HD **AMP Still Faces Financial Protection Volatility, J.P. Morgan Says -- Market Talk**

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10:49 GMT [Dow Jones] AMP's (AMP.AU) valuation is again moving back toward the relative premium it used to hold as a relatively safe, stable stock, says J.P. Morgan which nevertheless retains a neutral recommendation. The brokerage says there remains the likelihood of continued volatility in financial protection trends, and on top of the AMP isn't paying full-franked dividends. Its price target rises to A$5.47/share from A$5.19 after what it says was a good first-half result from the **company**. AMP last traded at A$5.77. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

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2247 GMT [Dow Jones] The overall global recovery remains on track, but its gradual and it is not an environment where central banks will be in a hurry to take away the punch bowl, says AMP chief economist Shane Oliver. "It's important to note that the Fed is gradually becoming less dovish," he added. Federal Reserve Chairwoman Janet Yellen's opening address to the annual central bankers get together in Jackson Hole effectively reiterated her assessment that considerable labor market slack remains but acknowledged uncertainty in assessing the degree of slack. "Yellen's somewhat less dovish comments are consistent with the Fed edging closer to starting to raise interest rates but remain consistent with the first move on rates not coming till around mid next year," Mr. Oliver said. http://online.wsj.com/articles/wsjs-hilsenrath-fed-can-remain-patient-on-rate-hike-debate-after-data-1406901937?KEYWORDS=Hilsenrath (james.glynn@wsj.com; Twitter @JamesGlynnWSJ)

2240 GMT [Dow Jones] IOOF Holdings' (IFL.AU) near-term prospects are likely to be helped by **acquisition**-led EPS growth and a dividend payout ratio at the top end of the **company**'s guidance range, says J.P. Morgan. It maintains an overweight recommendation in anticipation of strong earnings growth into fiscal 2016 and a healthy fully-franked dividend yield. IOOF's FY14 underlying profit came in slightly ahead of J.P. Morgan's forecast. Its price target rises to A$9.83/share from A$9.44. IFL last traded at A$8.95. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

2236 GMT [Dow Jones] While the Indonesian export ban on bauxite is likely to add pressure to prices of the commodity over the medium term, J.P. Morgan notes the impact on **China** has yet to be felt materially. "Further, lower electricity prices in some regions are helping to offset higher bauxite input costs," the broker says. Input costs for **alumina** are typically more weighted to **energy** than bauxite. "On this basis we believe there is a risk the 'cost push' theory to support higher **alumina** prices could be less dramatic and take longer to play out," J.P. Morgan says. (david.winning@wsj.com; @dwinningWSJ)

2234 GMT [Dow Jones] Bell Potter lifts QBE Insurance (QBE.AU) to buy from hold as its price target rises toA$12/share from A$11.60, in line with its sum-of-the-parts valuation. "There is a growing probability that macro, micro, technical and stock supply/demand are about to collide--in a good way--for QBE," says director Charlie Aitken, adding it is the cheapest stock on a forward price/earnings-to-growth ratio in the ASX 20. Aitken says QBE's underlying business is very sound, and the stock could again trade at A$16 over the next few years. QBE last traded at A$11.27. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

10:34 GMT [Dow Jones] Asian markets may be under early pressure given weak offshore leads after U.S. stocks finished mostly lower amid central bank speak and geopolitical turmoil, says Macquarie Equities broker Brad Gordon. In New Zealand and Australia investors will remain focused on results. The NZX-50 has opened 0.2% higher as investors are cheered by a positive result from retirement village operator Metlifecare (MET.NZ). The stock is up 3.5% to NZ$4.50. Chorus (CNU.NZ) is flat at NZ$1.73 as investors digest the result.(rebecca.howard@wsj.com; @FarroHoward)

10:31 GMT [Dow Jones] Mining accommodation builder Fleetwood's (FWD.AU) challenges were underscored last week when it foreshadowed a A$5 million asset impairment ahead of its FY14 results due Aug. 26. With the mining sector showing little sign of rebounding, attention will shift to Fleetwood's balance sheet. J.P.Morgan notes the company has a one-year debt facility with Westpac for A$73 million, which is expected to expire in December 2014. The broker expects Fleetwood will look to refinance this facility and extend the duration in the coming months. "With net debt increasing to A$60 million at June 2014 and the majority of historical earnings skewed to a sector that will continue to put pressure on suppliers in the near to medium term, we retain our underweight recommendation," J.P.Morgan says. FWD last traded at A$2.47. (david.winning@wsj.com; @dwinningWSJ)

2229 GMT [Dow Jones] U.S. Federal Reserve Chairwoman Janet Yellen's Jackson Hole speech over the weekend has the attention of markets in early Asia trading. ANZ said in a note to clients that while it did not signal a definitive Fed policy shift, Yellen's tone was more neutral, and should the U.S. data pulse continue to show improvement, it opens up the possibility that the Fed signals the beginning of policy tightening sooner than the market is currently pricing. This will support the U.S. dollar. (james.glynn@wsj.com; Twitter @JamesGlynnWSJ)

2227 GMT [Dow Jones] A higher-than-expected rise in Santos's (STO.AU) 1H dividend underscores confidence it will deliver the US$18.5 billion GLNG project on time and budget, says J.P. Morgan, which ups its price target on the oil company to A$15.82 from A$15.00 and keeps an overweight recommendation. "Santos management checked all the boxes with this result," the broker says, noting that it also posted a solid profit number and discovered more natural gas in the Browse Basin. Santos was last at A$15.16. (Ross.Kelly@wsj.com)

2225 GMT [Dow Jones] Australian business investment has fallen for 5 of the last 7 quarters, driven by lower resource investment, and another fall of around 4% is likely to be reported Thursday in the second quarter, says RBC Capital Markets senior currency strategist Elsa Lignos. Ms. Lignos also expects some downward revisions for estimates of future investment plans. Ms. Lignos adds that of particular importance will be the outlook for non-resources investment, especially services, which has shown signs of improvement although there are few signs of actual expenditure occurring in this sector at present. (james.glynn@wsj.com; Twitter @JamesGlynnWSJ)

10:15 GMT [Dow Jones] Australia is likely to revise its estimate of firms' expected nominal investment in 2014-15 modestly higher in data due Thursday, says Barclays. But it notes that this would be the net of opposing forces, as the data will likely show a large upgrade to non-mining capex and a large downgrade to mining investment. As a result, the data would still be consistent with a large fall in total investment this fiscal year. "We see the risks around this outlook as tilted to the downside given separate data show a big fall in engineering commencements, with the mining industry also providing more negative feedback on the outlook to the Reserve Bank," Barclays says. "Given the latter feedback, we suspect that the Reserve Bank will be paying more attention to the outlook for non-mining capex from the survey."

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2146 GMT [Dow Jones] The NZD/USD fell to 0.8336 from 0.8398 early in New Zealand after "an Aussie-Kiwi option barrier was taken out," says ASB Head of Institutional Sales Tim Kelleher. AUD/NZD now at 1.1131. The move was exacerbated by the fact that markets are fairly illiquid early Monday in New Zealand and the NZD/USD "is already on its way back up," he says. NZD/USD now at 0.8355. (rebecca.howard@wsj.com; @FarroHoward)

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