

Markets

SFE 200 Futures (9.30am AEDT)	5866	-65	-1.1
NZX 50	8855	-102	-1.1
DJIA Futures	25398	17	0.1
S&P 500 Futures	2728	0	0.0
NASDAQ Futures	6835	0	0.0

Local Markets Commentary

The Australian market commences today's trade on largely unresponsive overnight leads, international equities picking up the pace of Friday's declines.

In overnight commodities trade, **oil** settled lower.

US (December) **gold** futures also continued to fall.

Iron ore (China port 62% Fe) swung lower.

LME **copper** settled slightly lower. **Nickel** and **aluminium** extended Friday's falls.

The **\$A** traded in a relatively narrow range after falling to ~US71.90c early yesterday evening, but has headed decisively lower again this morning.

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

NAB is due to release its closely-watched monthly business survey, 11.30am AEDT.

The Australian Bureau of Statistics publishes September lending figures, also at 11.30am.

WBC is one of a trio of stocks trading ex-dividend, and **IPL** has released full year results pre-trade.

Please see pp2-4 for detailed lists.

Meanwhile, an Association of Southeast Asian Nations (**ASEAN**) leaders' summit commences in Singapore today.

The Asia Pacific Economic Cooperation (**APEC**) forum begins in Port Moresby, PNG Saturday.

Yesterday, **China** again spoke against 'nationalism' as premier Li Keqiang prepared to meet with ASEAN and APEC leaders and other representatives.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25387	-602	-2.3
S&P 500	2726	-55	-2.0
NASDAQ	7201	-206	-2.8
FTSE 100	7053	-52	-0.7
DAX 30	11325	-204	-1.8
Shanghai Comp	2631	32	1.2

Overseas Markets Commentary

Major European and US equities markets headed lower from open overnight, settling at or near session-lows amid reduced trade during the US Veterans' Day commemorations.

US officials appeared to disagree in the tone of their comments regarding **US-China** prospects for firm trade negotiations.

Across the Atlantic, reports emerged four additional **UK** government ministers were considering resigning, but a key European Union (EU) negotiator claimed a draft plan governing the UK-EU separation

Today's Stock Watch

Cochlear Ltd (COH)

COH has outlaid €13M for an initial holding in nerve stimulation therapy specialist Nyxoah and has secured a seat on the Nyxoah board.

Incitec Pivot (IPL)

34.8% lower, \$A207.9M full year NPAT.

11% lower, \$A3.86B revenue.

6.20c, 20%-franked final dividend, against 4.9c unfranked a year ago. \$1.04 NTA.

Ruralco Holdings (RHL)

12% higher, \$A25.18M full year NPAT.

5% higher, \$A1.91B revenue.

Flat, 6c fully franked final dividend. 53c NTA. \$15.0M cash and equivalents.

In addition, RHL has completed a strategic investment in Toowoomba-based company DataFarming.

Althea Ltd (AGH)

Medicinal cannabis export licence in hand, from the Australian Government Office of Drug Control.

AGH now holds import, cultivation, manufacture and export licences.

AGH's domestic network includes 156 patients and 54 prescribers.

Since listing on the ASX in September, AGH has traded at 34.5c - 75.5c.

Spookfish Ltd (SFI)

Australia's Foreign Investment Review Board (FIRB) will not oppose SFI's proposed takeover by Eagle View Technologies.

SFI shareholders vote on the planned scheme of arrangement Friday this week.

The a2 Milk Company (A2M)

Former Qantas Airways (ASX: QAN) human resources executive manager Lisa Burquest has been appointed to the newly-created A2M role of human resources director, effective today.

Breville Group (BRG)

Today's AGM materials lodged pre-trade.

Elders Ltd (ELD)

Morgans has cancelled ELD hold advice, in favour of a reduce recommendation.

Seek Ltd (SEK)

UBS has cancelled SEK sell advice, in favour of a neutral rating.

Resources

Spitfire Minerals (SFI)

WA goldfields Bardoc gold project resources estimated at 38.6Mt @ 2.1g/t Au, for 2.58Moz of gold.

Sheffield Resources (SFX)

Heralding a high-grade find south of the northern WA Thunderbird mineral sands project. Assays lodged this morning.

Energy

Central Petroleum (CTP)

37% in proven and probable (2P) gas reserves to 169PJ.

