

BG SALES-TRADING MORNING DU 04/10/2016

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	18253,8	-0,3%	0,1%	Transportation	0,4	8	Financial Serv.	1,2	-10,2
NASDAQ	5300,9	-0,2%	0,3%	PHARMA.	0,2	-3	Travel & Leisure	0,6	-14,5
S&P 500	2161,2	-0,3%	0,2%	Telecom Op.	0,1	13,9	Basic Resources	0,5	36,7
NIKKEI	16683,9	0,5%	-	Materials	0	9,6	Oil & Gas	0,5	8,2
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Real Estate	-1,8	3,7	Utilities	-0,6	-5,7
				Utilities	-1,3	11,6	Real Estate	-0,4	-4,6
				Household Products	-1,1	8,5	Telecom	-0,3	-15,4
				Food staples, Retail	-0,9	-3,2	Media	-0,2	-9,1

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%
ESSILOR	115,2	0,4	DEUTSCHE BANK AG-	11,6	6,4	HENDERSON GROUP	270,7	16,7
DANONE	67,2	1,7	BASF SE	76,1	2,4	ARM HOLDINGS PLC	1700	-
CAPGEMINI	88,9	2	BAYER AG-REG	89,4	1,3	DEUTSCHE BANK AG-	11,6	6,4
VIVENDI	17,7	-1,6	MUENCHENER RE	166	0,9	RPC GROUP PLC	980	2,1
SAFRAN SA	64,4	0,7	FRESENIUS SE & CO KGAA	71	1,3	MERLIN ENTERTAINMENT	445,6	1,4

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

Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	99,9	0%	0,8%	€/ \$	1,1187	-0,2%	3%	BRENT	49,1	-0,1%	37,4%
U.S 10 ANS	98,9	0%	1,6%	€/ ¥	114,37	-0,4%	14,2%	ONCE OR (\$)	1311,2	-0,1%	23,5%

VIX Index	13,6	2,1%	VSTOXX Index	20,4	3,2%
-----------	------	------	--------------	------	------

Economic Calendar

7h00 JP - Consumer Confidence Index Sep. (43A, 41.5 E)

10h30 GB - UK construction PMI (49E)

15h45 US - ISM New York

Markets Recap (source Street account)

Asian markets are mostly higher on Tuesday. The Nikkei's gains have occurring alongside those in the dollar-yen as the BoJ Tankan showed a drop in firms' inflation expectations. There has also been a pickup in dovish BoJ headlines, with reports noting yen strength is becoming an increasing concern for central bank officials. Governor Kuroda is seen favoring deepening negative rates to counter the currency's economic impact, though told Japan's parliament today that the policy also needed to be assessed for how it affects the financial sector.

The rate sensitive sectors are leading declines on the ASX amid a sharp backup in longer-dated Australian government yields. The RBA kept the cash rate unchanged as widely expected, leading to only muted moves in the Aussie dollar immediately following the decision. Elsewhere the Hang Seng is flat as mainland Chinese markets remain closed for National Day celebrations.

US equities closed lower today. Treasuries were weaker across the curve. The dollar was stronger, particularly on the sterling cross. Gold lost 0.3%. Oil added to last week's ~8.5% rally, though the path was choppy. WTI settled up 1.2%.

There was no clear catalyst for today's decline. Sterling was weak after Britain's PM May said she would trigger Article 50 by the end of March 2017. DB continued to be an overhang as the size of its DoJ settlement remained undetermined. September's ISM manufacturing index beat consensus, but construction spending was weak. Clinton criticized WFC in an economic-policy speech. The US suspended Syria ceasefire negotiations with Russia.

WGO surged following an acquisition announcement and preliminary Q4 guidance. CAB is to be acquired by Bass Pro Shops for ~\$5.5B. JNS announced it intends to join with HGG.LN in a merger of equals. Auto names were in focus with TSLA deliveries ahead of consensus while F and GM September sales were better than expected. KBR significantly cut its FY16 guidance.

Select chemical firms buoyed materials. Airlines helped industrials. Autos led in consumer discretionary. Pharma was better for healthcare. Networking and communications names were weaker. Banks were mixed. HPCs were a drag on consumer staples. Utilities and REITs trailed the market.

