

Markets

SFE 200 Futures (9.30am AEDT)	5942	52	0.9
NZX 50	12028	-56	-0.5
DJIA Futures	26394	0	0.0
S&P 500 Futures	3265	0	0.0
NASDAQ Futures	11046	0	0.0

Local Markets Commentary

The Australian market opens November trade on a Monday with:

- full year results from a major domestic bank;
- influential data in hand for Australia and from China;
- additional key China data early this afternoon;
- a swag of material domestic economic reports through the day; and
- ongoing Covid-19 – related international economic growth concerns.

This, ahead of official polling day for the US presidential election overnight tomorrow and material data tonight.

Traders face heightened international markets risk ahead of the US election, when a presidential winner is known, when control of the US Senate is determined, and when any results are officially accepted.

Last week, international equities index the MSCI All Country World registered the greatest weekly fall in ~seven months, this attributed mostly to the US election and Covid-19 containment angst.

Other developments since Friday's ASX trade are also expected to impact some of today's sentiment.

Select ASX-listed **resources sector** stocks are under watch following an announcement out of Mali post-ASX trade Friday, of a review of mining agreements signed with all companies under previous regimes.

In addition, since overnight Friday international trade, Covid-19 figures have forced several nations into considering further restrictions on businesses and communities and potentially more widespread lockdowns.

For its part, the UK announced a minimum one-month national lockdown.

Among data news, over the weekend **China** released official October manufacturing and services sector activity indices, these being 51.4 and 56.2 respectively.

The respective figures for September were recorded as 51.5 and 55.9.

South Korea's October trade figures, released yesterday, included a \$US5.98B trade surplus, from \$US8.7B for September.

Regionally today, Caixin is due to release its October manufacturing PMI for China, **12.45pm** AEDT.

Locally today, several economic indicator reports are due ahead of the Reserve Bank of Australia's (RBA) policy meeting tomorrow.

* Retail listing 11am AEDT – DSK *

Australia –October manufacturing PMI (AiG) – 56.3 from 46.7

Today's Stock Watch

Westpac Banking Corporation (WBC)

Paying a 31c fully franked final dividend, against 80c a year ago. 66% lower, \$2.29B full year NPAT. 62% lower, \$2.608B cash earnings. 2% lower, \$20.183B revenue. 11.13% CET1.

CSR Ltd (CSR)

15% lower, \$A58.7M interim NPAT. 6% lower, \$1.0755B revenue. 8.5c interim and 4c special fully franked dividends, against 10c and 4c respectively, 50%-franked, a year ago. \$2.18 NTA, against \$2.10. \$153.1M cash.

Unibail Rodamco Westfield (URW)

€945M NPAT for the nine months to 30 September, against €1.341B a year ago. Additional statistics lodged pre-trade.

AMP Ltd (AMP)

AMP has lodged the Ares Management Corporation (AMC) form, as provided to the US Securities and Exchange Commission, in relation to AMC's indicative, implied \$A1.85-per-share proposal to acquire AMP.

ResMed Inc (RMD)

Credit Suisse has upgraded RMD from neutral to outperform. Meanwhile, following Bank of America's RMD upgrade earlier last week, JPMorgan Chase & Co raised its RMD rating late week from underweight to neutral.

amaysim Australia (AYS)

Planning to sell the AYS mobile business to wholesale partner Optus Mobile for \$A250M cash, pending shareholder approval.

Pharmaxis Ltd (PXS)

Teleconference scheduled to commence **11am** AEDT. PXS US licensee Chiesi Farmaceutici has received approval from the US FDA for PXS's Bronchitol treatment for cystic fibrosis. This qualifies PXS for \$US10M worth of approval and launch milestones payments.

In addition, PXS has lodged clinical trial plans for PXS-5505, the proposed treatment for bone marrow cancer myelofibrosis.

Air New Zealand (AIZ)

September passenger numbers dropped 59.9% year-on-year, to 679,000. For the financial year-to-date, the passenger tally is down 62.6%. Additional breakdown statistics lodged.

Dusk Group (* DSK)

Fragrance products retailer scheduled to list on the ASX **11am** AEDT following a \$70M IPO at \$2.00 per share. ~62.27M quoted shares.



Pre-trade, AiG's October **manufacturing** sector activity index has been reported at a decidedly expansionary **56.3**, from 46.7 for September.

A CoreLogic **residential property price index** is also due for October this morning.

Three reports are due for release at 11.30am AEDT.

