

## Markets

<b>SFE 200 Futures</b> (9.30am AEDST)	<b>5269</b>	<b>24</b>	<b>0.5</b>
<b>NZX 50</b>	6917	23	0.3
<b>DJIA Futures</b>	18285	0	0.0
<b>S&amp;P 500 Futures</b>	2136	7	0.3
<b>NASDAQ Futures</b>	4802	27	0.6

## Local Markets Commentary

The Australian market will trade today amid speculation surrounding the outcome of last night's US presidential election polling.

Any definitive result could be known by ~3pm AEDST.

Key regional data is likely to also influence some trade sentiment.

**China** is expected to report CPI ~12.30pm AEDST.

**Japan** is due to release September trade figures 10.50am.

Locally today, several high-profile companies host AGMs, and hence some influential updates are anticipated. Please see p4 for a select list.

A monthly consumer sentiment report is also due from Westpac and the Melbourne Institute.

In overnight commodities trade, US **gold** futures fell further and **oil** turned lower. **Copper** and **iron ore** continued to rally.

The **\$A** was pushed beyond US77.70c after trading at ~US77.0c early yesterday evening.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>18332</b>	73	<b>0.4</b>
<b>S&amp;P 500</b>	2140	8	0.4
<b>NASDAQ</b>	5193	27	0.5
<b>FTSE 100</b>	6843	36	0.5
<b>DAX 30</b>	10482	25	0.2
<b>Shanghai Comp</b>	3148	15	0.5

## Overseas Markets Commentary

Major European and US equities markets traded higher again overnight, but not without swings and chop for some indices.

It was official polling day for the **US** presidential election and any clear result is expected from ~3pm Wednesday AEDST.

In overnight data releases, Germany reported a 1.8% drop in September industrial production, against forecasts of a 0.5% fall for the month.

The September trade surplus came in at €21.3B, following expectations of €23B.

**UK** September industrial output fell 0.4% for the month, but manufacturing rose a further 0.6% following a 0.2% gain in August. Year-on-year, industrial production rose 0.3% and manufacturing 0.2%.

An industry group estimated October retail spending had risen 1.7% year-on-year, on a like-for-like basis, and that overall spending grew 2.4%.

**China - CPI and PPI 12.30pm AEDST.**

\* Property fund listing **midday** AEDST - **ERF** \*

## Today's Stock Watch

### Commonwealth Bank of Australia (CBA)

AGM today

### Amcor Ltd (AMC)

Outlaying ~\$US28M (RMB185M) for North China flexible packaging manufacturer Hebei Qite Packing Co.

### Webjet Ltd (WEB)

Anticipating \$78M FY 2017 EBITDA. Selling Zuji Hong Kong and Singapore for a total \$56M, the \$26M gain contributing to EBITDA. Completion is anticipated by the end of February. Reporting strong bookings growth for the financial year-to-date.

### Aristocrat Leisure (A ALL)

ALL's executive VP global products and insights Trevor Croker has been appointed ALL CEO-elect, due to CEO and MD Jamie Odell's decision to resign, effective 28 February.

### Medibank Private (M MPL)

July - October revenue has come in below-expectations, premium revenue rising 1.3%. Anticipating flat 2017 health insurance operating profit. Today's AGM speeches and presentation lodged.

### SmartTrans Holdings (SMA)

MoU secured with Shanghai Dodoca Information Technology Co to jointly set up a WeChat site for Australian merchants to sell products online in China. Details lodged this morning.

### Flight Centre (FLT) / Computershare Ltd (CPU)

Today's AGM presentations and addresses lodged.

### REA Group (REA)

Deutsche Bank has cancelled REA sell advice, replacing it with a hold recommendation.

### Brickworks Ltd (B BKW)

Trading ex-dividend (32c) today. Settled lower all last week, but has added 21c the past two sessions.

### Elanor Retail Property Fund (\* ERF)

Commercial property fund scheduled to list **midday** AEDST following an ~\$109M IPO at \$1.35 per stapled security. Trading will commence on a deferred settlement basis. Normal (T+2) trade is expected to begin Friday.

## Resources

### Rio Tinto (RIO)

Contacting regulatory authorities in the UK, US and Australia after completing an initial investigation into \$US10.5M worth of contract payments made in relation to the Simandou project, Guinea, in 2011.

The divisional CEO for that time has been suspended, effective immediately, and the legal and regulatory affairs executive has stepped down.

### Fortescue Metals Group (FMG)

Diversification questions anticipated, plus further iron ore outlook commentary, at today's AGM.

