

## Markets

SFE 200 Futures (9.30am AEST)	6773	8	0.1
NZX 50	10919	-0.6	-0.0
DJIA Futures	27661	3	0.0
S&P 500 Futures	3088	0	0.0
NASDAQ Futures	8254	4	0.1

## Local Markets Commentary

The Australian market opens today's trade with one major domestic bank reporting for the September quarter, another trading ex-dividend, and some influential domestic economic reports due this morning, following reduced overnight international equities and key commodities sentiment, mostly due to a string of disappointing international data releases.

In addition, violent protests have continued in Hong Kong.

**Regionally** post-yesterday's ASX trade, **China's** October vehicle sales were reported 4% lower year-on-year, following a 5.2% September decline.

October new lending dropped to 661.3B yuan, from 1690B yuan for September, the magnitude of the fall surprising forecasters despite seasonal influences.

**Locally** today, NAB publishes its monthly **business conditions** and sentiment survey report.

Pre-trade, ANZ and Roy Morgan release their weekly **consumer confidence** index.

**ORI** and **WBC** trade ex-dividend. Please see pp3-4 for a detailed ex-dividend list.

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

US **gold** futures (December) continued to fall, closing beneath \$US1460/oz.

**Iron ore** (Nymex CFR China, 62% Fe) slipped US6c/t.

LME **copper** fell further. **Nickel** dropped. **Aluminium** also traded sharply lower.

The **\$A** has traded at ~US68.50c this morning after hovering around US68.60c early yesterday evening.

## Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27691	10	0.0
S&P 500	3087	-6	-0.2
NASDAQ	8462	-11	-0.1
FTSE 100	7329	-31	-0.4
DAX 30	13198	-30	-0.2
Shanghai Comp	2910	-54	-1.8

## Overseas Markets Commentary

Major European and US equities markets opened lower overnight,

## Today's Stock Watch

### Commonwealth Bank of Australia (CBA)

\$3.8B (unaudited) September quarter NPAT. \$2.3B cash net profit. \$11.999B operating income. \$5.98B operating expenses. 10.6% CET1.

CBA has trade higher each of the past five sessions, settling at \$80.05 yesterday.

### Incitec Pivot (IPL)

26.5% lower, \$A152.4M full year NPAT. 1.6% higher, \$A3.92B revenue. 3.4c, 1.02c-franked final dividend, following 6.2c, 1.24c-franked a year ago. 94c NTA, against \$1.04.

### Goodman Group (GMG)

\$48.2B AUM as at 30 September. Flat 98% occupancy. \$4.2B worth of development work in progress.

### Nine Entertainment (NEC)

Trading update and outlook lodged this morning, including low single digit FY 2020 EBITDA. AGM today.

### Invocare Ltd (IVC)

Acquiring Batemans Bay & Moruya District Funerals and Broulee Memorial Gardens, for undisclosed consideration.

### Westpac Banking Corporation (WBC)

WBC's capital raising continues, with the \$500M SPP opening today and expected to continue until 2 December. Ex-dividend.

### Althea Group (AGH)

MoU in hand for wholesale pharmaceutical group nimbus health to distribute and sell AGH's medicinal cannabis products throughout Germany.

### Fluence Corporation (FLC)

\$US5M contract secured in Argentina.

Details lodged pre-trade.

### Catapult Group International (CAT)

Rugby Australia contract renewed and expanded to include CAT's new Vector product.

## Resources

### Pilbara Minerals (PLS)

Resuming from a trading halt with WA Pilbara Pilgangoora lithium-tantalum project operations suspended while WA Police conduct an investigation following a death, not related to mining operations, at the site yesterday.

PLS last traded at 32.75c.

### OZ Minerals (OZL)

First Carrapateena copper-gold project saleable concentrate production anticipated December, rather than this month.

Resource and reserve updates also lodged this morning.

key US indices recovering the most ground by close.

New economic indicator releases, including producer prices and new lending, out of China over the weekend and yesterday evening (AEDT), largely came in below expectations.

A Veterans' Day government holiday in the US featured the US president addressing and then leading the New York parade.

Overnight **data** releases included a batch of material **UK** September indicators, including an initial September quarter GDP estimate, which represented 0.3% growth for the three months, following a 0.2% pullback during the June quarter.

Year-on-year, GDP grew 1%, reportedly the least annual rate in almost 10 years.

The UK's September trade figures featured a £3.36B deficit, against a £1.76B shortfall at the end of August.

September industrial production fell 0.3% for the month and 1.4% year-on-year.

Manufacturing production declined 0.4% for the month and 1.8% against September 2018.

**Germany's** October wholesale prices slipped 0.1% for the month, following a 0.4% September fall.

Against October 2018, prices were 2.3% lower.

**Tonight** in the **US**, the US president addresses the Economic Club of New York, at a lunch event.

Among other matters, the president is expected to comment on the Fed's monetary policy moves.

