

## BG SALES-TRADING MORNING DU 26/09/2016

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	18261,4	-0,7%	-0,4%	Telecom Op.	0,4	15,4	Basic Resources	0	33,8
NASDAQ	5305,7	-0,6%	-0,4%	Real Estate	0,3	7,5	Personal & Household	-0,3	2,3
S&P 500	2164,7	-0,6%	-0,2%	Consumer Serv.	0	-3	Const. & Materials	-0,3	6,3
NIKKEI	16612,8	-0,8%	-	Spec. Retail	-0,1	4,3	Real Estate	-0,4	-3,5
SECTEURS S&P : WORST PERFS.					SECTEURS STOXX : WORST PERFS				
				S&P	Var %	YTD	STOXX	Var %	YTD
				Tech Hardware	-1,3	11,8	Banks	-1,5	-22,5
				Oil & Gaz	-1,3	10,9	Media	-1,2	-9
				Div. Financials	-1,2	2,8	Utilities	-1,1	-6,1
				Semi Conducteurs	-1,1	17,7	Financial Serv.	-1,1	-10,2

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%	
VEOLIA ENVIRONNEMENT	20,3	-1,6	BANCO SANTANDER SA	4	-3,3	CAIXABANK S.A	2,3	-3,8	
AIR LIQUIDE SA	96,4	-1,1	AIR LIQUIDE SA	96,4	-1,1	POLYMETAL INTERNATIONAL PLC	981	-7,4	
ARCELORMITTAL	5,5	2,5	DEUTSCHE POST AG-REG	28,1	0,5	ARYZTA AG	43,4	9,9	
TOTAL SA	42,5	-1,2	BASF SE	73,3	-0,3	ARM HOLDINGS PLC	1700	#N/A N/A	
UNIBAIL-RODAMCO SE	243,6	0,7	DEUTSCHE TELEKOM AG-REG	15,3	-0,3	AMADEUS IT GROUP SA	44,5	0	

**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%	€/ \$	1,1228	0%	3,4%	BRENT	45,1	0,5%	26%
U.S 10 ANS	98,9	0%	1,6%	€/ ¥	113,35	0%	15,3%	ONCE OR (\$)	1333,6	-0,3%	25,6%
VIX Index	12,3		2,2%					VSTOXX Index	16,8		-2,6%

### Markets Recap (source Street account)

**Asian markets are trading lower on Monday.** Trading activity on the major indices has been relatively lackluster amid a quiet day both on the macro and corporate front. The Nikkei is weaker ahead of a speech by BoJ Governor Kuroda. Kuroda's comments will be scrutinized for additional insight on the central bank's updated policy, including detail on the mechanics of new framework.

**Oil has come off Friday's lows amid more production freeze headlines.** Reports late last week played down prospects for an agreement being reached at this week's Algiers meeting. However Algeria's energy minister noted that despite it viewing the Algiers gathering as 'consultative' only, Saudi Arabia is still willing to curb output and the meeting may yet produce some form of agreement.

**US equities were down in Friday trading, falling after three days of gains.** Treasuries were mostly stronger, with some curve steepening. The dollar was mixed, weaker against the euro but notably stronger on the sterling cross. Gold finished down 0.2%. Oil fell as prospects for a production freeze dwindled. WTI settled down 4.0% and Brent ended down 3.7%

**There was nothing particularly incremental today, with the market still digesting this week's central-bank news and looking forward to Monday's presidential debate as the next major catalyst.** Oil was in the spotlight on volatile production-freeze headlines, falling after Saudi Arabia said there would be no agreement in Algiers next week. Fedspeak returned, with Boston Fed President Rosengren releasing a statement explaining his FOMC dissent.

**TWTR surged on takeover rumors, with GOOGL and CRM mentioned as possible suitors.** IMPV and BATS were also boosted by M&A news. The WSJ reported FB had overestimated viewing time for video

ads. There was some speculation about VZ's deal for YHOO after yesterday's security-breach revelations. ENDP was better on a CEO change and reaffirmed guidance.

**Telecom and REITs led the market.** Hotels and restaurants helped consumer discretionary. Pharma buoyed healthcare. Steel names were better in materials. Machinery weighed on industrials. Insurers lagged. Semis were a drag on tech. Energy trailed the market.

### Stocks Factor to watch today :

Sanofi and Regeneron announce Dupilumab biologics license application accepted for priority review by FDA.

Erytech completes patient enrolment in phase 2 trial of Eryaspase for pancreatic cancer.

Galapagos: endoscopic improvements with filgotinib are consistent with clinical remission rates in patients with Crohn's disease.

Tesco setback as pension black hole balloons to GBP5bn.

### Rating & TP Changes



**Atos:** TP raised to EUR110 vs. EUR89, Overweight, @ Barclays

**Alten:** TP raised to EUR71.5 vs. EUR61.5, Buy, @ Berenberg

**Tesco:** TP raised to 130p vs. 115p, @ Credit Suisse

**Sainsbury:** TP raised to 315p from 290p, @ Credit Suisse

**Morrison:** TP raised to 200p vs. 180p, @ Credit Suisse

**Randstad:** Outperform vs. Sector perform, @ RBC



**Nestlé:** FV cut to CHF83 vs. CHF84, Buy, @ Bryan Garnier

**Hermes:** Underperform vs. Neutral, @ Exane

**Kering:** Neutral vs. Outperform, @ Exane

**Shire:** Hold vs. Buy, TP cut to 5250p vs. 5400p, @ HSBC

**InterContinental:** Underweight vs. Equalweight, @ Morgan Stanley

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

Ubisoft	RATING : BUY	Fair Value EUR34 (-2%)
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Friday after trading, Ubisoft announced the signature of an agreement with Bpifrance for the purchase of the 3,625,178 Ubisoft shares held by Bpifrance (3.2% of the capital, 5.7% of the voting rights), at a price of EUR33.80/share i.e. a total amount of EUR122.5m. This transaction, which fits into Ubisoft's share buyback program, will close by the beginning of November. Bpifrance will support Ubisoft's management at the AGM this week (29th September) => **Neutral**.

Nestlé	RATING : BUY	Fair Value CHF83 vs. CHF84 (+8%)
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We revise downwards our Q3 estimate for Nestlé's organic sales growth from +5.5% to +3.5%. China is suffering from the deceleration of the food & beverage market and the regulation of the infant nutrition sector, while Brazil is penalized by a drop in volumes as a result of the group's increase in prices. Over the year, we now expect 3.7% organic sales growth, which compares to consensus expectation of 4.2%. Our Fair Value is adjusted to CH83.

L'Oréal	RATING : BUY	Fair Value EUR177 (+4%)
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Last week, L'Oréal hosted Capital Market Days in UK where L'Oréal is the market leader with a 18.5% with a continuous market share gains (14.6% in 2006). L'Oréal UK has all the assets, in our view, to reduce the gap with its market share in WE (20.5%). Buy and EUR177 FV maintained.

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**ERYTech**

**RATING : BUY**

**Fair Value EUR47 (+150%)**

Erytech announced that the last patient has been enrolled in its Phase II study evaluating ERY-ASP as a second-line treatment of pancreatic cancer in combination with gemcitabine/FOLFOX. And given that the primary endpoint is an improvement of progression-free survival (PFS) at 4 months, we understand that the readout is now expected in Q1 2017. That said, we would recommend to play this catalyst with some cautions.

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