

BG SALES-TRADING MORNING DU 04/11/2016

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	17930,7	-0,2%	-0,1%	MEDIAS	0,6	2,5	Retail	1,4	-9,2
NASDAQ	5058,4	-0,9%	-0,4%	Div. Financials	0,4	2,2	Banks	1	-19,3
S&P 500	2088,7	-0,4%	-0,2%	Insurance	0,4	3,8	Insurance	1	-17,3
NIKKEI	16905,4	-1,3%	-	Oil & Gaz	0,4	12	Travel & Leisure	0,8	-17,9
SECTEURS S&P : WORST PERFS.					SECTEURS STOXX : WORST PERFS				
				S&P	Var %	YTD	STOXX	Var %	YTD
				Food staples, Retail	-1,3	-5,8	Chemicals	-1,2	-5,4
				PHARMA.	-1,3	-12,2	Food & Bev	-1	-7,4
				Tech Hardware	-1,1	8,9	Const. & Materials	-0,7	1,3
				IT, SOFTW & Serv.	-1	6,1	Technology	-0,6	-6,5

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%	
VEOLIA	18,1	-6,3	ADIDAS AG	137,4	-6,3	DUFREY AG-REG	127,2	6,8	
SOCIETE GENERALE	36,1	5,5	SOCIETE GENERALE	36,1	5,5	GENMAB A/S	1189	11,4	
SANOFI	72,3	0,6	ING GROEP NV	11,8	2,3	VEOLIA	18,1	-6,3	
L'OREAL	161,6	0	SANOFI	72,3	0,6	BEIERSDORF AG	81,9	4,6	
CAPGEMINI	75	0,2	L'OREAL	161,6	0	HEXAGON AB-B SHS	311,9	0,5	

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	99,9	0%	0,8%	€/§	1,1103	0%	2,2%	BRENT	46,3	-0,1%	29,6%
U.S 10 ANS	97,3	0,1%	1,8%	€/¥	114,69	-0,3%	13,9%	ONCE OR (§)	1297	-0,4%	22,2%
VIX Index	22,1		14,3%				VSTOXX Index	24,7		4,3%	

Economic Calendar

11h00 EUZ - PPI Sep.
 13h0 US - Unemployment rate Oct. (4.9% E)
 13h30 US - Change in non farms payrolls Oct. (175K e)
 18h00 US - Baker Hughes U.S. Rig count

Dividends Calendar ex-date next day

Ex Div today	
VINCI	€0.63 (0.95%)
AUBAY (aUBT.PA)	€0.18 (0.71%)

Markets Recap (source Street account)

Asian markets are mixed in subdued Friday trade. While the bearish narrative continues to revolve around political uncertainty leading into next week's US election, equity volatility has subsided amid a quiet day of incremental newsflow. A stronger yen has been cited as a headwind for the Nikkei, which is back online after Thursday's public holiday.

Elsewhere Greater Chinese markets are posting modest gains while the ASX is being weighed down by the big financials. Aussie yields have backed up again as the RBA's monetary policy statement signaled reduced concern over the outlook for inflation. Lending additional support to the idea of an improving economic outlook, Australian retail sales grew at a faster-than-expected pace in September.

US equities closed lower today, with the S&P 500 notching its eighth consecutive decline. Treasuries were mixed. The dollar was weaker, most notably on the sterling cross. Gold finished down 0.4%, coming off its recent rally. Oil was unable to sustain some premarket strength, instead logging its fifth consecutive slide. WTI settled down 1.5%.

The looming US presidential election remained a significant area of uncertainty. While Clinton still holds a narrow lead in both national polls and Electoral College projections, the contest has narrowed amid various FBI investigations. Macro newsflow was thin. A British court's ruling forcing a

parliamentary vote on Brexit sparked a rally in the pound. October's non-manufacturing ISM was light, but Q3 productivity beat. The market is looking ahead to tomorrow's nonfarm payrolls report.

Earnings drove most of today's notable price action, though the tide of reports is beginning to ebb. FB said it may see revenue-growth deceleration in 2017. AIG earnings missed. FOXA saw better profitability from film. WFM realigned its CEO structure. FIT cut guidance. Americas pricing growth helped CAR.

Energy led the market. Banks led financials. Industrial metals buoyed materials. Media outperformed in consumer discretionary. Road and rail names helped industrials. Grocers were mostly weaker. Pharma was weaker on news of a DoJ investigation into generic drug pricing.

Stocks Factor to watch today :

FUTURES 08h00 : CAC =, FTSE -0.4%, ES50 -0.1%, DAX -0.1%

EDF : delays restart of five nuclear power reactors in France. Revises 2016 its 2016 EBITDA target from €16.3-16.6bn to €16-16.3bn.

LAFARGEHOLCIM : CEO sees scope for further price rises

L'OREAL : CEO says does not see improvement in French domestic market before end of the year

ERYTECH : 9m Loss €16.1m, expects EMA decision on GRASPA approvability in 2017 reaffirms yeat cash utilisation guidance.

