

## Markets

<b>SFE 200 Futures</b> (9.30am AEDST)	<b>6012</b>	<b>-22</b>	<b>-0.4</b>
<b>NZX 50</b>	7995	18	0.2
<b>DJIA Futures</b>	23398	-8	0.0
<b>S&amp;P 500 Futures</b>	2582	0	0.0
<b>NASDAQ Futures</b>	6312	0	0.0

## Local Markets Commentary

The Australian market commences today's trade following scant overnight international equities support, ahead of influential data out of China today, and the US and Europe tonight.

**China** is expected to reveal October industrial production, retail sales and fixed asset investment figures **1pm** AEDST.

Yesterday evening (AEDST), China reported a fall in October lending (yuan basis) to a 663.2B yuan sub-forecast one-year low, in part reflecting more onerous property loan processes. In addition, corporate lending totalled 214.2B yuan, against 463.5B for September.

Overnight commodities leads are mixed.

**US gold** futures turned to settle moderately higher. **WTI crude** settled effectively flat while Brent continued to fall. **Iron ore** swung lower. **LME copper** and **nickel** rallied.

The **\$A** fell beneath US76.30c after slipping below ~US76.50c early yesterday evening.

Locally today, NAB publishes its monthly business survey.

Pre-trade, a weekly consumer sentiment index is due.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>23440</b>	17	<b>0.1</b>
<b>S&amp;P 500</b>	2585	3	0.1
<b>NASDAQ</b>	6758	7	0.1
<b>FTSE 100</b>	7415	-18	-0.2
<b>DAX 30</b>	13074	-53	-0.4
<b>Shanghai Comp</b>	3448	15	0.4

## Overseas Markets Commentary

Major European and US equities markets either opened lower or headed so in early overnight trade, indicating ongoing caution amid policy uncertainty on both sides of the Atlantic. In addition, news from some large corporates disappointed.

UK PM Theresa May spoke on public policy and again promised more detail on European Union separation plans, while commentary abounded on differences between two US tax legislation plans by Senate and House Republicans, private sector calls for another look at higher-level tax proposals and the likely timing of any change.

In Zurich, **Bank of Japan** governor Haruhiko Kuroda confirmed his view that supportive monetary policy will be needed for some time yet.

Earlier in Tokyo, **US Federal Reserve** Philadelphia

**China** – October industrial production, retail sales and fixed asset investment **1pm** AEDST

\* Produce manufacturer listing **1pm** AEDST – **OGA** \*

## Today's Stock Watch

### Incitec Pivot (IPL)

\$190.6M full-year NPAT, against \$318.7M a year ago. 3.6% lower, \$3.47B revenue. 4.9c final dividend, up 0.3c. 97c NTA. Planning to commence a \$300M 12-month on-market share buy-back.

Director Greg Hayes will retire from the IPL board at the conclusion of the AGM.

### Lendlease Corporation (LLC)

LLC has appointed AICD chair and former ANZ executive Elizabeth Proust as a non-executive director, effective 1 February. Ms Proust also chairs Nestlé Australia and the Bank of Melbourne advisory board.

LLC holds its AGM Friday.

### Computershare Ltd (CPU)

Conditionally lifting FY 2018 management EPS guidance from 7.5% growth to 10% growth (constant currency). 'Encouraging' July – October trade. Today's AGM presentation lodged.

### Tower Ltd (TWR)

\$NZ8M full-year net loss, against a \$NZ21.5M loss a year ago. 0.7% higher, \$NZ317.4M revenue. Results mainly impacted by Canterbury and Kaikoura earthquake provisions.

### Ruralco Holdings (RHL)

6c fully-franked final dividend, against 2c a year ago. \$22.4M full-year NPAT. 2% higher, \$1.8B revenue. 72c NTA.

### OFX Group (OFX)

14% lower, \$8.3M interim NPAT. Flat, \$58.7M revenue. 2.4c fully-franked interim dividend. 21.75c NTA. 3.41c EPS.

### Orica Ltd (ORI)

Trades ex-dividend (28c) today.

ORI settled at \$18.34 yesterday after closing out October at \$20.87.

### CSL Ltd (CSL)

UBS has cancelled a CSL buy recommendation, in favour of a neutral rating.

### Ocean Grown Abalone (\* OGA)

Abalone producer and seller scheduled to list 1pm AEDST following a \$10M IPO at 25c per share.

