

Markets

SFE 200 Futures (9.30am AEDT)	6471	32	0.5
NZX 50	12706	40	0.3
DJIA Futures	29311	-8	0.0
S&P 500 Futures	3568	27	0.8
NASDAQ Futures	11886	268	2.3

Local Markets Commentary

The Australian market commences today's trade with a weaker \$A, several high-profile domestic stock AGMs and updates, new data in hand from China, mostly positive overnight international equities leads, but more varied commodities trade sentiment, and material economic indicators due on both sides of the Atlantic tonight.

Post-ASX trade yesterday, **China** reported a fall in **new lending** from 1900B yuan in September to 689.8B yuan during October.

In addition, China published a 12.5% year-on-year rise in **October vehicle sales**, against 12.8% for September, and following forecasts for a 10.5% increase.

Regionally today, Japan is expected to report **October producer prices** and September machinery orders 10.50am AEDT.

Locally today, the Melbourne Institute is scheduled to publish its November **consumer inflation expectations** report 11am AEDT.

The Reserve Bank of Australia (RBA) is due to release monthly **business lending** statistics 11.30am AEDT.

In addition today, **NAB** trades **ex-dividend**. Please see p3 for a comprehensive list.

In overnight commodities trade, Brent and WTI **crude** settled variously higher.

US **gold** futures (Dec) swung lower.

LME **copper** turned moderately lower. **Nickel** and **aluminium** continued to gain.

The **\$A** fell to ~US72.80c after trading beyond US73.05c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	29398	-23	-0.1
S&P 500	3573	27	0.8
NASDAQ	11786	233	2.0
FTSE 100	6382	85	1.4
DAX 30	13216	53	0.4
Shanghai Comp	3342	-18	-0.5

Overseas Markets Commentary

Major European and US equities markets opened higher overnight, but subsequent sentiment diverged across key indices.

* SaaS and marketplace listing – 11am AEDT – HPG *

Today's Stock Watch
GrainCorp Ltd (GNC)

7c fully franked final dividend, following nil dividend a year ago.

\$343M full year NPAT following a \$113M FY 19 net loss.

Teleconference scheduled to commence 10am AEDT.

Nine Entertainment Company (NEC)

Anticipating a 30% boost to 1H EBITDA, pre-specific items.

Reporting an improvement in advertising conditions since 30 September. AGM today.

CSR Ltd (CSR)

Strategy presentation lodged pre-trade.

Telstra Corporation (TLS)

Today's investor day materials lodged this morning.

Breville Group (BRG)

Today's AGM materials lodged.

InvoCare Ltd (IVC)

IVC is outlaying a combined potential \$49.8M for two pet cremation businesses, \$11.5M pending two-year earnings performance.

IVC has settled higher the past eight sessions, yesterday closing at \$11.50.

Xero Ltd (XRO)

\$NZ34.49M interim NPAT.

21% higher, \$NZ409.84M revenue.

\$NZ1.02 NTA, against NZ44c.

hipages Group Holdings (* HPG)

Tradies SaaS and marketplace provider scheduled to list on the ASX **11am** AEDT, following a \$100.4M IPO at \$2.45 per share.

Resources
De Grey Mining (DEG)

Heralding Crow and Aquila drilling results. High-grade gold assays lodged pre-trade.

Energy
Woodside Petroleum (WPL) / BHP Group (BHP)

WPL has disclosed Chinese companies told WPL, during the past three months, that they were not able to participate in an equity sale process for the Scarborough gas project, 73.5% held by WPL.

BHP is the balance 26.5% project partner.

WPL added 6.3% for yesterday's investor day, settling at \$20.90, after appreciating 7.3% Tuesday.



There was plenty to consider, including central bank commentary, US election outcomes and the status of UK-European Union (EU) trade talks.

US tech stocks regained some favour, in particular in consideration of further reported increases in Covid-19 diagnoses and hospitalisation tallies.

Bond markets were closed in the US due to the federal government holiday for Veterans Day.

The US administration in the meantime launched additional **US election** legal action in Michigan. A vote recount for Georgia was also announced.

Speaking at a **European Central Bank** (ECB) forum, ECB president Christine Lagarde again warned of a likely 'unsteady' recovery from the economic impacts of Covid-19.

Ms Lagarde continued to promote bond purchases and cheaper credit to banks as major tools in preventing the current international economic pullback from transitioning into a long-term recession.

Yesterday, the **Reserve Bank of New Zealand** (RBNZ) introduced a funding-for-lending (FLP) program, aimed at cutting bank funding costs and reducing interest rates further, even possibly to a negative overnight cash rate (OCR).

