

## BG SALES-TRADING MORNING DU 28/09/2016

### 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	18228,3	0,7%	0,2%	Semi Conducteurs	1,8	18,7	Travel & Leisure	1,1	-15,4
NASDAQ	5305,7	0,9%	0,2%	Transportation	1,4	6,4	Food & BeV	0,9	0,5
S&P 500	2159,9	0,6%	0,2%	Spec. Retail	1,4	4,6	Personal & Household	0,8	1,8
NIKKEI	16454,2	-1,4%	-	IT, SOFTW & Serv.	1,2	8,3	Real Estate	0,8	-3,5
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Utilities	-1,2	15,9	Oil & Gas	-1,4	2,8
				Real Estate	-0,8	6,9	Insurance	-0,8	-18,8
				Oil & Gaz	-0,5	9,9	Financial Serv.	-0,6	-12,1
				Auto	0,1	-8,1	Auto & Part	-0,5	-16,1

### 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	94,3	-0,2	AIR LIQUIDE SA	94,3	-0,2	GAS NATURAL SDG SA	18	0,3
KERING	179	-0,5	VOLKSWAGEN AG-	113,2	-2,6	ARM HOLDINGS PLC	1700	-
ORANGE	13,8	1,7	ANHEUSER-BUSCH	117,4	1	SABMILLER PLC	4465	0,6
LEGRAND SA	52,6	-1	DEUTSCHE BANK AG-	10,6	0	WOLSELEY PLC	4244	-1,3
NOKIA OYJ	5,1	1,8	ORANGE	13,8	1,7	ROLLS-ROYCE H	711	-0,1

**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%	0,7%	€/\$	1,1208	-0,1%	3,2%	BRENT	44,9	-0,2%	25,5%
U.S 10 ANS	99,4	-0,1%	1,6%	€/¥	112,77	-0,1%	15,8%	ONCE OR (\$)	1325,4	-0,1%	24,9%
VIX Index	13,1		-9,7%					VSTOXX Index	20,7		2,2%

### Economic Calendar

7h00 JP Small Business Confidence (47.7A, 47 E)  
 9h00 CH - KOF Leading indicator Sep. (100.5E)  
 14h30 US - Durable Goods Orders Aug. (-1.5%E)  
 16h00 US -FED Yellen testifies before house panel  
 16h300 - US DoE Inventories

#### Dividends Calendar ex-date next day

IG GROUP	22.95p (2.55%)
SMURFIT	€0.22 (1.01%)
INTERTEK	19.4p (0.54%)
SMITH	8.8p (2.18%)

#### Ex Div today

GTT(GTT.PA)	€1.33 (4.8%)
ACTIA Group (MRSP.PA)	€0.1 (1.45%)

### Markets Recap (source Street account)

**Asian markets are trading lower on Wednesday.** Trading activity is relatively subdued, with markets lacking obvious catalysts following the recent conclusion of the BoJ and Fed meetings, and the first presidential debate. JGBs have extended gains with yesterday's sharp declines in 2y and 5y yields seen reflecting market views the BoJ will ultimately extend interest rates deeper into negative territory. The Nikkei is underperforming the region with the major banks under pressure.

**Chinese markets are lower ahead of next week's Golden Week celebrations.** There have been more calls for the government to boost fiscal spending after the China Academy of Social Sciences flagged weaker growth in Q4. Other equity markets across Asia have logged generally minor moves. The dollar has seen some strength with San Francisco Fed President Williams repeating the economy is strong enough to withstand a rate hike.

**Oil has steadied following an overnight sell-off.** API reported a 752K barrel crude inventory drawdown in the latest week, contrasting with a 3.2M barrel build forecast by analysts in an S&P Platts poll. Already low prospects for a production freeze agreement at this week's Algiers meeting appear to have been

dashed following the latest rhetoric from Saudi Arabia and Iran. Nickel is little changed after its latest rally that followed reports on Tuesday only 10 of 40 mines passed the Philippines' environmental review.

**US equities finished higher on Tuesday.** Treasuries were mostly stronger with the curve flattening. The dollar was mixed, but outperformed on the euro cross. Mexican peso strength another area of focus. Gold finished down 1%. Crude oil came under pressure, with WTI losing 2.7% amid diminishing production freeze hopes.

**Relatively quiet session.** Key area of focus on politics after last night's debate, which according to many saw Clinton come out on top. However, some doubts about how much it will impact overall race going forward. DB stabilization another topic after shares hit an all-time low yesterday. Bank said to meet capital requirements and Justice Department official believes it can lower its penalty by cooperating. A better-than-expected consumer confidence report also cited as a tailwind.

