

**Markets**

|                                      |       |     |      |
|--------------------------------------|-------|-----|------|
| <b>SFE 200 Futures</b> (9.30am AEDT) | 7422  | 4   | 0.1  |
| <b>NZX 50</b>                        | 13019 | -56 | -0.4 |
| <b>DJIA Futures</b>                  | 35664 | 20  | 0.1  |
| <b>S&amp;P 500 Futures</b>           | 4570  | 4   | 0.1  |
| <b>NASDAQ Futures</b>                | 15563 | 18  | 0.1  |

**Local Markets Commentary**

The Australian market opens mid-week trade with material domestic and regional data due late morning and early afternoon respectively, and large-cap domestic stocks providing quarterly and AGM updates, ahead of further high-profile international earnings reports tonight.

Overnight US equities sentiment ultimately proved relatively weak.

**Locally** today, the Australian Bureau of Statistics (ABS) reports September quarter **CPI at 11.30am AEDT**.

Component figures will be keenly analysed ahead of the Reserve Bank (RBA) of Australia's policy meeting scheduled for Tuesday next week.

**Regionally** today, **China** is expected to report January – September **industrial profits at 12.30pm AEDT**.

In overnight commodities trade, **oil** was pushed higher.

US **gold** futures swung lower, settling below \$US1795/oz.

**Iron ore** (China port CFR, 62% fines) continued seesawing, turning higher to trade above \$US122.00/t.

Last night's LME final price updates were unavailable from IRESS at time of publication.

LME (3mth evening) **copper** reportedly swung ~1% lower, however. **Nickel** was also reported ~1% lower for the session and **aluminium** down ~1.5%.

Comex copper declined by US4c/lb, settling at \$US4.49/lb.

The **\$A** essentially trod water after trading at ~US75.00c early yesterday evening.

**Overseas Markets**

| INDEX                | CLOSE | +/- | %    |
|----------------------|-------|-----|------|
| <b>Dow Jones</b>     | 35757 | 16  | 0.0  |
| <b>S&amp;P 500</b>   | 4575  | 8   | 0.2  |
| <b>NASDAQ</b>        | 15236 | 9   | 0.1  |
| <b>FTSE 100</b>      | 7278  | 55  | 0.8  |
| <b>DAX 30</b>        | 15757 | 158 | 1.0  |
| <b>Shanghai Comp</b> | 3598  | -12 | -0.3 |

**Overseas Markets Commentary**

Major European, UK and US equities markets headed higher on opening overnight, US indices soon pushed from sessional highs

**\* Gold exploration listing – 1pm AEDT – SMS \***

**Today's Stock Watch**
**Woolworths Group (WOW)**

September quarter sales fell 10.1% year-on-year, to \$16.07B. Australian food sales rose 3.9%, to \$12.27B.

Big W sales dropped 17.5%, to \$920M.

AGM scheduled for 2pm AEDT.

**Australian Clinical Labs (ACL)**

Anticipating \$86.2M - \$94.8M 1H FY22 NPAT.

Expecting \$437.5M - \$454.9M revenue, higher than previously anticipated, due to Covid-19 testing demand.

Today's AGM materials lodged this morning.

**The a2 Milk Company (A2M)**

Today's investor day presentation lodged pre-trade.

**Humm Group (HUM)**

Today's investor strategy day presentation lodged.

**Openpay Group (OPY)**

OPY's OpyPay instalment transactions service has launched in the US, with first transactions completed.

**Westpac Banking Corporation (WBC)**

WBC director and former Morgan Stanley Australia MD, CEO and vice chair Steven Harker has retired from the WBC board due to needing a double lung transplant.

**Resources**
**Pilbara Minerals (PLS)**

PLS has received a \$US2350/t bid for a 100,000t shipment of 5.5% grade spodumene concentrate (SC5.5), FOB Port Hedland. PLS says this equates to \$US2629/t (SC6.0, CIF China), inclusive of freight costs,

PLS conducted a digital auction for the shipment yesterday.

