

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	7419	20	0.3
<b>NZX 50</b>	13002	58	0.5
<b>DJIA Futures</b>	36002	-7	0.0
<b>S&amp;P 500 Futures</b>	4675	1	0.0
<b>NASDAQ Futures</b>	16344	13	0.1

**Local Markets Commentary**

The Australian market opens Friday trade with: a further \$A depreciation; a key Reserve Bank of Australia (RBA) report due late morning; new domestic data in hand pre-trade; AGM updates and earnings reports continuing to flow from large-cap domestic stocks; and a major domestic bank trading ex-dividend, ahead of US employment statistics tonight.

Overnight international equities trade sentiment vacillated but ultimately proved mostly positive.

**Locally** today, the **RBA** publishes its quarterly *Statement on Monetary Policy*, containing updated forecasts and outlooks, **11.30am AEDT**.

Pre-trade, the **AiG** has released a remaining contractionary **47.6** October **services** sector index, from 45.7 for September. Forecasters had anticipated 52.0, representing a return to expansion mode.

Also today, **JHG** and **WBC** trade **ex-dividend**. Please see pp3-4 for a detailed ex-dividends list.

**Regionally** today, **Japan** releases September household spending.

**China** is expected to report October trade figures over the weekend.

In overnight commodities trade, **oil** swung lower.

US **gold** futures bounced.

**Iron ore** (China port CFR, 62% fines) official prices were unavailable out of Singapore yesterday due to market closures for the Diwali festival.

Nymex (China port CFR, 62% fines) iron ore futures fell, settling below \$US100/t.

Last night's LME final price updates were unavailable from IRESS at time of publication.

LME (3mth evening) **copper** and **nickel** reportedly recorded modest falls, however. **Aluminium** was reported to have dropped, mostly on China's increased coal output statements.

Comex copper futures settled little changed, at \$US4.3205/lb.

The **\$A** was pushed yet lower, to ~US74.00c, after falling to ~US74.20c early yesterday evening.

The **UN's** climate change summit in Glasgow, Scotland continued to produce collaborative announcements for plans to fund remedial action.

**\* Mineral exploration listing – 1pm AEDT – HMG \***

**Today's Stock Watch**
**Qantas Airways (QAN)**

AGM today.

**Virgin Money UK (VUK)**

Expecting a £417M FY21 (30 September end) pre-tax profit and 2% higher, £1.572B income.

CET1 ratio rose 1.5% to 14.9%.

Intending to pay a 1p dividend, pending final results and shareholder approval.

Anticipating £275M worth of restructuring charges across FY22 – FY24, with half to be recorded in FY22.

Digital wallet plans, medium-term outlook and trading update presentation also lodged post-trade yesterday.

VUK hosted a webcast briefing yesterday evening.

**Link Administration Holdings (LNK)**

Suspending an on-market buy-back, due to an indicative takeover proposal from Carlyle Asia Partners, estimated to value LNK at \$5.38 per share. LNK has traded at \$4.32 - \$4.52 over the past five trading sessions.

**Pendal Group (PDL)**

24c, 10%-franked final dividend, from 22c, 10% franked a year ago. 41.5% higher, \$164.7M full year NPAT.

34.6% higher, \$627.4M income.

**News Corporation (NWS)**

\$US267M September quarter net income, from \$US47M a year earlier. 18% higher, \$US2.50B revenue.

**REA Group (REA)**

35% higher, \$264M September quarter post-broker commission revenue. Additional statistics lodged pre-trade.

**Resources**
**BlueScope Steel (BSL)**

Planning to outlay \$US240M for the MetalX LLC ferrous scrap steel recycling business.

The acquisition will deliver two operating sites in Indiana and Ohio, the Ohio operation located immediately adjacent to BSL's North Star facility.

Completion is anticipated by year's end.

**New World Resources (NWC)**

7.7Mt @ 3.9% Cu-equivalent Arizona, US Antler copper deposit maiden resource lodged pre-trade.

**Kirkland Lake Gold (KLA)**

Record, \$US254.9M September quarter net earnings, up 4% for the three months and 26% year-on-year.

Additional statistics lodged this morning.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	36124	-33	-0.1
<b>S&amp;P 500</b>	4680	19	0.4
<b>NASDAQ</b>	15940	129	0.8
<b>FTSE 100</b>	7280	31	0.4
<b>DAX 30</b>	16030	70	0.4
<b>Shanghai Comp</b>	3527	28	0.8

**Overseas Markets Commentary**

Vacillating sentiment was demonstrated in varying degrees across major European, UK and US equities markets overnight, amid mixed economic data releases and corporate earnings and outlooks, reports out of the UK and Europe of significant Covid-19 spread, and a continued focus on central bank policy.