**Not much on the corporate calendar.** Some cautious comments from CS CEO. MYL and Lupin said to be considering offers for Bayer's dermatology unit. RICE to acquire Vantage Energy for ~\$2.7B. KITE rallied on positive trial data, while AMGN hit after trial data.

**Eight of the ten major sectors closed higher.** Tech was the best performer, followed by consumer discretionary. Utilities and energy were the only sectors to finish lower.

### Stocks Factor to watch today :

**FUTURES 08h00 :** DAX +0.4%, ES50 +0.3%, CAC +0.2%

**RENAULT :** will unveil a longer-ranged version of ZOE at Paris Auto Show with an upgraded battery that will almost double its driving range.

**EDF :** Board confirms approval for Hinkley point, UK government scheduled to sign Hinkley point contract Thursday

**INDRA :** says to issue 250m€ convertible bonds, 100m€ to repurchase convertibles due in 2018.

**GLAXOSMITHKLINE :** Oncodesign to buy GSK's Research center in France.

**FORTUM :** TP raised to €11 vs. 10 @Credit Suisse

**ASTRAZENECA :** names David Goldsteing as Chief adviser for Genomics

**ORPEA :** 1H revenues €1.38bn, 1H net €75.5m, reiterates FY Guidance.

### Rating & TP Changes

**Top Picks Q4 Consumer:** Carrefour (FV EUR30), Hermes (FV EUR370), Moncler (FV EUR17.5), Rémy Cointreau (FV EUR84)



**INFINEON :** FV raised to €17.5 vs. 16, BUY @Bryan Garnier

**UBISOFT :** FV raised to €35 vs. 34, BUY @Bryan Garnier

**SAP :** FV raised to €79 vs. 75, NEUTRAL @Bryan Garnier



**SHIRE :** tp cut to 5200p vs. 5250 @HSBC

### Technical Analysis

**HIGHEST YTD :** COVESTRO, HOCHTIEF, MORRISON, SABMILLER, SEVERN TRENT

**LOWEST YTD :** ADP, DETUSCHE BANK, NOVO NORDISK

**RSI 14 Overbought :** ATOS, COVESTRO, RUBIS

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

Ubisoft

RATING : BUY

Fair Value EUR35 vs. EUR34

UBI yesterday announced the acquisition of the very profitable mobile game publisher and developer Ketchapp. This acquisition is accretive by +3% on average over the next 2 years. We estimate the price at less than 7x Ketchapp's EBIT. This small acquisition gives UBI the fourth leading mobile game publishers and reinforces its advertising capabilities in mobile gaming. We maintain our Buy rating and raise our FV from EUR34 to EUR35 (based on fundamentals). We advise investors to play the positive momentum. => **Positive**.

**SAP** **RATING : NEUTRAL** **Fair Value EUR79 vs. EUR75**

We reiterate our Neutral rating and raise our DCF-derived fair value to EUR79 from EUR75 as we increased our medium-term lfl revenue growth rate to +8% from +7%. Yesterday afternoon SAP announced it completed the acquisition of Altiscale for an undisclosed sum. We estimate the deal has no material impact to our forecasts, but it will allow SAP to address Big Data infrastructure challenges faced by customers on its recently launched HANA Vora in-memory query engine.

**Infineon** **RATING : BUY** **Fair Value EUR17.5 vs. EUR16**

Today, we take advantage of a better visibility on FQ4 2016e/FY17e to adjust our mid-term estimates of model, and take into account the solid momentum on both Automotive and Industrial sector. Overall, we raise our top-line growth estimates which leads to FY17e and FY18e EPS estimates to increase by 2%. We continue to think that the profile of Infineon is slowly but continuously improving from an investor perspective while the valuation metrics remain attractive. Following adjustments to our model, we reiterate our Buy recommendation and raise our FV from EUR16 to EUR17.5.

**Hella** **RATING : BUY** **Fair Value EUR45 (+27%)**

Hella posted this morning solid Q1-2016/17 earnings this morning, despite unfavourable FX and disposal effects. All earnings metrics came out slightly above our expectations, with adjusted EBIT margin up 80bp to 7.6% (BG @ 7.2%). Full year objectives were reiterated with the group confirming both its market outlook for 2016 (+3% growth) and its internal sales and margin targets. We expect positive share price reaction this morning especially after the recent share price drop observed over past five days. Buy, FV @ EUR45.

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