

## BG SALES-TRADING MORNING DU 20/10/2016

### 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	18202,6	0,2%	-0,1%	Auto	1,4	-8,3	Retail	1,5	-8,1	
NASDAQ	5246,4	0%	0%	Oil & Gaz	1,4	16,2	Banks	0,9	-19,1	
S&P 500	2144,3	0,2%	0%	Banks	1,2	-3,6	Oil & Gas	0,8	12,8	
NIKKEI	17235,5	1,4%	-	Consumer Durables	0,9	-2,6	Basic Resources	0,8	38,7	
				SECTEURS S&P : WORST PERFS.			SECTEURS STOXX : WORST PERFS			
				S&P	Var %	YTD	STOXX	Var %	YTD	
				Semi Conducteurs	-1,7	17,6	Telecom	-0,5	-16,8	
				Household Products	-1,4	5,3	Const. & Materials	-0,1	6	
				Food Bev & Tobacco	-0,5	5,2	Personal & Household	-0,1	0,4	
				Health Equip.	-0,4	4,7	Real Estate	0	-9,5	

### 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%
CARREFOUR SA	24,6	4,7	ASML HOLDING NV	94,9	2,2	INTRUM JUSTITIA AB	290,7	6,4
ACCOR SA	34,7	5	BBVA	6	2	TRAVIS PERKINS PLC	1422	-4,4
PERNOD RICARD SA	108,4	1,9	BNP PARIBAS	50	1,4	ROTORK PLC	223,7	-0,6
BNP PARIBAS	50	1,4	BANCO SANTANDER	4,2	2,2	BARRY CALLEBAUT AG-	1294	3,8
CAPGEMINI	83,2	-0,5	DAIMLER AG-	65,2	1,3	EDENRED	21,8	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				DEVISES				MAT. PREMIERES			
Taux U.S	Valeur	Var%	Yld	Devises	Valeur	Var%	YTD	Mat. Prem	Valeur	Var%	YTD
U.S 2 ANS	99,9	0%	0,8%	€/ \$	1,096	-0,1%	0,9%	BRENT	50,7	-0,4%	41,8%
U.S 10 ANS	97,7	-0,1%	1,8%	€/ ¥	113,66	-0,4%	14,9%	ONCE OR (\$)	1270	0%	19,6%
VIX Index	14,4							VSTOXX Index	18,1		-5,2%

### Economic Calendar

08h00 DE - PPI Sep. (-1.2% E y/y)  
 13h45 ECB rate Decision (0.0% = )  
 14h30 US - Initial Jobless Claims Oct. (250K E)  
 14h30 US - continuing Claims.  
 14h30 US - Philadelphia Fed. Oct. (6 E)  
 16h00 US- Existing home Sales Sep. (0.4% E)  
 16h00 US - Leading indicators Sep. (0.2% E)

### Dividends Calendar ex-date next day

### Ex Div today

BAE SYSTEMS	8.6p (1.58%)
HSBC	0.1\$
CAPITA	11.1p (1.67%)
SMITHS GROUP	28.75p (1.9%)

### Markets Recap (source Street account)

**Asian markets are trading higher on Thursday.** The Nikkei is outperforming the region despite the yen barely budging from its overnight settlement. Energy stocks are leading the gains on the Hang Seng and ASX following the rally in oil. Hong Kong property developers are lower as mainland media continue to highlight risks tied to the real estate market.

**In FX the Aussie dollar has weakened as the latest contraction in Australian employment is seen feeding into next month's RBA policy debate.** The Mexican Peso has extended gains in the wake of the third presidential debate. A CNN viewer poll noted views that Clinton got the better of Trump.

**Comments by NY Fed President Dudley reinforced the notion of a very shallow tightening path that will follow a potential rate hike in December.** In US corporate news, guidance was a focus for EBAY and AXP after both reported their earnings post-close

**US equities closed up in Wednesday trading.** Treasuries were little changed. The dollar was weaker against the yen, but stronger on the sterling cross. Gold finished up 0.6%. Oil rallied after reports of a large US inventory draw. WTI settled up 2.6%.