In the US, the S&P 500 and NASDAQ again reached record peaks, mostly on corporate results, but the DJIA suffered from reduced sentiment for large financial stocks.

The **Bank of England** (BoE) retained status quo rates and asset purchases at its policy meeting, but indicated a rate increase was possible 'over coming months'.

This, while reducing its 2021 and 2022 GDP forecasts and predicting 5% inflation at April 2022, ahead of sub-2% inflation within three years, pending energy prices and interest rates.

Two of nine policy committee members, including the deputy governor, were recorded as having voted for a 0.15% rate increase at the meeting.

Three members voted to commence pulling back government bond purchases.

The British pound dropped by more than 1% following the Bank of England announcements, joining the euro and \$A depreciations on central bank pronouncements this week.

In Covid-19 developments, the UK's Medicines and Healthcare products Regulatory Agency (MHRA) recommended the oral anti-viral molnupiravir developed by Merck and Ridgeback Biopharmaceuticals as a Covid-19 treatment for those with at least one risk factor suffering mild – moderate Covid-19.

Meanwhile, the World Health Organisation (WHO) expressed concern at the pace of Covid-19 spread across Europe.

Russia also warned of remaining Covid-19 economic risk when discussing international oil supplies.

Among overnight **data** releases, the **euro zone's** September producer prices jumped 2.7% for the month, following a 1.1% August increase and forecasts of a new 1.7% rise.

The final October services PMI was reported at 54.6, from 54.7 initially, and following 56.4 for September.

**Germany's** September factory orders rose 1.3% after dropping 8.8% in August. Forecasters had anticipated a 2.5% increase.

October domestic vehicle registrations were calculated 34.9% lower than for October 2020.

The final October services PMI represented a 3.8-point drop for the month to 52.4, as initially estimated.

In the **UK**, in addition to Bank of England reports, a 54.6 October

**Pre-Open Announcements****Proteomics International (\*\* PIQ)**

Heralding PromarkerD test results for predicting kidney function decline in patients suffering type 2 diabetes.

**Myer Holdings (MYR)**

'Second strike' remuneration vote recorded at yesterday's AGM.

The initial vote was 62.77% for and 37.10% against; the poll coming in at 63.18% and 36.82% respectively.

The subsequent 'conditional spill' vote was registered as initially 37.38% for and 62.50% against, and 37.04% and 62.96% respectively on a poll.

**Atomos Ltd (AMS)**

Co-founder Jeromy Young is retiring from all AMS roles, including as director, at the 23 November AGM.

Mr Young will complete a six-month employment notice period.

**Vulcan Steel (\* VSL)**

Steel distributor and processor completed its ASX listing yesterday, following a \$371.6M IPO at \$7.10 per share.

Opened at \$7.20 and slipped to \$7.08 before settling at \$7.15. 4.96M shares were traded across 1852 transactions.

~131.41M quoted shares.

Trading commenced on a conditional and deferred settlement basis.

Normal (T+2) trade is expected to commence 9 November (Tuesday next week).

**SiteMinder Ltd (\* SDR)**

Online hotel booking site and services provider SDR is expecting to list on the ASX 11am AEDT Monday, following a \$627M IPO at \$5.06 per share.

Trading will commence on a conditional and deferred settlement basis.

269.36M quoted shares.

**Resources****Hamelin Gold (\* HMG) / Encounter Resources (ENR)**

Explorer and ENR spin-off HMG is scheduled to list on the ASX 1pm AEDT, following a \$10M IPO at 20c per share. 110M quoted shares.

ENR MD Will Robinson is HMG non-executive chair.

ENR executive director Peter Bewick is HMG MD.

Silver Lake Resources (ASX: SLR) holds 10.0%. Gold Fields subsidiary St Ives Gold Mining Company also holds 10.0%.

**OceanaGold Corporation (\* OGC)**

Processing is underway again at the Philippines Didipio gold-copper project, two weeks ahead of schedule.

Primary ore feed is from 23Mt of low-grade stockpiles while underground mining is ramped over ~nine months.



construction PMI was released, two points higher than for September and 0.6 above expectations.

UK October domestic vehicle sales were calculated 24.6% lower year-on-year.

France and Spain hosted 10-year bond auctions, these delivering yields of 0.16% (from 0.15%) and 0.483% (from 0.446%) respectively.