Further, the RBNZ announced it would push back plans to raise minimum requirements for bank capital holdings and was looking into possibly changing mortgage lending regulations.

Reports also emerged late yesterday, that draft regulations designed by Chinese authorities to address anti-competitive corporate behaviour in the tech sector were responsible for a two-session selloff of stocks including Alibaba and JD.com. These were revealed to have been released in China Tuesday.

Also yesterday, Woodside Petroleum revealed that, during the past three months, China-headquartered companies had withdrawn from, or declined to participate in, from an equity sales process in a gas project in which such companies were expected to be keen participants.

The **UK** and **EU** trade talks were in the meantime viewed as likely to extend into next week, this prompting some to proffer no deal was likely should a draft agreement not be reached by the next EU summit, scheduled for late next week.

In scant overnight **data** releases, **US** weekly mortgage applications fell 0.5% after rising by 3.8% the previous week.

The mean 30-year mortgage rate was calculated at 2.98%, from 3.01%.

Also overnight, a 30-year bond auction in Germany delivered a -0.06% yield, from -0.16%.

Tonight in the **US**, October CPI and weekly new unemployment claims are due.

Elsewhere, the **ECB** forum, hosted from Frankfurt, is reported to include feature addresses from and **Bank of England** governor Andrew Bailey and **US Federal Reserve** chair Jerome Powell tonight, and further commentary from Ms Lagarde.

The ECB is also due to publish a monthly economic bulletin.

In addition, a September quarter **GDP** reading is due for the **UK**.

Italy is due to conduct a 30-year bond auction.

Companies scheduled to report earnings later today and tonight

Pre-Open Announcements

Air New Zealand (AIZ)

AIZ has appointed Metlifecare CFO Richard Thomson as CFO, effective early 2021.

EVZ Ltd (EVZ)

Anticipating \$30M - \$32M interim revenue.

\$3.0M - \$3.5M EBITDA expected.

AJ Lucas Group (AJL)

Non-executive director John O'Neill has resigned from the AJL board.

Mr O'Neill was appointed an AJL director in June 2015.

Resources

Siren Gold (* SNG)

Heralding New Zealand Alexander River gold project diamond drilling results.

Assays lodged post-trade yesterday.

Alkane Resources (ALK)

Boda gold-copper exploration-focused presentation lodged in video format post-trade yesterday.

In addition, ALK has also lodged an amended Boda announcement, initially released Monday this week.

ALK has traded lower the past three sessions, settling at \$1.08 yesterday, after closing out last week at \$1.385.

Greenland Minerals (GGG)

Rare earth forum presentation lodged post-trade yesterday.

Tempus Resources (TMR)

'Permit of work' in hand, enabling the commencement of drilling within the Elizabeth area of the British Columbia, Canada Blackdome-Elizabeth gold project.

TMR is planning a 6000m diamond drilling program.

Firefinch Ltd (FFX)

FFX has appointed Andrew Taplin as COO and Brett Fraser as a director.

Mining engineer, Morila mine finance and administration manager and FFX financial controller appointments also lodged post-trade yesterday.

Energy

Carnarvon Petroleum (* CVN)

CVN recorded an ~28% vote against its remuneration report at yesterday's AGM.

In addition, shareholders rejected (65.95% against v 30.81% for) the proposed appointment of Douglas Jendry as a director.



include: Bridgestone, Brookfield Asset Management, Burberry, Cisco Systems, Merck, Nissan Motor, RWE, Siemens, Walt Disney and Weibo.

GlaxoSmithKline, Royal Dutch Shell and Sainsbury are listed to trade ex-dividend on the FTSE 100.

In overnight corporate news, **Alibaba** announced \$US75B worth of sales from Singles Day and pre-cursor events from 1 November.

Pfizer revealed the EU was planning to purchase up to 300M doses of the potential Covid-19 vaccine under development by Pfizer and **BioNTech**, and for which positive phase three test results were independently verified this week.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1861.6	oz	-14.8	-0.8
Silver (NY) (Dec)	24.267	oz	-0.2	-0.8
Gold (LON) (10 Nov)	1879	oz		
Platinum	858	oz	-20	-2.3
WTI Crude (NYMEX Dec)	41.45	bbbl	0.09	0.2
Brent Crude (ICE EUR Dec)	43.80	bbbl	0.19	0.4
Iron Ore (NYMEX,CHN,62%) (10 Nov)	120.30	t	0.46	0.4
Copper (LME,3mth Ind,PM)	6907	t	-26	-0.4
Nickel	16005	t	100	0.6
Aluminium	1917	t	7	0.4
Lead	1855	t	4	0.2
Zinc	2647	t	1	0.0
Tin	18210	t	-69	-0.4

Commodities Commentary

Oil – overnight prices were pushed and pulled by crude inventories figures, oil industry reports and commentary, concerns for the impact of ongoing increases in Covid-19 diagnoses and hospital tallies, and a stronger \$US.

