

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	<b>5933</b>	<b>4</b>	<b>0.1</b>
<b>NZX 50</b>	8040	-14	-0.2
<b>DJIA Futures</b>	23369	-3	0.0
<b>S&amp;P 500 Futures</b>	2573	-2	-0.1
<b>NASDAQ Futures</b>	6232	-9	-0.1

## Local Markets Commentary

The Australian market opens today's trade on mostly positive overnight commodities leads, ahead of influential domestic data today and keenly-anticipated announcements tonight from the Bank of England and regarding the US Federal Reserve.

In overnight commodities trade, **gold** futures, **iron ore** (China port, 62% Fe) and LME **copper** swung higher. **Oil** turned to settle lower. **Nickel** continued Tuesday's robust rally.

The **\$A** slipped to ~US76.75c after rising to ~US76.85c yesterday evening.

Locally today, September trade figures and building approvals are due **11.30am** AEDST.

Meanwhile, **BOQ** trades ex-dividend and **NAB** has reported full-year results.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>23435</b>	58	<b>0.3</b>
<b>S&amp;P 500</b>	2579	4	<b>0.2</b>
<b>NASDAQ</b>	6717	-11	<b>-0.2</b>
<b>FTSE 100</b>	7488	-5	<b>-0.1</b>
<b>DAX 30</b>	13466	236	<b>1.8</b>
<b>Shanghai Comp</b>	3396	3	<b>0.1</b>

## Overseas Markets Commentary

Major European and US equities markets diverged overnight, amid rallies for several key commodities, mixed data releases, another plethora of earnings reports and political and rate rise uncertainty in the UK.

An expected presidential nomination tonight for a new chair for the US Federal Reserve also remained in focus, and was cited as support for a \$US gain.

In addition, the anticipated unveiling of proposed US tax change legislation by a House of Representatives 'Ways & Means' committee was pushed back one day to tonight.

In the meantime, the Federal Reserve maintained status quo with indications of a late-year rate rise, tempered rises likely, gradual asset sales and soft inflation commentary.

Among data releases, an employment report estimated the US private sector had created 235,000 jobs during October, following forecasts of ~200,000.

ISM's October manufacturing PMI fell 2.1 points to a nonetheless 58.7.

September construction spending rose 0.3% after a 0.1% gain for August.

In the **UK**, reports emerged the Defence Secretary

## Australia – trade balance 11.30am AEDST

## Today's Stock Watch

### National Australia Bank (NAB)

\$A5.3B full-year NPAT, against \$352M a year ago. 2.5% higher, \$6.64B cash profit. 0.5% lower, \$18.0B revenue. 99c fully-franked final dividend. \$1.891 EPS.

1.3% higher, \$810M bad and doubtful debts.

Cutting 4000 jobs over three years in a restructure that will mean a \$500M - \$800M impairment in 1H FY 2018 results.

Two NAB executives are swapping positions. Bank of New Zealand MD and CEO Anthony Healy has been appointed NAB chief customer officer, business and private banking. The person who currently holds Mr Healy's new role, Angel Mentis, has been appointed Bank of New Zealand MD and CEO.

NAB directors and executives intend to purchase NAB shares tomorrow, including CEO Andrew Thorburn, who plans to acquire 10,000.

### CYBG Plc (CYB)

Boosting legacy conduct provisions by £403M. This will produce a £39M pre-tax charge in full-year results (to 30 September), expected to be released 21 November.

CET1 capital ratio will be adversely impacted by ~0.2%, but the ratio will remain within 12% - 13% guidance.

### Telstra Corporation (TLS)

Investor day.

### Fairfax Media (FXJ)

AGM today.

Shareholders also vote on the proposed Domain spin-off.

### Boral Ltd (BLD)

Today's AGM speeches and presentation lodged, including a raised forecast of 'high single-digit' FY 2018 earnings growth for BLD's Australian business.

North American business has been impacted by the two hurricanes that made US landfall.

### Downer EDI (DOW)

Today's AGM (11am AEDST) speeches lodged.

### Thorn Group (TGA) / Credit Corp (CCP)

TGA is selling the group's consumer finance division Cashfirst to CCP for \$13.3M, following a tender process.

A solar loan book will remain with TGA.

CCP, which is holding its AGM today, has raised FY 2018 NPAT guidance from \$60M - \$63M to \$62M - \$64M. Chairman's AGM speech and CEO presentation lodged this morning.

### Emeco Holdings (EHL)

\$A67M raised and 66% take-up achieved in the institutional component of EHL's 21c-per-share entitlement offer.

A fully underwritten \$13M retail offer is scheduled for 7 - 17 November.

EHL needs the funds to complete the proposed \$A69.8M acquisition of Force Equipment.

