

**Global Equities Roundup: Market Talk**

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The latest Market Talks covering Equities. Published exclusively on Dow Jones Newswires throughout the day.

0643 GMT - Wacker Chemie should report mid-single-digit revenue growth in its first-quarter results due April 26, says Deutsche Bank. Strong demand for Wacker's products, particularly silicones, should be enough to offset foreign-exchange headwinds, the bank says. However, the cost of raw materials for polymer products will keep rising and Deutsche expects Wacker to announce further price increases over the year. Continued downtime at Wacker's Tennessee plant will weigh on polysilicon sales, but the overall financial impact will be tough to gauge until the company settles with its insurance provider, Deutsche says. Wacker closed Thursday at EUR151.05. (nathan.allen@dowjones.com)

0626 GMT - A week-straight of gains ended today with Australian stocks falling like the rest of Asia-Pacific. The S&P/ASX 200, which rose for a 3rd-consecutive week (its first such run of 2018), fell 0.2% today to 5868.80. Declines were broad, with telecom again weak and miners pulling back after recent strength. But energy edged up. Elsewhere, AMP fell 0.5% to put the week's slump at 9.6%, the most in 18 months. The company has been targeted in an ongoing probe of financial-industry misconduct. (robb.stewart@wsj.com; @RobbMStewart) 0224 GMT - Canberra is stiffening criminal and civil penalties that individuals and companies face for financial misconduct, as a judicial inquiry continues to hear revelations of wrongdoing. The Turnbull government is increasing the maximum penalties courts can impose, so individuals could face 10 years imprisonment for criminal cases or \$1.05 million in costs for civil matters, up from A\$200,000 previously. Corporations face the greater of A\$9.45 million or 10% of annual turnover in criminal charges or A\$10.5 million in civil cases, from A\$1 million previously. "The financial and banking system in Australia is one of the central pillars of our economy," says Treasurer Scott Morrison, adding the scale penalties and heightened powers for the corporate regulator is intended to send a clear message to the industry. (robb.stewart@wsj.com; @RobbMStewart) 0206 GMT - AMP shares rose as much as 2.7% on word of the Aussie asset manager's CEO stepping down on word the company misled regulators about fees charged to customers for advice that wasn't delivered. But they're now little changed, putting the week's skid back to 9.5% as AMP was in the spotlight of a financial-sector judicial inquiry. CEO Craig Meller, due to retire by year-end in any case, says since misleading statements to the corporate watchdog were made during his tenure it was appropriate to exit now. (robb.stewart@wsj.com; @RobbMStewart) 2139 ET - Australia's consumer price index likely cooled to 0.5% on-quarter in 1Q, Moody's Analytics says, following the 0.6% expansion in the December quarter. Annual inflation likely remained at 1.9%, a whisker shy of the Reserve Bank of Australia's 2%-to-3% inflation target. The data are "not enough to get the RBA off the sidelines and into normalizing policy mode any time soon." Moody's is sticking to its view that interest rate rises will not begin until the first quarter of 2019. The CPI data are due Tuesday. (rachel.pannett@wsj.com; @rachelpannett) 2116 ET - If Australia's 1Q CPI data, due Tuesday, print somewhere around 0.4%-0.6% on-quarter, and risk appetite holds up, the AUD/USD could probe 0.7860-0.7880, Westpac's Sean Callow says. Westpac has a forecast of 0.5%, which should be taken calmly by markets, though he notes there's a lot of tension because of a shock result 2 years ago when prices fell 0.2% in the same quarter, setting up two interest-rate cuts. AUD/USD last at 0.7719. (rachel.pannett@wsj.com; @rachelpannett) 0116 GMT - If Australia's 1Q CPI data, due Tuesday, print somewhere around 0.4%-0.6% on-quarter, and risk appetite holds up, the AUD/USD could probe 0.7860-0.7880, Westpac's Sean Callow says. Westpac has a forecast of 0.5%, which should be taken calmly by markets, though he notes there's a lot of tension because of a shock result 2 years ago when prices fell 0.2% in the same quarter, setting up two interest-rate cuts. AUD/USD last at 0.7719. (rachel.pannett@wsj.com; @rachelpannett) 2110 ET - There can be a tendency to try and make parallels between the New Zealand CPI (out yesterday) and the Aussie CPI (due next Tuesday); ANZ strategists caution against that. "While there is some commonality, notably around tradable items such as

