

HD Ten Network's Debt to Keep Rising, Says Macquarie -- Market Talk**WC** 1,603 words**PD** 17 October 2014**ET** 10:28**SN** Dow Jones Institutional News**SC** DJDN**LA** English**CY** Copyright © 2014, Dow Jones & Company, Inc.**LP**

2328 GMT - Ten Network's (TEN.AU) debt pile rose sharply to A\$80.5 **million** at end-August, from A\$34 **million** a year earlier, and Macquarie says it will be awhile yet before it can reverse this trend. That's a concern as Ten's existing loan facility is capped at A\$200 **million**. "In our view, risks remain high for **equity** holders, and skewed to the downside," says Macquarie, which rates the stock at underperform with a A\$0.20/share price target. The broker expects net debt to rise to A\$111 **million** by the end of FY15. Still, there are some green shoots at last in its programming schedule, with ratings starting to tick higher. Ten's hopes for next year are pinned on "I'm a Celebrity ... Get Me Out of Here!," "Shark Tank" and V8 racing, as well as the return of "MasterChef," Big Bash cricket and "The Bachelor." TEN last traded at A\$0.20. (david.winning@wsj.com; @dwinningWSJ)

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2318 GMT [Dow Jones] New Zealand has welcomed its election to the United Nations Security Council for 2015-16, says New Zealand Prime Minister John Key; "New Zealand's success in gaining a place on the Security Council is a victory for the small states that make up over half the United Nations membership." He adds that the New Zealand government believes the country can make a positive difference in world affairs and provide a unique and independent voice at the world's top table; "At the moment, the Council faces a number of challenging issues. New Zealand is looking forward to serving on the Council and making a positive contribution throughout our two-year term." (lucy.craymer@wsj.com; Twitter: @lucy_craymer)

2307 GMT [Dow Jones] The ASB Beef Index has set a record high in each of the last five weeks and on Oct. 10 was 5% higher than the previous peak in September 2008, says ASB economist Nathan Penny. He says the main dynamic at play "is the remarkably tight U.S. beef market, with the U.S. beef herd at record lows. Moreover, given the time it will take to rebuild the herd, the US Department of Agriculture has speculated that it may not be until 2017 before US beef production expands again." He adds, however, it will be ambitious to expect further "large price increases as consumer resistance to high prices is likely to kick in." (lucy.craymer@wsj.com; Twitter: @lucy_craymer)

2258 GMT [Dow Jones] The USD/JPY will likely move in a 106.00-106.50 range in Asia trade Friday, as the market "calmed down a bit after getting panicky" earlier this week, says Kosuke Hanao, head of FX at HSBC in Tokyo. The USD/JPY's downside may be well supported as buying related to **commercial** trade settlement is expected once the pair falls below the 106-line. Investors are now awaiting Fed chief Yellen's speech later today, especially after St. Louis Fed President Bullard throws out the possibility that the Fed should consider a delay in ending QE3. The USD/JPY is now at 106.37 against 106.33 The EUR/USD is tipped in a 1.2760-1.2810 range and is now at 1.2804. (hiroyuki.kachi@wsj.com)

Editor SXS

2249 GMT [Dow Jones]-- **Residential property** investors are still confident, growing and looking to **buy** more properties despite rising interest rates -- but many would consider selling up in the event of proposed new regulations, ANZ says in a note released alongside its ANZ **Property** Investment Survey. ANZ adds 52% of all respondents in the survey cite government regulations and tax as their biggest worry, up from 37% two years ago. "One in three say Reserve Bank proposals that would require banks to treat investors with more than five properties as **commercial** customers would impact their investment strategy -- mostly by not buying new properties, or by selling." ANZ adds many also raised concerns about the proposed introduction of a "warrant of fitness" for rental properties. (lucy.craymer@wsj.com)

2238 GMT [Dow Jones]--Deutsche Bank expects Australian 3Q inflation to be benign despite recent history showing the period July to September can produce high inflation outcomes. Phil O'Donoghoe, economist at Deutsche Bank, said the last six 3Q outcomes have averaged a jump of 1.0%. But the repeal of the government's carbon tax in July has prompted **energy** retailers to materially reduce retail prices for gas and electricity, he said. Utility costs will also have been held down by a water bill rebate initiative introduced by the Victorian government in the quarter, he added. Deutsche Bank is forecasting a CPI rise of 0.4% in 3Q vs 2Q, rising 2.2% from a year earlier. The data are due Wednesday. (james.glynn@wsj.com)