Resuming from a trading halt. EHL last traded at 24c.

### Wesfarmers Ltd (WES)

WES MD Richard Goyder is speaking at the National Press Club in Canberra today.

had resigned amid harassment allegations against several parliamentarians.

Among UK data releases, the October manufacturing PMI came in at a healthy 56.3, following 55.9 for September.

A Bank of England policy committee member estimated, however, that up to 75,000 jobs could be lost in the UK finance sector as the UK negotiated its separation from the European Union.

**Tonight** in the US, weekly new unemployment claims and a jobs layoff report are due, ahead of the national monthly employment report tomorrow night. The ISM's New York business activity index is also expected.

In the UK, the **Bank of England** holds a policy meeting, from which not a few economists are expecting a rate move.

AIG, Alibaba, Apache, Apple, Asics, Bombardier, BT, CBS, Credit Suisse, Daewoo Engineering, DowDupont, Itochu, Mazda Motor, Mitsui, (WM) Morrison (UK supermarket chain Morrisons), Sanofi, Royal Dutch Shell, Suzuki Motor and Yum! Brands are among companies scheduled to report earnings today or tonight.

In overnight corporate news, the UK's **Allergan** lifted full-year guidance after a better-than-anticipated September quarter.

Vehicle manufacturers reporting US October sales included **Ford** (+6.2%), **General Motors** (-2.2%) and **Toyota** (+1.1%).

**Facebook** (+79% profit), **Qualcomm** (expectations exceeded), **Tesla** (greater-than-expected loss) and **Kraft Heinz** (below-forecast sales; 12% higher profit) each reported post-US settlement and will influence tonight's trade.

### Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1277</b>	oz	6	0.5
<b>Silver (NY) (Sep)</b>	17.1	oz	0.4	2.7
<b>Gold (LON)</b>	1277	oz	7	0.5
<b>Platinum</b>	931	oz	14	1.5
<b>WTI Crude (Nov)</b>	<b>54.3</b>	bbl	-0.08	-0.2
<b>Brent Crude (Nov)</b>	<b>60.5</b>	bbl	-0.45	-0.7
<b>Iron Ore</b> (CHN port 62%)	<b>59.4</b>	t	0.9	1.4
<b>Copper</b>	<b>6930</b>	t	91	1.3
<b>Nickel</b>	12785	t	490	4.0
<b>Aluminium</b>	2185	t	25	1.2
<b>Lead</b>	2482	t	68	2.8
<b>Zinc</b>	3277	t	12	0.4
<b>Tin</b>	19400	t	25	0.1
<b>CBT Wheat (Dec)</b>	<b>4.18</b>	bshl	-0.01	-0.2

### Commodities Commentary

**Oil** – a report estimating 92% October compliance with OPEC's crude output constraint agreement helped support early trade sentiment, as September compliance had been calculated at 86%.

Some profit-taking and a firmer \$US produced an ultimate pullback, however.

A US weekly petroleum inventories report estimated a 2.4MMbbl fall in crude stocks, after an industry (API) report the previous day, had calculated a 5.1MMbbl draw down.

**Gold** – prices were pushed higher ahead of tonight's expected announcement of the US president's Federal Reserve chair nomination, but a stronger \$US constrained gains.

## Pre-Open Announcements

### Sky & Space Global (\* SAS)

SAS has expanded a procurement contract with GomSpace with a new €13M - €15M order targeting a boost to the capabilities of SAS nanosatellites.

### Admedus Ltd (\* AHZ)

Refuting media speculation regarding the funding of Admedus Immunotherapies (AI) and Admedus Vaccines. AHZ says there is no change from the AGM assurance that AI is funded for FY 2018 and the disclosure of a strategic options review. AHZ is AI's major shareholder.

### Adairs Ltd (↑ ADH)

Today's AGM (11am AEDST) speeches and presentation lodged.

### Clean TeQ Holdings (\* CLQ)

Non-executive director Roger Harley retired from the CLQ board at the conclusion of yesterday's AGM.

Applying to list on the TSX and to change the Syerston project name to Clean TeQ Sunrise.

CLQ settled at \$1.685 yesterday after appreciating a further ~6%. After closing out last week at \$1.365, CLQ added 4.8% Monday and 11.2% Tuesday.

### Registry Direct (RD1)

Cloud-based shareholder and securities management software specialist completed its ASX listing yesterday following a \$2M IPO at 20c per share. Opened at 19.5c and was pushed to 16c before settling at 19c. 283,800 shares changed hands across 28 trades. 32M shares on issue. 10.156M listed options.

## Resources

### Kidman Resources (KDR)

Non-executive KDR chairman Peter Lester intends to retire from the KDR board tomorrow.

