

Markets

| | | | |
|--------------------------------------|-------|----|-----|
| SFE 200 Futures (9.30am AEDT) | 6976 | 91 | 1.3 |
| NZX 50 | 11271 | 40 | 0.4 |
| DJIA Futures | 32428 | 0 | 0.0 |
| S&P 500 Futures | 3780 | 0 | 0.0 |
| NASDAQ Futures | 10890 | 0 | 0.0 |

Local Markets Commentary

The Australian market opens a new week's trade with:

- a major domestic bank reporting for the full year;
- two others trading ex-dividend;
- strong overnight Friday gains for key commodity prices;
- the \$A at ~US64.20c;
- a material domestic economic report due late morning;
- influential data due out of China this afternoon; and
- heightened geopolitical tensions.

US equities markets ultimately traded decisively higher overnight Friday.

Since overnight Friday trade, the US and South Korea have concluded six days of military exercises which seemed to have prompted a spate of regional missile launches from North Korea during the week. These included four missiles during Saturday's wrap-up of the drills.

In the US, weekend calls regarding the mid-term elections (overnight tomorrow night) have appeared to mostly favour Republican candidates.

Meanwhile, the United Nations climate change conference is underway in Egypt.

Locally today, the ANZ's October **job advertisements** report is anticipated **11.30am** AEDT.

The Reserve Bank of Australia (RBA) is scheduled to release September retail payments at the same time.

Post-ASX trade, the RBA is due to publish October official reserve assets.

In addition today, **ANZ, CIA and MQG** trade **ex-dividend**. Please see p4 for a detailed ex-dividends list.

Regionally today, **China's** headline October **trade statistics** are anticipated **2pm** AEDT.

In overnight Friday commodities trade, **oil** prices jumped, Brent crude trading above \$US98.55/bbl.

US **gold** futures were propelled beyond \$US1675/oz.

Iron ore (Nymex CFR China, 62% Fe) picked up the pace of its run higher again, trading above \$US85.10/t.

LME (3mth evening) **copper, nickel** and **aluminium** surged in concert. Nickel had tumbled at a greater rate Thursday, however.

The **\$A** was pushed beyond US64.60c after trading at ~US63.40c - ~US63.55c early Friday evening.

Today's Stock Watch

Westpac Banking Corporation (WBC)

64c fully franked final dividend from 60c a year ago. 4% higher, \$A5.694B full year NPAT. 8% lower, \$19.606B revenue. 1% lower, \$5.276B cash earnings. 11.3% CET1. In addition, WBC has lodged independent reviewer reports regarding the group's progress in implementing plans to improve accountability, governance and risk culture.

Eclix Group (ECX)

36.0% higher, \$103.317M full year NPAT. 4.4% higher, \$676.665M revenue. 74.97c NTA from 45.39c. In addition, ECX has appointed ECX CFO Damien Berrell to take over from Julian Russell as CEO 1 February 2023. Fellow ECX employee James Owens has been appointed as the group's new CFO, also 1 February.

Novatti Ltd (NOV)

Online briefing scheduled to commence **10.30am** AEDT. Resuming from a trading halt with plans to launch a dedicated banking subsidiary, International Bank of Australia, having secured a restricted banking licence from the Australian Prudential Regulation Authority (APRA). The licence is known as a RADI (Restricted Authorised Deposit-taking Institution) licence. NOV holds 91% of International Bank of Australia. NOV last traded at 18.5c.

Telix Pharmaceuticals (TLX)

Primary and secondary endpoints deemed satisfied in the ZIRCON phase three study of TLX250-CDx for clear cell renal cell carcinoma imaging.

Eroad Ltd (ERD)

Anticipating \$154M - \$164M FY23 revenue against previous \$150M - \$170M guidance. Retaining the previous forecast for normalised EBIT to come in flat or down as much as \$5M. Meanwhile, ERD has secured a five-year agreement with North American-headquartered food service specialist Sysco to supply SaaS subscriptions for greater than 9000 trucks. In addition, ABC Supply has renewed a contract covering greater than 6000 subscriptions through to August 2024.

Viva Leisure (VVA)

\$138.6M September-October annualised revenue run rate. \$11.8M monthly revenue run rate.

Resources

Altech Chemicals (ATC)

Sodium alumina solid state battery pack design launched. The ABS60 60KWh pack has been designed under a JV with German-headquartered battery institute Fraunhofer.

