

BG SALES-TRADING MORNING DU 03/10/2016

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	18308,2	0,9%	0%	Banks	1,6	-6,6	Auto & Part	1	-14,2
NASDAQ	5312	0,8%	-0,1%	Household Products	1,4	9,7	Technology	0,9	3,5
S&P 500	2168,3	0,8%	0%	Div. Financials	1,3	2,6	Chemicals	0,9	-2,6
NIKKEI	16603	0,9%	-	Food staples, Retail	1,3	-2,3	Banks	0,6	-23,3
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Utilities	-0,7	13,1	Basic Resources	-1	36
				Real Estate	-0,5	5,6	Telecom	-0,8	-15,2
				Telecom Op.	-0,3	13,8	Healthcare	-0,6	-9,3
				IT, SOFTW & Serv.	0,3	8,1	Utilities	-0,5	-5,2

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%
SOCIETE GENERALE	30,8	-0,1	DEUTSCHE BANK AG-	11,6	6,4	ARM HOLDINGS PLC	1700	-
CREDIT AGRICOLE	8,8	1	TELEFONICA SA	9	-4	SABMILLER PLC	4495	0
BNP PARIBAS	45,8	0,8	SOCIETE GENERALE	30,8	-0,1	H & M AB-B SHS	242	-2,9
AXA SA	18,9	1,2	ING GROEP NV	11	1,2	DEUTSCHE BANK AG-	11,6	6,4
SCHNEIDER	62,1	0,4	BASF SE	76,1	2,4	RPC GROUP PLC	960	0,2

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	0%	0,8%	€/§	1,1229	-0,1%	3,3%	BRENT	48,7	2,1%	36,2%
U.S 10 ANS	99,1	-0,1%	1,6%	€/¥	113,82	0,1%	14,8%	ONCE OR (§)	1314,9	-0,2%	23,8%
VIX Index	13,3		-5,2%					VSTOXX Index	19,8		-1%

Economic Calendar

10h00 -EUZ PMI manufacturing Sep. (52.6 E)
 10h30 GB - Markit PMI Manuf. (52.1E)
 16h00 US - ISM Manufacturing Sep. (50.3 E)
 16h00 US - ISM New Orders

Dividends Calendar ex-date next day

Ex Div today

INNELEC (INN.PA)

€0.25 4.95%

Markets Recap (source Street account)

Asian markets are trading higher on Monday. Regional volumes have been affected by the closure of mainland Chinese markets for Golden Week celebrations. The Hang Seng is outperforming with casino operators rallying after Macau gaming revenues grew at twice their expected pace last month. Property developers have also been a focus after a number of Chinese cities tightened restrictions on home purchases over the past few days.

It has been fairly busy in terms of data with manufacturing headlining the calendar. The BoJ Tankan showed Japanese large firm sentiment held steady during the September quarter. The official China PMI was also unchanged while Australia's manufacturing sector showed some improvement but remained in contraction. Banks are driving some of the regional gains, coming on the back of a rally in global financials on Friday that followed reports Deutsche was close to a deal on accepting a much smaller fine from the Department of Justice.

US equities finished higher on Friday. Treasuries were weaker across the curve. The dollar was mixed, but stronger on the yen cross. Gold closed down 0.7%. Oil extended recent rally, with WTI crude settling up 0.9%.

Much of the focus today was on DB again today, with a relief rally in shares providing a tailwind for

the market. Bank reportedly nearing a \$5.4B settlement with the DoJ, a figure much lower than the \$14B initially floated (though expected). Elsewhere, relatively busy day on the economic calendar. Q3 GDP tracking estimates lowered on weaker than expected personal spending data.

Not much corporate activity today. COST a post-earnings standout, while CAMP the notable post-earnings loser. More attention on semi consolidation with yesterday's report QCOM in talks to acquire NXPI. CFIUS cleared LXX acquisition.

Eight of the ten major sectors closed higher today. Financials and energy were the best performers, while utilities and telecom were the only sectors to finish lower

Stocks Factor to watch today :

AEGON : announced repurchase of shares to neutralize 2016 interim stock dividend

ASTRAZENECA : MEDIMMUNE out-licences potential medicine for inflammatory diseases to ALLERGAN, ALLERGAN will make an upfront payment of \$250m for exclusive worldwide licence to develop and commercialise MEDI2070.

ESSILOR : to maintain sales growth at around 10% at constant exchange rate.

AUTOMOTIVE : French new car registration rise 2.5% in September

Rating & TP Changes

LAFARGE, IMERYS, HEIDELBERGCEMENT : added to 4Q Top Picks List

ELIOR : added to 4Q Top Picks List



LAFARGE : FV raised to CHF60 vs. CHF50, BUY @Bryan Garnier

COMPASS :FV 1450p vs. 1200, NEUTRAL @Bryan Garnier

ELIOR : FV €24 vs. 23, BUY @Bryan Garnier

SODEXO : FV €92 vs. 88, NEUTRAL @Bryan Garnier

BIOMERIEUX : TP raised to €130 vs. 104, HOLD @Jefferies

DANONE : resumed with OUTPERFORMED, TP €130 @Bernstein

SCHNEIDER : TP raised to €72 vs. 98 @Berenberg



ORANGE : HOLD vs. BUY, @ HSBC

Technical Analysis

HIGHEST YTD : INFINEON, IPSEN, SABMILLER, VALEO

LOWEST YTD : GALENICA, CAPITA, NOVO NORDISK

Upward Signals

MAN: stock price crossing 50d, 100d, 200d MAV

Downward Signals

METRO : 50 D MAV crossing 200d MAV,

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

LafargeHolcim

RATING : BUY

Fair Value CHF60 vs. CHF50

We briefly revisit our investment case before the Capital Markets Day (18/11). LafargeHolcim is our preferred play in the cement sector: the improved macro sentiment in the Emerging Markets, the Q2 earnings trend reversal, and ongoing simplification will support the share price. Besides, while we start to question the strength of US construction trends, LafargeHolcim's diversification is a clear advantage. Positive.

Essilor	RATING : BUY	Fair Value EUR130
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The third and last day of this Field Trip took place at FGX headquarters (Smithfield, RI) to present more in details the Group's sun strategy in the US and worldwide. In a highly fragmented sun market expected to grow at a healthy 5-7% p.a., Essilor anticipates sales CAGR of ~9% over 2015-18, o/w 7% organically to reach a revenue of EUR1.1-1.2bn by 2018 (vs. ~EUR860m in 2015). This outperformance will be driven by: (i) increasing the quality of sun lenses and bringing innovation in all price points (premiumisation), (ii) expanding geographically its global brands (Foster Grand, Bolon, Costa, etc.) and (iii) M&A to enlarge the brand portfolio.

Morphosys	RATING : BUY	Fair Value EUR64 vs. EUR62
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JNJ and MOR announced that the VOYAGE 1 study (Phase III evaluating guselkumab in plaque psoriasis vs both a placebo and adalimumab) met all its co-primary endpoints. Efficacy data (and notably the PASI 100 at week 48) are very competitive with Cosentyx's (NVS), thus confirming our positive bias on this candidate. Our FV is lifted from EUR62 to EUR64 as we have slightly increased the associated PoS (70% vs 60%).

Car Part Manufacturers

According to CCFA figures, French automotive registrations (PC+LCV) were up 1.6% YoY in September, with PC sales up 2.5% and LCV down 2.1%. Share of diesel continued to fall (52.5% of YTD sales vs. 58% one year ago). Within French OEMs, Renault group performed well (+3.6%) to the contrary of PSA (-5.4%). French market is still expected to rise by 4-5% over 2016.
