

HD Suncorp Could Pay Yearly Special Dividend: Bell Potter -- Market Talk**WC** 1,551 words**PD** 11 November 2014**ET** 10:48**SN** Dow Jones Institutional News**SC** DJDN**LA** English**CY** Copyright © 2014, Dow Jones & Company, Inc.**LP**

2348 GMT [Dow Jones] Asset quality within Suncorp (SUN.AU) continues to improve, says Bell Potter, noting SUN's 1Q bad and doubtful debts charge fell from A\$49 million in the 4Q to a better-than-expected A\$20 million. The broker says SUN has the capacity to sustain a yearly 15 cents/share special dividend over the next 2-3 years if underlying trends and benign weather patterns prevail. Bell Potter keeps its A\$15.00/share price target on the stock, but with shares recently trading at A\$14.95 after a strong rally, the broker cuts its rating to Hold from Buy. "The revised rating still adequately reflects SUN's status as a classic 'Cash' story where capital returns--all else being equal--should continue to feature in the medium term," says Bell Potter analyst TS Lim in a research note. (rebecca.thurlow@wsj.com; @beckthurlow)

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0046 GMT [Dow Jones] The window for new Australian LNG projects has slammed shut, as cheaper competing natural gas supplies loom from Russia and the U.S., says Macquarie. That's bad news for Woodside Petroleum Ltd. (WPL.AU), which wants to decide whether to develop the Browse natural gas resource offshore northwestern Australia with partners including Royal Dutch Shell PLC (RDSA, RDSA.LN) late next year. "Australian projects are being pushed up the cost curve at an alarming rate," says the broker, while noting around 80 million tons per annum of U.S.-produced LNG is slated to flow into global markets, with costs there assisted by low shale gas prices. Russia is also working hard to put its momentous export deal with China into action, with pipeline supplies expected by 2025. Macquarie rates Woodside at underperform, but likes Oil Search Ltd. (OSH.AU) because it operates in Papua New Guinea, where costs are more competitive. (Ross.Kelly@wsj.com)

17:57 EST - Wayfair (W) shares fall as much as 7.5% in after-hours trading, marking a poor showing in its first earnings report after going public in October. The online home goods retailer reported \$336.2M in 3Q sales, above analysts \$309M expectations, but a net loss of 71c/share, which compares with Street's forecast of 38c/share loss. The company is a test case for e-commerce players who hope to compete with Amazon (AMZN) by carving out a niche that AMZN doesn't yet serve well. Shares down 4.3% after hours at \$26.90. (greg.bensinger@wsj.com; @gregbensinger)

17:50 EST - Warren Buffett's Berkshire Hathaway (BRKA BRKB) has at least \$25B of excess cash to use for acquisitions, Barclays estimates. In a research note today that follows BRKB's 3Q results last week, Barclays says BRKB's \$56B of cash was significantly above the \$20B Mr. Buffett has said he likes to keep as a margin of safety. Even accounting for several pending deals, including a \$2.9B acquisition of Canadian power transmission company AltaLink and a \$3B preferred stock investment as part of Burger King's (BKW) deal for Tim Hortons (THI), BRKB has a huge leftover cash pile. What's more, Mr. Buffett can always issue debt or sell stocks from the company's \$119B stock portfolio if he wants to snare an especially gigantic "elephant" -- his term for double-digit-billion-dollar deals. (anupreeta.das@wsj.com)

17:34 EST - Peer to peer lender Social Finance Inc., often referred to as SoFi, which specializes in student loans, has raised over \$303M in its latest round of private-student loan securitizations that the firm completed on Monday. The notes are backed by private student loans the firm recently refinanced. The loans are being repaid by graduate borrowers, most of whom have high credit scores and are employed. Morgan Stanley and Goldman Sachs led the transaction, which also involved Barclays and Deutsche Bank selling the notes to retail and institutional investors. This marks the lender's third and largest round of private-student loan securitizations since December 2013. It raised \$151M then and another \$251M in July. (annamaria.andriotis@wsj.com)

17:27 EST - Anadarko Petroleum (APC) will keep total executive compensation flat compared with 2013, the **company** says. APC's shares, which are up 16% so far this year, had risen more than 40% before the recent fall in **oil** prices. At Anadarko's annual meeting in May, 61.5% of votes cast approved of the **company's** pay practices, a relatively low level of support. (daniel.gilbert@wsj.com; @WSJGilbert)