Separately, four Fed regional presidents are scheduled to speak publicly tonight.

Among data releases, a small business optimism index is expected.

Companies scheduled to report earnings later today and tonight include CBS, China Petroleum & Chemical Corp, Fujifilm Holdings, JGC Corp, Linde Plc, Nissan Motor, PetroChina Company, Premier Foods, Tyson Foods and (The) Yokohama Rubber Co.

In overnight corporate news, **Alibaba** reported a record \$US38.4B worth of 'Singles Day' sales, against \$US30.4B last year.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1457.1</b>	oz	-5.8	<b>-0.4</b>
<b>Silver (NY) (Dec)</b>	~16.84	oz		
<b>Gold (LON)</b>	1464	oz		
<b>Platinum</b>	872	oz	-14	<b>-1.6</b>
<b>WTI Crude (Dec)</b>	<b>56.86</b>	bbl	-0.38	<b>-0.7</b>
<b>Brent Crude (Jan)</b>	<b>62.18</b>	bbl	-0.33	<b>-0.5</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	80.30	t	-0.06	<b>-0.1</b>
<b>Copper</b> (LME,3mth,PM)	<b>5876</b>	t	-95	<b>-1.6</b>
<b>Nickel</b>	15560	t	-640	<b>-4.0</b>
<b>Aluminium</b>	1780	t	-40	<b>-2.2</b>
<b>Lead</b>	2093	t	-2	<b>-0.1</b>
<b>Zinc</b>	2493	t	15	<b>0.6</b>
<b>Tin</b>	16525	t	-175	<b>-1.1</b>

### Commodities Commentary

**Oil** – overnight falls were mostly attributed to disappointment

## Pre-Open Announcements

### Cash Converters International (\* CCV)

CCV has appointed former Commonwealth Bank of Australia (ASX: CBA) Hong Kong International Financial Services senior representative and National Australia Bank (ASX: NAB) Hong Kong wealth and advice MD Michael Murphy as CFO.

### OFX Group (OFX)

8% lower, \$A8.34M interim NPAT. Essentially flat, \$65.89M revenue. 2.35c, 1.65c-franked (70%) interim dividend. 23.49c NTA, against 24.15c.

### Dragontail Systems (DTS)

DTS's Algo system is being installed in UK Pizza Hut stores, commencing two weeks ago. The rollout across all UK Pizza Hut stores is expected to be completed early 2020.

### Synlait Milk (SM1)

The New Zealand Supreme Court has scheduled initial hearings of the Pokeno land covenants case for 29 – 30 April 2020.

### Mercury NZ (MCY)

Today's Auckland investor day materials lodged. Confirming the company's intention to outlay \$NZ208M to construct the remaining initially planned 27 Turitea wind turbines, Palmerston North, New Zealand.

## Resources

### Image Resources (\* IMA)

December quarter sales agreements in hand for a total 65,000t of WA Boonanarring project heavy mineral concentrate, for no reduction in zircon pricing.

Details and additional information, including regarding debt repayments, lodged this morning.

### Argosy Minerals (\* AGY)

In response to an ASX price query, AGY has pointed out the Global X Lithium & Battery ETF's holding in AGY was at 4.83M securities 8 November (Friday last week), from 320,097 as at 25 October (two weeks earlier).

AGY added 19.05% yesterday, settling at 10c after closing out October at 7.3c.

### Tietto Minerals (\* TIE)

Côte d'Ivoire Abujar gold project resource boosted 24% to 45.5Mt @ 1.5g/t Au, for 2.15Moz of gold. 860,000oz (40%) qualify for indicated status. Resource definition and regional exploration drilling continues. Awaiting assays for 3000 samples.

### Syrah Resources (SYR)

Benchmark Minerals (Graphite & Anodes) Conference presentation lodged post-trade yesterday.

The two-day conference was scheduled to commence in California overnight last night.

SYR recouped 5.75% Friday last week, and 5.43% yesterday,



with US-China trade talks progress, with scant definitive industry news available, apart from second-hand reports that stocks may have fallen at the Cushing, Oklahoma, US centre last week.

**Gold** – a weaker \$US and reduced equities risk sentiment failed to produce a higher settlement for Comex futures overnight, as the US commemorated Veterans Day.

**Base metals** – pushed and pulled by several influences overnight, including October new lending reported out of China yesterday evening AEDT. This fell to 661.3B yuan (~\$US94.55B), the least in 22 months, and against 1690B yuan in September.

Late last week, China's October *copper* imports were revealed as 3% lower for the month and *aluminium* exports at their least in eight months.

In Indonesia, some *nickel ore* exports have resumed, authorities confirming yesterday, permission had been granted to nine companies.

