

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	6202	15	<b>0.2</b>
<b>NZX 50</b>	12449	112	<b>0.9</b>
<b>DJIA Futures</b>	28204	0	0.0
<b>S&amp;P 500 Futures</b>	3501	0	0.0
<b>NASDAQ Futures</b>	12075	0	0.0

## Local Markets Commentary

The Australian market commences a new week's trade with declarations of Joe Biden as US president-elect, despite multiple legal challenges to voting and counting processes, shifting expectations for the likely makeup of the US Senate, material data in hand from China over the weekend, and a renewed focus on UK-EU relations.

Also since overnight Friday international equities trade, the UK PM and European Commission president attempted to clarify positions amid ongoing negotiations aimed at determining trade and border arrangements come the 31 December expiry of the transition period for the UK's separation from the European Union.

The UK PM subsequently declared significant differences remained but that both leaders agreed progress was possible and that the negotiating teams would resume their discussions in London this week.

Among new data releases, **China reported October trade figures on Saturday**, headline figures including a \$US58.44B trade surplus, against expectations of \$US42B and following a \$US37B September surplus.

Exports were calculated 11.4% higher than for October 2019, against expectations of a 9% rise, and following a 9.9% September year-on-year increase.

Imports rose 4.7%, undershooting forecasts of 10.5% following September's 13.2% jump.

China also reported October foreign reserves over the weekend, these declining to \$US3.128 trillion from the \$US3.143 trillion reported for September, and following forecasts of \$US3.140 trillion.

**Regionally** today, Tankan indices are due out of **Japan** 10am AEDT, followed within the hour by the Bank of Japan's latest policy deliberations 'summary of opinions'.

**Locally** today, the Australian Bureau of Statistics releases final and additional figures in support of the already-published September building approvals, 11.30am AEDT.

The Reserve Bank of Australia (RBA) publishes September card transactions at the same time.

In addition, **ANZ trades ex-dividend**. Please see p4 for a detailed list.

In overnight Friday commodities trade, **oil** dropped.

US **gold** futures (Dec) continued higher, yet more modestly.

**Iron ore** (China port, 62% Fe) rose, trading above \$US117.60/t,

## Today's Stock Watch

### Tilt Renewables (TLT)

125% higher, \$A26.8M interim NPAT. 46% lower, \$A56.0M revenue. Nil interim dividend.

### CIMIC Group (CIM)

CIM has appointed CEO and MD Juan Santamaria as executive chairman, effective immediately.

Mr Santamaria is taking over from Marcelino Fernández Verdes who decided to retire from the CIM board.

### Evolve Education (EVO)

Anticipating \$NZ14.4M - \$NZ14.8M January – September underlying EBITDA.

Considering acquisitions worth a total \$NZ20M.

### Platinum Asset Management (PTM)

\$21.769B FUM at 31 October, against \$21.472B at the end of September.

### Jumbo Interactive (JIN)

JIN's UK-based Gatherwell has achieved revenue and profit targets such that a £1M earn-out will be paid. JIN will pay cash, using escrow funds. A final potential £1M earn-out is due for determination after 30 June 2021.

### Kleos Space (KSS)

KSS's scouting mission successfully launched Saturday. Operational contact made with the four KSS satellites now deployed into an orbit whereby the satellites can detect and geolocate maritime radio frequency transmissions over strategic international regions.

### Alcidion Group (ALC)

Largest contract secured to supply the Miya Precision service to the (UK) South Tees Hospitals NHS Foundation Trust.

The contract is estimated to be worth \$9.47M over five years.

### Keytone Dairy (KTD)

Milk powder manufacturing and supply agreement secured with New Zealand grocer group Foodstuffs.

Initial \$NZ500,000 worth of orders in hand, ahead of a total anticipated \$NZ7.1M.

### Zelira Therapeutics (ZLD) / Emyria Ltd (EMD)

EMD will conduct an observational trial of patients diagnosed with autism spectrum disorder (ASD) and treated with ZLD's HOPE medicinal cannabis products. EMD will pay per-patient subscription fees plus a \$115,000 study fee over the first six months of an initial 12-month trial.

## Resources

### Caprice Resources (CRS)

Thick, high-grade intersections returned from Island gold project New Orient prospect maiden drilling. Assays lodged.



prior to China's weekend reporting, which included a 14.9% year-on-year rise in October iron ore imports, to 106.74Mt.

LME **copper** rallied. **Nickel** swung lower. **Aluminium** settled lower again, but only slightly so.

The **SA** was constrained within a relatively narrow range after falling to ~US72.50c early Friday evening.

This morning however, the SA has traded beyond US72.80c.

### Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	28323	-67	-0.2
<b>S&amp;P 500</b>	3509	-1	-0.0
<b>NASDAQ</b>	11895	4	0.0
<b>FTSE 100</b>	5910	4	0.1
<b>DAX 30</b>	12480	-88	-0.7
<b>Shanghai Comp</b>	3312	-8	-0.2

### Overseas Markets Commentary

Most major European and US equities markets settled little changed overnight Friday.

Closing figures belied choppy, vacillating trade across most indices amid the wait for **US election outcomes**, including the makeup of the Senate for which previous indications had appeared to shift.

In addition, key data releases on both sides of the Atlantic proved mixed in the context of growing numbers of nations reporting record daily **Covid-19** diagnoses and reimposing tightened containment measures, previously shown to significantly impact business and hence, local and broader economies.

Late-Friday US time, **Turkey's** president dismissed the country's central bank governor as the lira depreciated further.

Turkey's finance minister has subsequently announced his resignation, citing health reasons.

Among overnight Friday **data** releases **US** October employment statistics were variously interpreted, these including a 1.0% drop in the unemployment rate to 6.9%.

Average weekly hours worked had remained static at 34.8 and the number of government positions had fallen by 268,000.

The overall tally of jobs created for the month came in at 638,000, well surpassing forecasts for 510,000, but following 672,000 new jobs recorded for September.

The participation rate (for eligible adults actively seeking employment or additional work) was calculated at 61.7%, from 61.4%.

Also in the US, September wholesale inventories were estimated to have grown by 0.4%, following 0.5% for August, and defying expectations of a 0.1% decline.

September consumer credit was reported to have jumped by \$US16.21B, following a \$US6.93B August drop and against expectations of a \$US9.4B rise.

Earlier, **Germany's** September industrial production was reported 1.6% higher for the month, following a 0.5% August increase and forecasts for a new 2.5% gain.

**Tonight** in the **US**, October consumer inflation expectations are

## Pre-Open Announcements

### AML3D Ltd (\* AL3)

Selling the Arcemy module to Rowlands Metalworks, to boost robotic automation in supplying services to the defence and agribusiness sectors.

AL3 is anticipating a profile boost from the sale which validates AL3 technology.

### Chorus Ltd (\* CNU)

Considering a \$NZ200M fixed-rate bond offer.

Presentation lodged this morning.

### Immutep Ltd (\* IMM)

The Australian patent office has granted, to IMM and Novartis, an ~15 year 'Antibody molecules to LAG-3 and uses thereof' patent.

### ResApp Health (\* RAP)

Six-month joint development and pilot agreement secured with Medgate to integrate and test RAP's acute respiratory diagnostic test app ResAppDx within Medgate telehealth services.

### AFT Pharmaceuticals (\* AFP)

US FDA 'complete response' letter in hand following AFP's application to have the tablet version of the Maxigesic pain treatment approved.

The FDA requires a 'good manufacturing practice' inspection, but this has been delayed due to Covid-19 – related travel restrictions, due to AFP's manufacturing facility being located outside the US.

In addition, AFP needs to provide the FDA with updated international safety data and effect some 'minor' labelling changes.

### Cadence Capital (CDM)

October top-20 holdings lodged post-trade Friday.

### Fonterra Shareholders' Fund (FSF)

Today's AGM materials lodged pre-trade.

### Fleetwood Corporation (FWD)

As previously flagged, MD Brad Denison has resigned, but will continue with FWD as CEO during a transition period as FWD seeks to appoint an eastern Australia-based FWD CEO.

### Whispir Ltd (WSP)

Non-executive director Shane Chesson has resigned from the WSP board, effective Friday.

### Summerset Group Holdings (SNZ)

CEO Julian Cook has resigned, effective March 2021, after ~10 years with SNZ.

SNZ CFO and deputy CEO Scott Scoullar has been appointed to take over from Mr Cook.

### M8 Sustainable (M8S)

M8S has appointed Sustainability in Practice founder Steve



due.

Elsewhere, **Bank of England** governor Andrew Bailey is scheduled to speak publicly.

In Germany, September trade figures are anticipated.

A euro zone investor confidence index is also expected.

Companies scheduled to report earnings later today and tonight include: Beyond Meat, McDonald's, Mazda Motor, Mitsui Mining & Smelting, SoftBank Group, Sumitomo Metal Mining, Toshiba Tec, Yamaha Motor and XP.

In overnight Friday and weekend corporate news, **Berkshire Hathaway** reported an 82% year-on-year rise in September quarter net profit, to \$US30.1B, and 32% drop in operating profit, to \$US5.48B.

Total January – September earnings dived to \$US6.7B, from \$US52.4B for January – September 2019.