These include two from the Australian Bureau of Statistics (ABS), one detailing September **lending approvals** and the other September **building approvals**.

The ANZ's monthly national **job advertisements** report is also due at 11.30am.

In addition, an **inflation gauge** report is scheduled for release midday from the Melbourne Institute and TD Securities.

Post-ASX trade, the RBA is due to publish **commodity prices**.

In overnight Friday commodities trade, **oil** fell further.

US **gold** futures (August) swung higher.

Iron ore (Nymex CFR China, 62% Fe) dropped.

LME **copper** turned lower and **nickel** continued decidedly so.

Aluminium swung higher and rallied.

The **\$A** was contained within a narrow range after trading at ~US70.25c early Friday evening.

*Markets in Japan will be closed **tomorrow** due to a public holiday. In Australia, Melbourne and parts of regional Victoria will observe a public holiday for Melbourne Cup Day.*

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26502	-158	-0.6
S&P 500	3270	-40	-1.2
NASDAQ	10912	-274	-2.5
FTSE 100	5577	-4	-0.1
DAX 30	11556	-42	-0.4
Shanghai Comp	3225	-48	-1.5

Overseas Markets Commentary

Early falls and choppy trade featured across most major European and US equities markets overnight Friday, amid a batch of material data releases and increasing US presidential election speculation and commentary, ahead of tomorrow night's official polling day.

In addition, sentiment was constrained by Covid-19 concerns, in particular across Europe, in the UK, US and India, coupled with natural disasters in Vietnam, the Philippines, Greece and Turkey – nations struggling economically and with Covid-19 containment – China's determinations following outlined Friday, following a four-day annual Communist Party of China central committee forum, were also in focus.

Key disclosed determinations from the plenary session included broad plans to boost scientific and technological capability and to improve the co-ordination of macroeconomic plans and policies.

Officials also emphasised a focus on preserving beneficial US-China relations and preventing 'decoupling'.

In overnight Friday **data** releases, **euro zone** initial September quarter GDP estimates indicated a 12.7% bounce for the three

Pre-Open Announcements

Omni Bridgway (* OBL)

(Unaudited) September quarter litigation investments gross consolidated income tallied \$21.1M.

A Brisbane floods class action damages hearing in the NSW Supreme Court this past week considered damages for one of four sample group members and determined the three defendants are liable to pay group members' costs.

A mediation hearing was also ordered to occur by 23 December and has been scheduled for 8 December.

An appeal remains set to be heard in May 2021, pending any interim settlement.

Think Childcare Group (* TNK)

Anticipating \$22M - \$23M CY2020 underlying EBITDA, against previous guidance of \$15M - \$17M.

PainChek Ltd (PCK)

Partnership agreement secured with New Zealand-headquartered medication management software specialist Medi-map. Details lodged this morning.

Tyro Payments (TYR)

9% higher, year-on-year, \$1.911B October (to 30 Oct) TTV.

TTV is 5% higher for the year-to-date, at \$7.25B.

Dexus Property Group (DXS)

Planning to sell 60 Miller Street, North Sydney, pending FIRB approval.

Anticipating a net \$273M and planning to use this initially to reduce debt.

GPT Group (GPT)

Planning to sell 25% of 1 Farmer Place, Sydney, pending co-owner pre-emptive first rights.

Creso Pharma (CPH)

CPH's Mernova Medicinal achieved \$A596,000 sales revenue during the September quarter.

\$2.56M cash reserves.

Regeneus Ltd (RGS)

RGS has appointed OME Health co-founder and recent CEO Karolis Rosickas as CEO, effective immediately.

Recent RGS CEO Leo Lee has resigned in favour of an appointment with a pharmaceutical company headquartered in Japan.

Mr Lee will remain with RGS as a non-executive director.

Esports Mogul (ESH)

As previously flagged, Adam Jacoby has resigned from the ESH board, effective immediately, after four years.

Nutritional Growth Solutions (* NGS)

Paediatric nutritional supplements specialist completed an enviable ASX listing Friday, following a \$7M IPO at 20c per share.

Opened at 31c and traded at 28.5c – 38c before settling at



months and a 4.3% year-on-year fall, each reading surpassing forecasts.

This followed respective 11.8% and 14.8% June quarter drops.

An initial October euro zone CPI reading represented 0.2% growth for the month and 0.3% year-on-year deflation, mostly in line with expectations.

Germany's initial September quarter GDP reading indicated 8.2% growth for the three months, following a 9.7% June quarter drop and forecasts of a 7.2% bounce.