Tonight's data releases include US September wholesale inventories, together with weekly mortgage applications. In the UK, September trade figures are expected.

Bridgestone, Burberry, E.ON, Korea Gas, Sainsbury, TripAdvisor, Tullow Oil and Wendy's are scheduled to report today and tonight.

Overnight, UK department store **Marks & Spencer** revealed plans to close up to 60 clothing and homewares stores at home and abroad over five years, including all outlets across 10 countries. New food stores are planned for the UK.

Earlier, **Toyota Motor** reported a 36% drop in September quarter net report, citing the impact of the yen and reduced demand.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1276</b>	oz	-3	<b>-0.3</b>
<b>Silver (NY) (Dec)</b>	18.4	oz	0.2	<b>0.8</b>
<b>Gold (LON)</b>	1283	oz		
<b>Platinum</b>	1002	oz	5	<b>0.5</b>
<b>WTI Crude (Dec)</b>	<b>44.8</b>	bbl	-0.2	<b>-0.3</b>
<b>Brent Crude (Jan)</b>	<b>45.7</b>	bbl	-0.5	<b>-1.0</b>
<b>Iron Ore (Tianjin)</b>	<b>67.8</b>	t	1.0	<b>1.5</b>
<b>Copper (LME)</b>	<b>5236</b>	t	138	<b>2.7</b>
<b>Nickel</b>	11260	t	130	<b>1.2</b>
<b>Aluminium</b>	1731	t	45	<b>0.2</b>
<b>Lead</b>	2125	t	38	<b>1.8</b>
<b>Zinc</b>	2478	t	10	<b>0.4</b>
<b>Tin</b>	21545	t	-300	<b>-1.4</b>
<b>CBT Wheat (Dec)</b>	<b>4.15</b>	bshl	-0.05	<b>1.3</b>

### Commodities Commentary

*Oil* – a report estimated **OPEC crude output** had reached a record daily 33.5MMbbl recently. A separate OPEC report placed **prices** at \$US60/bbl by 2021.

**Iran** meanwhile rejected reports Egypt was seeking Iranian crude after the October suspension of its contract with Saudi Arabia, but said it was optimistic of an agreement on restricting output at OPEC's 30 November meeting.

In the meantime, the **(US)** EIA predicted 2016 **domestic production** would likely fall a daily 580,000bbl (110,000bbl fewer than last month's forecast) to 8.84MMbbl/d, and that 2017 daily output would decrease a further 110,000bbl to 8.73MMbbl/d.

The EIA boosted its forecast 2016 daily domestic oil demand 40,000bbl to 110,000bbl/d, and its 2017 prediction 30,000bbl to 260,000bbl/d.

Weekly US petroleum inventories are due tonight.

*Gold* – relatively quiet trade reported overnight as final US polling took place.

*Base metals* – **China's** October **trade** figures, reported yesterday, included another fall for both exports (7.3%) and imports (1.4%), each more than anticipated, but not as steep as previously. **CPI** and **PPI** are due today.

*Nickel* was also supported by forecast short supply and *tin* by falling LME inventories.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7754	-0.0008	<b>-0.11</b>
<b>EUR – USD</b>	1.1015	-0.0010	<b>-0.09</b>

## Pre-Open Announcements

### Westpac Banking Corporation (\* WBC)

Annual report lodged this morning. AGM scheduled for 9 December, Adelaide.

### Suda Ltd (\* SUD)

Exclusive licensing agreement secured with Eddingpharm (Asia) Macao Commercial Offshore covering the development and commercialisation in China of SUD's insomnia oral spray treatment ZolpiMist. SUD will receive \$300,000 up front and a potential \$US200,000 milestone payment on product registration. Royalties will also be payable and SUD expects the agreement could deliver \$US26M over 15 years from product launch.

### The Food Revolution Group (\* FOD)

Contract secured to produce a 2L orange juice for supply to ALDI in South Australia, Victoria and WA from 28 November. Additional distribution deals lodged this morning.

### Wellard Ltd (\* WLD)

The delivery of MV Ocean Kelpie has been further delayed, under mutual agreement with the shipbuilder, this time until the third quarter FY 2019.

### DateTix Group (\* DTX)

Record, \$145,000 October revenue on 114,000 active users. Additional information lodged this morning.

### Touchcorp Ltd (TCH)

Mourning the passing of MD Adrian Cleeve. TCH chairman Mike Jefferies has been appointed acting CEO.

