

Markets

| | | | |
|--------------------------------------|-------|-----|------|
| SFE 200 Futures (9.30am AEDT) | 7030 | 28 | 0.4 |
| NZX 50 | 11126 | -26 | -0.2 |
| DJIA Futures | 34173 | -42 | -0.1 |
| S&P 500 Futures | 4400 | 4 | 0.1 |
| NASDAQ Futures | 15387 | 12 | 0.1 |

Local Markets Commentary

The Australian market commences today's trade with the \$A at ~US64.05c, a major domestic bank reporting for the full year, another trading ex-dividend, several other earnings reports or AGM updates from domestic large-caps, and new data due from China.

US equities markets settled mixed and only slightly changed overnight.

Locally today, the Australian Bureau of Statistics (ABS) publishes a September **business turnover** report at 11.30am AEDT.

At the same time, the ABS releases a report covering **payroll jobs** for the week ending 14 October.

Also at 11.30am, the Reserve Bank of Australia (RBA) reports September **lending to business** and in another report, September quarter **housing loan** payments.

Stocks trading **ex-dividend** today include **WBC**. Please see p3 for a detailed ex-dividends list.

Regionally today, **China** is expected to release October **CPI** inflation and **producer prices** at **12.30pm** AEDT.

The **Bank of Japan** releases the 'summary of opinions' from the October monetary policy meeting at **10.50am** AEDT.

October bank lending is anticipated at the same time.

This afternoon Japan is also listed to conduct a 30-year government bond auction.

NB: Singapore's markets will be closed Monday, due to a public holiday.

In overnight **commodities** trade, **oil** extended Tuesday's drop, Brent crude settling beneath \$US80/bbl and WTI below \$US75.5/bbl.

US **gold** futures also fell further, closing below \$US1960/oz.

Iron ore (Nymex CFR China, 62% Fe) swung 1.0% higher, trading above \$US127.0/t.

US (Dec) **copper** declined by US4c/lb for a third consecutive session, settling at \$US3.64/lb.

Last night's **LME** final 3-mth evening price updates were unavailable from IRESS at time of publication. These are expected to become available via IRESS at ~11.30am AEDT.

The **\$A** slipped below US64.00c overnight after trading at ~US64.25c - ~US64.40c early yesterday evening.

Today's Stock Watch

National Australia Bank (NAB)

84c fully franked final dividend from 78c a year ago.

7.6% higher, \$7.41B full year NPAT.

11.2% higher, \$20.65B revenue.

8.8% higher, \$7.73M cash profit.

12.22% CET1.

NIM up 0.09% to 1.74%.

\$17.96 NTA from \$17.24.

Australia & New Zealand Banking Group (ANZ)

Second-half FY23 NPAT and cash profit will be adversely impacted by a \$146M net tax charge.

This includes restructuring, customer remediation and transaction-related costs plus the compensation scheme of last resort levy.

Offsets include gains from business divestments and closures.

Details lodged post-trade yesterday.

ANZ is due to report for the full year Monday (13 November).

Orica Ltd (ORI)

25c final dividend from 22c a year ago.

\$295.7M full year NPAT from \$145.5M.

12% higher, \$7.945B revenue.

\$5.669 NTA from \$5.616.

Xero Ltd (XRO)

\$NZ54.08M interim NPAT, from a \$NZ16.1M net loss a year ago. 21% higher, \$NZ799.5M operating revenue.

\$NZ1.28 NTA from NZ39c.

Sezzle Inc (SZL)

September quarter total income rose 34.3% to \$US40.8M.

GAAP net income recorded at \$US1.3M.

\$US66.8M cash on hand.

Additional statistics lodged this morning.

Nine Entertainment Co (NEC)

Today's AGM materials lodged.

Centuria Capital Group (CNI)

\$21.1B AUM at 30 September.

Additional statistics lodged this morning.

Challenger Ltd (CGF)

CGF has appointed former National Australia Bank (ASX: NAB) and MLC Insurance executive Lisa Gray as a non-executive director.

Sims Ltd (SGM)

SGM has appointed former OZ Minerals CFO and previous Rio Tinto (ASX: RIO) iron ore chief commercial officer Warrick Ranson as CFO.

**Overseas Markets**

| INDEX | CLOSE | +/- | % |
|---------------------------|-------|-----|------|
| Dow Jones | 34112 | -40 | -0.1 |
| S&P 500 | 4383 | 4 | 0.1 |
| NASDAQ | 13650 | 11 | 0.1 |
| FTSE 100 | 7402 | -8 | -0.1 |
| DAX 30 | 15230 | 77 | 0.5 |
| Shanghai Composite | 3052 | -5 | -0.2 |

Overseas Markets Commentary

Sentiment mostly proved cautious across major European, UK and US equities markets.

The DAX 30 proved the exception, with a notable improvement in risk sentiment in second-half trade.

Investor considerations included anticipation of further central bank policy revelations but nothing new was offered.