Non-executive KDR director Brad Evans will be interim chairman.

### Tando Resources (\* TNO)

WA focused explorer and project developer scheduled to list midday AEDST tomorrow following a \$4.5M IPO at 20c per share.

24.15M shares.

### TNT Mines (\* TIN)

Explorer and tin and tungsten projects developer scheduled to list 1.30pm AEDST tomorrow following a \$5.5M IPO at 20c per share. Development projects are located in Tasmania.

~28.53M shares.

## Energy

### Norwest Energy (NWE)

CEO Shelley Robertson has been also appointed MD.

Ronald Currie resigned as a NWE non-executive director, effective 31 October.

### Trading Halts

Company	Code	Resuming
Battery Minerals	BAT	2 Nov
Crusader Resources	CAS	2 Nov
Sun Resources	SUR	2 Nov
4DS Memory	4DS	3 Nov
American Patriot Oil & Gas	AOW	3 Nov



The US Federal Reserve's post-policy meeting statement retained a cautious approach to rate moves and asset sales, in the light of 'solid' economic growth indicators but weak inflation.

**Base metals** – nickel traded at two-year highs, as LME Week participants highlighted deficit forecasts, demand out of China on stainless steel manufacturing growth, and 4.5-fold 2020 demand in association with electric vehicle production.

Norilsk Nickel research director Anton Berlin, however, sounded a warning on electric vehicle demand sentiment and current stockpiles.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7673	-0.0003	-0.03
<b>EUR – USD</b>	1.1617	-0.0001	-0.01

### Australian Data Today

ABS	Building approvals	Sep
ABS	Trade balance	Sep

### US Data Tonight

Initial jobless claims	28 Oct
Challenger job series	Oct
ISM New York	Oct

### Other Overseas Data Today & Tonight

<b>Japan</b>	Consumer confidence (4pm AEDST)	Oct
<b>UK</b>	BoE policy statement	Oct
UK	BoE inflation report	Oct
UK	Construction PMI	Oct
<b>Germany</b>	Unemployment	Oct
Germany	PMI manufacturing (final)	Oct
<b>Euro zone</b>	PMI manufacturing (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](mailto:advice@stateone.com.au).

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Aura Energy	AEE	3 Nov
Bubs Australia	BUB	3 Nov
Cre8Tek Ltd	CR8	3 Nov
Ellex Medical Lasers	ELX	3 Nov
Korab Resources	KOR	3 Nov
Lake Resources	LKE	3 Nov
Longford Resources	LFR	3 Nov
Mareterram Ltd	MTM	3 Nov
Rumble Resources	RTR	3 Nov
UltraCharge Ltd	UTR	3 Nov

### Suspensions (selected)

Company	Code	Since
Arrowhead Resources	AR1	9 Oct
Aspire Mining	AKM	1 Nov
Bisan Ltd	BSN	2 Nov
Caeneus Minerals	CAD	30 Oct
Haoma Mining	HAO	18 Oct
Indo Mines	IDO	1 Nov
Neurotech International	NTI	13 Oct
Oriental Technologies	OTI	1 Nov
Quest Minerals	QNL	2 Nov
ServTech Global Holdings	SVT	1 Nov
SIV Asset Management	SAM	10 Oct
Soon Mining	SMG	23 Oct
Stargroup Ltd	STL	19 Oct
Wavenet International	WAL	30 Oct
Wolf Petroleum	WOF	30 Oct
XPD Soccer Gear Group	XPD	11 Oct

### Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>BOQ</b>	Today	<b>46</b>	100	5.73
BPS	Tomorrow	2.25	100	5.63
BIS	Tue	2.5	100	3.14
CBC	Tue	1.55	100	2.79
CCP	Tue	31	100	2.88
MQG	Tue	205	45	4.93
OGC	Tue	0.98	0	0.55
BKW	Wed	34	100	3.59
RMD	Wed	3.21	0	1.12
API	9 Nov	3.5	100	4.68
WAT	9 Nov	3	100	2.94

### Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>BLD</b>	AGM
	<b>CCP</b>	AGM
	<b>DOW</b>	AGM
	<b>FXJ</b>	AGM
	<b>NAB</b>	Full-year
	<b>PPT</b>	AGM
	<b>SWM</b>	AGM
	<b>TLS</b>	Investor day
<b>Tomorrow</b>	GMA	Sep Q
	HIL	AGM
<b>Mon</b>	ORI	Full-year



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<b>Wed</b> (Nov9)	WBC	Full-year
	ACX	AGM
	ALU	AGM
	BTT	Full-year
	CBA	Trading update
	DMP	AGM
	FMG	AGM
	MGX	AGM
	SGM	AGM
	VAH	AGM