Each of these factors, coupled with new data out of China and Japan over the weekend through yesterday evening (AEDT), appeared to influence Monday trade.

China's October **producer prices** and **CPI** growth, reported over the weekend, influenced some overnight sentiment, the year-on-year fall in producer prices (1.6%) coming in at the most since July 2016.

October vehicle sales, released early yesterday evening AEDT, were calculated 4.2% lower year-on-year, bringing the number of consecutive falls to 16.

Japan's machinery orders, also published yesterday, fell 2.9% for the month, following a 2.4% August decline.

In industry-specific news, *iron ore* major Vale said it anticipated a minimum 14.7% fall in iron ore and pellets sales for 2019, to 397Mt – 312Mt.

In addition, Vale reduced its expected 2019 *copper* production to 382,000t – 386,000t, from 395,500t for 2018.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6850	0.0000	0.00
<b>EUR – USD</b>	1.1032	0.0000	0.00

### Australian Data Today

NAB	Business conditions & confidence	Oct
ANZ/RoyMgn	Consumer sentiment	10 Nov
RBA	Card transactions	Oct

### US Data Tonight

NFIB small business optimism	Oct
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### Other Overseas Data Today & Tonight

<b>Japan</b>	Machine tool orders	Oct
<b>UK</b>	Wages growth	Sep
UK	Unemployment claims	Oct

settling at 48.5c after trading as high as 51c intra-session.

### St George Mining (SGQ) / Western Areas (WSA)

Heralding WA goldfields Mt Alexander diamond drilling results indicating 'significant' extensions of nickel-copper sulphide mineralisation.

### Azumah Resources (AZM)

Ibaera has achieved a greater than 50% holding in AZM in its 3.3c cash-per-share off-market takeover offer.

The offer is scheduled to close 3 December.

AZM has traded at 3.1c – 3.35c over the past five sessions.

### De Grey Mining (DEG)

Investor presentation lodged post-trade yesterday.

### Trading Halts

Company	Code	Resuming
CFOAM Ltd	CFO	12 Nov
Invictus Energy	IVZ	12 Nov
ARQ Group	ARQ	13 Nov
Avita Medical	AVH	13 Nov
ECS Botanic Holdings	ECS	13 Nov
EML Payments	EML	13 Nov
Panoramic Resources	PAN	13 Nov
State Gas	GAS	13 Nov
Vango Mining	VAN	13 Nov
WestStar Industrial	WSI	13 Nov

### Suspensions (select)

Company	Code	Since
Alexium International Group	AJX	31 Oct
Creso Pharma	CPH	5 Nov
dorsaVi Ltd	DVL	11 Nov
Invigor Group	IVO	30 Oct
Micro-X Ltd	MX1	6 Nov
OBJ Ltd	OBJ	5 Nov
UltraCharge Ltd	UTR	21 Oct
Vanadium Resources	VR8	30 Oct

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ORI</b>	Today	<b>33</b>	15.15	2.21
<b>WBC</b>	Today	<b>80</b>	100	6.77
API	Tomorrow	4	100	2.67
GMA	Tomorrow	24.2	0	4.23
ACQ	Thu	3.5	100	2.83
NAB	Thu	83	100	2.87
PL8	Thu	0.5	100	5.09
RTE	Thu	0.5	0	0.00
SFR	Thu	16	100	1.12
CVF	Fri	0.46	100	7.14



UK	Unemployment rate	Sep
Germany	ZEW business conditions	Nov
Euro zone	ZEW economic sentiment	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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EPW	Fri	8.5	100	3.73
JHX	Fri	11.6	0	1.44
SOL	Fri	34	100	2.47

## Reports & Events

(select)

When	Company	Report/Event
<b>Today</b>	<b>CBA</b>	Sep Q trading update
	<b>GMG</b>	Sep Q
	<b>HCH</b>	AGM
	<b>IPL</b>	Full year
	<b>INA</b>	AGM
	<b>MAH</b>	AGM
	<b>MCY</b>	Investor day
	<b>NWL</b>	AGM
	<b>NCM</b>	AGM
	<b>NEC</b>	AGM
	<b>OFX</b>	Interim
	<b>S2R</b>	AGM
<b>Tomorrow</b>	APT	AGM
	ALG	AGM
	AV1	AGM
	BRG	AGM
	CEN	AGM
	CHC	AGM
	COL	AGM
	CPU	AGM
	MGX	AGM
	NSR	AGM
	PGH	AGM
	SWM	AGM
TWE	AGM	
<b>Thu</b>	ALC	AGM
	ANN	AGM
	BD1	AGM
	CNI	AGM
	GNC	Full year
	MPL	AGM
	NEA	AGM
	NST	AGM
	RHC	AGM
	SGM	AGM
	VCX	AGM
	WES	AGM
<b>Fri</b>	ABP	AGM
	CCL	Investor day
	LNK	LNK