

Markets

SFE 200 Futures (9.25am AEST)	5124	-29	-0.6
NZX 50	6741	32	0.5
DJIA Futures	17814	9	0.1
S&P 500 Futures	2080	0	0.0
NASDAQ Futures	4658	0	0.0

Local Markets Commentary

The Australian market commences a new week's trade ahead of new regional data and amid heightened speculation surrounding the 8 November US presidential poll (results possibly ~3pm Wednesday AEDST).

Overnight, the FBI has announced it has not found 'any evidence of criminality' in an initial investigation into additional Hillary Clinton Secretary of State emails that began last week.

Further, it retains its 'careless-but-not-criminal' view from the previous formal inquiry.

The **\$US** has since appreciated significantly.

Regionally today, **China** is expected to reveal October foreign exchange reserves.

The **Bank of Japan** releases minutes from its September policy meeting **10.50am** AEDST. Japan's September workforce statistics are also due.

In overnight Friday commodities trade, US **gold** futures settled slightly higher. **Oil** continued lower and **copper** and **iron ore** stronger.

The **\$A** remained within a narrow range after trading at ~US76.80c early Friday evening.

Locally today, an October construction sector activity index, job advertisements report and forex reserves are due.

WBC full-year results have been lodged pre-trade.

Two companies are also scheduled to list, including Inghams which completed an almost \$600M IPO.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	17888	-42	-0.2
S&P 500	2085	-3	-0.2
NASDAQ	5046	-12	-0.2
FTSE 100	6693	-97	-1.4
DAX 30	10259	-67	-0.6
Shanghai Comp	3125	-4	-0.1

Overseas Markets Commentary

Major European and US equities markets settled yet lower overnight Friday, but the NASDAQ and S&P500 notably fell only in late trade.

The **US** October employment report was considered sufficiently robust to support expectations of a near-term rate rise.

The unemployment rate edged 0.1% lower to 4.9% and 161,000 jobs were created.

Average hourly wages increased 0.4% (US10c) for the month and 2.8% year-on-year.

The September trade deficit came in 9.9% lower at

* Investment and financial services listing **11am** AEDST - **DCL** *

* Food producer listing **midday** AEDST - **ING** *

Today's Stock Watch

Westpac Banking Corporation (WBC)

Revising 15% return-on-equity target to 13% - 14%. 7% lower, \$7.4B full-year NPAT. \$7.8B cash profit. 3% lower, \$20.985B ordinary activities revenue. Flat, 94c fully-franked final dividend. 9.48% CET1 (APRA); 14.4% internationally comparable. 49% higher, \$753M total impairment. 2H \$457M impairment 31% lower than the 1H total. \$13.08 NTA. \$2.55 EPS. Mortgage lending in Australia grew 8% and business lending 3%.

Commonwealth Bank of Australia (CBA)

September quarter update anticipated tomorrow.

Macquarie Group (MQG)

Trading ex-dividend (\$1.90 tomorrow).

Goodman Group (GMG)

\$34.2B AUM as at 30 September. \$3.5B development work in progress. 7.7% expected yield. Retaining forecast 6% FY 2017 operating EPS and distribution growth.

SkyCity Entertainment (SKC)

Sun International CEO Graeme Stephens has been appointed SKC CEO, effective May 2017. SKC has had an interim CEO since April. Teleconference scheduled to commence 10am AEDST. Access details lodged this morning.

News Corporation (NWS)

Due to report for the September quarter in the US overnight (early tomorrow AEDST).

Sonic Healthcare (SHL)

Credit Suisse has reassessed SHL as neutral, from underperform. Meanwhile, Morgan Stanley has re-rated SHL as overweight, from equal-weight.

DomaCom Ltd (* DCL)

Melbourne-headquartered investment and financial services firm scheduled to list 11am AEDST following a \$7.3M IPO at 75c per share.

Inghams Group (* ING)

Poultry producer scheduled to list midday AEDST following a \$596M IPO at \$3.15 per share. Trading will commence on a conditional and deferred settlement basis. Normal (T+2) trade is expected to commence 15 November.

