

BG SALES-TRADING MORNING DU 21/09/2016

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	18130	0,1%	-0,2%	Consumer Serv.	0,9	-4,3	Real Estate	0,7	-4,6
NASDAQ	5241,4	0,1%	-0,1%	PHARMA.	0,6	-2,4	Healthcare	0,6	-6,7
S&P 500	2139,8	0%	-0,2%	Household Products	0,4	8	Food & BeV	0,5	-0,5
NIKKEI	16792,3	1,8%	-	Banks	0,4	-6	Technology	0,4	1,1
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Oil & Gaz	-0,8	9,7	Oil & Gas	-0,9	3,9
				Auto	-0,8	-8,7	Banks	-0,8	-23,5
				Consumer Durables	-0,5	-0,9	Basic Resources	-0,7	26,6
				Semi Conducteurs	-0,4	17,5	Travel & Leisure	-0,5	-14,3

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%
AIR LIQUIDE SA	96	-0,9	AIR LIQUIDE SA	96	-0,9	MEDIASET ESPANA	10,7	-0,9
TECHNIP SA	51,1	-0,9	BAYER AG-REG	92,1	0,5	GAS NATURAL SDG SA	18	-0,7
SODEXO	104,4	0	TELEFONICA SA	9,1	-0,5	ARM HOLDINGS PLC	1700	-
DANONE	65	0,5	DANONE	65	0,5	DAILY MAIL&GENERAL	723	1,3
KERING	177,4	0,3	FRESENIUS SE & CO	70,7	1	REGUS PLC	271,2	-6,4

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%	€/ \$	1,113	-0,2%	2,5%	BRENT	45,3	0,8%	26,7%
U.S 10 ANS	98,1	-0,2%	1,7%	€/ ¥	114,17	-0,7%	14,4%	ONCE OR (\$)	1316,4	0,1%	24%
VIX Index	15,9		2,5%				VSTOXX Index	20,7		1,9%	

Economic Calendar

8h30 JP - BoJ governor press conference
 16h30 US - DOE oil inventories
 20h00 US FOMC rate decision

Dividends Calendar ex-date next day

GAS NATURAL	€0.2673 (1.48%)
BOVIS HOME	15p (1.7%)
GALP ENERGIA	€0.249 (2.11%)
OLD MUTUAL	2.67p (1.4%)

Ex Div today

RICHEMONT	CHF1.7 (3.02%)
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Markets Recap (source Street account)

Asian markets are little changed in cautious Wednesday trade ahead of the BoJ meeting. Both the Nikkei and dollar-yen were seeing late gains ahead of the decision. While more easing is expected, there is a lack of clarity on the likely policy mix. Policy uncertainty, credibility concerns and potential market spillover have been some of the prevalent themes leading into meeting. The urgency to do more was given added weight by the latest deterioration in Japan's trade sector.

Elsewhere Chinese markets are flat. The offshore yuan has steadied after weakening overnight. Interbank borrowing rates fell markedly for a second day with the overnight HIBOR settling at 3.87% (after spiking to 23.68% on Monday). The PBoC denied speculation it was soaking up liquidity in the offshore market. Premier Li, speaking earlier, expressed confidence in China maintaining steady growth through year-end.

Oil was a key mover in commodity markets, extending its rally after API revealed an unexpected inventory drawdown in the latest week. Crude's gains followed overnight talk of a one-year oil production freeze deal (which Russia reportedly supports).

US equities closed mostly higher in Tuesday trading, though near worst levels. Treasuries were higher with some curve flattening as rate reprieve continued. The dollar was stronger, particularly on the sterling cross. Gold was little changed. Oil ended mixed after multiple production-freeze headlines. WTI settled up 0.3% while Brent settled down 0.2%.

It was a fairly uneventful session, with the market focusing on tomorrow's BoJ and FOMC policy decisions. While the Fed is generally expected to hold, uncertainty surrounding the BoJ's potential moves has been an overhang. Oil was another area of focus, with crude oscillating on headlines suggesting possible consensus for a one-year freeze deal. Elsewhere, housing starts and permits were weaker. WFC's CEO faced withering criticism in Congressional testimony on the company's sales practices.