In the **US**, weekly new unemployment claims tallied 269,000, from 283,000 the previous week and following expectations of 275,000 new claims.

Meanwhile, an October job cuts reports included 22,822 intended layoffs, following 17,895 for September. Forecasters had predicted 18,200 new cuts.

September trade figures included an \$US80.9B deficit from a \$US72.8B August shortfall and against forecasts for a new \$US75B deficit.

September quarter productivity tumbled 5.0% for the three months, unit labour costs estimated 8.3% higher.

**Tonight** in the US, October employment statistics are keenly anticipated. The September consumer credit report is also expected.

Elsewhere, Germany releases September industrial production and the euro zone retail sales.

Companies scheduled to report earnings or provide trading updates later today, tonight or over the weekend include: Asics, Berkshire Hathaway, Dominion Energy, Enbridge, Goodyear Tire, Honda Motor, IAG, Inpex, Itochu Corp, Kikkoman, Kobe Steel, Lotte Shopping, Mitsubishi Corp, Rinnai, Sapporo Holdings and Subaru Corp.

In overnight corporate news, **Moderna** reduced its full year Covid-19 vaccine sales forecast, the stock subsequently falling almost 20%.

Chip manufacturer **Qualcomm** appreciated by greater than 10% after exceeding profit and revenue expectations.

By association, **Nvidia** was also pushed higher.

For its part, **Toyota Motor** warned again of computer chip shortages impacting the pace of vehicle manufacturing.

**Square** (acquiring Afterpay) cited a bitcoin transactions boost in reporting 60% higher quarterly gross profit.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>1793.5</b>	oz	29.6	<b>1.7</b>
<b>Silver (NY)</b> (Dec)	<b>23.911</b>	oz	0.68	<b>2.9</b>
<b>Gold (LON)</b>	<b>1763</b>	oz		
<b>Platinum</b>	<b>1024</b>	oz	-3	<b>-0.3</b>
<b>WTI Crude</b> (NYMEX Dec)	<b>78.81</b>	bbbl	-2.05	<b>-2.5</b>
<b>Brent Crude</b> (ICE EUR Jan)	<b>80.54</b>	bbbl	-1.45	<b>-1.8</b>
<b>Iron Ore</b> (Qingdao) (CHN;62%Fe)	<b>100.1</b>	t	(3 Nov)	
<b>Iron Ore</b> (Nymex)	<b>97.17</b>	t	-2.18	<b>-2.2</b>
<b>Copper</b> (LME 3mth Evening) (3Nov)	<b>9453</b>	t		
<b>Nickel</b>	<b>19151</b>	t		
<b>Aluminium</b>	<b>2656</b>	t		
<b>Lead</b>	<b>2374</b>	t		
<b>Zinc</b>	<b>3304</b>	t		

Between now and year's end, OGC expects to produce 7000oz – 12,000oz of gold, and 1000t of copper, at a \$US100/oz - \$150/oz AISC on a by-product basis.

Full production is estimated at 10,000oz of gold and 1000t of copper per month.

### Hannans Ltd (\* HNR)

Nordic lithium battery recycling presentation lodged pre-trade.

### Energy

#### Pilot Energy (PGY) / Warrego Energy (WGO) / APA Group (APA)

PGY is hosting an investor webinar focusing on the planned WA Mid West blue Hydrogen and CCS project, and the PGY-WGO-APA consortium approach to the feasibility study.

The webinar is scheduled to commence 11am AEDT Monday.

Access details lodged post-trade yesterday.

PGY dropped 17.3% for the session yesterday, settling at 6.2c after announcing the consortium pre-trade.

### Trading Halts

Company	Code	Resuming
Emu NL	EMU	5 Nov
Fiji Kava	FIJ	5 Nov
Alterra Ltd	1AG	8 Nov
Amplia Therapeutics	ATX	8 Nov
Aurora Labs	A3D	8 Nov
Hiremii Ltd	HMI	8 Nov
Queensland Pacific Metals	QPM	8 Nov
Strickland Metals	STK	8 Nov

### Suspensions (selected)

Company	Code	Since
BIR Financial	BIR	28 Oct
Intra Energy Corporation	IEC	3 Nov
Marquee Resources	MQR	3 Nov
Viagold Rare Earth Resources Holdings	VIA	15 Oct

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>JHG</b>	Today	<b>50.6</b>	0	3.04
<b>WBC</b>	Today	<b>60</b>	100	3.84
ANZ	Mon	72	100	3.66
MQG	Mon	272	40	2.33
EZZ	Tue	0.45	100	0.00
WAT	Tue	4	100	1.76
NAC	Wed	1.6	100	4.66
NSC	Wed	1.25	100	5.32
RMD	Wed	3.91	0	0.42



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**Commodities Commentary**

**Oil** – overnight, OPEC+ retained plans to increase combined monthly output by 400,000bbl/d from December, Saudi Arabia’s Energy minister citing an anticipated significant build in international crude stocks by year’s end, and Russia’s deputy PM pointing to ongoing reduced demand risk from the Covid-19 Delta strain.

