

## Markets

SFE 200 Futures (9.30am AEST)	6773	-2	-0.0
NZX 50	10992	119	1.1
DJIA Futures	28014	6	0.0
S&P 500 Futures	3122	0	0.0
NASDAQ Futures	8334	1	0.0

## Local Markets Commentary

The Australian market commences today's trade following several overnight statements out of the US regarding Iran, Iraq and Israel, and new data out of China late yesterday, with a key report due late-morning from the Reserve Bank of Australia (RBA), and several large-cap domestic stocks providing updates, either at investor day events or AGMs.

**Regionally** today, protests, standoffs and arrests are expected to continue in **Hong Kong**.

Post-ASX trade yesterday, **China** reported a 6.6% rise in January – October foreign direct investment, following 6.5% for January through September. The commerce ministry predicted FDI would likely remain on par through to year's end.

Also yesterday, the People's Bank of China lowered another interest rate, this time the seven-day reverse repurchase (reverse repo) rate, from 2.55% to 2.50%, hence supporting short-term liquidity.

The week before last, the central bank also trimmed 0.05% from the one-year medium-term lending facility rate, to 3.25%.

**Locally** today, the **RBA** publishes the minutes of its 5 November **policy** meeting **11.30am** AEDT.

Pre-trade, a weekly **consumer sentiment** reading is due.

From ~9am this morning, RBA assistant governor (financial markets) Christopher Kent is a panel participant at the Australian Securitisation forum in Sydney.

This evening, Australian **treasurer** Josh Frydenberg is scheduled to address attendees at the Committee for Economic Development of Australia (CEDA) annual dinner in Sydney.

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

US **gold** futures (December) turned to record a small gain.

**Iron ore** (Nymex CFR China, 62% Fe) continued to rise, albeit slightly.

LME **copper** was pushed modestly lower. **Nickel** continued to fall.

**Aluminium** swung to settle a little higher.

The **\$A** remained with a narrow range after trading at \$US68.15c early yesterday evening.

## Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	28036	31	0.1
S&P 500	3122	2	0.1

**Australia** – national treasurer Josh Frydenberg is scheduled to address the CEDA annual dinner this evening, Sydney

## Today's Stock Watch

### The a2 Milk Company (A2M) / Synlait Milk (SM1)

The minimum term of A2M's supply agreement with SM1 has been boosted by two-years, to seven years.

In addition, the volume of products to which SM1 will have exclusive supply rights has increased.

Pricing terms have also changed, but remain undisclosed.

A2M has also lodged today's AGM materials this morning.

### Qantas Airways (QAN)

Today's investor day presentation lodged pre-trade.

### WiseTech Global (WTC) / Sonic Healthcare (SHL) / Kogan.com Ltd (KGN) / Praemium Ltd (PPS)

Today's AGM materials lodged pre-trade.

### Technology One (TNE)

170% higher, \$58.46M full year NPAT. 13% higher, \$286.44M revenue.

8.78c, 60%-franked final dividend, against 6.16c, 75%-franked plus a 2c, 75%-franked special dividend a year ago.

21.86c NTA, against 10.26c.

### DroneShield Ltd (DRO)

Counterdrone protection contract secured for the Southeast Asian (SEA) Games, scheduled for 30 November – 11 December, and hosted by The Philippines.

### Worley Ltd (WOR)

EPCM services provision framework agreement secured with Covestro chemical sites in Germany.

### Mayne Pharma (MYX)

Licensing rights in hand for an Encube Ethicals generic topical dermatology product. Market sales for this product for the year to 30 September were estimated at \$US40M.

## Resources

### Bellevue Gold (BGL)

High-grade assays lodged this morning from ongoing infill diamond core drilling within the Bellevue gold project Tribune and Viago lodes.

## Energy

### Woodside Petroleum (WPL)

Narrowing 2019 production guidance to 89MMboe - 91MMboe. In addition, work is underway to implement plans to triple reserves.

Today's investor day briefing summary and presentation lodged. A live webcast will be available.



NASDAQ	8550	9	0.1
FTSE 100	7308	5	0.1
DAX 30	13207	-35	-0.3
Shanghai Comp	2909	18	0.6

### Overseas Markets Commentary

Overnight trade across major European and US equities markets demonstrated general caution in varying degrees.

During the US trading session in particular, geopolitical considerations provided plenty for investors to consider.

In the UK, speeches by the PM, opposition leader and leader of the Liberal Democrats to the Confederation of British Industry (CBI) were keenly anticipated, ~three weeks out from the national election.

China's economy and trade relationship with the US remained in focus early.

An unexpected 0.05% cut, the first in ~four years, in the key reverse repurchase rate further bolstered views that China was struggling to attain economic growth targets but that the central bank would continue to help support business.

A media report suggested officials in Beijing remained less than optimistic about securing an initial trade accord with the US, based on the US president's unwillingness to lower or remove some import taxes.