US Federal Reserve chair Jerome Powell spoke at a conference but did not offer any monetary policy comments.

Earlier, Bank of England governor Andrew Bailey warned that any interest rate cuts would not come under consideration for some time yet, while remaining of the view that UK inflation rates could recede to the central bank's 2% target within two years.

The governor also promoted increased international financial regulatory co-operation in the interests of free trade.

Among overnight **data** releases, **euro zone** September retail sales were reported 0.3% lower for the month, against consensus of a 0.2% decline following a 0.7% September fall.

Against September 2022, sales were down 2.9% from August's 1.8% annualised decline.

Germany's final October CPI reading confirmed no change in the inflation rate for the month, following 0.3% inflation growth for September.

The reading also confirmed 3.8% annualised inflation growth against 4.5% for September.

In the **US**, September wholesale inventories grew by 0.2% after falling by 0.1% in August. Forecasters had anticipated no change.

Weekly mortgage applications rose 2.5%.

Mean average 30-year mortgage rates receded to 7.61% from 7.86%.

Among overnight debt offers, a US 10-year note auction delivered a 4.519% yield from 4.610%.

Earlier, a UK-hosted a 28-year index-linked treasury gilt auction produced a 1.314% yield from 1.330%.

Germany conducted a 10-year bond auction which resulted in a 2.64% yield from 2.90%.

Tonight in the US, Federal Reserve chair Jerome Powell is again scheduled to speak publicly, this time as a participant on a panel listed to address *Monetary Policy Challenges in a Global Economy*.

Among US data releases, weekly new unemployment claims are due.

In addition, the US hosts a 30-year bond auction during late equities trade.

Pre-Open Announcements**Megaport Ltd (* MP1)**

Seeking to appoint an independent chair following Q4 FY24.

In addition, planning to appoint other new directors prior to the 2024 AGM.

Current MP1 chair Bevan Slattery plans to step down from the board on the new appointment, but is looking to be an MP1 advisor.

MP1 says the board review and changes are the result of the company having received a 'first strike' regarding the adoption of the remuneration report at the 1 November AGM.

Viva Energy (VEA)

Today's investor day presentation lodged.

Invex Therapeutics (IVX)

IVX has appointed Pathways Corporate partner and foundation director David Wheeler as a non-executive director.

Magellan Financial Group (MFG)

58.17% proxy and 58.19% poll votes recorded against adopting the group's remuneration report at yesterday's AGM.

This constituted a 'first strike'.

Resources**Great Dirt Resources (* GR8)**

Manganese-focused explorer scheduled to list on the ASX 12.30pm AEDT **tomorrow**, following a \$5M IPO at 20c per share.

~28.14M quoted securities.

Holds two exploration projects in the Barraba region, NSW.

Pilbara Minerals (PLS)

PLS chief commercial and legal officer and company secretary Alex Eastwood is stepping down from these roles, effective 24 November.

Mr Eastwood has been with PLS since July 2016.

PLS deputy company secretary Danielle Webber has assumed the role of joint company secretary.

Industrial Minerals (IND)

Company presentation lodged post-trade yesterday.

Allkem Ltd (AKE)

11.17% proxy and 12.73% poll votes recorded against adopting the company's remuneration report at yesterday's AGM.

Energy**Cokal Ltd (CKA)**

20.96% poll vote recorded against adopting the company's remuneration report at yesterday's AGM.



Companies expected to report **earnings** or provide updates later today or tonight include: ArcelorMittal, AstraZeneca, Inpex, JGC, Kobe Steel, Merck, News Corporation, Nissan Motor, Petrobras, Semiconductor Manufacturing International Co, Modec, Seoul Semiconductor, Sony and WeWork.

BP and HSBC trade ex-dividend on the FTSE 100.

Commodities

| COMMODITY | CLOSE | \$US/ | +/- | % |
|---|--------|-------|-------|------|
| Gold (COMEX 100 Dec) | 1957.8 | oz | -15.7 | -0.8 |
| Silver (COMEX 5000 Dec) | 22.73 | oz | 0.14 | 0.6 |
| Platinum | 868 | oz | -23 | -2.6 |
| WTI Crude (NYMEX Dec) | 75.33 | bbbl | -2.04 | -2.6 |
| Brent Crude (ICE EUR Jan) | 79.54 | bbbl | -2.07 | -2.5 |
| Iron Ore (NYMEX CHN port;62%Fe) | 127.26 | t | 1.31 | 1.0 |
| Copper (LME 3mth Evening) (7Nov) | 8197 | t | -51 | -0.6 |
| Nickel | 17950 | t | -535 | -2.9 |
| Aluminium | 2269 | t | -22 | -1.0 |
| Lead | 2190 | t | 7 | 0.3 |
| Zinc | 2569 | t | -5 | -0.2 |
| Tin | 24584 | t | -104 | -0.4 |

Commodities Commentary

Oil – a late-Tuesday report estimating a large increase in US crude stockpiles last week sent prices yet lower in early trade.