UBISOFT : confirms 2018-19 target

Rating & TP Changes



VICAT : TP raised to €61 vs.56 @Bryan Garnier

DIALOG SEMI : TP raised to €40 vs. 37 @Bryan Garnier

BEIERSDORF : TP raised to €79 vs. 77, UNDERWEIGHT @Barclays



UBISOFT : TP cut to €39 vs. 42, BUY @ Jefferies

AHOLD : TP cut to €24 vs. 25 @ DBK

Technical Analysis

HIGHEST YTD : TATE & LYLE,

LOWEST YTD : ENGIE, ESSILOR, GEMALTO, GRIFOLS, NOKIA, NOVO NORDISK, ROCHE, UCB

RSI 14D OVERBOUGHT : AIR FRANCE, HUGO BOSS,

RSI 14D OVERSOLD : ACTELION, ADIDAS, ASTRAZENECA, CAP GEMINI, DIAGEO, DIA, GLAXOSMITHKLINE, KLEPIERRRE, NOVARTIS, UCB, VINCI

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

L'Oréal	RATING : BUY	Fair Value EUR177 (+9%)
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L'Oréal 9m sales increased 4.7% organically to EUR19.05bn (consensus: EUR19bn). In Q3 alone, revenues were up 5.6% organically (consensus: +4.7%) versus +4.2% in H1. The Cosmetics branch achieved a very dynamic performance with a 5.6% sales increase in Q3 (consensus: +4.8%) alone following +4.6% in Q2. We reiterate our buy recommendation with a EUR177 FV. Positive

Vicat	RATING : NEUTRAL	Fair Value EUR61 vs. EUR56 (+9%)
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Reported last night, Q3 revenues are in line with our expectations, up 1.7% on a I-f-I basis at EUR629m but down -1.7% (reported) due to negative forex effect. Switzerland is tepid but Egypt strong. Guidance would have been attractive without the negative FX impact this year, in particular the Egyptian pound, devalued by -48% yesterday. New FV at EUR61 (EUR56). Some upside, but short-term momentum not that great, although some markets are more promising on the mid-term. Neutral rating confirmed. *Neutral*.

AXA	RATING : BUY	Fair Value EUR29 (+45%)
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Reported 9M 2016 revenues stand at EUR75.7bn, up 0.1% (up 0.4% on a comparable basis), slightly above consensus (EUR75.2bn). Q3 numbers trends show a slight acceleration (remember H1 up 0.2% on a comparable basis). In Life/Protection, the NBV margin is a very solid 38% (consensus 37%) vs. 37% in H1. Economic solvency is c. 191% (consensus 192%) vs. 197% at end-June, mainly driven by the 6 pts negative impact of a change in EIOPA's reference portfolio (lower weight of government and corporate bonds). -> neutral overall as the stock is currently driven by interest rates expectations.

Coface	RATING : NEUTRAL	Fair Value Under Review
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Coface has reported a EUR11m net loss in Q3 2016 (consensus -EUR3m), driven by a one-off item (fraud at minority-held Cofacredit) and a poor overall business performance (105.4% combined ratio). Yet this is still consistent with FY guidance of a 63-66% net loss ratio (64.6% for 9M). Nothing new on the transfer of the public guarantees activities to Bpifrance. Even if credit insurance is a low duration business, we continue to believe that the recovery is likely to be gradual, and 2016-2017 numbers are of little help to try and assess the company's earnings power and valuation. And 2018-2019 are still far far away... Poor short-term visibility -> **negative**

Dialog Semiconductor	RATING : BUY	Fair Value EUR40 vs. EUR37 (+13%)
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Yesterday conference call was the final confirmation of the scenario we first discussed in March. iPhone 7 very low expectations provided an easy comparable base (helped by group's low guidance), giving room for good surprise, as such Dialog stock enjoyed a +20% ride over the last 3 months. Nevertheless, we believe the iPhone 7 source is drying up but the second tranche of the share buyback provides a temporary refill. We update our model and raise our FV to EUR40 vs. EUR37. **Positive**

Richemont	RATING : BUY	Fair Value CHF73 (+17%)
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Richemont sales declined 12% in H1 at same forex vs -13% on 5m. Excluding, inventory buy-backs, sales should have be down 8%. No figures have been given on October trend. H1 EBIT is down 43%, in line with initial guidance, to EUR798m. Excluding exceptional EUR249m one-time charges, EBIT should have been down 25%. Buy reiterated recommendation to play gradual improvement in the coming quarters. Neutral.

Ubisoft	RATING : BUY	Fair Value EUR35 (+21%)
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UBI posted a better-than expected H1 earnings (much more revenue and much lower losses than last year). And even by taking more caution assumptions for its fiscal H2 titles (and in particular Watch Dogs 2), the group finally upgraded its non-IFRS operating income for the FY (from ~EUR230m to EUR230m-EUR250m; the consensus was at EUR236.4m and we were at EUR240m) thanks to very robust momentum for the digital segment and back-catalog combined with tight costs control. While investors expected a profit warning (the stock was down 17% from September to date), we believe this reliable guidance should reassure the market on the current FY and UBI's mid-term plan (2018-19). We revised hardly anything on the operational level. Buy rating and FV of EUR35 maintain. => **Positive.**

LafargeHolcim	RATING : BUY-Top Picks	Fair Value CHF60 (+18%)
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LHN has reported a strong adj. EBITDA in Q3, up 10.5% on a l-f-l basis at CHF1685m (vs CHF1662m for the consensus), after -17% in Q1 and +6% in Q2. Adj. EBITDA margin stands at 23.9% in Q3, up 290 bps y/y, after -280bps in Q1 and +210bps in Q2. This is due to a combination of prices increase (+2.1% y/y in Q3) , synergies (annual target already achieved, additional CHF100m scheduled for 2016), cost control, despite a lower-than-expected revenues in Q3 (-3.1%). Guidance reiterated. Positive.