This followed reports over the weekend that quoted officials in China describing weekend teleconference trade discussions with US officials as 'constructive'.

In its latest forecasts report, the World Trade Organisation predicted December quarter international goods trade would persist at sub-trend levels, in a large part due to increased tariffs and relationship uncertainty.

A separate media report quoted official expectations that the US administration would extend by 90 days a reprieve on US business deals with Huawei.

Meanwhile, the US administration appeared keen to divert some domestic attention to broader geopolitical scenarios, berating Iran's treatment of civil protestors and stating it would cease waiving sanctions, from 15 December, against the nuclear plant which was enriching uranium

In addition, the US denounced Iraqi officials' response to civil protests there and threatened sanctions in relation to associated alleged corruption.

Further, the US administration publicly promoted a shift in ~four decades of national policy regarding Jewish settlements in Israel's occupied West Bank, stating these did not represent a breach of international law.

On the US domestic front, the US president revealed a meeting yesterday with Federal Reserve chair Jerome Powell, to discuss economic indicators and policy impacts.

Scant overnight economic data releases included a housing market index for the US, which was estimated at 70, from 71.

Tonight in the US, October building permits and housing starts are due.

Companies scheduled to report earnings later today and tonight include: EasyJet, Home Depot, Kohl's, Medtronic, TJX Companies

## Pre-Open Announcements

### Adelaide Brighton (\* ABC)

ABC has boosted its borrowing limit from \$A715M to \$A900M and extended debt maturity.

Details lodged post-trade yesterday.

### IRESS Ltd (IRE)

Investor presentation lodged this morning.

IRE is presenting this afternoon.

### Alcidion Group (ALC)

Launching the Miya MEMRe mobile electronic medical record product for clinicians.

### Chorus Ltd (CNU)

Mixed initial reaction to the New Zealand Commerce Commission's draft fibre input methodologies decision lodged this morning.

### Cogstate Ltd (CGS)

CGS has appointed former CRF Health VP business development and global strategic partnerships Ken Billard as chief commercial officer.

### Medlab Clinical (MDC)

Ninety patients are enrolled in MDC's phase two trial of NRGBiotic as an adjunct treatment for major depression.

MDC is expecting the trial to be completed earlier than initially anticipated.

### Eagle Health Holdings (EHH)

EHH non-executive chair Andrew Thomson, non-executive director Rodney Hannington and company secretary Kobe Li have resigned, effective yesterday.

Andrew Smith has been appointed interim chair, and Henko Vos as company secretary.

Brendan James De Kauwe has been appointed as a non-executive director.

### Benitec Biopharma (BLT)

New American Depositary Shares (ADS) ratio effected yesterday, in order to support retaining the company's listing on the Nasdaq Capital Market.

Details lodged post-trade yesterday.

## Resources

### Adriatic Metals (ADT)

Bosnia and Herzegovina Vares project scoping study results lodged this morning.

Targeting the completion of a pre-feasibility study by early 2020 and a DFS by the end of 2020.

### Tungsten Mining (\* TGN)

New significant-width tungsten assays lodged post-trade yesterday, from drilling within TGN's Mt Mulgine project, WA Murchison region.

Updated resource anticipated before year's end.



and Urban Outfitters (post-US trade).

In overnight company news, **Tata Steel** announced it was cutting 3000 jobs from its mainland Europe and UK operations.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1471.9</b>	oz	3.4	<b>0.2</b>
<b>Silver (NY) (Dec)</b>	17.000	oz	0.052	<b>0.3</b>
<b>Gold (LON)</b>	1467	oz		
<b>Platinum</b>	893	oz	5	<b>0.6</b>
<b>WTI Crude (Dec)</b>	<b>57.05</b>	bbl	-0.67	<b>-1.2</b>
<b>Brent Crude (Jan)</b>	<b>62.44</b>	bbl	-0.86	<b>-1.4</b>
<b>Iron Ore (NYMEX,CHN,62%)</b>	82.93	t	0.13	<b>0.2</b>
<b>Copper (LME,3mth,PM)</b>	<b>5817</b>	t	-21	<b>-0.4</b>
<b>Nickel</b>	14780	t	-220	<b>-1.5</b>
<b>Aluminium</b>	1743	t	2	<b>0.1</b>
<b>Lead</b>	1966	t	-40	<b>-2.0</b>
<b>Zinc</b>	2351	t	-34	<b>-1.5</b>
<b>Tin</b>	16060	t	-190	<b>-1.2</b>

### Commodities Commentary

**Oil** – prices were again pushed and pulled overnight, a Sunday report out of China claiming ‘constructive’ teleconference trade discussions with US officials on Saturday, followed by Monday reports claiming officials in China were not anticipating any near-term accord.

In addition, US government agency the EIA predicted overnight that domestic shale production would rise by a daily 49,000bbl during December, to 9.133MMbbl/d.