This represented the company's third spodumene concentrate auction. PLS traded 8.1% higher yesterday, settling at \$2.26, after yesterday morning announcing agreement on a South Korea lithium chemicals facility JV with Posco.

**Gascoyne Resources (GCY) / Westgold Resources (WGX) / NRW Holdings (NWH)**

14.71% GCY shareholder NWH intends to accept the WGX off-market bid for GCY in the absence of a superior proposal.

**Gold Road Resources (GOR)**

Produced 59,371oz of gold at a \$A1697/oz AISC during the September quarter.

Forecasting \$A1450/oz - \$A1525/oz calendar 2021 AISC, from \$A1325/oz - \$A1475/oz, in part due to plant maintenance.

In addition, the Gruyere reserve has risen 31% to 4.54Moz.



but nonetheless recording new records, buoyed by further better-than-anticipated large-cap earnings and for a second consecutive session also, US economic indicators that surprised on the upside.

Three sectors across the S&P 500 were pushed to record peaks – consumer discretionary, financials and information technology. –

Yesterday, **China** revealed China's vice premier Liu He and US treasury secretary Janet Yellen had participated in a video call late-Monday US time, representing the second high-level trade talks for the month.

Earlier this month, US trade representative Katherine Tai had spoken with Mr Liu.

In overnight **data** releases, the **UK** CBI October distributive trades index jumped to 30 from 11 for September, against forecasts for a much smaller improvement, to 15.

In the **US**, September new home sales were reported 14% higher after falling 1.4% in August. Forecasters had anticipated a 1% increase.

The Richmond Fed manufacturing index also defied predictions on the upside, coming in at 12 from -3, following expectations of -2.

The Conference Board's October consumer confidence reading rose four points to 113.8, defying forecasts for a 1.3-point decline.

August home prices rose 0.9% and 1.0% respectively for the month, according to the FHFA and Case-Shiller.

Against August 2020, the respective indices were 18.5% and 19.7% higher.

**Tonight** in the US, September durable goods orders and wholesale inventories are due, together with weekly mortgage applications.

Elsewhere, the Bank of Canada announces policy meeting outcomes, these expected by some analysts to include an interest rate increase.

In addition, the UK chancellor presents the Autumn budget, Germany reports import prices and France producer prices.

Further, Germany hosts a 15-year bond auction.

Companies scheduled to report earnings or provide trading updates later today or tonight include: Asahi, Automatic Data Processing (ADP), Boeing, Bristol-Myers Squibb, Coca-Cola, Deutsche Bank, eBay, Electrolux, ENI, Ford Motor, Fujitsu, General Motors, GlaxoSmithKline, Hitachi, Kraft Heinz, LG Display, Lundin Mining, McDonald's, Novatek, Pinterest, Samsung C&T, Sony, Spotify and VALE.

In overnight corporate news, **Microsoft** and **Alphabet** (Google parent) each reported some better-than-anticipated headline September quarter statistics post-US trade.

Earlier, **United Parcel Services** exceeded expectations on strong online purchase activity.

### Commodities

| COMMODITY                        | CLOSE         | \$US/ | +/-    | %           |
|----------------------------------|---------------|-------|--------|-------------|
| <b>Gold (NY)</b> (Dec)           | <b>1793.4</b> | oz    | -13.40 | <b>-0.7</b> |
| <b>Silver (NY)</b> (Dec)         | <b>24.088</b> | oz    | -0.50  | <b>-2.1</b> |
| <b>Gold (LON)</b> (25 Oct)       | <b>1805</b>   | oz    |        |             |
| <b>Platinum</b>                  | <b>1026</b>   | oz    | -31    | <b>-2.9</b> |
| <b>WTI Crude</b> (NYMEX Dec)     | <b>84.65</b>  | bbl   | 0.89   | <b>1.1</b>  |
| <b>Brent Crude</b> (ICE EUR Dec) | <b>86.40</b>  | bbl   | 0.41   | <b>0.5</b>  |

## Pre-Open Announcements

### Toys R Us ANZ (\* TOY)

Long-term exclusive licence agreement in hand for digital and physical retail sales in the UK.