fuel, the overall correlation quarter to quarter is relatively weak," they say. The NZ inflation data printed slightly stronger than expected, up 0.5% on-quarter, but the annual rate drifted lower, to 1.1%. (rachel.pannett@wsj.com; @rachelpannett) 0019 GMT - The sharp price gap between grades of iron ore has started to narrow the past week, with the discount shrinking to less than 40% versus a peak of around 50%. UBS says that's good news for Australia's Fortescue, a seller of low-grade ore, and should trigger an improvement in the company's realized prices. Demand is rising as Chinese blast furnaces are firing up following seasonal production cuts. Shares are down 1.2% this morning, cutting the week's gain to 2.5% and April's rebound to 7.5%. (rhiannon.hoyle@wsj.com; @RhiannonHoyle) 0002 GMT - Miner South32 Ltd. is facing a problem not unfamiliar in the industry these days: What to do with its cash? "With a solid capital return program already running, a seeming lack of big ticket M&A targets and a desire to add value via early stage exploration ventures, it's hard to see an immediate call on the cash" pile that now totals almost US\$2 billion, says Credit Suisse. But, as the money piles up, investors will be keen for an answer, says the bank. "Not a dynamic isolated to South32 and unquestionably a good problem to have, but as the balance continues to build the interest in where it is directed only increases." (rhiannon.hoyle@wsj.com; Twitter: @RhiannonHoyle) 0002 GMT - Is Evolution Mining's stellar stock run done? Shares are at the cusp of 2003's record high after having risen at least 25% annually since 2015, including 27% already this year. But investment banks including Credit Suisse and UBS have been downgrading the gold miner on valuation, with all the good news baked in. While UBS drops Evolution to neutral, Credit Suisse is now at underperform. Shares were at A\$0.59 price at the start of 2015; they're now at A\$3.36. (rhiannon.hoyle@wsj.com; @RhiannonHoyle) 2351 GMT - Mining stocks have been on fire this month amid the jump in metals prices. But Morningstar thinks giant BHP's stock has gotten even-more pricey after a 9.6% jump this month. The researcher ticks up its valuation estimate a buck to A\$23 on the price moves, but shares closed Thursday at A\$30.92. (rhiannon.hoyle@wsj.com; @RhiannonHoyle) 2335 GMT - F3Q data from South32 led to some tinkering around the edges of Macquarie's earnings forecasts through mid-2020. But it adds there's a significant chance for them to rise with "manganese, alumina, aluminium and nickel prices trending strongly upwards." Shares have surged 11% this week on those price gains, putting April's pop at 21%. Both are on pace to be South32's best periods stock-wise since 2016. (rhiannon.hoyle@wsj.com; @RhiannonHoyle) 2330 GMT - Sydney Airport saw an impressive 11% increase in international passengers last month, but helping that was an earlier Easter than last year. As such, April results may look a bit soft with 2017's report including the full holiday. The facility has seen strong growth in recent years amid a boom in Asian tourists visiting Australia. Meanwhile, domestic passengers rose 3%, with Sydney Airport's total growth being 6%. (mike.cherney@wsj.com; @Mike_Cherney) 2326 GMT - Market conditions are finally improving for Iluka, but Macquarie is still finding it hard to get excited. With the outlook for the miner's Australian asset base declining and future production reliant on Sierra Leone--which has recently disappointed--the investment bank struggles to see value in the stock. Its rating remains at neutral; Iluka is up 11% this month and 15% for 2015. (rhiannon.hoyle@wsj.com; @RhiannonHoyle) 1856 ET -- Rising sales prices and margins have helped make Steel Dynamics Inc. Jefferies' top pick in U.S. steel. It thinks the company's earnings power is underappreciated by the market, and tips a rising cash pile will help fund returns, growth and "meaningful" M&A. "After a healthy start to the year, we expect Steel Dynamics' earnings power to continue to positively surprise as lagged flat product contracts reset and long product spot prices begin to play catch-up aided by improved utilization rates," says the bank. It reiterates a Buy rating and US\$54 target on the stock. (rhiannon.hoyle@wsj.com; Twitter: @RhiannonHoyle) 1854 ET -- News that BHP Billiton Ltd.'s shale-unit sale is progressing--against a backdrop of a stronger oil market, too--is positive for the miner's stock. Still, Jefferies is a little cautious on the near-term outlook. "While BHP has catalysts and its valuation has de-rated, we maintain our Hold rating on these shares due to iron ore and coking coal price risk this summer," it says. (rhiannon.hoyle@wsj.com; Twitter: @RhiannonHoyle)