Stocks Factor to watch today :

FUTURES 8h00 : DAX flat, CAC +0.2%, , FTSE -0.1%, ES50 +0.3%

LVMH : to buy German luggage group RIMOWA for €640M, Alexandre Arnault will be named co-head

AXA : has no plan for big mergers CEO told a German Newspaper

SANOFI : Dingué's vaccine approve in 11 countries

SHOWROOMPRICE.COM : will buy Italy's SALDI PRIVATI for €28m, becoming the second player in online private sales in Italy

ASTRAZENECA : reports top-line Brilinta Euclid results in pad, Brilinta do not demonstrate a benefit over clodipogrel in a symptomatic peripheral artery disease patient population.

ASTRAZENECA : enters agreement with ARATEZ for beta-blocker medicine Toprol-XL

WIRECARD : increases EBITDA guidance 2016 of €290m to 310 to a bandwidth of between €298m to €312m

Rating & TP Changes



BURBERRY : TP raised to 1350p vs. 1320 @Barclays

SAP :TP raised to €93 vs. 80 @HSBC

WOLSELEY : started with NEUTRAL, TP 4600p @Goldman Sachs

SOC. GEN : TP raised to €35 vs. 34 @ UBS

VIVENDI : BUY vs. HOLD @Deutsche Bank

AHOLD DELHAIZE : OUTPERFORM vs. NEUTRAL @Exane



RICHEMONT : FV cut to CHF60 vs. 63, NEUTRAL @Bryan Garnier

H&M : TP cut t SEK265 vs. 270 @HSBC

GENMAB : initiated with REDUCE, TP DKK1176 @HandelsBanken Capital

Technical Analysis

HIGHEST YTD : ATOS, COMPASS, DIAGEO, EDENRED, INFINEON, IPSEN, JERONIMO MARTIN, SABMILEER, SAGE, SEB, SODEXO, TEMENOS, UNILEVER

LOWEST YTD : ADP, CAPITA, INGENICO, LUXOTTICA, NOVO NORDISK, PROXIMUS

Upward Signals

HENDERSON (HGGH.L), INTERMEDIATE CAP. (ICP.L) : Stock price crossing upward 50dd, 100d, 200d MAV

Downward Signals

TECHNICOLOR : Stock price crossing downward 50d, 100d, 200d MAV

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

Richemont

RATING : NEUTRAL

Fair Value CHF60 vs. CHF63 (+1%)

We prefer to be cautious ahead of H1 results that will be released on November 4th and consequently to adjust our FY March 17 estimates. We cut our FY 16-17 EBIT estimates by 5%. Nevertheless, we argue that group fundamentals (brands strengths, portfolio balance, strong net cash) remain healthy, hence our Neutral recommendation. Given our earnings downwards revision, our FV is reducing from CHF63 to CHF60. **Negative.**

Casino Guichard	RATING : BUY	Fair Value EUR57 (+34%)
-----------------	--------------	-------------------------

1/ Despite forex tailwinds, we have reduced our 2016/18 EPS estimates by 7,4% on average (we expect 2016 underlying operating profit to reach EUR1,130m vs EUR1,216 BBG consensus). 2/ Given the mitigated Q3 on the cards (October 13th), right now and as insurance, we would favour Carrefour (Buy / Q4 top-pick, FV @EUR30) vs Casino (Buy, FV @EUR57). 15 p report to follow. **Negative.**

AccorHotels	RATING : BUY	Fair Value EUR42 (+18%)
-------------	--------------	-------------------------

AccorHotels will held a capital market day on 5th October in Paris particularly focus on asset valuation with the group demerger engaged and to be finalized mid-2017 and digital developments. The group strategy seems to us promising but short term environment weigh heavily and excessively in our view on AccorHotels' valuation. In fact, we again highlight, that the group assets (a new valuation will be given during CMD) representing today a floor of EUR7.0bn. Such valuation implies at the current share price c. EUR3.0bn for the asset light business of HotelServices i.e. an EV/EBITDA 2016e of less than 7.5x compared with over 12x for comparable hoteliers (IHG 12.8x, Marriott 14.3x). Finally, speculative aspect cannot be ignore regarding current shareholders. => **POSITIVE**

Wirecard	RATING : BUY-Top Picks	Fair Value EUR58 (+25%)
----------	------------------------	-------------------------

Wirecard has just increased its EBITDA guidance of EUR290m to EUR310 to a bandwidth of between EUR298m to EUR310m in view of the positive business development. => **Positive.**