**It was a quiet session from a macro perspective, with the ramping Q3 earnings season driving the bulk of the price action.** September housing starts were weaker, but permits beat expectations. Dallas Fed President Kaplan said inflation is "likely firming." There was some discussion of politics ahead of tonight's final presidential debate. Attention also began to shift to tomorrow's ECB meeting, though no major policy changes are expected.

**INTC earnings beat but its guidance was below consensus.** FICC was notably stronger for MS. RAI missed. CREE's LED segment disappointed. HAL beat despite weaker-than-expected revenues. M&A was also in the headlines today, with KR reportedly losing interest in acquiring stores from WBA and RAD. IMPV's sale process is reportedly on hold. GNC is reportedly seeing potential buyout interest.

**Energy led the market on oil's rise.** Banks led in financials. Steel companies were stronger. Automotive firms outperformed in consumer discretionary. Airlines boosted industrials. Software was mixed. Pharma weighed on healthcare. Tobacco names were a drag on consumer staples.

### Stocks Factor to watch today :

**FUTURES 08h00 : CAC +0.3%, FTSE +0.3%, ES50 +0.3%, DAX +0.4%**

**U.S ELECTION :** According to a YouGov poll, 49 per cent of respondents said Mrs Clinton won the debate, while 39 per cent thought Mr Trump the victor. Here is what FT readers thought. (FT, YouGov)

**PERNOD RICARD :** says China Sales down 1%, expects full year 16/17 sales to improve vs. 15/16 in China.

**PUBLICIS :** 3Q revenue 2.3bn euro reported growth -0.4% (+1.5% at CER) organic growth +0.2%. Total acquisitions in 2017 should be lower than 500m€, M. Levy says board to decide on his succession in Feb 2017.

**GENOMIC VISION :** presents the initial results of the pilot study undertaken with quest diagnostics in spinal muscular atrophy.

### Rating & TP Changes



**WORLDLINE :** FV raised to €32 vs. 31, BUY @ *BRYAN GARNIER*

**ALLIANZ :** TP raised to €142 vs. 141, EQUAL WEIGHT @ *Barclays*

**EDENRED :** TP raised to €25 vs. 19, OVERWEIGHT @ *Barclays*

**HUGO BOSS :** raised to OUTPERFORM vs. NEUTRAL @ *Exane*

**TECHNIP :** TP raised to €67, BUY @ *Jefferies*

**MICHELIN:** TP raised to €85 vs/ 84, UNDERWEIGHT @ *Barclays*

**GLAXOSMITHKLINE :** started with BUY, TP 1925p @ *INVESTEC*



**BUREAU VERITAS:** TP cut to €18 vs. 18.8, HOLD @ *Berenberg*

**TOD's:** TP cut to €53 vs. 55, NEUTRAL @ *JPM*

### Technical Analysis

**HIGHEST YTD :** ADIDAS, DIOR, EDENRED, EUROFINs, HEIDELBERGCEMENT, J. MARTINS, SEB, STMICRO, TESCO

**LOWEST YTD :** -

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

Edenred

RATING : NEUTRAL

Fair Value EUR22 (+1%)

2016-2019 “Fast Forward” strategic plan put in place actions to pursue the acceleration of the group transformation. Under a new simplified organization and capitalizing on Edenred expertise to leverage the growth opportunities. New metrics to better reflect mix products on consolidated base with at least 7% lfl operating revenue growth, 9% lfl operating EBIT growth and above 10% lfl FFO growth to maintain strong investment grade. Dividend will be based on a P/O ratio of at least 80% of net profit reported vs. previously a dividend based on at least 90% of net current profit. **Neutral**.