Against the September quarter 2019, GDP fell 4.3%.

Also in Germany, September retail sales fell 2.2% for the month, but were 6.5% higher than for September 2019.

In the **US**, September personal income and spending encouraged, rising 0.9% and 1.4% respectively, against expectations of 0.4% and 0.2% respective gains, and following a 2.5% August drop in spending despite a 1% income improvement.

The Chicago PMI slipped to 61.1 from 62.4, but also against forecasts of a larger decline, to 56.

A final reading of the University of Michigan consumer confidence index came in at 81.8 from 80.4, following expectations of 81.2.

Tonight in the **US**, ISM's October manufacturing activity index, September construction spending, and Markit's final estimate of October manufacturing PMI are due.

Elsewhere, final October manufacturing PMIs are due for the UK and euro zone.

Companies scheduled to report earnings later today and tonight include Estee Lauder, Mondelez International, PayPal, Ryanair and Yamaha.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1879.9	oz	11.9	0.6
Silver (NY) (Dec)	23.646	oz	0.29	1.2
Gold (LON) (27 Oct)	1870	oz		
Platinum	840	oz	-1	-0.1
WTI Crude (NYMEX Dec)	35.79	bbbl	-0.38	-1.1
Brent Crude (ICE EUR Dec)	37.46	bbbl	-0.19	-0.5
Iron Ore (NYMEX,CHN,62%)	116.25	t	-4.03	-3.5
Copper (LME,3mth Ind,PM)	6711	t	-37	-0.6
Nickel	15185	t	-360	-2.3
Aluminium	1846	t	42	2.3
Lead	1809	t	-23	-1.3
Zinc	2523	t	-23	-0.9
Tin	17705	t	-117	-0.7

Commodities Commentary

Oil – a further fall in crude prices overnight Friday, pushed WTI 11% lower for the month and Brent to an ~10% October decline.

New restrictions aimed at containing Covid-19 growth continued to douse oil demand expectations.

In addition, OPEC members were estimated to have produced a daily 24.59MMbbl/d during October, 210,000bbl/d more than for September, and 2.2MMbbl/d than in June.

US government agency the EIA reported overnight Friday that US

30.5c.

10.77M shares were traded across 1061 transaction.

~43M quoted securities.

Resources

Ironbark Zinc (* IBG)

Export Import Bank of the United States (EXIM) has provided IBG with a letter of interest in providing up to \$US216.125M to support the development of the Citronen zinc-lead project, Greenland.

New World Resources (* NWC)

Heralding an exceptional assay from diamond drilling within the Antler copper deposit, Arizona, US.

De Grey Mining (DEG)

September quarter activities report lodged post-trade Friday. \$109.5M cash reserves.

Strike Resources (SRK)

Paulsens East iron ore project feasibility outcomes lodged post-trade Friday, including \$15.7M capex and \$140M NPV over an initial four-year mine life.

Lucapa Diamond Company (LOM)

The Lulo JV recovered 9387 carats during the September quarter.

Diamond sales realised \$US11.6M.

Pathfinder Resources (* PF1)

Mineral explorer scheduled to list on the ASX midday **Wednesday** following a \$6M IPO at 20c per share. 49.72M quoted securities.

Energy

Leigh Creek Energy (* LCK)

Leigh Creek project pre-feasibility study outcomes lodged, including \$A2.6B capex, \$A3.4B pre-tax NPV and 30% IRR.

Central Petroleum (* CTP)

Sold 2.62PJE during the September quarter, against 2.53PJE for the June quarter.

Sales revenue came in 5% higher for the quarter (volumes were 3.6% higher), at \$14.8M.

\$26.3M cash balance. \$44.6M net debt.

Trading Halts

Company	Code	Resuming
CML Group	CGR	2 Nov
Meteoric Resources	MEI	2 Nov
Seek Ltd	SEK	2 Nov
Chase Mining Corporation	CML	3 Nov
Healthia Ltd	HLA	3 Nov
iCollege Ltd	ICT	3 Nov
Isentia Group	ISD	3 Nov



August output fell 3.6% for the month, and 14.9% year-on-year, to 10.6MMbbl/d, the decline mostly attributed to storm-related shut-downs.

A weekly US petroleum drill rig count, published overnight Friday, included 10 additional operational oil rigs.

The combined tally of oil and gas rigs in operation nonetheless represented a 64% drop for the year to the end of October.

