

BG SALES-TRADING MORNING DU 05/10/2016

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	18168,4	-0,5%	-0,3%	Banks	0,7	-6,4	Auto & Part	2	-12,4
NASDAQ	5289,7	-0,2%	-0,2%	Div. Financials	0,1	2,3	Retail	1,7	-8,5
S&P 500	2150,5	-0,5%	-0,3%	Insurance	0	4,1	Oil & Gas	1,6	9,9
NIKKEI	16816,4	0,5%	-	Tech Hardware	0	12,1	Personal & Household	1,4	3,4
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS		
				S&P	Var %	YTD	STOXX	Var %	YTD
				Utilities	-2,2	9,1	Real Estate	-0,9	-5,4
				Telecom Op.	-1,7	12	Utilities	-0,3	-6
				Real Estate	-1,6	2	Basic Resources	0	36,7
				Materials	-1,5	8	Healthcare	0,4	-8,7

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%
VIVENDI	18,1	2,4	VIVENDI	18,1	2,4	ABERTIS INFR	13,8	-0,2
KERING	186,6	3,2	DAIMLER AG-	64,4	2,6	CRODA INTL	3624	1,7
RENAULT SA	75,6	2,8	DEUTSCHE BANK AG-	11,7	1,5	ARM HOLDINGS PLC	1700	-
LVMH	156,6	3	BMW	77,3	3,3	HENDERSON GROUP	261,2	-3,5
SAFRAN SA	66,5	3,2	BASF SE	77,6	1,9	BT GROUP PLC	389,2	1,1

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

Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	99,9	0%	0,8%	€/§	1,1216	0,1%	3,3%	BRENT	49,9	0%	39,7%
U.S 10 ANS	98,4	0,1%	1,7%	€/¥	115,51	-0,2%	13,1%	ONCE OR (§)	1273,4	0,4%	20%

VIX Index

13,6

0,4%

VSTOXX Index

19,2

-5,8%

Economic Calendar

9h50 FR Markit Composite PMI Sep. (53.3 E)
 9h55 DE - Markit Composite PMI Sep. (52.7 E)
 10h00 EUZ - Markit Composite PMI Sep. (52.6 E)
 10h30 GB - UK Composite PMI Sep. (52.3 E)
 11h00 EUZ - Retail Sales Aug. y/y
 16h00 US - ISM Non Manuf. Composite Sep. (53E)
 16h00 US - Factory orders Aug. (-0.2% E)
 16h30 US - DOE oil inventories

Danone **RATING : NEUTRAL** **Fair Value EUR65 (-4%)**

Yesterday, WhiteWave shareholders have approved the merger agreement under which Danone will acquire all of the outstanding shares of the company. As originally announced, they will receive USD56.25 in cash for each share. The transaction is still expected to close by the end of 2016, subject to the approval of regulatory authorities.

Dividends Calendar ex-date next day

BRITISH LAND	7.3p (1.16%)
AVIVA	7.42p (1.66%)
SKY	20.95p (2.27%)
KINGFISHER	3.25p (0.84%)
WPP	19.55p (1.06%)

Ex Div today

Markets Recap (source Street account)

Asian markets are mixed in quiet Wednesday trade. A weaker yen is providing some support for Nikkei-listed exporters. The Hang Seng is also gaining as mainland markets remain closed for National Day

celebrations. Energy stocks are among the outperformers with oil higher after API revealed an unexpected inventory drawdown in the latest week.

Another spike in Aussie bond yields has led to an underperformance of the ASX's rate-sensitive sectors. A rebound in monthly Aussie retail sales and services activity has failed to offer much reprieve for the market, which is trailing the region.

US equities closed lower today. Treasuries were weaker, with some curve steepening. The dollar was stronger, particularly on the yen and sterling crosses. Gold lost 3.3% in its worst session since December 2013. Oil snapped a four-day rally over which it gained ~9.3%. WTI settled down 0.2%.

There was no specific driver behind today's pullback, though the dollar's strength was in focus, particularly given increasing concern over a "hard" Brexit. The euro came off morning lows on reporting that the ECB may choose to taper its purchases before QE ends. The growing probability of a December rate hike, helped in part by some recent hawkish Fed speak, also factored into today's discussions. Fed funds futures now suggest a greater than 60% chance of a hike by year end.

Corporate newsflow was light. DRI was the sole earnings report of note, posting a beat and better comps. CRM agreed to acquire Krux for \$700M. SHLD was boosted by reports of interest in its Craftsman unit. AZN was hit by disappointing trial data. YHOO is reported to have scanned hundreds of millions of emails at the behest of US intelligence agencies.

Defensive sectors trailed the market amid the backup in Treasury yields. The stronger dollar weighed on precious metals. Beverages trailed in consumer staples. Airlines helped industrials, but multis were a drag. Apparel names led consumer discretionary. Tech was buoyed by internet and social-media companies. Pharma outperformed in healthcare. Banks boosted financials.

Stocks Factor to watch today :

CAPGEMINI : decided to redeem all of outstanding Zero Coupon share settled bonds convertible into new shares and /or exchangeable for existing shares of CAP GEMINI due 1st January 2019

TESCO : positive lfl sales and volume growth in all regions across group. International volumes up 3.3%, transactions up 0.3%. Op. Profit pre Exceptionals 596m£,

AHOLD : Resignation of James McCann

AXWAY : and Partners break new ground for enterprises to speed up DEVOPS adoption

ENGIE : SAUDI ELECTRICITY says ENGIE wins contract

BONE T : positive data for ALLOB Phase IIA trial

Rating & TP Changes



AB INBEV : RESUMED AT OVERWEIGHT TP €135 @JPM

MORPHOSYS : TP raised to €80 vs. 78 @DBK

SAP TP raised to €95 vs. 8 @JPM

ZURICH INSURANCE : TP raised to CHF300 vs. 281 @JPM



Technical Analysis

HIGHEST YTD : ADIDAS, ATOS, COMPASS, DIAGEO, EDENRED, HEIDELBERGCEMENT, INFINEON, IPSEN, J. MARTINS, KERING? SAGE, SEB? SODEXO, UNILEVER

LOWEST YTD : CAPITA, E.ON, INGENICO? LUFHTANSA,

Upward Signals

BMW, NORDEA : 50d mav crossing upward 200d MAV

INVESTEC : 20d MAV crossing upward 50D MAV, 50d mav crossing upward 200d MAV

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

Danone

RATING : NEUTRAL

Fair Value EUR65 (-4%)

Yesterday, WhiteWave shareholders have approved the merger agreement under which Danone will acquire all of the outstanding shares of the company. As originally announced, they will receive USD56.25 in cash for each share. The transaction is still expected to close by the end of 2016, subject to the approval of regulatory authorities.

SLIGHTLY POSITIVE

Capgemini

RATING : BUY

Fair Value EUR94 (+6%)

This morning Capgemini announced the early redemption of 2013-2019 zero coupon ORNANE bonds (bonds convertible into new shares and/or exchangeable for existing shares) due 1st January 2019 and issued on 25th October 2013. Redemption will occur at par, i.e. EUR67.13, on 21st November 2016 based on a conversion ratio of 1 Capgemini share per ORNANE. The securities will be delisted on 17th November 2016.
