

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	5809	-1	<b>-0.0</b>
<b>NZX 50</b>	8809	30	<b>0.4</b>
<b>DJIA Futures</b>	25441	0	0.0
<b>S&amp;P 500 Futures</b>	2740	15	0.6
<b>NASDAQ Futures</b>	6950	-30	-0.4

## Local Markets Commentary

The Australian market opens today's trade on Melbourne Cup day, with the Reserve Bank of Australia holding a policy meeting and announcing outcomes this afternoon.

International geopolitical commentary is expected to continue through today's trade, ahead of the US mid-term elections tonight, and with China hosting a major trade expo.

Overnight wavering international trade produced mixed settlements across equities and commodities markets.

In overnight commodities trade, WTI **crude** settled lower again but by a few cents only, whereas Brent ultimately swung moderately higher.

US (December) **gold** futures recorded a further, but slight, slip.

**Iron ore** (China port, 62% Fe) swung higher and rallied. BHP announced it had suspended WA Pilbara iron ore rail movements following an incident which forced the major international exporter to deliberately derail a train.

LME **copper** and **nickel** turned and fell. **Aluminium** pulled back slightly.

The **\$A** was pushed to US72.10c after trading at US72.05c early yesterday evening.

**The Reserve Bank of Australia's (RBA) policy meeting outcomes statement will be published 2.30pm AEDT.**

Locally today also, a weekly consumer sentiment reading is due pre-trade.

Singapore's markets are closed today, due to a public holiday.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	25462	191	<b>0.8</b>
<b>S&amp;P 500</b>	2738	15	<b>0.6</b>
<b>NASDAQ</b>	7329	-28	<b>-0.4</b>
<b>FTSE 100</b>	7104	10	<b>0.1</b>
<b>DAX 30</b>	11495	-24	<b>-0.2</b>
<b>Shanghai Comp</b>	2665	-11	<b>-0.4</b>

## Overseas Markets Commentary

Major European and US equities markets opened higher and mostly ultimately added to gains, despite vacillating trade.

The NASDAQ and Germany's DAX proved exceptions, however.

Apple and Amazon each suffered from third-party announcements, and the \$US was pushed lower, ahead of tonight's mid-term elections.

**RBA – policy meeting outcomes statement 2.30pm AEDT**

Melbourne Cup Day - public holiday in Melbourne and most of Victoria

## Today's Stock Watch

### Transurban Group (TCL)

Heralding a \$C650M 10-year secured notes offer which is expected to settle 13 November (Toronto time).

### Link Administration Holdings (LNK) / Commonwealth Bank of Australia (CBA)

A consortium comprising LNK, CBA and Morgan Stanley Infrastructure has secured 50% of PEXA following a \$1.6B offer launched 8 October.

LNK is confirming it will not need to raise additional funds to complete the acquisition.

For its part, CBA expects to increase its PEXA holding from 13.1% (pre-offer) to 16%.

CBA's AGM is scheduled for tomorrow.

### Fonterra Shareholders' Fund (FSF)

Confirming a \$NZ100M Fonterra Co-op seven-year bond offer, flagged yesterday, is opening today, and will continue through Thursday, pending a bookbuild and demand. 1.25%pa - 1.35%pa indicative margin. FSF will accept up to \$NZ50M in over-subscriptions. There is no general public offer.

### Elixinol Global (ELX)

Now holds 50.5% in a hemp-derived cannabidiol, hemp foods and skincare recently restructured business, to be re-named Elixinol Japan. ELX outlaid \$A2.2M from existing cash to invest in the business.

### Windlab Ltd (WND)

The equity investor due to finance the 106MW Lakeland wind farm project, far north Queensland, has withdrawn from the project, citing several risks.

WND says it is talking with alternative potential equity partners, now that the InfraRed Capital Partners exclusive deal has been terminated.

### Treasury Wine Estates (TWE)

Macquarie has re-rated TWE as outperform, from neutral.

## Resources

### Celsius Resources (CLA)

A scoping study for CLA's Namibia Opuwo cobalt-copper-zinc project has produced positive indications, sufficient for CLA to commence discussions with potential off-take partners and to move to pre-feasibility.

A project resource update is anticipated by year's end.

CLA holds 95% of Opuwo.

CLA resumes from suspended trade, having last traded at 10.5c.

### West African Resources (WAF)

Burkina Faso Sanbrado gold project EPCM contract awarded, to Lycopodium. In addition, Outotec will provide the mill.