17:22 EST - Caesars Entertainment (CZR) says it has "commenced formal discussions with several groups of creditors" to improve the financial condition of its Caesars Entertainment Operating unit, the owner of 44 gaming and resort properties. Cash at the unit fell to \$1.48B as of Sept. 30, from \$2.15B at the end of July. The **company** says more discussion of CEO's capital structure will come in its 10-Q, due later this week. Minutes after CZR's earnings conference call wrapped up, shares are down 7.2% at \$10.70. (matthew.jarzemsky@wsj.com)

2220 GMT - Incitec Pivot (IPL.AU) has some good and bad news for investors in its FY result, with an unexpected swag of writedowns blighting an underlying performance that's easily beat market expectations. A 21% rise in underlying profit -- which strips out nonrecurring items -- to A\$356.3 **million** compared to Deutsche Bank's estimate of A\$303.2 **million**, which the broker says compared to the analysts' consensus estimate of A\$309 **million**. On the other hand, Deutsche Bank said in a preview note Monday it didn't expect any one-off nasties. Incitec has revealed impairment and restructure charges of A\$109.2 **million** at businesses and facilities in Turkey, **China** and the U.S. combining to drag down its bottom line net profit by 33% to A\$247.1 **million**. (ross.kelly@wsj.com)

17:04 EST - Shaygan Kheradpir started as CEO of Juniper Networks (JNPR) on January 1. Today, he's out of a job after what the **company** said was a board review of his leadership and a difference of opinions. It's a dramatic turn for the former Barclays (BCS) and Verizon (VZ) executive. Within his first month on the job, he faced two activists when Elliott Management and Jana announced stakes. They pushed cost cuts and changes to business structure. Kheradpir earned praise for pledging to be an "agent of change" and soon settled with Elliott. JNPR launched a buyback and cost savings program. JNPR, down 4.7% YTD, slips 1.6% to \$21.15 after hours. (david.benoit@wsj.com; @DaveCBenoit)

16:55 EST - Technological innovation as applied in **energy** production is far from over, even as such technologies as hydraulic fracking and horizontal drilling have helped the advance of the shale boom, says investment boutique Cascadia Capital. The **firm** just opened a Houston office because "it became quite apparent over the last two years that we need to be in the **energy** epicenter of Houston," says managing director Jamie Boyd. Cascadia is also looking at ways to adapt technology from other sectors to help enhance **oil** and gas drilling, well completion, reservoir monitoring and other applications. "You've just begun to see the effect of technology," says Bob Schwartz, a former engineer hired by Cascadia to **lead** the Houston office. "We are scratching the surface." (shasha.dai@wsj.com; @ShashaDai1)

16:47 EST - The next four weeks will be critical for Australia's GrainCorp (GNC.AU), says JPMorgan. A lack of rainfall in October, combined with above-average temperatures, has reduced moisture levels in the soil. That poses an increased chance that winter crop yields will disappoint on Australia's east coast. JPMorgan says its underweight call and A\$7.60/share price target reflects the potential for GrainCorp to miss consensus estimates in FY15 and FY16 as a result of poor cropping conditions. The broker also worries about competition as rivals build more grain-handling infrastructure. A weakening outlook on crop production "would put further downward pressure on our earnings forecasts, which is already 20% below consensus at the ebit line," JPM says. GNC last traded at A\$8.58. (david.winning@wsj.com; @dwinningWSJ)

16:38 EST - Nike (NKE) could post a \$0.28 dividend later this month, an increase of about 15%, according to analysis from Citi. The **firm**, which raises its price target for the swoosh to \$107, cites with their prediction recent comments by Nike management to increase returns to shareholders. Nike's stock price, which closed up Monday at \$94.96, close to its 52-week high, would be most impacted by any potential downturn in the North American market, the **firm** adds. (sara.germano@wsj.com; @germanotes)

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(END) Dow Jones Newswires

November 10, 2014 18:48 ET (23:48 GMT)

CO mpbs : Suncorp Group Limited

IN i814 : Banking | i81402 : Commercial Banking | ibnk : Banking/Credit | ifinal : Financial Services

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AN Document DJDN000020141110eaba004v7