**Temenos Group** RATING : BUY Fair Value CHF77 (+16%)

Yesterday evening Temenos reported Q3 2016 results above expectations, thanks to an outstanding performance in Asia Pacific driven by several deals including Standard Chartered Bank. Unsurprisingly, the management raised full-year guidance in view of the deal announced early October with Bank of Ireland. With no impact of Brexit as core banking systems renovation is strategic, and management very confident on the pipeline, we expect a positive share price reaction short-term. **POSITIVE**

**bioMérieux** RATING : NEUTRAL Fair Value EUR130 (-7%)

BIM released Q3 sales which came 180bp above consensus growing 9.1% CER to EUR510.8m vs 7.2% CER or EUR504.1m as anticipated. Although management mentioned on Q2 results that it would not comment on its guidance on Q1 and Q3 sales publications, it definitively put behind and raise again the guidance updated on Q2 results i.e. from “at or above the high end of 6-8% organic growth” to “above 8% organic growth”. We had a 9.4% CER growth for FY2016, we see no particular reason to move our ests. at this stage. Confcall this afternoon at 3.00pm. **POSITIVE**

**Worldline** RATING : BUY Fair Value EUR32 vs. EUR31 (+24%)

WLN posted Q3 sales in the high-end of our estimated range (between -1% and 0% lfl: we were at the bottom and the consensus at the top). The management gave the first contribution of Equens/Paysquare/KB for Q4, which are in line with consensus’ simulation. We see positive momentum: Q3 will be the lowest lfl revenue growth of FY16, consensus is going to at last integrate the last acquisitions in its model and valuation, the 3-year plan for Worldline will be given during Atos investor day (08/10), Equens integration is started (synergies of EUR40m), and we see potential new M&A deals offering further upside to EV/EBITDA. Buy rating – FV raised from EUR31 to EUR32. => **Positive**.

**Plastic Omnium** RATING : BUY-Top Picks Fair Value EUR36 (+22%)

Plastic Omnium posted this morning solid Q3 sales performance, with total consolidated sales being up 22.2% YoY and up 12.6% on a Lfl basis, reflecting an acceleration compared with Q1 & H1 (respectively +9% and +11.9%). The group continued in Q3, as in first quarters, to outperform market growth, thanks to solid performance in all regions (even in Europe), helped by impressive sales growth coming from SCR segment. All 2016 targets were reiterated. Buy, with FV unchanged at EUR36/share. **POSITIVE**

**Atos** RATING : BUY Fair Value EUR102 (+5%)

This morning Atos has reported Q3 2016 sales in line with our forecasts and the consensus’ average, while FY16 guidance is reiterated. With almost all geographies (except Benelux & The Nordics and the rest of World region) delivering positive organic growth, and all business lines growing as expected, we do not expect a significant share price reaction to this publication in the short term. **NEUTRAL**

**Soitec** RATING : NEUTRAL Fair Value EURO.5 (-48%)

Yesterday, Soitec published its Q2 sales slightly below our estimates. The group posted FQ2-17 sales of EUR56.7m, up 4% yoy (at constant exchange rate) but slightly below our estimates of EUR58.5m. In addition, full year revenue guidance also refined to a level lower than our estimates. The revenue guidance for FY17e changed from “single digit growth” to “low single digit growth”. This is below our own estimates and Street’s expectations for FY17e sales growth of +9% leading to FY17e sales of EUR254m. **NEGATIVE**

**Nestlé** RATING : BUY Fair Value CHF83 (+11%)

This morning, Nestlé reported Q3 2016 sales of CHF22,359mn up 1.5% YoY (consensus: CHF22,645m and our estimate: CHF22,492m). Organic sales grew 2.9%, well below expectations (consensus: +3.7% and our estimate: +3.5%), with volumes/mix +1.9% and price +1%. This is a significant slowdown vs H1 (+3.5%). The group has revised its FY guidance: it aims to achieve 3.5% organic sales growth in 2016 vs +4.2% previously. **NEGATIVE**