### GPT Group (\* GPT)

Selling the NSW Wollongong Central shopping centre for \$402M.

### Opthea Ltd (\* OPT)

OPT-302 Chinese patent granted, supporting the potential development of OPT-302 as a treatment for retinal disease in China.

Additional details lodged pre-trade.

### ImpediMed Ltd (\* IPD)

Resuming trade with commitments in hand for the \$35M, 15.25c-per-share institutional placement.

A \$5M SPP will follow.

IPD traded at 15c – 19c last week, immediately prior to calling a trading halt.

### Meridian Energy (MEZ)

New Zealand electricity wholesale market review commentary lodged this morning.

### Identitii Ltd (ID8)

Resuming trade with commitments for a \$6M, 16c-per-share placement and a presentation outlining company plans.

A \$3M one-for-10 rights issue, at the same price, is scheduled for 4 – 18 November.

ID8 traded at 17c – 19.5c the five sessions immediately prior to calling a trading halt Friday last week.

### Ardent Leisure Group (ALG) / Kogan.com Ltd (KGN)

Jobkeeper disclosures lodged post-trade yesterday.

### GQG Partners Inc (\* GQG)

Investment management company completed its ASX listing yesterday, following a \$1.187B IPO at \$2.00 per CDI.

Opened at \$2.11 and traded at \$1.92 - \$2.13 before settling at \$1.95.

43.34M CDIs changed hands across 6514 transactions.

2.95B quoted CDIs.

Trading commenced on a conditional and deferred settlement basis.

Normal (T+2) trade is expected to commence Friday.

### Resources

### Star Minerals (\* SMS)

Gold explorer scheduled to list on the ASX **1pm** AEDT, following a \$5M IPO at 20c per CDI.

26.25M quoted shares; 12.5M quoted options.

Two projects, one with an existing resource and formerly held by Bryah Resources (ASX: BYH), in WA.



|   |               |   |      |     |
|---|---------------|---|------|-----|
| <b>Iron Ore</b> (Qingdao) (CHN;62%F)      | <b>122.3</b>  | t | 3.22 | 2.7 |
| <b>Iron Ore</b> (Nymex)                   | <b>122.47</b> | t | 0.41 | 0.3 |
| <b>Copper</b> (LME 3mth Evening) (25 Oct) | <b>9873</b>   | t |      |     |
| <b>Nickel</b>                             | <b>20355</b>  | t |      |     |
| <b>Aluminium</b>                          | <b>2877</b>   | t |      |     |
| <b>Lead</b>                               | <b>2450</b>   | t |      |     |
| <b>Zinc</b>                               | <b>3463</b>   | t |      |     |
| <b>Tin</b>                                | <b>37652</b>  | t |      |     |

### Commodities Commentary

**Oil** – overnight settlement prices proved the highest in seven years, mostly due to relatively buoyant demand views, in the absence of definitive global supply boost indicators.

A weekly US petroleum inventories report is due from government agency the EIA tonight.

This morning post-US trade, the American Petroleum Institute published a weekly report which included an estimated a 2.318MMbbl rise for US crude stocks last week.

**Gold** – technicals, a higher \$US (ICE \$US +0.2%), some better-than-anticipated US economic data and profit-taking were cited as a cocktail of reasons gold prices were pushed lower overnight.

Central bank policy meetings plus some GDP and CPI updates this week, ahead of the US Federal Reserve's policy meeting next week, are expected to keep sentiment fluid across several sessions.

**Base metals** – commentary pointing to the potential impacts of China's energy prices, power shortages and property development debt issues appeared a major influence on overnight LME trade sentiment.

For its part, China research agency Antaike ventured *copper* stocks could soon rebound due to the alleviation of some shipping routes congestion.

In addition, copper 'on-warrant' stocks in LME-registered warehouses were reported higher for a fifth consecutive session, although analysts pointed out they remained ~85% lower than two months ago.

Meanwhile, the international zinc deficit was reported at 14,900t for August, from 40,400t for July.