0626 GMT - A week-straight of gains ended today with Australian stocks falling like the rest of Asia-Pacific. The S&P/ASX 200, which rose for a 3rd-consecutive week (its first such run of 2018), fell 0.2% today to 5868.80. Declines were broad, with telecom again week and miners pulling back after recent strength. But energy edged up. Elsewhere, AMP fell 0.5% to put the week's slump at 9.6%, the most in 18 months. The company has been targeted in an ongoing probe of financial-industry misconduct. (robb.stewart@wsj.com; @RobbMStewart)

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0624 GMT - Solid business wins in the first quarter should start to benefit Publicis's revenue in the second half, and also provide a base for full-year organic growth in 2019, say analysts at Berenberg. The German brokerage says the company's first-quarter organic growth exceeded expectations despite Publicis indicating in March that the start of the year had been "somewhat slower than expected." Berenberg considers the company's consistent growth and margin improvement as possible grounds for further re-ratings. Publicis shares closed Thursday at EUR60.28. (anthony.shevin@dowjones.com)

0606 GMT - While March auto sales jumped 23% sequentially in March, Malaysian sales fell 4Q from a year earlier in 1Q. Maybank believes that's due to the wait-and-see approach adopted by consumers for big-ticket purchases ahead of next month's election and a looming automotive-policy review. Still, it's sticking with its

2018 volume forecast, saying growth versus 2017 will be back-loaded, and remains bullish on the sector investment-wise thanks to the stronger ringgit. (yantoultra.ngui@wsj.com; @yantoultra)

0552 GMT - Pernod Ricard is on track to beat its guidance for the fiscal year, according to CFRA, which thinks the French spirit group's organic growth will surpass its target of between 4% and 6%, despite a later Easter and inventory management in China. CFRA analysts say there's further upside in Pernod's share price given its solid result and commitment to raise its dividend payout over the next three years. The analysts raise their target price to EUR150 from EUR145. Shares closed Thursday at EUR138.70. (euan.conley@dowjones.com)

0542 GMT - Taiwan's stock benchmark paced Asia's end-of-week pullback as the island's biggest company issued downbeat 2Q guidance. The Taiex slid 1.75% to 10779.38, the biggest drop since Feb. 6's global slump. It fell 1.7% for the week. Taiwan Semiconductor sank 6.3% today to notch its worst day since July 2013 as it raised concerns about high-end smartphone demand. That helped push lens maker Largan down 2%. (joanne.chiu@wsj.com; @joannechiuhk)

0538 GMT - The valuation of AccorHotels is too high despite its strong first-quarter revenue, CFRA says as it keeps its sell rating on the stock. CFRA says its EUR43 target price on AccorHotels stock implies a premium on its peers, given "its superior growth profile," but still finds the valuation too high. "We feel its current valuation is too lofty, being well above peers and historical average," it says. (pietro.lombardi@dowjones.com; @pietrolombard10)

0535 GMT - Cathay Pacific's passenger traffic remained strong in 1Q while yields improved, notes Goldman Sachs. Helping some was an earlier Easter. The bullish investment bank adds the slightly softer-than-expected cargo traffic in the quarter was due mainly to slower demand from Hong Kong and the mainland after the Lunar New Year. After 9-straight declines, Cathay is up 0.2% stock. Shares fell 9-consecutive days in November as well. (john.wu@wsj.com)

0517 GMT - New Zealand stocks ended the week lower, the first market of many in Asia Pacific that's set post a drop for today. After wide gains in the region Wednesday and Thursday, the NZX 50 fell 0.6% to 8323.22 amid steady late-afternoon declines left the index at session lows. It fell , resulting in a 1.1% drop for the week. Fisher & Paykel shed a further 2.7% and Ryman lost 1.7%, leaving the health-care firms respectively down 6% and 4.5% for the week. Auckland International Airport dropped 1.3%, doubling the week's drop. But Fletcher Building bounced 2.5%, nearly halving its decline for the week. (kevin.kingsbury@wsj.com; @kevinkingsbury)

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