

Today's comment(s)

[ams \(NEUTRAL, Fair Value CHF27 vs. CHF29\)](#)

In the battle for Apple and ToF sensors, Heptagon deal is an expensive but necessary move

Yesterday, ams gave more details regarding the acquisition of Heptagon during a conference call. Today, we are convinced that the acquisition was the only solution left to ams in order to maintain its slot in Apple's smartphones. With the future being sensor fusion, ams had to propose a truly innovative value-added solution to Apple, including a complete advanced integrated module embedding at least true-tone and ToF sensors. Stuck in this battle, competing with STMicroelectronics (Neutral, FV EUR6.5), we believe ams struck the decisive blow by acquiring Heptagon. The question is, was it worth taking such a scorched earth approach? We think so! Nevertheless, the acquisition impacts our near- and mid-views. As such, we trim our FV to CHF27 (vs. CHF29 previously) and keep our Neutral recommendation.

[Melexis \(SELL, Fair Value EUR48\)](#)

Q3 results came out with no major surprise; FY16 guidance confirmed.

Today, Melexis' announcements brings with no major surprise. The group reports Q3 revenue of EUR114.5m, EBIT of EUR29.7m (EBIT margin of 25.9%), yielding EPS of EUR0.62, i.e. a penny below Street's expectations (at EUR0.63). However, Melexis confirms its FY16 guidance for a top-line growth in the range of 13% to 14% and EBIT margin of 25%. This implies Q4 2016 revenue to increase sequentially by 3.0% to EUR118m (at mid-range of the guidance), slightly above consensus but EBIT at around EUR28m, slightly below consensus forecasting EBIT of EUR29m. The group will host a conference call later today (17:00 CET). Due to high valuation metrics, we reiterate our Sell recommendation and our FV of EUR48.

[DIA \(NEUTRAL vs. BUY, Fair Value EUR6 vs. EUR6.5\)](#)

We wish management could maintain the good momentum initiated in Q2. Dia is a value play (2017 P/E of 11.3x vs 17x on average for the sector). But we believe that the content of the financial information and the visibility on FCF (especially with regard to LFL acceleration in Spain) may prevent investors from expecting any reward from the optionality embedded in the value case. Unfortunately, despite the current upside (+17%), we suspect that the stock could be dead-money until FY. Hence, to avoid any opportunity cost, we downgrade our rating to Neutral (vs Buy). We prefer Carrefour (Buy, top-pick, FV @EUR30).

[Albioma \(BUY, Fair Value EUR16\)](#)

Q3-16 revenues up 1% yoy; full-year guidance confirmed

Albioma released 9M-16 revenues up 4% yoy to EUR268m. Q3-16 revenues are broadly flat mainly due to a 1% decrease in its French biomass activities whose availability had been affected by a planned overhaul. The Group finally confirmed its FY16 guidance for both EBITDA and net income metrics. As Q4-16 Brazilian production should be negatively impacted by lower sugarcane volumes, we slightly lowered our FY16 EBITDA expectations to EUR126m (vs. EUR127m initially). Buy rating maintained with unchanged FV at EUR16.

[Transgene \(CORPORATE, Fair Value EUR5\)](#)

Strong newsflow ahead

Now that the company is on the verge of securing a capital increase of c.EUR48m (of which 75% is guaranteed by the Mérieux Institute), we would like to come back on some key short-term catalysts that are likely to support the stock in the coming months. We also stick to our FV of EUR5.0 since the risk-reward profile is attractive, in our view.

Groupe SEB (BUY, Fair Value EUR140 vs. EUR132)

And the beat goes on!

Yesterday Groupe SEB unveiled Q3 sales of EUR1,204m (CS: EUR1,195m), up 6.8% reported on better-than expected LFL growth (+6.5% vs. CS of 5.4%e). The adj. EBIT reached EUR140m and topped expectations by 8%, representing 130bp-margin improvement to 11.6%. Against this favourable momentum, the Group raises its FY sales and adj. EBIT targets. We raise our FY16 estimates on SEB stand-alone (acquisition of WMF should be completed by the end of November), leading to our new FV of EUR140 vs EUR132 initially. Buy recommendation confirmed.

BIC (NEUTRAL, Fair Value EUR123)

Good margin performance despite a softer LFL growth; FY outlook confirmed

Q3 sales came in at ~EUR560m (+2.1%), fairly in line with CS at EUR567m even if the LFL growth (+3.8%) was below expectations (+5%e) after +5.4% in H1. On the positive side, the Q3 normalised IFO margin only contracted 20bp to 18.8% (CS: -100bp to 18%) after -170bp in H1 excl. the impact of the special employee bonus. BIC reiterates FY16 outlook: mid-single-digit LFL growth and NIFO to decline between 100-150bp (excl. the impact the special employee bonus). Conference call today at 4pm Paris time.