Further, a media survey concluded US crude stocks likely rose last week, for the fourth consecutive week, this time by ~1MMbbl.

**Gold** – Comex futures settled with a slight gain, supported by falling US treasury yields, and a batch of reports outlining broadening geopolitical developments, largely associated with the US administration’s stance on matters in China, Iran, Iraq and Israel.

**Base metals** – varying reports regarding US-China trade talks muddied overnight trading considerations, but there was plenty else to also consider.

Data revealed China had produced 17.9% more refined *copper* in October than a year earlier, and that this tallied a record 868,000t. *Alumina*, *lead* and *zinc* output also rose.

Meanwhile, three administrative agencies gave notice of an investigation into possible illegal *steel* capacity and hence production increases, following the 7.4% January-October year-on-year output gain reported late last week.

For its part, an Indonesia anti-monopoly official this time confirmed an investigation into domestic *nickel* smelters and the prices charged to process ore.

In the meantime, total *aluminium* stocks across three major ports in Japan were reported to have fallen 2.6% during October, to 318,200t.

### Coronado Global Resources (\* CRN)

A teleconference designed to explain market conditions, was scheduled to commence **9.30am** AEDT.

CRN dropped 7.89% yesterday, settling at \$2.10 after lowering anticipated full year EBITDA.

### Consolidated Zinc (CZL)

September production statistics lodged this morning.

### Energy

#### Sundance Energy (SEA)

September quarter operational and financial statistics lodged this morning.

SEA trade is suspended due to SEA’s pending merger.

### Trading Halts

Company	Code	Resuming
Dampier Gold	DAU	19 Nov
Highfield Resources	HFR	19 Nov
Comet Resources	CRL	20 Nov
Dotz Nano	DTZ	20 Nov
MetalsTech Ltd	MTC	20 Nov
Meteoric Resources	MEI	20 Nov
Middle Island Resources	MDI	20 Nov
Millennium Minerals	MOY	20 Nov
Paygroup Ltd	PYG	20 Nov
Saracen Mineral Holdings	SAR	20 Nov
Titan Minerals	TTM	21 Nov

### Suspensions (select)

Company	Code	Since
Alexium International Group	AJX	31 Oct
Austar Gold	AUL	18 Nov
CFOAM Ltd	CFO	12 Nov
Creso Pharma	CPH	5 Nov
CropLogic Ltd	CLI	19 Nov
Invigor Group	IVO	30 Oct
Micro-X Ltd	MX1	6 Nov
Nzuri Copper	NZC	19 Nov
OBJ Ltd	OBJ	5 Nov

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
DDR	Tomorrow	5	100	2.34
GCM	Tomorrow	3.7	78.37	4.46
PEA	Tomorrow	6.5	100	2.34
IAP	Thu	3.2	0	0.00
ZEL	Thu	15.31	0	8.14
CAZ	Fri	0.5	0	0.00

**Exchange Rates**

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6808	-0.0001	<b>-0.01</b>
<b>EUR – USD</b>	1.1071	-0.0002	<b>-0.02</b>

**Australian Data Today**

RBA	Policy meeting minutes	5 Nov
ANZ/RoyMorgan	Consumer sentiment	17 Nov

**US Data Tonight**

Housing starts	Oct
Building permits	Oct

**Other Overseas Data Today & Tonight**

<b>UK</b>	CBI industrial trends orders	Nov
<b>Euro zone</b>	Construction output	Sep

**Need More Information?**

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**Reports & Events**

(select)

When	Company	Report/Event
<b>Today</b>	<b>A2M</b>	AGM
	<b>IDX</b>	AGM
	<b>KGN</b>	AGM
	<b>MGR</b>	AGM
	<b>MND</b>	AGM
	<b>NHC</b>	AGM
	<b>PPS</b>	AGM
	<b>QAN</b>	Investor day
	<b>REA</b>	AGM
	<b>SAR</b>	AGM
	<b>SEA</b>	Sep Q
	<b>SHL</b>	AGM
	<b>TNE</b>	Full year
	<b>WTC</b>	AGM
	<b>WPL</b>	Investor day
<b>Tomorrow</b>	ALQ	Interim
	AMA	AGM
	GMG	AGM
	IMF	AGM
	IGO	AGM
	IRI	AGM
	LLC	AGM
	MIN	AGM
	NMT	AGM
	OCC	AGM
	PPC	AGM
	SCG	AGM
	SVW	AGM
	TWR	Full year
	VRT	AGM
WEB	AGM	
<b>Thu</b>	AFT	Interim
	BSL	AGM
	CCX	AGM
	IPH	AGM
	NWS	AGM
	OPT	AGM
	QHL	AGM
	QUB	AGM
	REX	AGM
	SGQ	AGM
	SPX	AGM
<b>Fri</b>	KMD	AGM



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MEI	AGM
ORE	AGM
RMD	AGM
SLR	AGM
WHS	AGM