ASNA missed and guided Q3 below the Street. SRPT continued to rise on the back of yesterday's eteplirsen approval. Alden Capital disclosed a stake in PIR. SEAS announced dividend cuts to bolster capital for buybacks. LEN earnings beat, but new orders and margins were weak. TBRA agreed to be acquired by AGN at a ~500% premium to yesterday's close.

Healthcare led the market, with biotech M&A in focus. Tobacco names led consumer staples. Multis helped industrials. Specialty retailers and homebuilders weighed on consumer discretionary. Banks were up overall. Hardware was weaker in tech. Chemicals were a drag for materials. Energy trailed the market.

Stocks Factor to watch today :

FUTURES 8h00 : ES50 +0.5%, DAX +1%, CAC +0.7%, FTSE +0.3%

ALTICE : buyout offer for SFR shares it does not already own will be postponed by at least tow weeks.

VALEO & GEMALTO : partner to turn smartphones into secure car keys

BAYER: EVOTEC to develop new treatment to fight kidney diseases

UBISOFT : launches convertible bonds maturity 2021 for about €400m,

CASINO : announced a public tender offer on notes maturing in 08/19, 01/23, 08/26 to reduce debt

DBV : gets FDA fast track designation for VIASKIN,

DIAGEO : strong start to productivity work and are moving at pace, confident on goal of mid-single digit top line growth.

Rating & TP Changes



TEMENOS : NEUTRAL vs. SELL, TP CHF60 @Goldman Sachs

HANNOVER RE : TP raised to €96, HOLD @Jefferies

MUNICH RE : TP raised to €179, BUY @Jefferies

SOPRA : TP raised to €110 vs. 100 @HSBC

STM : TP raised to €6.7 vs. 6.2 @UBS

INFINEON : TP raised to €14.7 vs. 13.8 @UBS



KORIAN : TP cut to €28 vs. 29, NEUTRAL @Bryan Garnier

UCB : TP cut to €87 vs. 94 @HSBC

AEGON : TP cut to €4 vs. 4.4 @RBC

SWISS RE : TP cut to CHF86, HOLD @Jefferies

SCOR : TP cut to €27.8, Hold @Jefferies

Korian	RATING : NEUTRAL	Fair Value EUR28 vs. EUR29
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Following CMD end last week, we made some adjustments on our forecasts. The main revisions are related to the positive effects of measures in place that will be widely felt on the second part of the 5-year plan than on the first part. Based on our DCF, our FV moves to EUR28 from EUR29. We confirm our neutral opinion.

Alten	RATING : SELL	Fair Value EUR52
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Yesterday evening Alten reported H1 2016 results pretty in line with our ests., with a 1.4ppt operating margin jump stemming from a positive calendar effect (+2 days). Free cash flow is down 61% due to seasonality and the 10.6% lfl sales growth reported for Q2. Finally, the outlook is reiterated for 2016, with management guiding for lfl sales growth acceleration and profitability increase. While the share price was up 22% in the last 3 months, we consider the stock may suffer from profit-takings in the short-term.

Diageo	RATING : NEUTRAL	Fair Value 2100p
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Yesterday, Diageo held a conference call about Europe/Russia/Turkey which account for 24% of its sales. Management gave a globally positive outlook for the European activities. This is excluding Russia and Turkey which should continue to be challenging but represent only 16% of the region's sales. The remaining 84% is expected to grow low single digit this year according to the group. We keep unchanged our estimate which calls for 2.8% organic sales growth in Europe/Russia/Turkey. Our Neutral recommendation and Fair Value of 2100p are maintained. The group's strong exposure to emerging markets (an estimated 48% of total sales) proves to be challenging in the current environment, while its underperformance in its first market, the US (32% of total sales), makes high investments necessary, limiting the operating leverage.