Also overnight, a media report contained a claim Saudi Arabia would produce 10MMbbl/d during December.

The US administration criticised the overall OPEC+ decision.

Brent crude traded as high as \$US84.49/bbl intra-session, and WTI at \$US83.42/bbl.

A weekly US petroleum drill rig report is due tonight.

OPEC+ is due to meet again officially 2 December.

**Gold** – prices bounced overnight, sentiment in part supported by lower US treasury yields after the US Federal Reserve post-policy meeting statements, mixed economic data releases and Covid-19 spread warnings.

Results from the Bank of England’s policy meeting pushed the British pound soundly lower, supporting an ~0.4% rise in the \$US ICE index.

Tonight’s US October employment figures are expected to influence end-of-week price moves.

**Base metals** – China’s daily coal production was reported yesterday to have risen to 11.2Mt, and was forecast by officials to keep increasing to ~12Mt.

This translates into lower energy costs, including for metal smelting operations.

In addition, the US Federal Reserve’s monetary policy statements this week, in particular against those in Australia, the euro zone and the UK, pushed the \$US decidedly higher, detracting from overall buying interest.

Some caution could prevail tonight, as China is expected to release October trade statistics over the weekend.

**Exchange Rates**

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7404	-0.0043	<b>-0.58</b>
<b>EUR – USD</b>	1.1554	-0.0037	<b>-0.32</b>

**Australian Data Today**

AiG	PSI (services PMI)	Oct
RBA	Statement on Monetary Policy	Dec Q
RBA	Official reserve assets	Oct

**US Data Tonight**

Workforce (incl jobs, wages, unemployment, participation)	Oct
Consumer credit change	Sep

API	Thu	2	100	2.32
MGH	Fri (12 Nov)	3	100	0.44

**Reports & Events**

(selected; all times AEDT)

When	Company	Report/Event
<b>Today</b>	<b>GLV</b>	AGM
	<b>IDX</b>	AGM
	<b>INR</b>	AGM
	<b>NWS</b>	Sep Q (4 Nov US; Fri 8am AEDT)
	<b>PDL</b>	Full year
	<b>QAN</b>	AGM
	<b>REA</b>	Sep Q (w/cast briefing 9am)
	<b>SPK</b>	AGM
<b>Mon</b>	GBR	AGM
	PGY	Webinar (11am)
<b>Tue</b>	BEN	AGM
	BLU	AGM
	FMG	AGM (6pm)
	JHX	Interim; Sep Q
	MGH	AGM
	MNF	AGM
	NAB	Full year
	SWM	AGM
<b>Wed</b>	AMC	AGM
	AUB	AGM
	BPT	AGM
	COL	AGM
	CEN	AGM
	MRM	AGM
	MGX	AGM (1.30pm)
	NCM	AGM
	NXM	AGM
	PPH	Interim (tele 9am)
	SSG	AGM
	SGM	AGM
	VCX	AGM
	<b>Thu</b>	A3D
ANN		AGM
AST		Interim
ASB		AGM (5pm)
BHP (Ltd)		AGM (4pm)
BRG		AGM
CHC		AGM (2.30pm)
CPU		AGM
COE		AGM

**Other Overseas Data Today & Tonight**

<b>Japan</b>	Household spending	Sep
<b>Germany</b>	Industrial production	Sep
Germany	Construction PMI	Oct
<b>Euro zone</b>	Retail sales	Sep
Euro zone	Construction PMI	Oct

**Need More Information?**

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	EHE	AGM (1pm)
	GDI	AGM
	INA	AGM
	NEA	AGM
	NSB	AGM
	NEC	AGM
	ORI	Full year
	QUB	AGM
	REA	AGM
	XRO	Interim
	ZIM	AGM (8.30pm)
<b>Fri (12 Nov)</b>	ABY	AGM (1pm)
	CPO	AGM
	LLC	AGM
	MZZ	AGM
	TI1	AGM