

## BG SALES-TRADING MORNING DU 19/09/2016

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	18123,8	-0,5%	-0,1%	Utilities	0,9	13,8	Healthcare	0,4	-8
NASDAQ	5244,6	-0,1%	0%	Semi Conducteurs	0,8	18,5	Telecom	0,2	-16,4
S&P 500	2139,2	-0,4%	0,1%	Health Equip.	0,5	5,5	Travel & Leisure	0,1	-14
NIKKEI	16519,3	0,7%	-	Auto	0,1	-8,3	Real Estate	0,1	-5,8
SECTEURS S&P : WORST PERFS.					SECTEURS STOXX : WORST PERFS				
				S&P	Var %	YTD	STOXX	Var %	YTD
				Banks	-1,2	-7	Auto & Part	-2,2	-16,7
				Insurance	-1	2,7	Banks	-2,1	-23,6
				Div. Financials	-1	2,7	Oil & Gas	-1,4	3,4
				Oil & Gaz	-0,9	10,8	Insurance	-1,4	-19,4

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%	
CARREFOUR SA	22,1	0,2	CARREFOUR SA	22,1	0,2	CRH PLC	29,4	-0,7	
VIVENDI	17,1	0,3	ASSICURAZIONI GENERALI	11	-2,7	KONINKLIJKE AHOLD DELHAIZE N	20,9	-0,4	
BOUYGUES SA	28,9	2,8	VIVENDI	17,1	0,3	GVC HOLDINGS PLC	719	-1	
LAFARGEHOLCIM LTD-REG	44,9	-2,2	BAYER AG-REG	90,8	-0,6	ADIDAS AG	149,9	-0,5	
TOTAL SA	40,6	-2,2	UNICREDIT SPA	2	-5,8	CARREFOUR SA	22,1	0,2	

**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%	0,8%	€/ \$	1,1166	0,1%	2,8%	BRENT	45,5	1,2%	27,2%
U.S 10 ANS	98,2	0%	1,7%	€/ ¥	113,99	0,1%	14,6%	ONCE OR (\$)	1316	0,4%	24%

VIX Index	15,4	-5,7%	VSTOXX Index	21,3	3,7%
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### Economic Calendar

11h00 EUZ Construction Output  
16h00 US - NAHB Housing Market Index

### Dividends Calendar ex-date next day

STMICRO	\$0.05 (0.74%)
ENI	€0.4 (3.06%)

### Ex Div today

### Markets Recap (source Street account)

**Asian markets are trading higher on Monday.** Greater Chinese markets are gaining, having resumed trade after their late-week holiday. A pickup in home price growth has fed concerns of an overheating market. Meanwhile the government is seen exceeding this year's deficit target as it leans more on fiscal policy to support growth. The offshore yuan is little changed despite another spike in interbank borrowing rates.

**Oil has been a key mover in commodity markets after weekend comments from OPEC and Iran gave positive indications for some sort of production deal.** It has been fairly quiet otherwise amid an empty calendar and with regional volumes impacted by the closure of Japan for Respect for the Aged Day. The ASX is flat after a glitch delayed trading in Australia by over an hour. Elsewhere the dollar is lower as CFTC data that showed a reduction in bullish positions fit with expectations of shallow Fed tightening path.

**Central banks are a big focus for markets this week.** While the Fed is not expected to raise rates, the statement will be scrutinized for its characterization of risks to the economic outlook and the implications this has for December rate hike expectations. Meanwhile the BoJ is expected to expand

easing though the policy prescription remains unclear with lower rates, tweaking JGB purchases to steepen curve, and adjusting the purchase range all seen as options.

**US equities finished lower on Friday.** Treasuries were mixed with the curve flattening (after a big steepening this week). The dollar had a good day, and outperformed on the euro cross. Gold extended recent losses, settling down 0.6%. Oil was also weaker, with WTI crude losing 2%.