Initial gold anticipated by the end of 2020.

\$35.4M cash. Nil debt.

### Galaxy Resources (GXY)

Morgan Stanley has re-rated GXY as overweight, from equal-weight.

Among other investor considerations, US Secretary of State Mike Pompeo asserted US sanctions against **Iran** had reduced that nation's oil revenue by \$US2.5B since May, and Iran proclaimed US moves, including sanctions imposed earlier this year, amounted to 'economic war'.

Yesterday, **China's** president Xi Jinping promised further import tax reductions, claiming his nation opposed protectionism.

**European Central Bank** (ECB) vice president Luis de Guindos noted that the late-Friday release of bank stress tests indicated banks responsible for 40% of euro zone banking sector assets could need to lift capital.

This prompted speculation the ECB could raise the minimum required CET1 from the 5.5% test cut-off.

In overnight data releases, the ISM's **US** October services sector activity index fell 2.7 points to 62.5, still considered strong, and influential.

Markit's final October services PMI rose 1.3 to 54.8.

In the **euro zone**, Sentix's November investor confidence index was reported 2.6 points lower, at 8.8.

Across the channel, the **UK** October services PMI fell 1.7 to 52.2.

In addition to mid-term elections **tonight**, US job opportunities and economic optimism reports are due.

Companies scheduled to reveal earnings or provide updates later today or tonight include: Archer-Daniels-Midland, Associated British Foods, CVS Health, Eli Lilly, Emerson Electric, Hugo Boss, Imperial Brands, Kirin Holdings, Mitsubishi Motors, Morrisons, Ralph Lauren, Regeneron, Sky Plc and Toyota Motor.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1232</b>	oz	-1	<b>-0.1</b>
<b>Silver (NY) (Dec)</b>	14.6	oz	-0.1	<b>-0.8</b>
<b>Gold (LON)</b>	1232	oz		
<b>Platinum</b>	864	oz	-3	<b>-0.4</b>
<b>WTI Crude (Dec)</b>	<b>63.1</b>	bbl	-0.04	<b>-0.1</b>
<b>Brent Crude (Jan)</b>	<b>73.2</b>	bbl	-0.3	<b>0.5</b>
<b>Iron Ore</b> (CHN port 62%)	<b>75.7</b>	t	1.7	<b>2.4</b>
<b>Copper</b> (LME,3mth,PM)	<b>6191</b>	t	-92	<b>-1.5</b>
<b>Nickel</b>	11750	t	-180	<b>-1.5</b>
<b>Aluminium</b>	1975	t	2	<b>0.1</b>
<b>Lead</b>	1935	t	-55	<b>-2.8</b>
<b>Zinc</b>	2520	t	-32	<b>-1.3</b>
<b>Tin</b>	19075	t	-25	<b>-0.1</b>
<b>CBT Wheat (Dec)</b>	<b>5.07</b>	bshl	-0.02	<b>-0.3</b>

### Commodities Commentary

**Oil** – prices turned higher overnight as US petroleum sector and associated finance sanctions against Iran came into effect.

The eight nations securing 180-day penalty waivers from the US were confirmed as China, Greece, India, Italy, Japan, South Korea, Taiwan and Turkey.

Meanwhile, data analysis company Kayrros estimated little change in Iran's October crude output, compared with September production.

**Gold** – prices swung overnight, amid hesitancy ahead of the US mid-term elections tonight, a

## Pre-Open Announcements

### Raiz Invest (RZI)

FUM fell 3.3% to \$252.91M during October, despite a 7.4% rise in superannuation funds.

## Resources

### Mincor Resources (MCR)

WA goldfields Ken/McMahon nickel project resource extension drilling is underway.

### Buxton Resources (\* BUX) / New World Cobalt (NWC)

BUX is proposing to acquire NWC's far northern WA West Kimberley project.

Scrip consideration details lodged this morning.

### Moreton Resources (MRV)

MRV company secretary John Haley has been appointed CEO.

Mr Haley has also been appointed as an MRV non-executive director until no later than 1 March 2019.

Former MRV CEO finished with MRV Friday last week (2 November).

Long-term MRV shareholder and more recent director Tony Feitelson has also resigned.

In addition, Kalman Salgo has been appointed as MRV Metals Pty Ltd.

### AngloGold Ashanti (AGG)

September quarter update lodged post-trade yesterday.