### Charter Hall Long WALE REIT (\* CWL) / Charter Hall Group (CHC)

CHC AGM today. CWL completed its ASX listing yesterday following a targeted ~\$827M IPO at \$4.00 per stapled security. Opened at \$4.01 and traded as high as \$4.02 before settling at \$3.96. 2.4M stapled securities were traded across 179 transactions. Trading commenced on a conditional and deferred basis. Normal (T+2) trade is expected to begin 15 November (Tuesday next week). Meanwhile, Macquarie has commenced CWL research, assigning an underperform rating.

## Resources

### Western Areas (\* WSA)

Macquarie has reassessed WSA as outperform, from neutral. WSA settled at \$2.77 yesterday after gaining 11.2% for the session and 6.4% Monday.

### TNG Ltd (\* TNG)

Traditional land owner approvals in hand to construct causeways within the Mount Peak project, Northern Territory.

## Energy

### Paladin Energy (PDN)

Planning to lodge September quarter results pre-trade 16 November (Wednesday next week) and to host a teleconference 10.30am AEDST. Access details lodged post-trade yesterday.

## Davenport Resources

Davenport Resources is a multi-mineral exploration company seeking to list on the ASX in mid-December.

**Australian Data Today**

Wstpc/MInst Consumer sentiment Nov

**US Data Tonight**MBA mortgage applications 4 Nov  
Wholesale inventories Sep**Other Overseas Data Today & Tonight**

<b>China</b>	CPI	Oct
China	PPI	Oct
<b>Japan</b>	Trade balance	Sep
Japan	Trade 1 <sup>st</sup> 20 days	Oct
Japan	Eco watchers survey	Oct
Japan	Bank lending	Oct
Japan	Corporate bankruptcies	Oct
<b>UK</b>	Trade balance	Sep

**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).

The company is conducting a \$5M - \$6M IPO at 20c per share.

Once the IPO is completed, Davenport will hold two exploration licences in a potash production region in central Germany.

Based on exploration records for the licences, Davenport anticipates proving a JORC-compliant potash resource within three years.

Davenport knows the licences and their potential well. They are held mostly by Potash West, whose MD Patrick McManus is Davenport Resources' non-executive chairman. Davenport's MD will be Potash West director Christopher Bain.

Due to its recent history as an Arunta Resources subsidiary, Davenport Resources also holds the Southern Cross Bore copper-gold project in the Arunta province, Northern Territory.

**State One holds firm stock in the Davenport Resources offer.**

*For further information, please contact your advisor, or email [davenport@amscot.com.au](mailto:davenport@amscot.com.au).*

**Trading Halts**

Company	Code	Resuming
Emergent Resources	EMG	9 Nov
XPED Ltd	XPE	9 Nov
ADX Energy	ADX	10 Nov
Ashley Services Group	ASH	10 Nov
Austin Engineering	ANG	10 Nov
Carbon Energy	CNX	10 Nov
Red Metal	RDM	10 Nov
Stavelly Minerals	SVY	10 Nov
Surfstitch Group	SRF	10 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
RNI NI	RNI	31 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 (%)
<b>BKW</b>	Today	32	100	3.65
<b>RMD</b>	Today	3.3	0	1.57
ORI	Tomorrow	29	27.58	2.99
CSR	Fri	13	0	6.13
KMD	Fri	~7.76	84.99	5.50
MGP	Fri	0.2	0	2.50
NAC	Fri	2.5	100	4.11



WAT	Fri	3	100	3.45
ANZ	14 Nov	80	100	5.92
WBC	14 Nov	94	100	6.21
CBC	16 Nov	1.5	100	3.56
TWD	16 Nov	15	100	6.48
AYD	18 Nov	10	100	3.46
AYH	18 Nov	5	100	4.53
AYJ	18 Nov	54	100	3.73
AYK	18 Nov	37	100	3.25
AYZ	18 Nov	54	100	3.50
SOL	18 Nov	31	100	3.38

## Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>CHC</b>	AGM
	<b>CBA</b>	AGM
	<b>CPU</b>	AGM
	<b>DCG</b>	AGM
	<b>FLT</b>	AGM
	<b>FMG</b>	AGM
	<b>MPL</b>	AGM
	<b>MGX</b>	AGM
	<b>RHC</b>	AGM
	<b>SWM</b>	AGM
	<b>SGM</b>	AGM
	<b>VRT</b>	AGM
<b>Tomorrow</b>	ACR	AGM
	BPT	AGM
	BSL	AGM
	CVO	AGM
	NSR	AGM
	TME	AGM
	TWE	AGM
	WES	AGM
<b>Fri</b>	CQR	AGM
	LLC	AGM
	TFC	AGM

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