**Relatively quiet session after a fairly busy week.** Bank weakness a key area of focus after DB disclosed it will not pay a \$14B fine proposed by the DoJ to settle charges related to mortgage securities. Oil selloff another headwind as energy lagged. A stronger than expected CPI print another development, with the dollar rallying in reaction.

**Corporate activity picked up a bit with some notable developments in tech and healthcare.** In tech, ORCL missed on earnings, while INTC guided ahead of consensus. In healthcare, M&A in focus with JNJ acquiring Abbott Medical Optics for \$4.3B and DEPO and CYH reportedly exploring sales (the latter from activist pressure). Also, DoJ reportedly dropping one claim in proposed ANTM/CI merger. Elsewhere, UL reportedly in early-stage talks to acquire The Honest Company for more than \$1B.

**Eight of the ten major sectors closed lower today.** Financials and energy were the worst performers, while utilities and healthcare were the only sectors to finish higher

### Stocks Factor to watch today :

**FUTURES 8h00 :** CAC +0.8%, FTSE +1%, ES50 +0.8%, DAX +0.8%

**SANOFI :** files suit in U.S. to defend patent rights on Lantus and Lantus Solostae

**LAFARGEHOLCIM :** to withdraw from several countries (Chairman to Sonntagzeitung)

**UCB :** receives positive EU CHMP opinion for Cimzia

**VINCI :** France will increase tolls by 0.3-0.4% from 2018 to 2020 to help finance a 1bn€ roadbuilding project.

### Rating & TP Changes



**ACCORHOTELS :** started with HOLD, TP €38 @HSBC

**ASTRAZENECA :** TP raised to 5480p vs. 5000p, BUY @UBS

**SHIRE :** TP raised to 5600p vs. 5200, BUY @ UBS

**UNILEVER :** TP raised to 3380p vs. 380, NEUTRAL @UBS

**FERRAGAMO :** BUY vs. NEUTRAL @BOFAM Merrill

**SODEXO :** OUTPERFORM vs. UNDERPERFORM @RJ

**BAYER :** resumed at NEUTRAL @BOFA Merrill



**SANOFI :** TP cut to €72.5 vs. 78.5 @UBS

**INERCONTINENTAL :** Started with REDUCE, TP 2900p @HSBC

**H&M :** cut TP to SEK270 vs. 295 @HSBC

### Technical Analysis

**HIGHEST YTD :** EUROFINIS, SABMILLER, SEB, SARTORIUS,

**LOWEST YTD :** AIR FRANCE, E.ON,

#### Downward Signals

**INVESTEC, OMV :** stock price crossing downward 50d, 100d 200d MAV

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

Telecom services

According to BFM Business, consolidation talks have started again between the French operators. Bouygues and SFR have categorically denied. We believe the rationale for a consolidation on the French telecom market is still there, but we still have difficulties identifying the appropriate scheme. Although we do not think any major move should happen in the very short term, we view the consolidation as a free option for Orange, Iliad and Altice.

**Shire PLC**

**RATING : BUY-Top Picks**

**Fair Value 6900p (+35%)**

Last Friday, the CFO made a quick business update... And among the different issues that were addressed we note that 1/ M&A could be brought back to the table by next year; 2/ the integration of BXLT is going pretty fast. Apart from that, SHP announced that a court has ruled in favour of Cadilla/Zydus regarding the potential validity of its generic version of Lialda. While this is a negative per se, note that 1/ Shire will obviously file an appeal... and previously won a court against another generic makers (Actavis); 2/ the impact on our FV would be quite limited (less than GBp100).

**Casino Guichard**

**RATING : BUY**

**Fair Value EUR57 (+34%)**

Conforama and Casino have just announced the creation of a joint central purchasing agency for non-food products with operations set to launch for the 2017 purchasing negotiations. Along with the positive impact of the conversion of 200 loss-making or barely profitable stores (carry on impact of around EUR50M in 2017e) and the Dia / Intermarché partnership (synergies around EUR50m in 2016e), hopefully, Mano should allow the consensus to acquire more confidence about the improvement in operating performance in 2017.

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