Quarterly revenue fell 3% to \$US63B. Share buybacks grew by \$US9.3B to \$US15.7B.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>1951.7</b>	oz	4.9	<b>0.3</b>
<b>Silver (NY)</b> (Dec)	<b>25.662</b>	oz	0.471	<b>1.9</b>
<b>Gold (LON)</b>	<b>1941</b>	oz	2	<b>0.1</b>
<b>Platinum</b>	<b>887</b>	oz	-7	<b>-0.8</b>
<b>WTI Crude</b> (NYMEX Dec)	<b>37.14</b>	bbl	-1.65	<b>-4.3</b>
<b>Brent Crude</b> (ICE EUR Jan)	<b>40.93</b>	bbl	-1.48	<b>-3.6</b>
<b>Iron Ore</b> (NYMEX CHN CFR 62% Fe)	<b>117.63</b>	t	0.71	<b>0.6</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>6940</b>	t	85	<b>1.2</b>
<b>Nickel</b>	<b>15380</b>	t	-186	<b>-1.2</b>
<b>Aluminium</b>	<b>1899</b>	t	-1	<b>-0.1</b>
<b>Lead</b>	<b>1843</b>	t	-7	<b>-0.4</b>
<b>Zinc</b>	<b>2630</b>	t	13	<b>0.5</b>
<b>Tin</b>	<b>18370</b>	t	133	<b>0.7</b>

### Commodities Commentary

**Oil –China** has reported October trade statistics since overnight Friday oil trade, these including a 12% fall in crude imports for the month, to 42.56Mt, equivalent to ~10MMbbl/d.

China's October 2019 crude imports were recorded at 10.72MMbbl/d and September 2020 imports at 11.8MMbbl/d.

For January through October however, China's crude imports grew 10.6%, to 11MMbbl/d (458.56Mt).

China's October refined oil product exports were calculated at 5.79Mt, up 46.6% for the month.

Further reports of record daily Covid-19 diagnoses tallies across several nations, combined with a call by US Senate majority leader Mitch McConnell (confirmed as re-elected to the Senate) citing the US October unemployment rate as justification for a smaller than initially anticipated economic support package, doused hopes overnight Friday for a sooner-rather-than-later pickup in oil demand during 2021.

Brent crude nonetheless closed the week with a 5.8% gain, and WTI 4.3% higher.

A weekly US petroleum drill rig count, published overnight Friday,

Hyams as a non-executive director, effective immediately.

Mr Hyams has also been appointed as an M&S business development consultant and will be paid a \$15,000/month consultancy fee.

Mr Hyams' previous professional roles include Toxfree Australia GM business development, GM (Western Australia) Transpacific Industries/Cleanaway and Veolia Australia business development projects director.

### DC Two (\* DC2)

Data services specialist scheduled to list on the ASX 12.30pm **tomorrow**, following a \$5.5M IPO at 20c per share. 30.34M quoted securities.

### Resources

#### Legend Mining (\* LEG)

WA Fraser Range region Rockford project Mawson prospect diamond and RC drilling results lodged this morning.

#### Genesis Minerals (\* GMD)

Heralding additional shallow gold determined by RC drilling within the WA Kookynie Orient Well deposit.

GMD is planning to drill a further 75 Orient Well holes (9100m).

#### Ardea Resources (\* ARL)

Heralding a new gold find, named Zeus, within the WA Goongarrie nickel-cobalt project.

This is the second recent find within the project's Bardoc tectonic zone.

Mineralisation remains open in all directions.

Follow-up drilling planned.

Assays lodged pre-trade.

#### Apollo Consolidated (AOP)

WA goldfields Lake Rebecca gold project Cleo discovery infill drilling has delivered additional significant-width intersections.

Assays lodged this morning.

Immediate follow-up drilling is planned.

Meanwhile, Rebecca deposit RC and diamond drilling continues.

#### Hammer Metals (HMX)

Yandal project Bronzewing South and North Orelia RC drilling results lodged this morning.

#### White Cliff Minerals (WCN)

Acquiring the 16sq km Cracker Jack gold project for \$30,000 cash, and incorporating this into the adjoining WCN Reedy South gold project.

#### Coda Minerals (COD)

Updated top-20 shareholders list lodged post-trade Friday.

#### European Cobalt (EUC)

EUC has appointed Dale Ginn as MD.

Most recent MD Robert Jewson will remain with EUC as a director.



included five additional operational oil rigs.

**Gold** – a continuing lower \$US and some safe-haven buying supported Comex futures to another gain, albeit modest, overnight Friday.

Reports the expected Republican lead in number of US Senate seats had narrowed, and a recount for at least one State, was reported as sufficient to spell increased risk.

**Base metals** – LME trade appeared pushed and pulled overnight Friday by a less certain election outcome for the US Senate, a continuing weaker \$US, key data releases for Germany and the US and industry reports.