**Overseas Markets**

| INDEX | CLOSE | +/- | % |
|----------------------|-------|-----|-----|
| Dow Jones | 32403 | 402 | 1.3 |
| S&P 500 | 3771 | 51 | 1.4 |
| NASDAQ | 10475 | 132 | 1.3 |
| FTSE 100 | 7335 | 146 | 2.0 |
| DAX 30 | 13460 | 330 | 2.5 |
| Shanghai Comp | 3071 | 73 | 2.4 |

Overseas Markets Commentary

Major European, UK and US equities markets opened variously higher overnight Friday, US indices featuring marked swings in subsequent trade before ultimately also dragging European and UK markets to settle near session highs.

Again, the mix of trader considerations included central bank monetary policy expectations among mixed economic data releases, and broad international geopolitics.

US October workforce figures indicated a moderating market, but varying interpretations quickly surfaced.

The number of jobs created was calculated at 261,000 against 315,000 for September but also exceeding forecasts for 240,000.

The unemployment rate rose to 3.7% from 3.5%, the announcement immediately pushing the \$US sharply lower (ICE \$US index -1.9%) following status quo rate forecasts.

Also overnight Friday, **European Central Bank** (ECB) president Christine Lagarde declared the struggle to tame inflation as 'far from being completed' and reiterated the ECB's policy makers would not shy from 'necessary decisions, no matter how difficult', in order to ensure elevated inflation does not become entrenched.

Earlier Friday, **China's** president hosted **Germany's** chancellor and an entourage of business leaders. Discussions reportedly included the need for maintaining international diplomatic dialogue and calls for international co-operation toward an end to the Ukraine-Russia conflict.

Also Friday, **South Korea** deployed 80 military aircraft after **North Korea** reportedly flew 180 military aircraft near the border with South Korea.

Among overnight Friday **data** releases, **euro zone** September **producer prices** were estimated 1.6% higher for the month following a 5.0% August jump and expectations of a new 2.4% increase.

Against September 2021, prices were up 41.9%.

A 48.6 finalised October services PMI in the meantime represented a 0.2-point fall from September's reading.

Germany's September **factory orders** dropped 4% for the month following a 2% August fall and against forecasts for a new 1.2% decline.

The nation's October services PMI was finalised at 46.5 from 45.0 for September.

In the **UK**, October new domestic vehicle sales were reported 26.5% higher than for October 2021.

The October construction PMI improved to 53.2 from 52.3.

Pre-Open Announcements**Medibank Private (MPL)**

Cyber theft incident update lodged pre-trade.

Confirming no ransom will be paid.

Australian Foundation Investment Company (AFI)

25 top investments at 31 October lodged post-trade Friday.

AFI is holding 1.7% cash.

Capitol Health (CAJ)

CAJ has completed its \$56.1M (pre-transaction) acquisition of Future Medical Imaging Group.

Argenica Therapeutics (AGN)

Second cohort dosing completed in the ARG-007 phase one clinical trial, designed to reduce post-stroke brain tissue death.

Morphic Ethical Equities Fund (MEC)

Paying a 1.5c fully franked quarterly distribution.

Resources**Forrestania Resources (FRS)**

Southern WA Forrestania lithium project initial drilling has been completed within the Gem Mine and Bounty East projects and is underway in the Bannon prospect.

Heritage survey completion enabled the Bannon prospect drilling (7 RC holes) to commence.

Additional details and commentary lodged pre-trade.

Ardiden Ltd (ADV) / Green Technology Metals (GT1)

ADV has completed the sale of a 20% interest in the lithium JV to JV partner and investee company GT1 for an initial \$A8M cash.

Another \$A8M is held in trust, subject to Canadian withholding tax.

Total consideration also includes a deferred \$2.5M.

ADV confirms it will use sale proceeds to expand Pickle Lake gold project exploration.

ADV holds 5.14% of GT1.

Bellevue Gold (BGL)

Final approval in hand enabling the WA Bellevue gold project processing plant construction to proceed.

Anticipating first gold production by 30 June 2023.

DDH1 Ltd (DDH)

DDH AGM materials lodged post-trade Friday, ahead of the company's AGM, also post-trade Friday.

The MD's presentation included a trading update and outlook.

The company is planning to increase the rig fleet tally by 11 during FY23.

Latrobe Magnesium (LGM)

Conference presentation lodged post-trade Friday.

LGM closed out the week at 7.9c after settling for the previous week at 7.5c.



In the **US**, October workforce figures also included a 0.4% rise in hourly earnings following September's 0.3% increase and expectations for the same rate of appreciation.

The participation rate slipped to 62.2% from 62.3%.

Tonight in the US, September consumer credit change is due.

