

## BG SALES-TRADING MORNING DU 13/09/2016

### 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	18325,1	1,3%	0,9%	Food Bev & Tobacco	2,2	7,8	Personal & Household	0	1,2	
NASDAQ	5211,9	1,7%	0,9%	Semi Conducteurs	2,1	15,2	Healthcare	0	-9	
S&P 500	2159	1,5%	0,9%	Household Products	2	7,9	Real Estate	-0,6	-4,2	
NIKKEI	16732,2	0,4%	-	Auto	2	-6,4	Const. & Materials	-0,7	3,1	
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS			
				S&P	Var %	YTD	STOXX	Var %	YTD	
				Banks	0,7	-3,9	Banks	-2	-20,7	
				Oil & Gaz	0,9	15,1	Basic Resources	-1,7	25	
				Food staples, Retail	0,9	-0,6	Auto & Part	-1,7	-14,4	
				Materials	1	9,5	Insurance	-1,6	-17,4	

### 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%
SCHNEIDER	59,5	0,2	E.ON SE	7	-3,2	OSRAM LICHT AG	48,7	10,1
LEGRAND SA	52,3	-1,7	SCHNEIDER ELECTRIC	59,5	0,2	ARM HOLDINGS PLC	1700	-
ACCOR SA	34,8	-2,7	ENI SPA	13,6	-1,5	E.ON SE	7	-3,2
MICHELIN (CGDE)	95,1	-1,9	NOKIA OYJ	5	-2,7	MICRO FOCUS INTL	2169	-1,8
VALEO SA	49	-1,4	DEUTSCHE POST AG-	27,7	-0,7	ASS BRITISH FOOD	2815	-10,8

**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%	0,8%	€/§	1,1231	0%	3,4%	BRENT	46,8	-0,4%	31%
U.S 10 ANS	98,6	0,1%	1,7%	€/¥	114,44	0%	14,2%	ONCE OR (\$)	1328,8	0,1%	25,2%
VIX Index	15,2		-13,4%				VSTOXX Index	21,9		13,5%	

#### Economic Calendar

GB - CPI Aug. (0.7%E )  
 GB - Core CPI (1.4% E y/y)  
 DE - CPI (0.4% E y/y)  
 DE - ZEW current situation Sep. (56E )  
 EUZ - ZEW Eco Sentiment Sep.

#### Dividends Calendar ex-date next day

#### Ex Div today

BOLSA y MERCADOS ESP. €0.324 (1.1%)

### Markets Recap (source Street account)

**Asian markets are moderately higher on Tuesday.** However in a sign of lingering market fragility following the recent sell-off, stocks on the major bourses have come off their opening highs. Amid the recent focus on bonds, yields have been relatively steady today as the Fed is increasingly seen leaving rates on hold next week. The 10-year Treasury yield has fallen ~2bp from its overnight high while JGBs are little changed.

**Greater Chinese markets are being led by the Hang Seng following the latter's underperformance on Monday.** There are fresh signs of stabilization in China's economy with the latest activity data showing a rebound in property investment and acceleration in steel production. Ahead of this week's Mid-Autumn Festival, the PBoC reintroduced 28-day reverse repos today for the first time since February. Elsewhere the Nikkei is tracking declines in dollar-yen. An overnight bounce in oil has petered out, leading ASX energy stocks to underperform the broader market.

**US equities finished sharply higher on Monday.** Treasuries were little changed across the curve. The dollar was weaker overall, and lagged on the yen cross. Gold lost 0.7%, down for a fourth straight session. Oil was stronger, with WTI crude settling up 0.9%.

**Rally came after Friday's selloff, which was the largest since Brexit.** Much of the focus today centered around comments from Fed Governor Brainard as market participants weigh near-term rate hike odds. She said the case to preemptively hike is less compelling. Fed speak comes amid growing monetary policy uncertainty, which has been blamed for the recent backup in global bond yields. More focus on potential unwinding of crowded rate trades. Political uncertainty another topic as election nears.

**Corporate calendar relatively quiet.** However, some M&A activity with POT and AGU announcing merger. HPQ purchased printer business from Samsung for over \$1B. RPTP to be acquired by HZNP in deal valued at ~\$800M. Starboard Value took 4.6% stake in PRGO.

