

BG SALES-TRADING MORNING DU 30/09/2016

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	18143,4	-1,1%	-0,9%	Semi Conducteurs	1	20,2	Oil & Gas	4,4	8,1	
NASDAQ	5269,2	-0,9%	-0,6%	Oil & Gaz	-0,1	14,5	Basic Resources	3,1	37,4	
S&P 500	2151,1	-0,9%	-0,7%	Telecom Op.	-0,2	14,1	Utilities	0,9	-4,7	
NIKKEI	16436,3	-1,5%	-	Spec. Retail	-0,3	4,8	Financial Serv.	0,4	-11,2	
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS			
				S&P	Var %	YTD	STOXX	Var %	YTD	
				PHARMA.	-2,1	-4,2	Healthcare	-1,3	-8,8	
				Banks	-1,6	-8,1	Real Estate	-1	-4,5	
				Div. Financials	-1,5	1,2	Travel & Leisure	-0,8	-15,3	
				Utilities	-1,4	13,9	Personal & Household	-0,7	1,6	

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%
TECHNIP SA	54,2	7,6	BASF SE	74,4	1,8	CAPITA PLC	698	-26,7
MICHELIN (CGDE)	98,1	-1,2	ABUSCH INBEV SA/NV	116,6	-1,8	BABCOCK INTL GROUP	1046	-3,8
VALEO SA	51,1	1,6	ENI SPA	12,9	4,6	ARM HOLDINGS PLC	1700	-
TOTAL SA	42,7	4,1	TOTAL SA	42,7	4,1	PHOENIX GROUP	880	1,4
CAPGEMINI	87,5	-0,4	ENGIE	13,9	1,3	IG GROUP HOLDINGS	865	-2,2

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	100,1	0%	0,7%	€/ \$	1,1218	0%	3,3%	BRENT	47,6	-0,5%	33,1%
U.S 10 ANS	99,6	0,2%	1,5%	€/ ¥	113,32	0%	15,3%	ONCE OR (\$)	1324,2	0,3%	24,8%
VIX Index	14		13,2%				VSTOXX Index	20		1,3%	

Economic Calendar

JP - National CPI Aug. (-0.5% A)
 11h00 - EUZ CPI Sep. (0.4%)
 14h30 - US Personal Spending Aug. (0.1% E)
 16h00 - US U. of Michigan Conf. Sep. (90E)
 19h00 - Fed's Kaplan speaks in Dallas
 19h00 - Baker Hughes U.S. Rig Count

Dividends Calendar ex-date next day

Ex Div today

COLRUYT €0.8176 (1.58%)
 IMMOFINANZ €0.06 (2.83%)
 HELLA €0.77 (2.07%)

Markets Recap (source Street account)

Asian equities mostly lower in early trading Friday mainly attributed to US market weakness and European banking sector concerns tied to Deutsche Bank. Financials underperforming though also joined by broadly based sector weakness. Yen firmer overnight with euro softer against the majors. Crude oil and gold retreated from overnight highs.

China activity especially quiet ahead of the extended holidays next week. September Caixin PMI edged up as expected and continues to straddle the break-even 50 level, suggesting manufacturing activity still tracking sideways. PBoC's open market operations drained net CNY420.1B this week. Yuan was fixed stronger against dollar at 6.6778 vs 6.6700.

Japan news dominated by month-end data dump for August, indicating stronger than expected industrial production contrasting with softer household spending and inflation data. Elsewhere, BoJ

Summary of Opinions of the last board meeting indicated considerable attention to impacts of policy on financial institutions, while also flagging that the new 0% target for 10y JGB yields is not fixed.

US equities finished lower on Thursday. Treasuries were stronger across the curve. The dollar was mixed, but slightly better on the yen cross. Gold gained 0.2% after its recent selloff. Oil extended yesterday's rally, with WTI crude settling up 1.7%.

DB concerns the big story today. Bloomberg report said a number of hedge funds that clear derivatives trades with the bank have withdrawn some excess cash and reduced positions. Comes amid increased capital concerns and reluctance of German government to get involved.

Continued rally in oil the other area of focus after yesterday's preliminary OPEC agreement to cut production. However, some skepticism about mechanics of the deal and ability to accelerate the rebalancing of the market. Economic calendar pretty active, with jobless claims, GDP revision, international trade and pending home sales data out this morning.