Brief comments

Ipsen (BUY-Top Picks, Fair Value EUR72)

Third-quarter sales a bit light, but FY guidance raised

Wirecard (BUY-Top Picks, Fair Value EUR58)

Strong preliminary Q3 results; positive momentum and FY guidance maintained

Latest Recommendation Changes

SOBI : Haemophilia: « Stemming the bleed »

TEMENOS GROUP : Large deal with a major European bank

InterContinental Hotels : Top picks: ...and the winner is Melia.

PLASTIC OMNIUM : Innovation: the only way to stand out!

HELLA : Innovation: the only way to stand out!

FAURECIA : Innovation: the only way to stand out!

Latest Fair value changes

DIA : We wish management could maintain the good momentum initiated in Q2

GROUPE SEB : And the beat goes on!

SWORD GROUP : Q3 2016 results still outperform full-year targets; FY16 guidance likely to be exceeded

TOD'S GROUP : Q3 sales declined 4.8% at same forex

ams : Strong Q3, warning on Q4 and an acquisition likely not to be accretive before 2018e

Stocks Factor to watch today on Mid & Small :

ALBIOMA : 3Q SALES EU90.5M ; CONFIRMS 2016 TARGETS

BIC : 3Q SALES EU559.6M; EST. EU566M (MEAN OF 3 ESTS.); REPEATS OUTLOOK FOR MID-SINGLE DIGIT FY SALES GROWTH; REPEATS OUTLOOK FY NORM. IFO MARGIN TO FALL 100-150 BPS

IPSEN: 3Q SALES EU390.6M UP 12.1%; FY GUIDANCE SPECIALTY CARE SALES 15% GROWTH OR MORE, PRIMARY CARE REVISED DOWN, FY GUIDANCE FOR CORE OP MARGIN RAISED TO AROUND 22%

MELEXIS: 3Q REV. EU114.5 MLN; EST. EU115.5 MLN; AFFIRMS FORECAST FOR 2016 REV. GROWTH 13%-14%; AFFIRMS FORECAST FOR 2016 EBIT MARGIN OF ABOUT 25%

GROUPE SEB : 3Q REV. EU1.2B; EST. EU1.18B (MEAN OF 3 ESTS.); ORGANIC REV. GROWTH 6.5%; RAISES FY TARGETS; TARGETS FY ORGANIC SALES GROWTH OF 6%; TARGETS 15% INCREASE OF FY OP. RESULT FROM ACTIVITY

WIRECARD: EBITDA ROSE BY APPROX. 35.0% TO EU213.8M 9M; REAFFIRMS SEES EU298M-EU312M 2016 EBITDA; SEES POSITIVE BUSINESS DEVELOPMENT IN FOURTH QUARTER

Rating & TP Changes



+SEB: TP RAISED TO EU145 vs. 141, BUY @ UBS

+SEB: FV RAISED TO EU140 vs. 132, BUY @ BRYAN GARNIER

+AMS: FV RAISED TO CHF27 vs. 29, NEUTRAL @ BRYAN GARNIER



-DIA: NEUTRAL vs. BUY, FV CUT TO EU6 vs. 6.5 @BRYAN GARNIER

Technical analysis

	Last close	%var 1D	% var 31/12/15
FRANCE CAC MID & SMALL	11254.89	-0.44%	+1.82%
STOXX EUROPE TM MID	504.704	-0.57%	-6.23%

*BG Coverage

Highest YTD : ABC ARBITRAGE (BITI.PA), ATEME (ATEME.PA), BOURSE DIRECT (BDRP.PA), CHARGEURS (CRIP.PA), CNIM (CNIM.PA), **CNP ASSURANCES*** (CNPP.PA), ENCRE DUBUIT (EDUB.PA), GEVELOT (ALGEV.PA), IGE + XAO (IGXA.PA), POL-ROGER ET COMPAGNIE LIMITED DATA (PRCH.PA), **SEB*** (SEBF.PA)

Lowest YTD : AMATHEON AGRI (MLAAH.PA), **BONE THERAPEUTIC*** (BOTHE.BR), **CELLECTIS*** (ALCLS.PA), **CELYAD*** (CYAD.BR), GEOX (GEO.MI), GFI INFORMATIQUE (GFIP.PA), LES HOTELS BAVEREZ (ALLHB.PA), MEYER BURGER (MBTN.S), SEQUANA (SEQ.PA), SMA SOLAR TECH. (XET) (S92G.DE), TXCELL (TXCL.PA), VELCAN (ALVEL.PA)