2P oil reserves grown 154% to 970,000bbl.

Back-up and additional statistics lodged this morning.

could be ready to provide to the UK cabinet as early as tonight.

Italy is due to re-present its proposed budget to the European Commission tonight, but reports also abound that the government may hold out, making few if any adjustments.

Among corporate and stock considerations, two **tech sector** component part manufacturers issued disappointing demand forecasts damaging select sentiment.

A US Federal Reserve regional president in the meantime noted relatively low workforce participation rates, due to a seemingly growing disparity between available skills and employer needs.

No major data releases were on hand and US bond markets did not trade due to Veterans' Day.

Tonight in the US, a small business optimism index and monthly treasury budget figures are due.

A Federal Reserve official is scheduled to speak publicly on immigration and the economy.

Elsewhere, Euro Finance Week is underway in Kristianstad, Sweden, and is expected to deliver plenty of additional central banker commentary on a variety of international scenarios throughout the week.

Bayer, Home Depot, Noble Group, Premier Foods, San Miguel Corp, Singapore Airlines, Tyson Foods and Vodafone are among companies scheduled to report earnings.

In overnight corporate news, tech sector component makers **Lumentum Holdings** (facial recognition specialist) and **Japan Display** each reduced demand forecasts, pushing lower chip manufacturers and other component makers, particularly those servicing the hand-held device market.

In the healthcare sector, a \$US5.7B acquisition of software specialist **Athenahealth** was confirmed by **Veritas Capital** and **Evergreen Coast Capital**.

Germany's business software major **SAP** also acknowledged a weekend deal to outlay \$US8B cash for **Qualtrics International**.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1201	oz	-8	-0.6
Silver (NY) (Dec)	14.0	oz	-0.15	-0.9
Gold (LON)	1211	oz		
Platinum	838	oz	-13	-1.5
WTI Crude (Dec)	69.9	bbl	-0.26	-0.4
Brent Crude (Jan)	70.1	bbl	-0.06	-0.1
Iron Ore (CHN port 62%)	76.1	t	-1.1	-1.5
Copper (LME, 3mth, PM)	6049	t	-7	-0.1
Nickel	11400	t	-70	-0.6
Aluminium	1942	t	-12	-0.6
Lead	1929	t	-48	-2.4
Zinc	2497	t	-26	-1.1
Tin	19265	t	115	0.6
CBT Wheat (Dec)	5.20	bshl	0.18	3.5

Commodities Commentary

Oil – initial price gains evaporated as Saudi Arabia confirmed its view that demand-supply analysis demonstrated a need to cut supply, but with the US president calling for no cuts while bemoaning high

Pre-Open Announcements

NRW Holdings (* NWH)

Ironbark No1 coal mine contract in hand with Fitzroy Australia Resources.

PharmAust Ltd (* PAA)

Manufacturing agreement secured with Catalent Pharma Solutions ahead of a canine clinical trial of PAA's monepantel cancer treatment tablets.

Bionomics Ltd (** BNO)

Trading halt called pre-trade yesterday.

Business options strategic review underway after a \$A7.87M placement at 16.37c per share to major BNO shareholder BVF Partners.

BNO will offer up to \$3.98M worth of shares at the same price to institutional shareholders.

Another offer, at 15.5c per share, is planned for retail shareholders.

In addition, non-executive chairman Errol De Souza is assuming executive responsibilities from yesterday.

MD Deborah Rathjen retired from her MD role Friday, but will remain CEO until 31 January.

Further, BNO CFO Steven Lydeamore has resigned, but will remain with BNO until 23 November.

BNO financial controller and former CFO will become interim BNO CFO.

BVF will hold 19.9% of BNO and has nominated Mitch Kaye as a BNO director.

BNO traded at 14c – 16.5c last week.

Hearts and Minds Investments (* HM1)

Investment company scheduled to list 1.15pm AEDT tomorrow following a \$500M at \$2.50 per share.

Resources

Alumina Ltd (AWC)

Arab International Aluminium Conference presentation lodged this morning.

Metals X (MLX)

MLX MD Warren Hallam and COO Allan King have resigned, effective yesterday.

Non-executive MLX director and mining engineer Damien Marantelli has been appointed as MD and CEO.

