

BG SALES-TRADING MORNING DU 29/09/2016

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	18339,2	0,6%	0,7%	Oil & Gaz	4,3	14,6	Media	1,6	-8,9
NASDAQ	5318,5	0,2%	0,5%	Auto	1,7	-6,6	Basic Resources	1,4	33,3
S&P 500	2171,4	0,5%	0,7%	Materials	1	9,6	Chemicals	1,3	-3,2
NIKKEI	16709	1,5%	-	MEDIAS	0,9	4,4	Auto & Part	1,2	-15,1
SECTEURS S&P : WORST PERFS.					SECTEURS STOXX : WORST PERFS				
				S&P	Var %	YTD	STOXX	Var %	YTD
				Consumer Durables	-1,2	-1,5	Real Estate	0	-3,5
				Telecom Op.	-1	14,3	Retail	0,3	-9,8
				Food staples, Retail	-0,5	-2,4	Food & Bev	0,4	0,9
				Consumer Serv.	-0,4	-3,6	Personal & Household	0,5	2,4

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%	
AIR LIQUIDE SA	95,8	1,6	AIR LIQUIDE SA	95,8	1,6	SABMILLER PLC	4490	0,6	
SOLVAY SA	102,4	2,2	ANHEUSER-BUSCH INBEV SA/NV	118,8	1,2	STEINHOFF INTERNATIONAL H NV	5,3	3,9	
VEOLIA ENVIRONNEMENT	20,5	1,1	DEUTSCHE BANK AG-REGISTERED	10,8	2	ARM HOLDINGS PLC	1700	#N/A	N/A
PUBLICIS GROUPE	68,1	2,6	IBERDROLA SA	6	1,2	SMITHS GROUP PLC	1443	4	
MICHELIN (CGDE)	99,2	1,9	KONINKLIJKE PHILIPS NV	26,6	0,9	LANXESS AG	55,4	3,7	

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%	€/ \$	1,1222	0%	3,3%	BRENT	47,6	0%	33,1%
U.S 10 ANS	99,3	-0,1%	1,6%	€/ ¥	114,08	-1%	14,5%	ONCE OR (\$)	1321,7	0%	24,5%

VIX Index	12,4	-5,4%	VSTOXX Index	19,7	-4,7%
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Economic Calendar

9h55 DE - Unemployment rate (6.1% E)
 10h30 GB Net Consumer Credit
 14h00 DE - CPI Sep (+0.6% E y/y)
 14h30 US - Wholesale inventories
 14h30 US- GDP annualized 2Q (+1.5% E)
 14h30 US - Personal Consumption (4.4% E)
 14h30 Pending homes sales Aug.
 14h30 US - Initial Jobless Claims Sep. (260K E)

Dividends Calendar ex-date next day

COLRUYT €0.1876(1.58%)
 HELLA KG €0.77 (2.07%)

Ex Div today

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

Markets Recap (source Street account)

Asian markets are trading higher no Thursday. The oil rally has dulled the haven appeal of government bonds, provided a tailwind for equities and has led to sharp gains in energy stocks. The dollar-yen has rebounded following the latest round of hawkish-leaning Fed speak. The Nikkei is outperforming the region despite a surprise contraction in Japanese retail sales last month.

Greater Chinese markets are posting solid gains ahead a week-long holiday from next Monday. It has been relatively quiet in terms of newsflow. Bloomberg suggested increased buying interest in Hong Kong funds by mainlanders is another sign of capital outflow pressures. There are also (more) reports of an

imminent announcement of the start date for the HK-Shenzhen stock link.

Oil futures have steadied. A headline-driven rally overnight followed reports OPEC members agreed on a production deal. However details remain scant and skepticism abounds amid a lack of clarity on how much each country will cut, compliance monitoring, and complications arising from longstanding Saudi-Iranian tensions.

US equities finished higher on Wednesday. Treasuries were slightly weaker across the curve. The dollar was mixed, but outperformed on the yen cross. Gold extending yesterday's losses, finishing down 0.5%. Crude oil rallied after OPEC officials agreed to a production deal. WTI closed up 5.3%, its best session since April.