Brent crude traded as high as \$US45.30/bbl intra-session and WTI at \$US43.06/bbl.

OPEC's monthly oil market report, released overnight, included a 300,000bbl/d drop in the organisation's 2020 international demand forecast to 9.8MMbbl/d.

OPEC predicted 2021 demand to rise by a daily 6.2MMbbl, also representing a 300,000bbl/d cut to the October forecast.

OPEC also warned Covid-19 impacts would 'linger well into 2021'.

Meanwhile, Algeria's energy minister confirmed the current production cuts agreement could be extended, rather than cuts eased by a daily 2MMbbl from 1 January as planned, and that output reductions could even be deepened from the current 7.7MMbbl/d if necessary. OPEC and OPEC+ meetings are scheduled for 30 November and 1 December.

In addition, post-US trade Tuesday, a weekly report published by US industry group the API estimated a 5.15MMbbl draw on US crude stocks during last week.

The International Energy Agency (IEA) is scheduled to publish its monthly oil report **tonight**.

A weekly US petroleum inventories report, prepared by government agency the EIA, is also due tonight.

Gold – a 0.3% gain in the ICE \$US index and positive equities

Trading Halts

Company	Code	Resuming
archTIS Ltd	AR9	12 Nov
Buderim Group	BUG	12 Nov
eMetals Ltd	EMT	12 Nov
Galena Mining	G1A	12 Nov
Allegiance Coal	AHQ	13 Nov
Azure Minerals	AZS	13 Nov
Battery Minerals	BAT	13 Nov
Flexiroam Ltd	FRX	13 Nov
iCandy Interactive	ICI	13 Nov
MMA Offshore	MRM	13 Nov
RareX Ltd	REE	13 Nov
Suvo Strategic Minerals	SUV	13 Nov
Thomson Resources	TMZ	13 Nov
Emmerson Resources	ERM	16 Nov

Suspensions (select)

Company	Code	Since
Consolidated Financial Holdings	CWL	16 Oct
Cyclone Metals	CLE	19 Oct
Emerge Gaming	EM1	30 Oct
Fremont Petroleum Corporation	FPL	3 Nov
MedAdvisor Ltd	MDR	6 Nov
Resource Generation	RES	26 Oct
Triple Energy	TNP	28 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ACQ	Today	3.75	100	4.62
NAB	Today	30	100	5.18
DDR	Tomorrow	7.5	100	3.13
PL8	Tomorrow	0.4	100	4.86
MQG	Mon	135	40	3.03
OPC	Mon	10	100	0.54
QVE	Mon	1.1	100	4.84
ZIM	Mon	40.88	0	0.00
IAP	Thu (19 Nov)	4.39	0	5.90
WAM	Thu	7.75	100	3.35

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	AVH	Sep Q (tele 5.30am)
	BRG	AGM
	COE	AGM
	DTL	AGM



sentiment detracted from overnight gold interest.

Material data releases tonight and tomorrow night are expected to keep gold sentiment fluid.

Base metals – concerning new Covid-19 tallies, a stronger \$US and economic data releases appeared the major influences on overnight base metals trade.

China's October lending figures, released late yesterday AEDT, represented a notable drop in activity.

Tonight's trade could well be impacted by material economic data and reports. In addition, some caution could be noted, ahead of a batch of influential data expected out of China Monday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7278	-0.0001	-0.02
EUR – USD	1.1778	-0.0002	-0.02

Australian Data Today

Melbourne Institute	Inflation expectations	Nov
RBA	Business lending	Oct

US Data Tonight

Initial jobless claims	7 Nov
CPI	Oct

Other Overseas Data Today & Tonight

Japan	PPI	Oct
Japan	Machinery orders	Sep
Japan	Tertiary industry index (3.30pm AEDT)	Sep
UK	GDP (preliminary)	Sep Q
UK	Trade balance	Sep
UK	Industrial production	Sep
UK	NIESR GDP tracker	Oct
Germany	CPI (final)	Oct
Euro zone	Industrial production	Sep
Euro zone	ECB economic bulletin	Nov

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

EHL	AGM
GDI	AGM
GNC	Full year (w/cast tele 10am)
MPL	AGM
NEA	AGM
NEC	AGM
SWM	AGM
SHL	AGM
TLS	Investor day
VCX	AGM
WES	AGM
WOW	AGM
XRO	Interim

Tomorrow	MCR	AGM (4pm)
	NXT	AGM
	ORE	AGM
	PNV	AGM

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.