18:08 EDT - Foreign holdings of US Treasury securities hit a record high \$6.07T in August, up nearly \$70B from July, as the dollar began its climb to five-year highs in October and the US recovery showed signs of gaining steam. Japan added more than \$11B to its stockpile--largely in **bonds** and notes--while **China** and Belgium, a proxy trader for Beijing, added a net \$12B to its holdings. There's a good chance that September and October data could continue to show new records for foreign holdings of US debt, as indicated by the steady strengthening of the dollar since August and plummeting bond yields. Amid increasing worries about emerging markets growth slowing and recession risks in the eurozone rising, investors have plowed their cash into the relative safety of US debt. (ian.talley@wsj.com)

18:01 EDT - A day of reflection is expected for the Australian dollar ahead of the weekend following wild swings in global markets this week. No major domestic data is on the slate. Weakness in the **iron ore** price, which accounts for 30% of Australian exports should keep the currency contained to ranges. The Aussie is currently trading at US\$0.8751. ANZ currency strategists say the US dollar remains strong and forecast a near-term range of US\$0.8690 to US\$0.8830. (james.glynn@wsj.com; @JamesGlynnWSJ)

17:58 EDT - Home builder Oakwood Homes notched an increase in production in September, but its CEO still sees high prices hindering the market. Oakwood CEO Pat Hamill says the closely held **company** started 75 homes in its home state of Colorado last month, up about 20% from September 2013. He says he has seen more entry-level homes sprouting in the Colorado and Utah markets where Oakwood operates. However, rising new-home prices continue to deter buyers. "Pricing has expanded quite dramatically, and costs have, too," Hamill says. "That's kind of taken a little froth out of the market." The Commerce Department is slated to release data on September home starts Friday morning. (kris.hudson@wsj.com; @KrisHudsonWSJ)

17:09 EDT - Investors withdrew \$549M from junk bond funds in the week ended Oct. 15, after ploughing \$1.28B into them the prior week, says fund tracker Lipper. The market has been whipsawed along with the drubbing stocks and commodities have received from fears about global growth. Selling has continued as fund managers look to raise cash to meet redemptions. The risk premium investors were demanding to own US junk-rated corporate **bonds** rose to 5.08 percentage point above comparable Treasuries Wednesday, according to Bank of America Merrill Lynch index, from 4.66 points at the start of the week and 3.97 points in mid-September. (katy.burne@wsj.com)

17:00 EDT - Two Cyprus firms were targeted with sanctions from the U.S. Treasury Department, which said they served as intermediaries between Russian entities and the regime of Syrian President Bashar al-Assad. One Cypriot **firm** allegedly worked with a sanctioned Russian bank, Tempbank, to finance **energy** deals in Syria, while another **firm** allegedly contracted with Moscow's official currency-printing bureau to produce Syrian banknotes, Treasury said. Russian tycoons and financial institutions have long favored doing business in Cyprus because of its developed court system, Moscow-friendly government and European credentials. Since Moscow and Damascus are both now the subject of major sanctions campaigns, it's not unlikely Washington will further probe connections between the two economies, including the firms that work between them from other countries along the Mediterranean. Meanwhile, the Treasury is also looking to cut off financing to Assad's most dangerous battlefield foe--the Islamic State. (william.mauldin@wsj.com)

16:55 EDT - The drop in the price of Mexico's **oil** exports is not a concern for public finances in the short-term but could weaken the economy down the road, says Banco Ve Por Mas. Short-term risks are mitigated by the government's **oil** hedges along with a revision of the 2015 exchange rate to project more peso income from **oil** sales, it says. "The principle risk for Mexico in the medium- and long-term comes from the heavy dependence on **oil** for public finances," which represents about a third of the federal budget. "This could potentially deteriorate the macroeconomic fundamentals of the country, which have been distinctive of Mexico in periods of volatility and have allowed it to better handle itself than other economies," the bank says. (laurence.iliff@wsj.com)

(END) Dow Jones Newswires

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