## Resources

### Havilah Resources (HAV)

HAV's Portia gold mine 50:50 revenue sharing agreement has been revised to HAV receiving 15% of gold revenue. HAV's Portia mining partner Consolidated Mining & Civil (CMC) will manage day-to-day operations (essentially mining and processing) and receive 85% of gold revenue.

## Energy

### AWE Ltd (AWE) / Origin Energy (ORG)

Perth Basin Waitsia 2P reserves have been independently assessed at 811PJ, representing a 78% increase on a June 2017 AWE estimate. AWE operator and 50%; ORG 50%

president Patrick Harker had promoted a 'lightly pencilled in' US rate rise in December.

**Tonight** in the US, October CPI, producer prices and a small business optimism index are due.

Central bankers due to speak at a European Central Bank (ECB) event tonight include: **Bank of England** governor Mark Carney, **ECB** president Mario Draghi and **US Federal Reserve** chair Janet Yellen.

Companies scheduled to report interim earnings include: Aveva, Mitsubishi UFJ Financial and Vodafone.

In overnight corporate news, **General Electric** announced it would pay its lowest quarterly dividend in ~seven years, chopping it in half to US12c, in association with its restructure into a leaner company. GE also lowered full-year earnings guidance. The stock subsequently dropped ~7.5%.

Chip manufacturer **Qualcomm** officially knocked back an up to \$US130B takeover offer from competitor **Broadcom**, citing regulatory risk and under-par value.

In the meantime, toy and game maker **Mattel** was propelled ~20% higher by unconfirmed talk of a recent bid from **Hasbro**.

**Alibaba** and **JD.com** also appreciated on their respective \$US25B and \$US19B worth of 'Singles Day' sales on the weekend.

In addition, JD.com surprised on the upside with record September quarter profit and 39% higher revenue.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1279</b>	oz	5	0.4
<b>Silver (NY) (Sep)</b>	17.0	oz	0.2	1.0
<b>Gold (LON)</b>	1278	oz	-6	-0.5
<b>Platinum</b>	931	oz	4	0.4
<b>WTI Crude (Nov)</b>	<b>56.8</b>	bbl	0.02	0.0
<b>Brent Crude (Nov)</b>	<b>63.2</b>	bbl	-0.36	-0.6
<b>Iron Ore</b> (CHN port 62%)	<b>62.2</b>	t	-0.4	-0.7
<b>Copper</b>	<b>6895</b>	t	109	1.6
<b>Nickel</b>	12490	t	380	3.1
<b>Aluminium</b>	2108	t	7	0.3
<b>Lead</b>	2523	t	4	0.2
<b>Zinc</b>	3213	t	-6	-0.2
<b>Tin</b>	19500	t	75	0.4
<b>CBT Wheat (Dec)</b>	<b>4.24</b>	bshl	-0.07	-1.7

### Commodities Commentary

**Oil** – in a monthly report, OPEC raised its 2018 demand forecast for OPEC crude 360,000bbl/d to 33.42MMbbl/d.

OPEC reported a daily 151,000bbl fall in the organisation's October output to 32.59MMbbl/d.

In addition, two OPEC member nations suggested a decision on extending the production control agreement past March 2018 could come out of the 30 November meeting.

The International Energy Agency (**IEA**) is due to publish a monthly oil market report tonight.

**Gold** – the \$US rose but gold prices were pushed higher, with industry analysts citing weak equities sentiment and increased cryptocurrency caution.

Multiple CPI and GDP updates tonight are expected to influence currency, equities and hence precious metals trade.

## Pre-Open Announcements

### Challenger Ltd (\* CGF)

Standard & Poor's has lifted its CGF ratings outlooks from stable to positive.

### Washington H Soul Pattinson & Co (\* SOL)

SOL says the reason the company's payable tax for the financial year ending 31 July 2016 is the franked dividends received from SOL investee companies that had already paid income tax.

SOL trades ex-dividend (32c) Friday.

### Creso Pharma (\* CPH)

CPH and Virbac have launched animal hemp extract – cannabidiol pet product anibidiol on a commercial basis to veterinarians in Switzerland.

## Resources

### MetalsTech Ltd (↓ MTC)

Heralding Quebec, Canada Cancet lithium project diamond drilling results and resulting spodumene modal estimates.

