DOW JONES NEWSWIRES

HD **Seek Dropped to Hold by Deutsche Bank -- Market Talk**

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11:33 GMT [Dow Jones] Deutsche Bank lowers Seek (SEK.AU) to hold from buy, anticipating little upside from current trading levels even after nudging its price target to A$18.30/share from A$18. SEK has indicated year-to-date domestic volumes have been better than expected, although the pace of domestic Ebitda growth is likely to be slightly lower due to increased operating expenditure. "We are satisfied SEK is pursuing the right strategy but don't expect its success will be evident in the FY15 results." SEK is trading up 0.6% at A$17.19. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

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11:30 GMT [Dow Jones] USD/JPY is likely to trade in a higher range Monday, supported by a broadly firmer dollar undertone and the deflationary implication of weaker **oil** prices as the commodity extends its losses this morning to fresh four-and-a-half year lows. Spotlight Monday is on 1500 GMT U.S. November ISM manufacturing PMI (forecast 58.0 versus October's 59.0). The daily chart is positive-biased as the slow stochastic measure is staying elevated at overbought levels, while the five- and 15-day moving averages are advancing. Resistance is at 118.98 (seven-year high hit Nov. 20); a breach would expose upside to 119.85 (Aug. 8, 2007 high), then to the psychological 120.00 line. Support is at 118.04 (hourly chart), then at 117.74 (Friday's low). Spot USD/JPY is at 118.83. (jerry.tan@wsj.com)

2331 GMT [Dow Jones] Deutsche Bank ups its price target on Qantas Airways (QAN.AU) to A$2.60 from A$2.30, figuring that if spot Brent crude prices stayed at US$72/bbl, the airline's second-half fuel bill could be up to A$470 **million** lower on-year. The broker has also lifted its fiscal 2015 year pre-tax profit forecast for Qantas to A$364 **million**, which it says is two-times consensus, noting the **company**'s experienced two consecutive months of yield growth from ticket sales. QAN is up 6.8% at A$2.05 as **oil** prices continue to tumble following OPEC's decision to maintain output targets. (Ross.Kelly@wsj.com)

2328 GMT GMT [Dow Jones] Nymex crude is likely to trade with risks skewed to the downside near-term after hitting a four-and-a-half year low $65.12/bbl this morning, Dow Jones technical analysis shows. The daily continuation chart is negative-biased as the five- and 15-day moving averages are declining, while the MACD and slow stochastic indicators are bearish. Support is at $64.24 (May 20, 2010 reaction low); a breach would expose downside to the psychological $60.00 line, then to $58.32 (July 13, 2009 reaction low). Resistance is at $69.62 (hourly chart); a breach would temper the negative near-term view, exposing upside to $74.48 (Wednesday's high), then to the middle 20-day Bollinger Band (now at $75.33), $76.58 (Tuesday's high) and $77.02 (Nov. 24 high). January crude is down 81 cents at $65.34/bbl on Globex. (jerry.tan@wsj.com)

2327 GMT [Dow Jones] With coking-**coal** demand slowing and markets still well supplied, Commonwealth Bank of Australia analyst Lachlan Shaw says he doesn't see any rebound in prices in the near-term. There has been a shift, though, in the composition of **Chinese** coking **coal** imports--with more cargoes from Mongolia and Australia displacing shipments from the rest of the world, particularly Canada and Russia, Shaw says. "This largely reflects the cost advantage" of transporting the fuel to **China**, he says. Australian premium hard coking **coal** Friday traded at US$113.80/ton, up 0.7% on the day earlier but down 14% year-to-date. (rhiannon.hoyle@wsj.com; Twitter: @RhiannonHoyle)

11:12 GMT [Dow Jones] The hail and strong winds that battered Brisbane last week may have caused anywhere between A$200 **million** and A$500 **million** in insured damages to homes and cars, according to J.P. Morgan estimates based on Sydney's 2007 hail storm. Suncorp (SUN.AU), which has an about 40% market share in Queensland state, is likely to be the most affected by the cost of the storm. The brokerage suggests the cost could test the A$250 **million** deductable that SUN has for reinsurance.