Excess volume/1D : ABC ARBITRAGE (BITI.PA), ABIVAX (ABVX.PA), AFFINE R E (BTPP.PA), **ALBIOMA*** (ABIO.PA), ATEME (ATEME.PA), AVANQUEST (AVQ.PA), **BIC*** (BICP.PA), **BIOMERIEUX*** (BIOX.PA), **BONE THERAPEUTIC*** (BOTHE.BR), BOURSE DIRECT (BDRP.PA), BUSINESS ET DECISION (BZDK.PA), **CELYAD*** (CYAD.BR), CNIM (CNIM.PA), COHERIS ATIX (COHE.PA), CR.AGRICOLE MORBIHAN (CMO.PA), **DBV TECHNOLOGIES*** (DBV.PA), DEVOTEAM (DVTM.PA), DIASORIN (DIAS.MI), **DISTRIBUIDORA INTNAC.DE ALIMENTACION*** (DIDA.MC), ECA (ECASA.PA), ETAM DEVELOPEMENT (TAM.PA), **EULER HERMES GROUP*** (ELER.PA), GEOX (GEO.MI), GEVELOT (ALGEV.PA), GLOBAL BIOENERGIES (ALGBE.PA), **GRANDVISION*** (GVNV.AS), GRIFOLS CLASS 'B' SHARE (GRLSbn.MC), GROUPE GUILLIN (ALGIL.PA), GROUPE PARTOUCHE (PARP.PA), HIGH CO (HIGH.PA), HOPSCOTCH GROUPE ORG (HOP.PA), IGE + XAO (IGXA.PA), IT LINK (ITLI.PA), AVIATION LATECOERE (LAEP.PA), **MELIA HOTELS INTL.*** (MEL.MC), MEYER BURGER (MBTN.S), NANOBIOTIX (NANOB.PA), OSE IMMUNO (OSE.PA), PIERRE & VACANCES (PVAC.PA), POXEL (POXEL.PA), SEQUANA (SEQ.PA), SMA SOLAR TECH. (XET) (S92G.DE), SOFRAGI (SRAG.PA), SOLUCOM (WAVE.PA), STORE ELECTRONICS (SESL.PA), STRATEC BIOMEDICAL (XET) (SBSG.DE), **SWORD GROUP*** (SWOR.PA), THEOLIA (FTRN.PA), THERMADOR GPE. (THHG.PA), **TOD'S*** (TOD.MI), VIEL ET CIE (VEIL.PA), **VOLTALIA*** (VL TSA.PA), **ZEALAND PHARMA*** (ZELA.CO)

⁽¹⁾ Compare the previous day trading volume to last month average volume traded

Calendar

Date	Company name	type
26/10/16	• Societe BIC SA(BB FP)	Earnings result : 08:00
	• Societe BIC SA(BB FP)	Earnings result : 16:00
	• Ingenico Group SA(ING FP)	
	• Ingenico Group SA(ING FP)	
	• Ingenico Group SA(ING FP)	Earnings result :
	• Albioma SA(ABIO FP)	
	• Ipsen SA(IPN FP)	
27/10/16	• Korian SA(KORI FP)	Earnings result :
	• Korian SA(KORI FP)	
	• SCOR SE(SCR FP)	Earnings result : 07:30
	• Altran Technologies SA(ALT FP)	
	• SCOR SE(SCR FP)	Earnings result : 09:30
	• STMicroelectronics NV(STM IM)	Earnings result : 09:30

	<ul style="list-style-type: none"> • STMicroelectronics NV(STM IM) • Alten SA(ATE FP) • Axway Software SA(AXW FP) • Axway Software SA(AXW FP) • Altran Technologies SA(ALT FP) • Alten SA(ATE FP) • Voltalia SA(VLTA SA FP) • GrandVision NV(GVNV NA) 	Earnings result : Bef-mkt
28/10/16	<ul style="list-style-type: none"> • Gemalto NV(GTO NA) • Gemalto NV(GTO NA) • Gemalto NV(GTO NA) 	Earnings result : Aft-mkt
01/11/16	<ul style="list-style-type: none"> • Software AG(SOW GR) 	Earnings result :
02/11/16	<ul style="list-style-type: none"> • HUGO BOSS AG(BOSS GR) • HUGO BOSS AG(BOSS GR) • QIAGEN NV(QGEN US) • QIAGEN NV(QGEN US) • 	Earnings result : Shareholders meeting Earnings result : 07:30 Earnings result : 14:00 Earnings result : 21:00 Earnings result : 22:00