Elsewhere, Germany's September industrial production will be of greater interest than usual following Friday's factory orders report and commentary.

Companies listed to report earnings later today, tonight and over the weekend include: Activision Blizzard, BioNTech, Tata Motors and Yamaha Motor.

In overnight Friday and weekend corporate news, **Berkshire Hathaway** revealed 14.7% higher September quarter revenue and 20% higher operating profit but \$US13.46B worth of investment portfolio losses.

Commodities

| COMMODITY | CLOSE | \$US/ | +/- | % |
|--|--------|-------|------|-------------|
| Gold (COMEX 100 Dec) | 1676.6 | oz | 45.7 | 2.8 |
| Silver (COMEX 5000 Dec) | 20.78 | oz | 1.35 | 6.9 |
| Platinum | 960 | oz | 40 | 2.1 |
| WTI Crude (NYMEX Dec) | 92.61 | bbl | 4.44 | 5.0 |
| Brent Crude (ICE EUR Jan) | 98.57 | bbl | 3.90 | 4.1 |
| Iron Ore (NYMEX CHN port;62%Fe) | 85.16 | t | 3.06 | 3.7 |
| Copper (LME 3mth Evening) | 8090 | t | 539 | 7.1 |
| Nickel | 23841 | t | 1012 | 4.4 |
| Aluminium | 2358 | t | 91 | 4.0 |
| Lead | 1996 | t | 0.55 | 0.0 |
| Zinc | 2870 | t | 154 | 5.7 |
| Tin | 18862 | t | 1100 | 6.2 |
| Coal (ICE-GC Newcastle; IRESS) | 349.4 | | -4.5 | -1.3 |
| Wheat (CBT Dec; IRESS) | 848 | | 7 | 0.9 |

Commodities Commentary

Oil – prices were propelled higher overnight Friday in part due to expected increased demand from China, on reports a former disease control official in China was anticipating an easing of China's Covid containment rules sooner rather than later.

In addition, the \$US dropped on US workforce statistics, supporting purchases in currencies other than the \$US.

On the flip side, demand fears were highlighted by Saudi Arabia's US40c/bbl reduction in Arab light crude destined for Asia in December.

In addition, while reiterating rate moves would not remain as aggressive in the medium-term, US Federal Reserve officials backed up this week's post-policy meeting message of likely ultimately higher interest rates than anticipated and for longer than initially envisaged.

Meanwhile, restrictions on Russian oil imports, planned by the EU and UK, are due to come into effect within ~one month and commentary surrounding new arrangements has increased, helping to buoy crude prices.

A US weekly petroleum drill rig report, published overnight Friday, included three additional operational oil rigs.

Pantera Minerals (PFE)

In response to an ASX price and volume query, PFE has offered a drilling commencement announcement pre-trade Friday, and online articles, could have fired investor interest.

PFE disclosed it holds a commercial relationship with three companies that posted the associated articles.

PFE traded as high as 18c Friday before settling at 14.5c, 54.26% higher for the session.

PFE had closed out the previous week at 9.6c.

Bindi Metals (BIM)

Essentially pleading ignorance in response to an ASX price and volume query.

BIM points to a Biloela project maiden drilling program announcement lodged 26 September as a possible explanation, but says no assays have yet been received and the drilling is continuing.

BIM traded as high as 25c Friday, before setting at 24c, up 33.3% for the session.

BIM had closed out the previous week at 21c.

Talga Group (TLG)

Link to a recording of TLG's webinar Thursday last week lodged post-trade Friday.

TLG added 4.49% Thursday and 4.69% Friday, settling at \$1.35 Friday after closing out the previous week at \$1.27.

Energy

TMK Energy (TMK)

~192.13M TMK fully paid listed shares are due to be released from voluntary escrow 14 November (Monday next week).

TMK has ~3.5B quoted shares on issue.

Trading Halts

| Company | Code | Resuming |
|----------------------------|------|----------|
| AIC Mines | A1M | 7 Nov |
| Cobalt Blue Holdings | COB | 7 Nov |
| Demetallica Ltd | DRM | 7 Nov |
| Sipa Resources | SRI | 7 Nov |
| Southern Hemisphere Mining | SUH | 7 Nov |
| Arafura Rare Earths | ARU | 8 Nov |
| Arcadia Minerals | AM7 | 8 Nov |
| Aumake Ltd | AUK | 8 Nov |
| Jameson Resources | JAL | 8 Nov |
| Trek Metals | TKM | 8 Nov |

Suspensions *(selected)*

| Company | Code | Since |
|-------------------|------|--------|
| BikeExchange Ltd | BEX | 3 Nov |
| Carbon Revolution | CBR | 2 Nov |
| Duke Exploration | DEX | 19 Oct |
| Icon Energy | ICN | 3 Nov |



Gold – a drop in the \$US, following the monthly US employment report, largely supported overnight Friday gold prices, movements higher also triggering technical trades.