The usual weekly US petroleum inventories report, published Wednesdays by US government agency the EIA could not confirm this however, as the report was delayed until next week, due to a systems upgrade.

Also overnight, a media report claimed Russia was considering a further easing of select petroleum product export curbs introduced in September.

Overnight Tuesday post-US trade, the American Petroleum Institute (API) released a weekly report which included an estimated 11.9MMbbl build in US crude stocks last week.

This followed international trade figures out of China which had fuelled some concern at economic growth prospects and hence future crude demand.

Gold – prices fell further overnight, with the \$US retaining strength and shorter-term bond yields remaining buoyant.

US Federal Reserve chair Jerome Powell did not reveal any policy views overnight, but is due to speak again publicly tonight.

Meanwhile, Bank of England governor Andrew Bailey reiterated a higher-for-longer rates view.

Base metals – the \$US remained relatively strong overnight, constraining some base metals buying sentiment.

Zinc prices were supported on reports of a fire at a zinc-lead mining operation in Buryatia. This followed Nyrstar's announcement last week of plans to temporarily shut in two US zinc operations from the end of this month.

Tuesday's reports that China was introducing new reporting regulations for commodities imports, including for crude, rare earths, iron ore, copper concentrates and fertilisers, continued to toy with demand and supply expectations.

China's October producer prices and CPI inflation are due today.

Trading Halts

| Company | Code | Resuming |
|------------------|------|----------|
| Impact Minerals | IPT | 9 Nov |
| Inca Minerals | ICG | 9 Nov |
| Reward Minerals | RWD | 9 Nov |
| Yandal Resources | YRL | 10 Nov |

Suspensions (selected)

| Company | Code | Since |
|----------------------------|------|--------|
| Applyflow Ltd | AFW | 7 Nov |
| Critical Minerals Group | CMG | 3 Nov |
| Magnis Energy Technologies | MNS | 8 Nov |
| Omnia Metals Group | OM1 | 30 Oct |
| R3D Resources | R3D | 3 Nov |
| Resources & Energy Group | REZ | 27 Oct |
| St George Mining | SGQ | 3 Nov |
| Scorpion Minerals | SCN | 3 Nov |
| Strandline Resources | STA | 31 Oct |

Ex-Dividends

| Code | Ex-Div | Div (c) | Franking (%) | Yield (%) |
|------------|----------|-------------|--------------|-----------|
| ACQ | Today | 4.25 | 100 | 8.21 |
| NAC | Today | 1.5 | 100 | 6.38 |
| NSC | Today | 1.25 | 100 | 7.25 |
| WAT | Today | 5 | 100 | 2.40 |
| WBC | Today | 72 | 100 | 6.19 |
| JHG | Tomorrow | 61.59 | 0 | 4.57 |
| SSR | Tomorrow | 8.29 | 0 | 1.68 |
| MQG | Mon | 255 | 40 | 2.79 |

Reports & Events

(selected; all times AEDT)

| When | Company | Report/Event |
|--------------|------------|----------------------------------|
| Today | BKL | AGM |
| | FSF | AGM |
| | GDI | AGM |
| | JIN | AGM |
| | MYR | AGM |
| | NAB | Full year |
| | NEC | AGM |
| | ORI | Full year |
| | SWM | AGM |
| | SZL | Sep Q (tele 10.30am) |
| | SGR | AGM |
| | TLG | Investor update (webinar 1.30pm) |
| | VEA | Investor day |

**Exchange Rates**

| CURRENCIES | LAST | +/- | % |
|------------------|--------|---------|--------------|
| AUD – USD | 0.6405 | -0.0032 | -0.50 |
| EUR – USD | 1.0707 | 0.0015 | 0.14 |

Australian Data Today

| | | |
|-----|-----------------------|--------|
| ABS | Business turnover | Sep |
| ABS | Payroll jobs | 14 Oct |
| RBA | Lending to business | Sep |
| RBA | Housing loan payments | Sep Q |

US Data Tonight

| | |
|------------------------|-------|
| Initial jobless claims | 4 Nov |
|------------------------|-------|

Other Overseas Data Today & Tonight

| | | |
|--------------|-------------------------|-----|
| China | Producer prices | Oct |
| China | CPI | Oct |
| Japan | BoJ summary of opinions | Oct |
| Japan | Bank lending | Oct |

Need More Information?

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| | XRO | Interim (w/cast 10.30am) |
|-----------------|------------|-------------------------------|
| Tomorrow | APM | AGM |
| | LPI | AGM |
| | MRM | AGM |
| | NHF | AGM |
| | NWS | Sep Q (o/night Thu in the US) |
| | REA | Sep Q |
| | SVR | AGM |
| Mon | ANZ | Full year (tele 10am) |
| | FSF | AGM |
| | IPL | Full year |

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