The December Brent contract expired at settlement overnight Friday. January Brent crude settled 0.8% lower for the session, at \$US37.94/bbl.

Gold – Comex futures settled lower for the week for a third consecutive week overnight Friday, despite gaining for the session.

Central bank policy meetings in Australia, the US and UK tomorrow, overnight Wednesday and Thursday (AEDT) **this week**, are keenly anticipated, in particular, for any policy moves, or plans for such, in the wake of a recent resurgence in Covid-19 diagnoses.

Associated commentary and pre-meetings speculation could swing gold sentiment, although most moves are anticipated in relation to the **US presidential election**, for which official polling day is overnight tomorrow (AEDT).

Base metals – China’s statement and press conference, outlining five-year plan determinations, following the annual Communist Party of China central committee forum provided insufficient detail to bolster general base metals sentiment during overnight Friday end-of-month LME trade.

Additional business and community restrictions across a broader range of nations, in response to surging Covid-19 cases, also continued to dampen international economic recovery hopes.

Meanwhile, expectations that *aluminium* supply may not match demand pushed cash prices ahead of three-month prices, subsequently propelling three-month prices also higher.

China’s official October PMIs, reported over the weekend, included a 51.4 manufacturing sector estimate, following 51.5 for September and a decidedly expansionary 56.2 services sector activity reading, following 55.9 for September and against expectations of a decline to 55.2.

South Korea’s October trade figures, also released over the weekend, included a \$US5.98B trade surplus, against expectations of \$US6.5B and following a \$US8.7B September trade surplus.

Exports fell 3.6%, and imports dropped 5.8%, after rising 7.6% and 1.6% respectively in September.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7020	-0.0005	-0.08
EUR – USD	1.1646	-0.0004	-0.03

Australian Data Today

AiG	PMI	Sep
ABS	Lending approvals	Sep
ABS	Building approvals	Sep
CoreLogic	Home value index	Oct

Pearl Global	PG1	3 Nov
Santana Minerals	SMI	3 Nov
Stavelly Minerals	SVY	3 Nov
Telix Pharmaceuticals	TLX	3 Nov
Triangle Energy (Global)	TEG	3 Nov
Bowen Coking Coal	BCB	4 Nov
Neurotech International	NTI	4 Nov

Suspensions *(select)*

Company	Code	Since
Buddy Technologies	BUD	30 Oct
Consolidated Financial Holdings	CWL	16 Oct
Cyclone Metals	CLE	19 Oct
Emerge Gaming	EM1	30 Oct
New Energy Minerals	NXE	15 Oct
Resource Generation	RES	26 Oct
Triple Energy	TNP	28 Oct
Vault Intelligence	VLT	9 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
NBI	Today	~0.696	0	5.53
BIS	Tomorrow	5	100	2.70
JMS	Tomorrow	1	0	16.67
BOQ	Wed	12	100	4.83
JHG	Fri	36	0	6.05
WAT	Fri	3	100	1.72
ANZ	9 Nov	35	100	5.58
JYC	9 Nov	2.7	100	9.80
NAC	9 Nov	1.4	100	4.98
NSC	9 Nov	1.25	100	6.11

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	CPV	AGM
	CSR	Interim
	URW	Sep Q
	WBC	Full year
Wed	AT1	AGM
	CWP	AGM
	DMP	AGM (3pm)
	E25	AGM
	FCL	AGM
	PDL	Full year
	PPH	Interim (tele 9am)
	TLM	AGM



ANZ	Job advertisements	Oct
MelbInstitute/TD Securities	Inflation gauge	Oct
RBA	Commodity price index	Oct

US Data Tonight

ISM manufacturing		Oct
Construction spending		Sep
Markit manufacturing PMI (final)		Oct

Other Overseas Data Today & Tonight

China	Caixin manufacturing PMI	Oct
Japan	Manufacturing PMI (final)	Oct
UK	Manufacturing PMI (final)	Oct
Germany	Manufacturing PMI (final)	Oct
Euro zone	Manufacturing PMI (final)	Oct

Need More Information?

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

Thu	AMC	AGM
	ANN	AGM (9am)
	COL	AGM (10.30am)
	CCP	AGM (11am)
	DOW	AGM (11am)
	EHE	AGM (1pm)
	FLT	AGM
	ING	AGM
	NAB	Full year
	NHF	AGM (1pm)
	PAA	AGM
TWE	AGM	
Fri	AMC	Sep Q
	CNU	AGM
	MQG	Interim
	ORI	Full year
	SPK	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.