

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	5666	-37	<b>-0.7</b>
<b>NZX 50</b>	8702	1	<b>0.0</b>
<b>DJIA Futures</b>	24260	0	<b>0.0</b>
<b>S&amp;P 500 Futures</b>	2630	0	<b>0.0</b>
<b>NASDAQ Futures</b>	6531	0	<b>0.0</b>

## Local Markets Commentary

The Australian market opens the last week of November trade with a new economic forecast for China and key weekend developments elsewhere, following largely negative overnight Friday international equities and commodities trade leads.

Yesterday, **China's** Renmin University School of Economics issued a report forecasting 6.6% 2018 China GDP growth and 6.3% for 2019.

Other 2019 predictions included a 16.1% rise in imports, against 6.1% for 2018, and nine percent higher consumer spending.

Also over the weekend, **European Union** (EU) leaders agreed the draft text for proposals governing the **UK's** separation from the EU.

In Australia, Victoria's State election delivered an increased parliamentary majority for the previous Labor government, at the expense of the Liberals and Greens, spawning plenty of speculation regarding Australia's national government, for which an election is due within a few months.

In overnight Friday commodities trade, **oil** slid.  
US (December) **gold** futures settled modestly lower.  
**Iron ore** (China port 62% Fe) dropped further.  
LME **copper** turned lower and **nickel** continued so.  
**Aluminium** turned higher, but recorded only a slight gain.  
The **\$A** ultimately changed little after trading at ~US72.35c early Friday evening.

**Locally** today, a weekly capital city residential property price report is due pre-trade.

**Reserve Bank of Australia** (RBA) governor Philip Lowe has been speaking **this morning** on cashless payment systems at a Sydney summit.

Assistant RBA governor (financial markets) Christopher Kent is also speaking today, **2pm** AEDT, on finance and the housing market, at another Sydney conference.

Regionally, a November manufacturing PMI is due for **Japan**, **11.30am** AEDT.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	24285	-179	<b>-0.7</b>
<b>S&amp;P 500</b>	2633	-17	<b>-0.7</b>
<b>NASDAQ</b>	6939	-33	<b>-0.5</b>
<b>FTSE 100</b>	6953	-7	<b>-0.1</b>
<b>DAX 30</b>	11193	54	<b>0.5</b>
<b>Shanghai Comp</b>	2579	-66	<b>-2.5</b>

**RBA** – governor Philip Lowe and assistant governor Christopher Kent speaking publicly **9.15am** and **2.30pm** AEDT respectively

**Japan** – manufacturing PMI **11.30am** AEDT

## Today's Stock Watch

### Fisher & Paykel Healthcare (FPH)

20% higher, \$NZ97.4M interim NPAT. 12% higher, \$NZ511.3M operating revenue.

NZ9.75c fully franked (NZ) interim dividend, up 11%. \$NZ1.20 NTA.

Anticipating full year revenue to exceed \$NZ1B. \$NZ205M - \$NZ210M full year NPAT expected.

A webcast teleconference commenced 8am AEDT.

### Auckland International Airport (AIA)

October passenger numbers rose 2.5, and are 4.1% higher for the year-to-date. Investor day today.

### Dexus Property Group (DXS)

Planning to establish a \$2B unlisted trust as a JV with GIC.

### Sky Television (SKT)

SKT has appointed (Middle East pay TV) OSN CEO Martin Stewart as CEO, effective 21 February.

Mr Stewart is also a former British Sky Broadcasting CFO and executive director.

### Kogan.com Ltd (KGN)

KGN has secured an agreement with Citigroup covering the launch of a Kogan Money credit card. Under the deal, Citi will issue the card, and provide operating and compliance services.

### Zelda Therapeutics (ZLD)

ZLD will conduct a clinical trial with St Vincent's Hospital, Melbourne targeting the reduction of high-dose opioid pain management in favour of management by cannabinoid medications.

Protocols are yet to be finalised, but pending approvals, ZLD aims to commence the trial in early 2019.

### Telix Pharmaceuticals (TLX)

Acquiring Belgium-headquartered Advance Nuclear Medicine Ingredients. Consideration includes €2M cash plus €3.5M worth of TLX shares at A83c each.

TLX traded at 66c – 78c last week, and at 73.5c – 85c the previous week.

A teleconference is scheduled for 9am AEDT Friday (30 November). Access details lodged this morning.

### National Australia Bank (NAB)

NAB's CEO is appearing at the (banking) royal commission today.

## Resources

### Galaxy Resources (GXY)

GXY has completed the \$US280M sale of select Argentina Salar del Hombre Muerto lithium project tenements to POSCO.

