlight as the market digests increased near-term rate hike expectations. More comments from Fed Vice Chair Fischer, though not as hawkish as last week. Economic calendar pretty quiet. Consumer confidence the only notable piece of data as it beat expectations. Also some verbal intervention out of Japan to quell strong yen.

More signs of cyclical rotation in sector performance. Utilities the worst performer, while financials the only major sector to close higher.

Stocks Factor to watch today :

FUTURES 8-00 : DAX-0.2%, CAC -0.1%, FTSE -0.2%, ES50 -0.2%

COPPER : flashing red signals on China, stocks flowing out to warehouses elsewhere in Asia (FT)

COLAS : H1 net attributable loss €71m vs. 69 a year ago

AIRBUS : August deliveries this month will reach a company record with 6 A350 jets

BOUYGUES : Sales €14.669m -3%, guidance 2016 confirmed.

Rating & TP Changes



SCOR : European Insurer Most preferred @UBS

NOVO NORDISK : HOLD vs. REDUCE, TP DKK300 maintained @HSBC

PUMA : TP raised to €240 vs. 218 @HSBC

UCB : TP raised to €80 vs. 79, OVERWEIGHT @JPM

AHODL DELHAIZE : Resumed with OVERWEIGHT, TP €26 @JPM

VALEO : TP raised to €62 vs. 57 @UBS

VALEO, CONTINENTAL, DELPHIN : Most preferred Auto Suppliers @UBS

MUNICH RE : TP raised to €163 vs. 155, NEUTRAL @UBS



U-BLOX : TP cut to CHF366 vs. 265, BUY @Bryan Garnier

SWISS RE : European Insurer least preferred @UBS

Technical Analysis

HIGHEST YTD : ARM, COVESTRO, DASSAULT SYSTEMES, EIFFAGE, HEIDELBERGCEMENT, LAFARGEHOLCIM, REXEL, SAP, SCHNEIDER, SIEMENS, SOLVAY, SYNGENTA, WOLSELEY

Upward Signals

WIRECARD : 50D mav crossing upward 200d MAV

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

Iliad

RATING : BUY

Fair Value EUR212

This morning, Iliad published H1 2016 results in line with expectations, still delivering high growth. Q2 revenues reached EUR1.151bn, up 6.1% yoy and H1 EBITDA reached EUR809m, up 11.5% yoy, both in line with the consensus. Weaker mobile net adds are compensated by growing mobile ARPU, whereas fixed ARPU is suffering again from high promotional levels. Elements of guidance are confirmed. We maintain our FV of EUR212 and Buy recommendation.

u-blox **RATING : BUY** **Fair Value CHF255 vs. CHF265**

Following H1 2016 results and a contact with management, we understand that the slower than expected growth was due to a wait-and-see attitude regarding the adoption of wireless modules. Nevertheless, the group tuned rapidly its commercial strategy to focus on higher margin products and, hence, keep its operating result target. The lesson we will keep from the H1 publication is that u-blox might be affected by volatility, however the group has tools to rapidly set focus on higher margin products and temporary offset the impact of lower volumes with higher margin. We fine tuned our model with a 4% average cut in our EPS. Our new FV is CHF255 pointing to an upside of 15%.

bioMérieux **RATING : NEUTRAL** **Fair Value EUR127 (+1%)**

After having released H1 2016 sales on July 18th, BIM published its H1 2016 results with Contributive Operating margin and Net result significantly ahead of CSS expectations. We welcome these strong set of numbers. However, new sales and contributive EBIT guidance prompt for limited upward revision in numbers. NEUTRAL