Resources

Oz Minerals (OZL)

Carrapaena project pre-feasibility outcomes lodged this morning. Expecting to produce 61,000t of copper and 63,000oz of gold, at a US92c/lb AISC, for ~\$10.6B revenue. \$980M capex. 133Mt resource, including 126Mt qualifying for indicated status. Reserves estimated at 70Mt @ 1.8% Cu & 0.7g/t Au. Definitive feasibility completion expected by 31 March 2017.

Northern Star Resources (NST)

Planning to boost WA Jundee gold project plant capacity 15% to 250,000pa during FY 2018. Studies underway for a further 50,000ozpa increase. Supporting statistics lodged this morning.

\$US36.4B, supported by a 0.6% increase in the value of exports, and against expectations of \$US37.8B. Imports dropped 1.3%.

The Atlanta Fed in the meantime raised its December quarter US GDP growth to 3.1%, from 2.3%.

Tonight in the **US**, mortgage foreclosures and a Federal Reserve market conditions index are due. A consumer credit update is anticipated post-US trade.

HSBC, Isuzu, News Corp (post-US trade), Nissan Motor, Sysco and Yamaha are scheduled to report earnings and/or provide trading updates today and tonight.

Overnight Friday, **Berkshire Hathaway** reported a 24% fall in September quarter profit (to \$US7.2B), and revealed it had retained 10% of Wells Fargo.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1305	oz	2	0.1
Silver (NY) (Dec)	18.4	oz	0.0	0.0
Gold (LON)	1301	oz		
Platinum	996	oz	2	0.2
WTI Crude (Dec)	44.1	bbl	-0.6	-1.3
Brent Crude (Jan)	45.6	bbl	-0.8	-1.7
Iron Ore (Tianjin)	64.7	t	0.2	0.3
Copper (LME)	4991	t	31	0.6
Nickel	10460	t	-20	-0.2
Aluminium	1722	t	-9	-0.5
Lead	2100	t	8	0.4
Zinc	2447	t	-40	-1.6
Tin	21300	t	195	0.9
CBT Wheat (Dec)	4.14	bshl	0.02	0.6

Commodities Commentary

Oil – since overnight Friday trade, **Algeria's** energy minister publicly expressed confidence in some type of market-stabilising deal at the 30 November regular OPEC meeting. The comments appeared to counter negative reports that had continued out of the previous weekend's negotiations. The committee working on possible agreements plans to meet again 25 November.

In addition, a key US gulf Coast petrol **pipeline** has resumed normal operation for the first time in a week. It is assumed both ExxonMobil and Total will consequently be quick to restore full production at refineries (one each) in Texas.

Overnight Friday, a weekly US petroleum drill **rig count** revealed nine more oil rigs were operational, helping push prices to six-week lows.

Gold – predictions for US presidential election week trade mostly favour a rise, to as high as \$US1400/oz during at least some sessions.

Some predict prices could also slip to ~\$US1250/oz, but most expect futures to remain mostly above \$US1300/oz.

Prices fell Friday following the US jobs report, but appeared ultimately supported by end-of-week considerations.

Base metals – LME week closed Friday, meaning normal trade volumes should resume from tonight.

Some caution could be noted however, ahead of a string of October statistics due out of **China** these next two weeks, including **trade** figures tomorrow.

Any \$US volatility is also expected to impact sentiment.

Pre-Open Announcements

Orica Ltd (* ORI)

RBC Capital Markets has reassessed ORI as underperform, from sector-perform.

Macquarie Atlas Roads (* MQA)

Macquarie Autoroutes de France 2 and Eiffage have agreed with APRR to purchase 46.1% of A41 motorway concessionaire ADELAC for €130M, the same price offered by APRR subsidiary AREA late last week.

Alexium International (* AJX)

AJX flame retardant-treated samples supplied to the US Marine Corps for evaluation, following recent military uniform discussions with the US military.

Silver Chef (SIV)

COO Damian Guivarra was appointed CEO, effective 3 November.

Apollo Tourism & Leisure (* ATL)

Tourist and recreational road vehicle specialist completed a most successful listing Friday following a \$50M IPO at \$1.00 per share. Opened at \$1.30 and traded at \$1.25 - \$1.35 before settling at \$1.325. 10.72M shares were traded across 1228 transactions.

Neurotech International (* NTI)

Neurological condition support device manufacturer completed its ASX listing Friday following a \$7M IPO at 20c per share. Opened at 25.5c and traded at 25c - 31c before settling at 28.5c. 6.2M shares changed hands across 430 trades.