A *lead* deficit for August was estimated at 24,800t, this from a 27,000t surplus calculated for July.

Among production news, Eramet foreshadowed lower *ferronickel* output from its New Caledonia operations, this pushing the LME nickel cash premium over three-month delivery contracts to \$US189/t, the highest in two years.

**China's** September industrial profits are anticipated today. Any major shift could influence some of tonight's sentiment.

Yesterday, **South Korea** reported 0.3% GDP growth for the September quarter, following a 0.8% June quarter increase.

Year-on-year, GDP was up 4.0%.

### Exchange Rates

| CURRENCIES       | LAST   | +/-     | %     |
|------------------|--------|---------|-------|
| <b>AUD – USD</b> | 0.7506 | -0.0009 | -0.12 |
| <b>EUR – USD</b> | 1.1595 | -0.0010 | -0.09 |

### Peel Mining (\* PEX)

High-grade, significant-width copper intersections delivered from NSW Wirlong copper deposit drilling. Assays lodged pre-trade.

### Estrella Resources (\* ESR)

Heralding a new nickel-copper massive sulphides find from WA Carr Boyd project Broomhill drilling.

### Peregrine Gold (\* PGD)

WA Pilbara newly-named Peninsula prospect rock sampling has delivered high-grade gold and silver assays.

### Korab Resources (\* KOR)

Trading halt called pre-trade after trading as high as 9.6c yesterday and appreciating 177.8% for the session, settling at 7.5c.

In response to an ASX query yesterday, KOR pointed to the company's plans plus magnesium market commentary.

### Cobalt Blue (COB)

September quarter reports lodged post-trade yesterday. Earlier yesterday, the company announced ore from the Broken Hill cobalt project would be used in a cathode precursor plant to be constructed in Perth.

COB closed 5.81% higher for the session yesterday, settling at 45.5c, after adding 4.88% Monday.

### Lithium Energy (LEL)

Forum presentation lodged post-trade yesterday.

LEL will present at 1.45pm AEDT today.

Livestream access details lodged post-trade yesterday.

LEL recouped 3.7% yesterday, settling at 70c after lodging September quarter reports pre-trade.

### Rox Resources (RXL)

Mt Fisher – Mt Eureka project update presentation lodged post-trade yesterday.

### Boab Minerals (BML)

Sorby Hills lead-silver project presentation lodged post-trade yesterday.

### Latin Resources (LRS)

Presentation lodged post-trade yesterday.

LRS lodged some high-grade drilling results early yesterday, but forfeited 8% for the day, settling at 4.6c, after adding 13.64% Monday to close at 5.0c.

### Adavale Resources (ADD)

Non-executive director Rod Chittenden has resigned from the ADD board.

### Trading Halts

| Company                        | Code | Resuming |
|--------------------------------|------|----------|
| Chase Mining Corporation       | CML  | 27 Oct   |
| Electro Optic Systems Holdings | EOS  | 27 Oct   |

**Australian Data Today**

|     |     |       |
|-----|-----|-------|
| ABS | CPI | Sep Q |
|-----|-----|-------|

**US Data Tonight**

|                           |        |
|---------------------------|--------|
| Durable goods orders      | Sep    |
| Wholesale inventories     | Sep    |
| MBA mortgage applications | 22 Oct |

**Other Overseas Data Today & Tonight**

|                  |                                    |           |
|------------------|------------------------------------|-----------|
| <b>China</b>     | Industrial profits                 | Jan - Sep |
| <b>Germany</b>   | Import prices                      | Sep       |
| Germany          | GfK consumer confidence            | Nov       |
| <b>Euro zone</b> | Lending to businesses & households | Sep       |

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|                        |     |        |
|------------------------|-----|--------|
| Estrella Resources     | ESR | 27 Oct |
| Sparc Technologies     | SPN | 27 Oct |
| Tesoro Resources       | TSO | 27 Oct |
| Auroch Minerals        | AOU | 28 Oct |
| BIR Financial          | BIR | 28 Oct |
| Centrex Metals         | CXM | 28 Oct |
| European Lithium       | EUR | 28 Oct |
| Gold Road Resources    | GOR | 28 Oct |
| West African Resources | WAF | 28 Oct |
| Korab Resources        | KOR | 29 Oct |