Insurance Australia Group (IAG.AU) and QBE (QBE.AU) will be far less affected, it says, adding that insurance stocks tend to underperform soon after big events such as this. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

11:11 GMT [Dow Jones] The USD/JPY will likely move in a 118.20-119.30 range in Asia trade, says Mizuho Securities FX strategist Kenji Yoshii. The pair "will likely remain **firm**" on expectation for upbeat reading of the U.S. economic data later this week, including jobs data scheduled on Friday. And for now, investors will monitor closely November ISM manufacturing report and speech by the Fed's Stanley Fischer later today. The USD/JPY is now at 118.86 against 118.67 late Friday in New York. Ahead of the ECB meeting later this week, the EUR/USD is tipped in a 1.2400-1.2470 range and is now at 1.2446.

(hiroyuki.kachi@wsj.com)

2308 GMT [Dow Jones] J.P. Morgan slashes its price target on caravan and accommodation manufacturer Fleetwood Corp (FWD.AU) as a downturn in the resources market takes its toll. The broker cuts the target to A$1.51 a share from A$2.00, noting a pickup in the education market has so far failed to offset the decline in resources business. "Given the transition in FWD's customer base from Resources to Education is ongoing, forecasting a bottoming of margins and eventual recovery can be difficult. While we appreciate the operating leverage in the business is significant, with the outlook remaining mixed, we see downside risk to near-term consensus earnings estimates," the broker says. Keeps an Underweight rating on the stock which last traded at A$1.25. (rebecca.thurlow@wsj.com; @beckthurlow)

Forget about a Christmas rally, says Charlie Aitken, executive director at Bell Potter Securities. His view is that the ASX 200 remains in a 5100-5450 range that is likely to become more entrenched as commodity price falls **lead** to cuts in GDP and **company** earnings forecasts for fiscal 2015. Aitken also says AUD is quickly heading to US$0.80 and will hit his US$0.75 target by mid-2015. Still, Aitken says he anticipates increased speculation the Australian central bank will cut rates in 2015, which will support **equity** dividend yield. His top nonbank yield recommendations are Telstra (TLS.AU), Insurance Australia Group (IAG.AU), AMP (AMP.AU), Transurban (TCL.AU) and Wesfarmers. Among the banks, he suggests buying ANZ (ANZ.AU) and NAB (NAB.AU). Aitken also likes Qantas (QAN.AU) as it approaches his A$2/share target. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

2307 GMT [Dow Jones] Comments by RBNZ Governor Graeme Wheeler "reinforce a degree of comfort in presenting an extended pause in their tightening cycle at their upcoming Dec. 11 monetary policy statement," says Chris Green, First NZ Capital Director, Economics and Strategy. He says the "Future Challenges" section refers to a "combination of weaker than anticipated domestic inflationary pressures -- involving a reassessment of the NZ's historic growth and inflation dynamic -- together with an increased awareness regarding the potential implications and feed-back loops of global factors -- both international growth prospects and policy actions." Green says these factors largely explain the recent softening in the RBNZ's tightening bias. FNZC expects the OCR to remain on hold at 3.5% until Dec. 2015. (rebecca.howard@wsj.com; Twitter: @FarroHoward)

2304 GMT [Dow Jones] Australian Prime Minister Tony Abbott has said he hopes the government will make an announcement on the appointment of the new Treasury Secretary in coming days. The government has dragged its feet on making a decision, even as the integrity of its budget has been eroded by the blocking of key revenue and spending measures in the Senate, and a sharp decline in commodity prices in 2015, including a 50% fall in the price of **iron ore**, the country's biggest export. Outgoing Treasury Secretary Martin Parkinson warned last week that the country's living standard could fall unless hard decisions are made to repair the budget. (james.glynn@wsj.com; Twitter @JamesGlynnWSJ)

2256 GMT [Dow Jones] Bell Potter upgrades Technology One (TNE.AU) to hold from sell, maintaining the software **company** still has a bright future and that it had only been advising punters to avoid the stock on valuation grounds. Technology One offers software to businesses for purposes such as financing and payroll. Like most companies it's facing a deteriorating economic outlook in Australia as the country's long **mining** boom fades. "While we now see the stock as more fairly valued around the current share price, we do not see any clear catalysts in the short term to move the share price upwards," Bell Potter says, keeping its price target at A$3.00/share. TNE last at A$2.99. (Ross.Kelly@wsj.com)

(END) Dow Jones Newswires

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