The US Federal Reserve's post-policy meeting commentary, delivered post-LME trade Thursday, meant LME trade was reacting to that for the first time overnight Friday.

Reports emerged in the meantime that a customer in China was prepared to pay an \$US88/t premium for *copper* from major Chile producer Codelco.

In addition, Chile officials reported a 17% January – June fall in copper production costs.

**Tonight's trade is expected to be influenced, at least in part, by China's October trade figures, reported over the weekend.**

Apart from the headline statistics which included a boost to China's trade surplus and slowdown in imports, the metals-specific figures included *unwrought copper and copper product* imports tallying 618,108t, 14% fewer tonnes than for September, but 43.4% more than for October 2019.

For January – October, such imports were reported 41.4% higher, at 5.61Mt.

*Copper concentrate* imports fell 21% for the month, and 11.7% year-on-year, to 1.69Mt.

China also reported exporting 418,894t of *aluminium* during October, down 1.8% for the month and ~2% year-on-year.

China is expected to report October **producer prices** and **CPI** tomorrow.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7274	-0.0007	<b>-0.09</b>
<b>EUR – USD</b>	1.1888	0.0001	<b>0.01</b>

### Australian Data Today

ABS	Building approvals (additional information)	Sep
RBA	Card transactions	Sep

### US Data Tonight

Consumer inflation expectations	Oct
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### Other Overseas Data Today & Tonight

<b>Japan</b>	Tankan indices	Nov
Japan	BoJ summary of opinions	Oct
Japan	Forex reserves	Oct

## Energy

### Montem Resources (\* MR1)

13 holes drilled within the Chinook project Vicary area, Alberta, Canada, have each delivered thick, relatively shallow coal seam intersections.

Sample testing results are expected in January 2021.

Additional details lodged this morning.

A new mine concept study is anticipated in January.

### Trading Halts

Company	Code	Resuming
Carbonxt Group	CG1	9 Nov
IOUpay Ltd	IOU	9 Nov
Patrys Ltd	PAB	9 Nov
Altech Chemicals	ATC	10 Nov
Firefinch Ltd	FFX	10 Nov
ReadyTech Holdings	RDY	10 Nov
Thorney Technologies	TEK	10 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
IXUP Ltd	IXU	6 Nov
MedAdvisor Ltd	MDR	6 Nov
New Energy Minerals	NXE	15 Oct
Recce Pharmaceuticals	RCE	5 Nov
Resource Generation	RES	26 Oct
Scout Security	SCT	6 Nov
Triple Energy	TNP	28 Oct

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ANZ</b>	Today	<b>35</b>	100	5.36
<b>HAW</b>	Today	<b>1.58</b>	0	0.00
<b>JYC</b>	Today	<b>2.7</b>	100	9.09
<b>NAC</b>	Today	<b>1.4</b>	100	3.73
<b>NSC</b>	Today	<b>1.25</b>	100	4.44
SRH	Tomorrow	1	100	0.00
API	Wed	2	100	3.59
RMD	Wed	3.88	0	0.55
RND	Wed	10	100	0.00
TBR	Wed	20	100	0.00
WBC	Wed	31	100	4.50
ACQ	Thu	3.75	100	4.83
NAB	Thu	30	100	5.77



Japan	Leading economic index (prelim; 4pm AEDT)	Sep
Germany	Trade balance	Sep
Euro zone	Sentix investor confidence	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](mailto:advice@stateone.com.au)

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PL8	Fri	0.4	100	4.82
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## Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
<b>Today</b>	<b>FSF</b>	AGM
	<b>TLT</b>	Interim
<b>Tomorrow</b>	CTP	AGM
	DHG	AGM
	INA	AGM
	JHX	Interim; Sep Q (9am)
	SGM	AGM
	URW	AGM (7pm)
<b>Wed</b>	AST	Interim
	BIN	AGM
	CUV	AGM
	CPU	AGM
	CEN	AGM
	ED1	AGM
	FMG	AGM
	IFM	AGM
	MGX	AGM (3pm)
	NEA	AGM
	NCM	AGM
	PPK	AGM (3pm)
WPL	Investor briefing	
<b>Thu</b>	AVH	Sep Q (5.30am)
	BRG	AGM
	COE	AGM
	DTL	AGM
	EHL	AGM
	GDI	AGM
	GNC	Full year (w/cast tele 10am)
	MPL	AGM
	NEC	AGM
	SWM	AGM
	SHL	AGM
	TLS	Investor day
	VCX	AGM
	WES	AGM
	WOW	AGM
XRO	Interim	
<b>Fri</b>	MCR	AGM (4pm)
	NXT	AGM
	ORE	AGM
	PNV	AGM