Good bit of corporate activity. PEP and CAG both beat in the consumer staples. PIR with positive commentary on comps trends. PRGS missed and lowered guidance. M&A highlighted by report NXPI in talks to be acquired by QCOM, and RH rallying on WSM takeover rumors.

All ten major sectors closed lower today. Healthcare, financials and utilities all lost more than 1%. Energy and telecom were the relative outperformers

Stocks Factor to watch today :

FUTURES 08h00 : DAX -1.6%, CAC40 -1.4%, FTSE -1%

BANKS : Yesterday, Valdis Dombrovskis, the EU's current financial services chief, said he was prepared to break with Basel unless it backs down over its latest set of reform proposals. (Financial Times)

CREDIT AGRICOLE : to increase shipping loans provisions in 2016.

ZEALAND : raised DKK143m/ \$22m via placement. Increased offering to up to 6% of shares

AIRBUS : AIRBUS GROUP merging group and commercial aircraft into new entity.

H&M : Q3 pretax profit falls slightly more than expected.

Rating & TP Changes

WIRECARD : added to 4Q TOP PICK LIST @Bryan Garnier



DASSAULT SYSTEMES : TP raised to €85 vs. 75 @HSBC

BURBERRY : SECTOR PERFORM vs. UNDERPERFORM, TP raised to 1400p vs. 1200p, @RBC

DANONE : TP raised to €67 vs. 61, NEUTRAL @UBS



HEIDELBERGCEMENT : TP raised to €95 vs. 83, BUY @DZ BANK

Technical Analysis

HIGHEST YTD : EDENRED, ENDESA, IPSEN, LOGITECH, RUBIS, SABMILLER, TECHNIP, VALEO

LOWEST YTD : BCO POPULAR ESPANOL, CAPITA, LUFTHANSA, NOVO NORDISK

RSI 14d overbought : IPSEN, SABMILLER, RUBIS

RSI 14d oversold : ADP, H BOSS, JCDECAUX, NOVO NORDISK

Upward Signals

OMV : stock price crossing upward 50d, 100d, 200d MAV

Downward Signals

GEMALTO : stock price crossing downward 50d, 100d, 200d MAV

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

Gemalto

RATING : NEUTRAL

Fair Value EUR62 (+9%)

Safran yesterday announced it enters into exclusive negotiations with Advent International, associated with Bpifrance, for the sale of its Identity and Security activities (Morpho). Morpho will be combined with Oberthur Technologies to create a world champion of identification technologies. The EUR2,425m deal is expected to close in 2017. The complementarity of this business combination was an essential criteria in the choice. We maintain our Neutral recommendation and FV of EUR62. => **Negative**.

Ubisoft

RATING : BUY

Fair Value EUR35 (+3%)

At yesterday's AGM, Ubisoft's CEO Yves Guillemot was renewed as an administrator at the Board of Directors. Vivendi adopted a "low-profile attitude" and submitted no resolution. However, it sent a press release after the event demonstrating its motivation for the video game sector and Ubisoft. As a result, we consider that UBI's fundamentals are almost valued but that speculation remains fully intact. We advise investors to play this momentum. => **Positive**.

Software and IT Services

Yesterday Accenture reported Q4 FY16 results in line with consensus, while FY17 guidance suggest no change in the market dynamics compared to one year ago. Large transformation projects driven by Digital and Cloud are still the drivers for growth, and large global IT Services firms like Accenture are able to maintain growth momentum - unlike offshore players which have to pursue transformation. In our view, with no big surprises, this publication is neutral for Capgemini and Atos.

Q4 TMT Top Pick list

WIRECARD, BUY (FV: EUR58)

We include again Wirecard on our Q4 TMT Top Pick list to benefit from extremely good fundamentals (pure player in ePayment, global reach, and exposure to South-East Asia) and a still a good momentum (reconnection with its fundamentals and US funds continuing to cover their short positions with the consolidation of Citi Prepaid Card Services). We see organic sales growth of 20.3% in FY16e with EBITDA of EUR306.3m i.e. a margin of 30.1% (vs. an official guidance of EUR290-310m, but a more likely reachable EUR300-310m). Wirecard's PEG is still very appealing, with a P/E of 25x vs. EPS growth of 38% in 2016e.