### Mincor Resources (MCR) / Western Areas (WSA)

MD Peter Muccilli is stepping down. WSA executive director David Southam has been appointed MD, effective 1 February. Mr Southam is resigning from the WSA board, effective 31 January.

### Dacian Gold (DCN)

Today's AGM materials lodged pre-trade.

## Overseas Markets Commentary

Choppy, swinging trade featured across major European and US equities markets overnight Friday, the S&P 500 and DJIA opening lower and never seriously looking like recovering during Thanksgiving season-truncated trade.

Investors faced disappointing data and awaited further developments across several geopolitical issues.

**Oil** prices slid again, Brent crude settling below a key psychological level.

Over the weekend, **European Union** (EU) leaders signed off on the draft proposals for the **UK's** separation from the EU.

In addition, the European Commission (EC) and **Italy** agreed to further talks regarding Italy's proposed budget, deemed non-compliant with EC regulations. Following a Saturday evening meeting with the EC president, however, Italy's PM announced he gave no ground on major budget reforms and that the nation's deficit target was not discussed.

Late this week, expectations remain for attempts by the leaders of the **US** and **China** to discuss trade policy while attending the two-day G20 summit in Buenos Aires.

In overnight Friday data releases, Markit's US initial November manufacturing and services sector PMIs respectively slipped 0.3 to 55.4 and 0.4 to 54.4.

In **Germany**, a final September quarter **GDP** reading represented a 0.2% decline for the three months, following a 0.5% June quarter rise.

Year-on-year, GDP grew 1.1%.

An initial 51.6 November **manufacturing** PMI was also reported for Germany, down 0.6 from October's final estimate.

The services sector PMI fell 1.4 to 53.3

The overall **euro zone** manufacturing and services sector PMIs came in at 51.5 and 53.1 respectively, down 0.5 and 0.6.

**Italy's** central bank warned of financial sector stability due to prolonged high bond yields.

**Tonight** in the US, the Chicago Fed's October national activity index is due, together with a Texas region manufacturing index.

Elsewhere, **European Central Bank** (ECB) president Mario Draghi is speaking to a European Union parliament economic committee.

In overnight Friday corporate news, retailers reported pleasing 'Black Friday' **retail** sales, in particular online buying.

This has pushed higher expectations for today and tonight's 'Cyber Monday' sales.

Sales tallies are traditionally viewed as an indication of retail sector fortunes across the festive season.

## Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>1223</b>	oz	-0.5	<b>-0.4</b>
<b>Silver (NY)</b> (Dec)	14.4	oz	-0.3	<b>-1.7</b>
<b>Gold (LON)</b>	1224	oz	-3	<b>-0.3</b>
<b>Platinum</b>	838	oz	-6	<b>-0.7</b>
<b>WTI Crude</b> (Jan)	<b>50.4</b>	bbl	-4.2	<b>-7.7</b>
<b>Brent Crude</b> (Jan)	<b>58.8</b>	bbl	-3.8	<b>-6.1</b>
<b>Iron Ore</b> (CHN port 62%)	<b>70.1</b>	t	-2.1	<b>-2.8</b>

## Pre-Open Announcements

### Estia Health (EHE)

Ian Thorley was appointed EHE MD Friday, the day he commenced as CEO.

EHE's AGM is scheduled for Thursday.

### Bluechiip Ltd (BCT)

Director Blair Healy is retiring from the BCT board at the close of today's AGM, due to commitments in Europe.

## Resources

### Lynas Corporation (\* LYC)

Planning to provide a live webcast of tomorrow's AGM.

Access details lodged this morning.

### Ausgold Ltd (AUC)

AUC's WA Katanning gold project resource has grown 32% to 25.1Mt @ 1.29g/t Au, for 1.039M oz.

## Energy

### Yancoal Australia (\*\* YAL)

In addition to its Hong Kong IPO, YAL is planning Australian institutional and retail entitlement offers.

Details lodged this morning, ahead of proposed announcement Friday (30 November).

### Whitebark Energy (WBE)

Wizard Lake Rex exploration well drilling underway.

Testing is expected to commence next month, following ~ two weeks' drilling.

WBE 20%.

## Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>AIA</b>	Investor day; Oct
	<b>DCN</b>	AGM
	<b>FPH</b>	Interim
<b>Tomorrow</b>	AGI	AGM
	BKW	AGM
	HVN	AGM
	LYC	AGM
	RIC	AGM
	SEK	AGM
<b>Wed</b>	APT	AGM
	IFL	AGM
	PLS	AGM
<b>Thu</b>	ALL	Full year
	BOQ	AGM
	EHE	AGM
	FNP	AGM
	GTY	AGM
	GTG	AGM
	GTK	Full year
	KAR	AGM
	KCN	AGM
	MYX	AGM
	PMV	AGM
	RFG	AGM



<b>Copper</b> (LME,3mth,PM)	<b>6207</b>	t	-48	<b>-0.8</b>
<b>Nickel</b>	10915	t	-55	<b>-0.5</b>
<b>Aluminium</b>	1949	t	2.5	<b>0.1</b>
<b>Lead</b>	1968	t	-26	<b>-1.3</b>
<b>Zinc</b>	2519	t	-63	<b>-2.4</b>
<b>Tin</b>	18800	t	-450	<b>-2.3</b>
<b>CBT Wheat (Dec)</b>	5.07	bshl	-0.03	<b>-0.1</b>

### Commodities Commentary

**Oil** – Brent crude notable dropped below \$US60/bbl overnight Friday, trading as low as \$US58.41. Trade volumes were reported high.

Brent settled 11.3% lower for the week, and WTI crude down 10.8%.

Among new reports, one indicating a fall in petrol exports from **China** highlighted concerns at fuel oversupplies in Asia and beyond.

A media report claimed Saudi Arabia and its **OPEC** colleagues were talking compromise with the **US** regarding planned production cuts. OPEC next officially meets 6 December in Vienna.

Among the corporate reporters, BP declared UK North Sea Clair Ridge production underway. Project life is estimated at 40 years, and peak production at a daily 120,000bbl.

**Gold** – industry analysts claim gold will not rally until the oil prices stabilise.

Last week, US December futures prices essentially held with an ultimate 0.1% rise for the week.

A GDP reading for the US this week could move the \$US, hence influencing this week's gold prices.

Commentary and expectations leading up to the 30 November – 1 December G20 leaders' summit is also likely to sway sentiment.

Some anticipate a speech by Federal Reserve chair Jerome Powell also to prove a factor in this week's trade, although expectations for a December rate rise are already high.

Relatively low volume trade, attributed to Thanksgiving season, was reported overnight Friday.

**Base metals** – Friday's price falls reportedly accelerated in second-half LME trade, most attributed to a mix of prudence and scrambling triggered by diving oil prices.

**Nickel** reportedly traded at 13-month lows.

Germany's BASF had announced plans to cut its use of nickel in batteries for electric vehicles, but other talk included ongoing expectations nickel production out of Indonesia during 2019 could push nickel stocks into surplus.

BASF's plans for battery production will require greater quantities of *manganese*.

This week, commentary out of **China** and the **US** regarding trade, and in particular any policy-weighted meeting of the two nations' leaders at the G20 summit late this week, will likely swing sentiment.

Among influential data reports scheduled for this week, China's October industrial profits are anticipated tomorrow. November PMIs are expected Friday.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7234	0.0003	<b>0.04</b>
<b>EUR – USD</b>	1.1337	-0.0005	<b>-0.04</b>

	QHL	AGM
	SFR	AGM
	SHV	AGM
	SPO	AGM
<b>Fri</b>	BD1	AGM
	MYR	AGM
	RES	AGM
	SCO	AGM

### Trading Halts

Company	Code	Resuming
Pointerra Ltd	3DP	27 Nov
Sterling Plantations	SBI	27 Nov

### Suspensions (select)

Company	Code	Since
Birimian Ltd	BGS	15 Nov
Department 13 International	D13	23 Nov
Energy Technologies	EGY	12 Nov
NTM Gold	NTM	22 Nov
Pelican Resources	PEL	31 Oct
Planet Gas	PGS	23 Nov
RCR Tomlinson	RCR	14 Nov
Tag Pacific	TAG	22 Nov
VPCL Ltd	VPC	19 Nov

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>CIE</b>	Today	<b>1.55</b>	50	7.49
<b>IFT</b>	Today	<b>5.5</b>	0	4.59
OFX	Tomorrow	2.64	100	3.15
CVL	Wed	0.59	100	1.18
GNC	Wed	8	100	2.09
ALQ	Thu	11	20	2.75
GZL	Thu	10	100	5.28
TNE	Thu	8.16	75	1.65
MEC	3 Dec	1	100	2.01
AYK	6 Dec	11	100	4.37
AYZ	6 Dec	42	100	3.85
PDL	6 Dec	30	15	6.27
WBA	6 Dec	3	100	1.74

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**Australian Data Today**

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CLgc	Capital city resdntl propty prices	23 Nov
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**US Data Tonight**

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Chicago Fed national activity index	Oct
Dallas Fed manufacturing	Nov

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**Other Overseas Data Today & Tonight**

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<b>Japan</b>	Manufacturing PMI	Nov
<b>UK</b>	Mortgage approvals	Oct
<b>Germany</b>	IFO business climate survey	Nov

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