Daily Note

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21 July 2020: 8:41 CET

Date and time of production

Italy/Equity Market

Stock Markets: Performance					
Chg (%)	1D	3M	6M	12M	
FTSE All Share	8.0	19.8	-14.4	-4.9	
FTSE MIB	1.0	20.8	-14.1	-4.7	
FTSE IT Star	0.7	10.5	-9.8	5.0	
Euro Stoxx 50	0.4	8.3	-10.8	-2.9	
Stoxx Small 200	1.1	13.7	-12.0	-2.2	
NASDAQ	2.5	25.8	14.7	32.2	
S&P 500	0.8	15.2	-2.3	9.2	

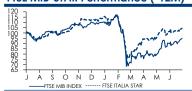
FTSE MIB Best & Worst: 1D% chg

Banco BPM	5.5 Enel	-1.2
Poste It.	5.1 Pirelli	-0.8
Atlantia	5.1 Eni	-0.4

Euro Stoxx Best&Worst Sectors -1D %

/Leisure -0.9
Gas -0.8
0.0

FTSE MIB-STAR Performance (-12M)



Source: FactSet;

Telecom Italia

indicated)

Upcoming Intesa Sanpaolo Events

What?	Where?	When?
ISMO	Virtual	2-4 & 22-24 Sept

New Credit Research

6

Report priced at market close on day prior to issue; Ratings and Target Prices as assigned in the latest company reports (unless otherwise

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AlgoWatt (Suspended)

Court Ruling on Photovoltaic Greenhouses in Sardinia

Market Mover	Positive	Neutral	Negative

What's up? Yesterday, the Court of Parma discharged in full Chairman and CEO of the company, Stefano Neri, and Algowatt "because there is no case to answer", for a fact relating to a 2017 investigation by the Sassari Tax Police Unit. In 2019, the company had obtained the cancellation of the measures for the revocation of licences for two greenhouse photovoltaic plants and the restoration of all the incentives that were blocked by the Sassari 'Guardia di Finanza'.

What we think: We appreciate the news. Our recommendation and TP are SUSPENDED.

AlgoWatt - Key data

21/07/2020		Multi-l	Jtilities
Target Price (EUR)	Suspended		
Rating	Suspended		
Mkt price (EUR)			0.40
Mkt cap (EUR M)			19
Performance (%)	1M	3M	12M
Absolute	2.6	6.4	2.6
Rel. to FTSE IT All Sh	-2.2	-11.2	7.8

Source: FactSet, Company data, Intesa Sanpaolo Research estimates

Intesa Sanpaolo is Specialist to AlgoWatt

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Sector News

Utilities Sector

Special Waste Recycling New Norm

What's up? According to Milano Finanza, the Italian Parliament is currently assessing a new law in relation to special waste in order to implement the legislation on Circular Economy package, approved by the EU in 2018, which main objective is to improve the percentage of recycling. The article reported that the new norm, as it is now, could consider special waste similarly to urban waste, thus leaving special waste management to municipal utilities, taking it away from private operators, who as of today manage a good portion of the Italian special waste market.

What we think: As commented in the same article, the Italian Parliament should review the norm by including in the recycling objectives the special waste similar to the urban one (such as paper, packaging, glass). We do not expect any impact on waste operators under our coverage for the time being.

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21/07/2020

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Equity Rating Key (long-term horizon: 12M)

Long-term rating	Definition
BUY	If the target price is 20% higher than the market price
ADD	If the target price is 10%-20% higher than the market price
HOLD	If the target price is 10% below or 10% above the market price
REDUCE	If the target price is 10%-20% lower than the market price
SELL	If the target price is 20% lower than the market price
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NO RATING	The company is or may be covered by the Research Department but no rating or target price is assigned either voluntarily or to comply with applicable regulations and/or firm policies in certain circumstances.
TARGET PRICE	The market price that the analyst believes the share may reach within a one-year time horizon
MARKET PRICE	Closing price on the day before the issue date of the report, as indicated on the first page, except where otherwise indicated

Historical recommendations and target price trends (12M)

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Equity rating allocations (long-term horizon: 12M)

Intesa Sanpaolo Research Rating Distribution (at July 2020)

Number of companies considered: 106	BUY	ADD	HOLD	REDUCE	SELL
Total Equity Research Coverage relating to last rating (%)	50	24	26	0	0
of which Intesa Sanpaolo's Clients (%) (*)	85	72	54	0	0

(*) Companies on behalf of whom Intesa Sanpaolo and the other companies of the Intesa Sanpaolo Group have provided corporate and Investment banking services in the last 12 months; percentage of clients in each rating category

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Equity rating key (short-term horizon: 3M)

Short-term rating	Definition
LONG	Stock price expected to rise or outperform within three months from the time the rating was assigned due to a
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