**Suspensions** *(selected)*

| Company                               | Code | Since  |
|---------------------------------------|------|--------|
| 4DS Memory                            | 4DS  | 12 Oct |
| Murray River Group                    | MRG  | 1 Oct  |
| Viagold Rare Earth Resources Holdings | VIA  | 15 Oct |

**Ex-Dividends**

| Code       | Ex-Div   | Div (c)  | Franking (%) | Yield (%) |
|------------|----------|----------|--------------|-----------|
| <b>CLX</b> | Today    | <b>2</b> | 100          | 1.95      |
| BOQ        | Tomorrow | 22       | 100          | 3.12      |
| CAF        | Tomorrow | 1        | 100          | 6.78      |
| GCI        | Tomorrow | 0.75     | 0            | 4.52      |
| PCI        | Tomorrow | 0.32     | 0            | 3.39      |
| QRI        | Tomorrow | 0.78     | 0            | 5.93      |
| RHI        | Tomorrow | 120      | 100          | 0.00      |
| TCF        | Tomorrow | 3        | 0            | 3.13      |
| ASG        | Fri      | 7        | 100          | 0.85      |
| KKC        | Fri      | 1        | 0            | 4.65      |
| PGG        | Fri      | 0.68     | 0            | 4.67      |

**Reports & Events***(selected; all times AEDT)*

| When         | Company    | Report/Event                    |
|--------------|------------|---------------------------------|
| <b>Today</b> | <b>A2M</b> | Investor day (9am)              |
|              | <b>AIM</b> | Investor day (8.30am)           |
|              | <b>ACL</b> | AGM                             |
|              | <b>BKL</b> | AGM                             |
|              | <b>CNU</b> | AGM                             |
|              | <b>CDA</b> | AGM                             |
|              | <b>CGS</b> | AGM                             |
|              | <b>GOR</b> | Sep Q (w/cast briefing 11.30am) |
|              | <b>HUM</b> | Investor day                    |
|              | <b>NSR</b> | AGM                             |
|              | <b>NWL</b> | AGM                             |
|              | <b>SBM</b> | AGM (2pm)                       |
|              | <b>WHC</b> | AGM                             |
|              | <b>WOW</b> | AGM; Sep Q sales                |

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|                 |           |                         |
|-----------------|-----------|-------------------------|
| <b>Tomorrow</b> | AIZ       | AGM                     |
|                 | ABB       | AGM                     |
|                 | ANZ       | Full year               |
|                 | API       | Full year               |
|                 | BLD       | AGM                     |
|                 | CGF       | AGM                     |
|                 | COD       | Investor briefing (2pm) |
|                 | COL       | Sep Q sales             |
|                 | CTD       | AGM                     |
|                 | DTL       | AGM (3pm)               |
|                 | FMG       | Sep Q                   |
|                 | IGO       | Sep Q                   |
|                 | JBH       | AGM                     |
|                 | JHG       | Sep Q                   |
|                 | JIN       | AGM                     |
|                 | MMS       | Sep Q                   |
|                 | MVP       | AGM                     |
|                 | NCM       | Sep Q                   |
|                 | REH       | AGM                     |
|                 | RWC       | AGM                     |
| SKT             | AGM       |                         |
| S32             | AGM (3pm) |                         |
| SGR             | AGM       |                         |
| SYR             | Sep Q     |                         |
| TGR             | AGM       |                         |
| <b>Fri</b>      | CAR       | AGM                     |
|                 | CBO       | AGM                     |
|                 | GUD       | AGM                     |
|                 | GWA       | AGM                     |
|                 | LOT       | AGM                     |
|                 | MQG       | Interim                 |
|                 | ORG       | AGM                     |
|                 | PWH       | AGM (midday)            |
|                 | SKC       | AGM                     |
|                 | TGP       | AGM                     |