### Moho Resources (\* MOH)

Explorer scheduled to list 1pm AEDT tomorrow following a \$5.3M IPO at 20c per share.

32.28M quoted securities.

## Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Tomorrow</b>	CBA	AGM
	NWS (Overnight Wed AEDT)	Sep Q
	VAH	AGM
<b>Thu</b>	BHP	AGM
	GMG	Q1
	JHX	Q2
	NWS	Sep Q teleconf
	PDL	Full year
	REA	Q1
	SGM	AGM
	TME	AGM
<b>Fri</b>	NAN	AGM
	SFH	AGM
<b>12 Nov</b>	ELD	Full year
<b>13 Nov</b>	BRG	AGM
	CQR	AGM
	NXT	AGM
	IPL	Full year



weaker \$US, a Federal Reserve policy meeting, and the keenly anticipated subsequent policy statement during US Thursday trade (early Friday AEDT).

**Base metals** – Caixin's October services PMI for **China**, reported yesterday, fell 2.3 points to 50.8.

**Japan's** services sector activity index came in 2.2 points higher for the month, at 52.4.

China's October trade and inflation figures are scheduled for release Thursday and Friday respectively.

Meanwhile, China continued to publicly bemoan the US's trade stance.

Overnight, Russia's major *aluminium* producer Rusal reported 42% higher September quarter net profit for the three months, on 2.2% higher year-on-year London prices, an 8.1% sales increase and 1% higher aluminium production.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7211	-0.0003	<b>-0.05</b>
<b>EUR – USD</b>	1.1408	-0.0002	<b>-0.01</b>

### Australian Data Today

RBA	Policy statement	Nov
ANZ/RoyMgn	Consumer sentiment	4 Nov

### US Data Tonight

JOLTS job openings	Sep
IBD/TIPP economic optimism	Nov

### Other Overseas Data Today & Tonight

<b>Japan</b>	Household spending (10.30am)	Sep
<b>Germany</b>	Services PMI (final)	Oct
Germany	Factory orders	Sep
<b>Euro zone</b>	PPI	Sep
Euro zone	Services 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](mailto:advice@stateone.com.au).

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<b>14 Nov</b>	AST	Interim
	BIN	AGM
	CPU	AGM
	MPL	AGM
	MGX	AGM
	NSR	AGM
	NCM	AGM
	NEC	AGM
	PGH	AGM
	RHC	AGM
SWM	AGM	
<b>15 Nov</b>	ABP	AGM
	CHC	AGM
	CGC	AGM
	EHL	AGM
	FXL	AGM
	FMG	AGM
	GMG	AGM
	ISD	AGM
	NVT	AGM
	NST	AGM
	PTM	AGM
	SXY	AGM
	SRS	AGM
WES	AGM	

### Trading Halts

Company	Code	Resuming
Australian Whisky Holdings	AWY	6 Nov
Strandline Resources	STA	6 Nov
Alt Resources	ARS	7 Nov
Jadar Lithium	JDR	7 Nov
Kin Mining	KIN	7 Nov
Lake Resources	LKE	7 Nov
Sunstone Metals	STM	7 Nov
Troy Resources	TRY	7 Nov
Tychean Resources	TYK	7 Nov
Webjet Ltd	WEB	7 Nov

### Suspensions (select)

Company	Code	Since
Ausmex Mining Group	AMG	5 Nov
Gulf Manganese Corporation	GMC	19 Oct
Impelus Ltd	IMS	26 Oct
Lindian Resources	LIN	5 Nov
MGC Pharmaceuticals	MXC	5 Nov
MRG Metals	MRQ	31 Oct
New Energy Minerals	NXE	1 Nov
Optiscan Imaging	OIL	2 Nov
Pelican Resources	PEL	31 Oct
Updater Inc	UPD	9 Oct

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>BIS</b>	Today	<b>4</b>	100	4.44
BKW	Tomorrow	36	100	3.21
PBP	Tomorrow	5	100	5.13
RMD	Tomorrow	3.66	0	0.93



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API	Thu	4	100	4.75
NAB	Thu	99	100	7.80
WAT	Thu	3	100	2.38
CSR	Fri	13	100	8.26
JHG	Fri	50.49	0	5.71
ANZ	12 Nov	80	100	6.20
MQG	12 Nov	215	45	4.40
ORI	12 Nov	31.5	0	2.89