**Defensive sectors led the market today, leading to some caution about the sustainability of the bounce.** Telecom and consumer staples the two best performers. Energy and materials lagged, but still broadly stronger overall

### Stocks Factor to watch today :

**FUTURES 08h00 :** CAC +0.7%, FTSE +0.5%, ES50 +0.8%, DAX +0.9%

**AIR LIQUIDE :** launches a share capital increase with preferential subscription rights for approximately €3.8bn as part of the AIRGAS Acquisition

### Rating & TP Changes



**ATOS :** TP raised to €102 vs. 93, BUY @Bryan Garnier

**KERING :** TP raised to €185 vs. 175, BUY @Bryan Garnier

**DIAGEO :** TP raised to 2500p vs. 2000, BUY @Jefferies

**AB INBEV :** initiated with BUY, TP €130 @Jefferies

**PERNOD RICARD :** raised to BUY, TP raised to €115 @Jefferies

**E.ON :** TP cut to €7.7 vs. 9.2 @Barclays

**INTERCONTINENTAL :** TP raised to 3550p vs. 3500 @ Credit Suisse

**BAYER :** TP raised to to €104, HOLD @Jefferies

**GRANDVISION :** initiated with BUY, TP €30.5 @DBK

**LUXOTTICA :** raised to BUY, TP €52 @DBK

**CAMPARI :** initiated with HOLD @Jefferies

**HEINEKEN :** initiated with HOLD @Jefferies

**CARLSBERG :** initiated with HOLD @Jefferies

**REMY COINTREAU :** initiated with HOLD @Jefferies



**GLAXOSMITHKLINE :** TP cut to 1900p, BUY @Jefferies

**E.ON :** TP cut to €6.3, REDUCE @HSBC

**ACCORHOTELS :** TP cut to €30.8 vs. 35.2 UNDERPERFORM @Credit Suisse

**SANOFI :** TP to €76, HOLD @ Jefferies

### Technical Analysis

**HIGHEST YTD :** -

**LOWEST YTD :** E.ON, ERICSSON, INGENICO, KPN, ORANGE

**RSI 14d overbought :** RUBIS, SYNGENTA

#### Upward Signals

**DIALOG SEMI, KINGFISHER, PRUDENTIAL :** 50d MAV crossing upward 200d MAV

#### Downward Signals

**ASSOC. BRIT FOOD :** stock price crossing downward 50d, 100d, 200d MAV

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

Luxottica

RATING : NEUTRAL

Fair Value EUR54

In Q2 Luxottica's own initiatives (MAP policy at Ray-Ban, direct go-to-market approach in Mainland China, etc.) proved to be more harmful than expected, this headwind being exacerbated by a challenging macro environment. Although the Group's actions will still weigh in H2 we understand that the end of the summer showed that some drivers could help LUX to post a slight and sequential acceleration throughout H2 (+3%e vs. +1.6% in H1) to match FY guidance.

Cast

RATING : NEUTRAL

Fair Value EUR3,6

Yesterday evening Cast reported H1 2016 results below our expectations, but confirmed its target for FY16 of posting revenue growth above 10% while staying profitable as the deal flow remains promising and the large contract postponed in June with a US bank is still on the cards. We expect no significant share price reaction on the back of these numbers.

Atos

RATING : BUY

Fair Value EUR102 vs. EUR93

We reiterate our Buy rating and increase our DCF-derived fair value to EUR102 from EUR93 on updated assumptions for mid-term Ifl sales growth (3% vs. 2% = +EUR5), WCR (-6% of sales vs. -3% = +EUR4) and fx (-EUR1), and our raised EPS ests. (+EUR1). Yesterday evening Atos announced the acquisition of Anthelio for USD275m in cash or an 8.5x 2017 EV/EBIT multiple. This acquisition, which we consider as 2% accretive to our adj. EPS ests. for 2017-18, allows Atos to enlarge its customer base in Healthcare in the US.

Kering

RATING : BUY

Fair Value EUR185 vs. EUR175

After a strong Kering Group performance in Q2 particularly at Gucci brand, we remain very confident for H2 and 2017 both for Gucci brand and Kering Group. Consequently, we revise up our 2016 and 2017 expectations by 3% and we upgrade our Fair Value from EUR175 to EUR185 and remain Buy on the stock as we anticipate that sales momentum should remain positive in coming quarters.

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