DOW JONES NEWSWIRES

HD **Australia's Nine Scores TV Ratings Win -- Market Talk**

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2307 GMT [Dow Jones] Nine Entertainment (NEC.AU) enjoyed a strong TV ratings performance in September, capturing 40.5% of the national audience that month, compared to Seven's (SWM.AU) 38.3% and Ten's (TEN.AU) 21.2%. That's Nine's best ratings performance in the last eight years, says UBS, which keeps **buy** recommendation on Nine and Seven, and a sell call on Ten, which is expected on Thursday to reveal another steep annual loss. The broker still expects a FY15 TV ad market recover to be weighted to 2H. (Ross.Kelly@wsj.com)

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2249 GMT [Dow Jones]--J.P. Morgan stays underweight on underwear retailer Pacific Brands (PBG.AU), and drops its price target to A$0.41 from A$0.49, as the fast-weakening Australian dollar pushes up import costs and squeezes its margins. Pacific Brands, which also shops shoes and sheets, recently **sold** its workwear division, although J.P. Morgan reckons it could have more difficulty selling other assets as desired due to profit pressures. "We would await a lower share price and/or evidence of Ebit stabilization before getting more constructive," it says. PBG was last at A$0.445. (Ross.Kelly@wsj.com)

2245 GMT [Dow Jones] **Milk** price futures, lower volumes on offer and the potential return of **Chinese** buyers--who were on holiday at the last auction--"all hint at some price support at this GlobalDairyTrade auction," says ASB Economist Nathan Penny. Whole **milk** powder prices fell 10% in the last auction held Oct. 1 and are down more than 50% since a February peak. The latest GDT auction will take place overnight Wednesday. New Zealand **dairy** giant Fonterra has lowered its payout to its farmer shareholders due to the lower **milk** price, stripping **billions** out of the economy. ASB Bank is tipping Fonterra to pay its 10,500 farmer shareholders NZ$5.30 a kilogram of **milk** solids in the current season, which began June 1 "based on recovering prices as we head into 2015," says Penny. The forecast is in line with the latest one given by Fonterra. (rebecca.howard@wsj.com; @FarroHoward)

17:07 EDT - North American energy companies have hedged 79% of their aggregate 4Q oil production, says Citigroup in an analysis of 57 high-yield companies, but just 42% of their output for next year and 17% in 2016. Hedging allows companies to lock in prices ahead of time. If US oil prices average $80/barrel next year, the companies will make $2.4B on their hedges, Citi says, and they'll make $3.5B if prices average $75 next year. In comparison, the same 57 companies have hedged 72% of their total natural-gas production for 4Q, 37% for 2015 and 11% for 2016. (nicole.friedman@wsj.com; @NicoleFriedman)

16:53 EDT - A dip in the National Australia Bank**business** confidence survey in September is still supporting the NZD/AUD and attempts to move the pair lower have been reversed, says ANZ. **Firm** says the main focus is now on **Chinese** inflation data, with CPI and PPI each expected to moderate. It adds **Chinese** credit growth data will also grab attention "given the slowdown in the property market." NZD/AUD last at 0.8998. ANZ expects the pair to trade in a short-term range of 0.8960 to 0.9040. (lucy.craymer@wsj.com; @lucy_craymer)

16:25 GMT - At the long end of New Zealand yield curve, medium-term risks remained skewed toward rising yields, says Harbour Asset Management Head of Fixed Interest & Economics Christian Hawkesby. While the market takes comfort from the U.S. Fed's pledge to keep interest rates near zero, "there is a danger that long-term interest rates start to pre-empt this move." He adds at the short-end of the NZ yield curve stability is expected with local economic growth moderating and inflation still well below the target so it is expected the "the RBNZ has time to reflect and observe the impact of the rise in the OCR to 3.50% and the recent fall in the NZ dollar." (lucy.craymer@wsj.com; @lucy_craymer)

16:14 EDT - The Canadian dollar appears headed for more weakness, now that the greenback has risen to the highest level against the loonie since July 2009, and pierced the psychologically important C$1.1300 resistance level. Traders says that opens up a move for the pair to test C$1.1500. TD Securities had predicted the pair would get to that level through 1Q 2015, but now says it may come sooner. "An earlier arrival at that point--and an extension beyond it looks a strong possibility at the current juncture," TD says. USD/CAD up nearly 1% at 1.1306. (nirmala.menon@wsj.com; @NirmalaMenon)

16:04 EDT - Low sugar prices this year and a drop in production in **China**, the No. 2 sugar consumer after India, will help fuel an uptick in its imports of the sweetener this year, the USDA says. **China**'s 2014-15 sugar imports will likely reach 3.8M metric tons, 15% higher than the USDA previously forecast. **China** may not always get such a sweet deal, though. Raw-sugar futures are up 25% since hitting a 5 1/2-year settlement low of 13.50c/lb last month. (leslie.josephs@wsj.com; @lesliejosephs)

16:01 EDT - The NZD slips overnight, once again taking its cues from its peers, says BNZ Raiko Shareef. "The NZD has simply traded in line with the AUD over the past 24 hours. The latter has had mixed fortunes, with some enthusiasm around a bounce in iron ore prices offset by a risk-negative sentiment globally." NZD/USD last at 0.7833 from 0.7893 late last session. Shareef adds focus is on the GlobalDairyTrade auction overnight. "Following the last auction's 7.3% fall, another sharp drop would be an opportunity for NZD bears to re-test the 0.7700 level." Shareef puts initial support at 0.7800 with resistance at 0.7950. (lucy.craymer@wsj.com; @lucy_craymer)

14:58 EDT - Now that USD/CAD has broken through year-to-date peak of C$1.1280 and spiked to the highest level since July 2009, pair is gearing up to test the psychologically important C$1.1300 level. "The market is going to pay very, very close attention to defending the C$1.13 level," says Bipan Rai, director of foreign exchange strategy at CIBC World Markets. If that breaks, it would open up the next key level of C$1.1500, probably in the medium term. The Canadian dollar is taking its cue from the greenback for now amid lack of domestic data. Canadian inflation data due Friday could be key. (nirmala.menoN@wsj.com, @NirmalaMenon)

14:49 EDT - The near-term outlook on inflation as implied by the rates market is heavily influenced by energy prices. With Nymex crude posting its biggest one-day percentage decline since November 2012, shorter-dated inflation-protected Treasurys are hurting relative to the rally in nominals. That's narrowing the yield gap between the two markets, which reflecting waning inflation expectations. Investors now expect 1.22% average annual inflation over the next three years, from 1.28% at the start of the day. While volatility in the oil market could mean only a temporary drag on TIPS, any hint of unanchored inflation expectations only builds a case for the Fed to stay accommodative. (cynthia.lin@wsj.com; @cynthialin_dj)

14:40 EDT - USD/CAD tops this year's high of 1.1280 reached on March 20 amid the greenback's broad-based strength. Pair recently hit 1.1292, now the highest since July 2009. The greenback is broadly stronger as investors are fleeing into the safety of the US dollar and US Treasurys amid general market uncertainty that's weighing on equities. The Canadian dollar and other currencies that are leveraged to oil are further weighed down by falling oil prices. (nirmala.menoN@wsj.com; @NirmalaMenon)

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