Resources

Dakota Minerals (↓ DKO)

Heralding confirmation of a lithium discovery within the Sepeda project, Portugal.

Metals of Africa (* MTA)

Resuming from a trading halt with commitments for a \$A9M placement at 9c per share, in support of Mozambique graphite plans. MTA Last traded at 9.8c.

Lucapa Diamonds (* LOM)

The Angola Lulo diamond JV has sold a 1864-carat parcel of diamonds for a record gross \$US8.3M, representing \$US4452/carat.

Energy

AWE Ltd (** AWE)

Morgan Stanley has re-rated AWE as underweight, from overweight.

Atrum Coal (* ATU)

Resuming from suspended trade with a plan to form a sales JV whereby ATU will market and sell Atlantic Carbon Group (ACG) anthracite. ATU previously held an option over 100,000t of ACG anthracite and will sell this first. ATU is also proposing to sell an additional 150,000t by December 2017. Profits will be split 60:40. Additional details lodged post-trade Friday. ATU last traded at 77c.

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7664	-0.0035	-0.45
EUR – USD	1.1088	-0.0020	0.18

Australian Data Today

AiG	PCI	Oct
ANZ	Job advertisements	Oct
RBA	Forex reserves	Oct

US Data Tonight

Fed market conditions index	Oct
Consumer credit	Sep
Mortgage delinquencies	SepQ

Other Overseas Data Today & Tonight

China	Foreign reserves	Oct
Japan	Policy meeting minutes	Sep
Japan	Workforce (provisional)	Sep
Japan	Imported vehicle sales	Oct
UK	Halifax house prices	Oct
Germany	Factory orders	Sep
Germany	PMIs retail, construction	Oct
Euro zone	Retail sales	Sep
Euro zone	PMI retail	Oct
Euro zone	Sentix investor confidence	Nov

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Trading Halts

Company	Code	Resuming
Austin Exploration	AKK	7 Nov
Alloy Resources	AYR	8 Nov
Altura Mining	AJM	8 Nov
Berkeley Energia	BKY	8 Nov
Bligh Resources	BGH	8 Nov
Swift Networks Group	SW1	8 Nov
Techniche Ltd	TCN	8 Nov

Suspensions (selected)

Company	Code	Since
BGD Corporation	BGD	7 Nov
Cabral Resources	CBS	19 Oct
Cardinal Resources	CDV	4 Nov
Estrella Resources	ESR	3 Nov
Eve Investments	EVE	3 Nov
Finders Resources	FND	4 Nov
Nkwe Platinum	NKP	18 Oct
Nuheara Ltd	NUH	27 Oct
Omni Market Tide	OMT	19 Oct
Orinoco Gold	OGX	12 Oct
RNI NI	RNI	31 Oct
Target Energy	TEX	13 Oct
Transerv Energy	TSV	25 Oct
TV2U International	TV2	2 Nov
TW Holdings	TWH	31 Oct
Volta Mining	VTM	17 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
BIS	Today	2.5	100	5.21
IPE	Tomorrow	2.2	100	32.45
MQG	Tomorrow	190	45	5.58
BKW	Wed	32	100	3.71
RMD	Wed	3.3	0	1.60
CSR	Fri	13	0	6.43
KMD	Fri	~7.76	84.99	5.63
MGP	Fri	0.2	0	2.62
NAC	Fri	2.5	100	4.15
WAT	Fri	3	100	3.73

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	BD1	AGM
	DMP	AGM
	GMG	Sep Q
	UGL	AGM
	WBC	Full-year
Tomorrow	CBA	Sep Q
	DLX	Full-year
	IPL	Full-year
	NCM	AGM
	NWS	Sep Q
	REA	AGM

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Wed	CHC	AGM
	CBA	AGM
	CPU	AGM
	DCG	AGM
	FMG	AGM
	MPL	AGM
	MGX	AGM
	RHC	AGM
	SWM	AGM
	SGM	AGM
VRT	AGM	
Thu	ACR	AGM
	BPT	AGM
	BSL	AGM
	CVO	AGM
	NSR	AGM
	TME	AGM
	TWE	AGM
Fri	CQR	AGM
	LLC	AGM
	TFC	AGM