### CuDeco Ltd (\* CDU)

Six-month \$HK100M loan secured with China Oceanwide International Financial. CDU says it has paid two short-term loans due December 2017 and January 2018 and is negotiating a comparatively long-term finance facility.

### Metalicity Ltd (↓ MCT)

WA northern goldfields Kyarra cobalt project initial exploration drilling has delivered significant cobalt intersections. Cobalt has been intersected in each hole, including at shallow depths. Details lodge this morning.

## Energy

### Norwest Energy (NWE) / Triangle (Global Energy (TEG) / Whitebark Energy (WBE)

Perth Basin TP/15 Xanadu-1 oil assays update lodged this morning.

NEW 25% and operator; TEG 30%; WBE 15%.

### Trading Halts

Company	Code	Resuming
Australia United Mining	AYM	14 Nov
eSense-Lab Ltd	ESE	14 Nov
Hastings Technology Metals	HAS	14 Nov
MMJ PhytoTech	MMJ	14 Nov
Alt Resources	ARS	15 Nov
Animoca Brands Corporation	AB1	15 Nov
Celsius Resources	CLA	15 Nov
Cradle Resources	CXX	15 Nov
G Medical Innovations Holdings	GMV	15 Nov
iCandy Interactive	ICI	15 Nov
iCar Asia	ICQ	15 Nov
Marquee Resources	MQR	15 Nov
Middle Island Resources	MDI	15 Nov
Murray Cod Australia	MCA	15 Nov
Myanmar Metals	MYR	15 Nov
Thundelarra Ltd	THX	15 Nov
Tower Ltd	TWR	15 Nov
Trek Metals	TKM	15 Nov
Whitebark Energy	WBE	15 Nov

**Base metals** – a raft of data, including industrial production and fixed asset investment, expected out of China today will influence tonight's trade.

Overnight LME trade demand was reported as generally 'steady', as opposed to equities trade.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7611	-0.0013	<b>-0.17</b>
<b>EUR – USD</b>	1.1665	-0.0001	<b>-0.01</b>

### Australian Data Today

ANZ/RyMgn	Consumer sentiment	12 Nov
NAB	Business survey	Oct

### US Data Tonight

CPI	Oct
Producer prices	Oct
NFIB small business optimism	Oct

### Other Overseas Data Today & Tonight

<b>China</b>	Industrial production	Oct
China	Retail sales	Oct
China	Fixed asset investment	Oct
<b>UK</b>	CPI	Oct
UK	PPI	Oct
<b>Germany</b>	CPI (final)	Oct
Germany	GDP (initial)	Sep Q
Germany	ZEW economic sentiment	Nov
<b>Euro zone</b>	GDP (final)	Sep Q
Euro zone	Industrial production	Sep
Euro zone	ZEW expectations	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](mailto:advice@stateone.com.au).

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### Suspensions (selected)

Company	Code	Since
Bisan Ltd	BSN	2 Nov
Blackham Resources	BLK	8 Nov
Caeneus Minerals	CAD	30 Oct
Oriental Technologies	OTI	1 Nov
Red Emperor Resources	RMP	8 Nov
ServTech Global Holdings	SVT	1 Nov
Soon Mining	SMG	23 Oct
Victory Mines	VIC	10 Nov
Wolf Petroleum	WOF	30 Oct

### Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>ORI</b>	Today	<b>28</b>	0	2.81
<b>WBA</b>	Today	<b>3</b>	100	2.21
PL8	Tomorrow	0.45	100	0.83
TWD	Thu	16	100	5.97
AYJ	Fri	52	5	17.94
AYK	Fri	28	90	3.80
AYZ	Fri	44	100	3.58
JHG	Fri	32	0	4.72
SOL	Fri	32	100	3.04

### Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>ABP</b>	AGM
	<b>CPU</b>	AGM
	<b>EHE</b>	AGM
	<b>IPL</b>	Full-year
	<b>NCM</b>	AGM
	<b>OFX</b>	Interim
<b>Tomorrow</b>	AST	Interim
	AOG	AGM
	DLX	Full-year
	NVT	AGM
	PGH	AGM
	RHL	Full-year
	SCO	AGM
	<b>Thu</b>	BHP
CBA		AGM
GMG		AGM
HVN		AGM
MGR		AGM
NHC		AGM
NWS		AGM
NST		AGM
PTM		AGM
RHC		AGM
SGH		AGM
VCX		AGM
WES		AGM
<b>Fri</b>	LLC	AGM



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