Metalicity Ltd (MCT)

WA Pilbara Paterson Province exploration licence applications lodged covering 2166sq km.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	BRG	AGM
	CQR	AGM
	IPL	Full year
	NXT	AGM
	RHL	Full year
Tomorrow	AST	Interim
	AOG	AGM
	BIN	AGM

prices.

Kuwait backed reports the OPEC-led production agreement participants' meeting in Abu Dhabi had considered a call for lower output during 2019.

Saudi Arabia also confirmed the US 180-day grace period for eight Iranian crude customer nations meant late-2018 through early -2019 output would not reduce as much as previously anticipated.

The Saudi energy minister also denied any plans to disband OPEC, asserting the think tank considering such a projection was living up to the 'think tank' name in independently analysing a range of scenarios.

WTI crude subsequently settled lower for an 11th consecutive session.

Gold – fell further with the \$US index trading at 16-month peaks, the \$US more than 0.5% higher against both the euro and British pound.

A US CPI update tomorrow night, and retail sales Thursday, are expected to further influence the \$US through the second-half of the week.

Base metals – further \$US strength, in particular against the euro and British pound during LME trade, bruised overnight sentiment.

Shanghai *nickel* stockpiles were cited as an additional factor influencing nickel prices, returning to focus during yesterday's steel price drops in Shanghai.

LME traders also reacted for the first time to a Friday announcement out of the US, pushing back the implementation of (*aluminium* producer) Rusal sanctions to 12 December.

Yesterday, Japan's October producer prices were reported to have risen 0.3% for the month, the same rate as for September. Year-on-year, prices came in 2.9% higher, against 3.0%.

October machine tool orders dropped 1.1% after a 2.9% September rise.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7173	0.0000	0.00
EUR – USD	1.1222	0.0004	0.04

Australian Data Today

ANZ/RyMgn	Consumer sentiment	11 Nov
NAB	Business survey	Oct
ABS	Lending finance	Sep

US Data Tonight

NFIB small business optimism	Oct
Treasury budget	Oct

Other Overseas Data Today & Tonight

UK	Average earnings	Sep
UK	ILO unemployment	Sep
UK	Unemployment claims	Oct
Germany	CPI (final)	Oct
Germany	ZEW economic sentiment	Nov
Euro zone	ZEW expectations	Nov

CPU	AGM
DLX	Full year
ECX	Full year
MPL	AGM
MGX	AGM
NSR	AGM
NCM	AGM
NEC	AGM
PGH	AGM
RHC	AGM
SWM	AGM

Thu

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

Fri

ALU	AGM
IFN	AGM
LLC	AGM
LNK	AGM
MGR	AGM
PBT	AGM

Mon (19 Nov)

BBN	AGM
FXJ	AGM
SYD	Oct

Tue (20 Nov)

A2M	AGM
ALQ	Interim
AAD	AGM
DHG	AGM
FBU	AGM
MND	AGM
OFX	Interim
TNE	Full year

Trading Halts

Company	Code	Resuming
4DS Memory	4DS	13 Nov
Cyclic Group	CYQ	13 Nov
Environmental Clean Technologies	ECT	13 Nov
PPK Group	PPK	13 Nov
AUB Group	AUB	14 Nov
Bionomics Ltd	BNO	14 Nov
Celamin Holdings	CNL	14 Nov
Marmota Ltd	MEU	14 Nov
Orinoco Gold	OGX	14 Nov
Pivotal Systems Corporation	PVS	14 Nov
RCR Tomlinson	RCR	14 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.

[Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice](#)

This morning note and its contents at all times remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

Suspensions *(select)*

Company	Code	Since
Energy Technologies	EGY	12 Nov
Impelus Ltd	IMS	26 Oct
Lindian Resources	LIN	5 Nov
MGC Pharmaceuticals	MXC	5 Nov
Pelican Resources	PEL	31 Oct
Triangle Energy (Global)	TEG	12 Nov
Updater Inc	UPD	9 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
WBC	Today	94	100	6.78
PL8	Today	0.5	100	5.66
TLT	Today	1.6	0	1.55
KMD	Fri	10.07	100	4.86
SOL	Fri	33	100	1.87
TWD	Fri	16	100	6.78
WAM	Fri	7.75	100	6.68
CBC	Mon (19 Nov)	1.6	100	3.31