Oil the big story today. OPEC reportedly reached a deal to cut output by somewhere between 200K-700K bpd, though details and execution are not expected until the official November meeting. DB concerns another area of focus (though stock posted a solid gain), with German government denying report it is working on a contingency plan if the bank is unable to raise capital. Fed speak picked up. Yellen said majority of FOMC officials see a rate rise as likely this year. Mixed durable goods data highlighted a quiet economic calendar.

Much of the corporate activity centered in consumer discretionary. NKE weaker on disappointing future orders. SONC guided below the street. TPX under pressure on negative preannouncement. National Amusements reportedly calling for VIAB/CBS to study recombination. Elsewhere, AAPL reportedly increasing component orders for iPhone 7. Both BBBY and CTAS beat and raised guidance.

Seven of the ten major sectors closed higher. Energy the big winner, up more than 4%. Materials and industrials also outperformed. Defensive sectors lagged, with telecom and utilities the two worst performers

Stocks Factor to watch today :

FUTURES 08h00 : eES50 +1.1%, DAX +1.1%, CAC +1.2%, FTSE +1.1%

SOLVAY : at its capital markets day in London updates its strategic transformation, reaffirms its financial guidance for 2016 and unveils medium term value objectives. 2016 to 2018 at constant scope and foreign exchange rates include and increase of Cash Flow return on investment by 50-100basis points.

NOVO NORDISK : announces plans to reduce workforce by approx. 100 employees. The reductions will affect R&D units and Headquarter staff functions. Keeps outlook

PLASTIC OMNIUM : sees 10% to 20% of cars running electric soon

Rating & TP Changes



INDRA SISTEMAS :FV raised to €12 vs. 11, NEUTRAL @Bryan Garnier

COFACE : OVERWEIGHT vs. NEUTRAL, TP cut to €7.6 vs. 5.5 @JPM

SODEXO : BUY vs. HOLD @Soc Gen



Technical Analysis

HIGHEST YTD : ATOS, CAMPARI, COVESTRO, HEIDELBERGCEMENT,IPSEN, MICHELIN, SABMILLER, RUBIS, SOLVAY

LOWEST YTD : ADP, GALENICA, BCO POP ESPANOL

Upward Signals

BIC, BNP, TECHNICOLOR : 50d MAV crossing upward 200d MAV

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

Valeo

RATING : NEUTRAL

Fair Value EUR49

Yesterday afternoon, in the margin of the Paris Motor Show, Valeo hosted a “TECH” event focusing specifically on its two businesses offering the biggest sales growth potential: Comfort & Driving Assistance and Powertrain Systems due notably to market transformation that are affecting the automotive industry (greener vehicles and self-driving vehicles). Global tone was very positive while figures/metrics unveiled were quite interesting, making us comfortable with our 2016-20 estimates.

Essilor **RATING : BUY** **Fair Value EUR130**

Essilor hosted the first day of its US Field Trip in Dallas (TX) to present its strategy for North America. Although this region already accounts for 48% of total sales, it harbors a growth potential of “an emerging market” according to CEO Hubert Sagnières. In terms of LFL growth, the Group intends to outperform the market by at least 1.5x thanks to: (i) an increasing engagement with consumers, (ii) deepened relationships with independent ECPs and optical chains and (iii) fast-growing segments such as online and sunglasses, the latter being presented more in details on Friday.

SAP **RATING : NEUTRAL** **Fair Value EUR79**

Yesterday SAP announced the acquisition of Plat.One for an undisclosed sum. Founded in 2015, Plat.One employs less than 50 staff and provides an IoT application platform which simplifies the creation, deployment and management of complex IoT solutions. The start-up will accelerate the availability of IoT capabilities in the HANA Cloud Platform. SAP also announced investment plans of EUR2bn over 5 years to help customers benefiting from the IoT wave. Positive.

Indra Sistemas **RATING : NEUTRAL** **Fair Value EUR12 vs. EUR11**

Yesterday afternoon, Indra announced the final terms and conditions of its EUR250m issuance of convertible bonds: annual fixed interest of 1.25%, initial conversion price at EUR14.63; proceeds of this bond issue to be used for repurchasing EUR95m or 38% of the 1.75% convertible bonds maturing in October 2018 at 105% of its principal, or EUR100m. We raise our DCF-derived fair value to EUR12 from EUR11 as we reduce our WACC to 11.2% from 11.6% given our new cost of debt assumption of 3.1% (vs. 4.2%).