Also overnight Friday, US two-year bond yields notably rose 0.5% above those for 10-year bond yields, prompting some recession commentary.

Among economic data releases this week, a US CPI update is expected to influence \$US trade, and hence gold sentiment.

In association with economic data, mid-term elections in the US are in focus, with change-of-Senate control a possibility. House of Representatives control is expected to return to the Republicans.

Base metals – a \$US drop and reports China could be easing Covid management restrictions combined to fuel base metals sentiment overnight Friday.

Copper traded at six-week peaks, also supported by confirmation late-Thursday that the Las Bambas copper project in Peru had begun to reduce activity due to recent community protest action.

China's October **trade statistics**, scheduled for release **today**, are expected to influence tonight's trade.

Exchange Rates

| CURRENCIES | LAST | +/- | % |
|------------------|--------|---------|-------|
| AUD – USD | 0.6421 | 0.0079 | 1.25 |
| EUR – USD | 0.9915 | -0.0044 | -0.44 |

Australian Data Today

| | | |
|-----|----------------------------------|-----|
| ANZ | Job advertisements | Oct |
| RBA | Retail payments | Sep |
| RBA | Official reserve assets (4.30pm) | Oct |

US Data Tonight

| | |
|------------------------|-----|
| Consumer credit change | Sep |
|------------------------|-----|

Other Overseas Data Today & Tonight

| | | |
|------------------|----------------------------|-----|
| China | Trade balance | Oct |
| UK | BBA mortgage rate | Oct |
| UK | Halifax house price index | Oct |
| Germany | Industrial production | Sep |
| Germany | Construction PMI | Oct |
| Euro zone | Sentix investor confidence | Nov |
| Euro zone | Construction PMI | Oct |

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

| | | |
|---------------------|-----|--------|
| My Foodie Box | MBX | 3 Nov |
| NT Minerals | NTM | 25 Oct |
| Ookami Ltd | OOK | 31 Oct |
| Red River Resources | RVR | 31 Oct |

Ex-Dividends

| Code | Ex-Div | Div (c) | Franking (%) | Yield (%) |
|------------|----------|--------------|--------------|-----------|
| ANZ | Today | 74 | 100 | 5.60 |
| CIA | Today | 11.48 | 0 | 4.56 |
| MQG | Today | 300 | 40 | 3.65 |
| RKN | Tomorrow | 57 | 60 | 3.83 |
| KMD | Wed | 2.27 | 100 | 4.91 |
| NAC | Wed | 1.4 | 100 | 6.70 |
| NSC | Wed | 1.25 | 100 | 7.14 |
| RMD | Wed | 4.73 | 0 | 0.50 |
| WAT | Wed | 5 | 100 | 1.75 |
| ACQ | Thu | 4.25 | 100 | 7.50 |

Reports & Events

(selected; all times AEDT)

| When | Company | Report/Event |
|-----------------|------------|------------------------------|
| Today | ECX | Full year (w/cast tele 10am) |
| | FME | AGM |
| | WBC | Full year |
| Tomorrow | AW1 | AGM |
| | BEN | AGM |
| | ING | AGM |
| | JHX | Sep Q |
| | OFX | Interim |
| | SGM | AGM |
| | SYM | AGM |
| | TLC | AGM |
| Wed | ABB | Investor day |
| | C6C | Sep Q (post ASX-trade) |
| | COD | AGM |
| | COL | AGM |
| | DHG | AGM |
| | NAB | Full year |
| | MRM | AGM |
| | NCM | AGM |
| | NWH | AGM |
| | PPH | Interim (tele incl Q&A 9am) |
| | REA | Sep Q |
| Thu | ANN | AGM |
| | AMC | AGM |
| | BHP | AGM |



Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd (“State One”) and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

| | | |
|------------|-----|-----|
| | BRG | AGM |
| | DCG | AGM |
| | CPU | AGM |
| | COE | AGM |
| | IFL | AGM |
| | MYR | AGM |
| | MOZ | AGM |
| | NEA | AGM |
| | NEC | AGM |
| | SWM | AGM |
| Fri | AX1 | AGM |
| | IXR | AGM |