Investment Watch

Summer 2020 Outlook

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morgans

Welcome

Another year has flown by. With Christmas just around the corner, we take this opportunity to look back on an eventful year.

For the Morgans team it has been an exciting year of growth as we welcomed 3 new branches and 43 new advisers into the family.

Morgans via our charitable foundation, donated over $750,000 to around 90 charities in Australia. Many of these charities were chosen because of our staff involvement. For example, in November, a team of 11 staff visited Fiji where they helped build houses through the charity Habitat for Humanity Australia.

Coming into year end, we've raised $1,000,000 (and counting) for RuralAid via our Big Dry Friday appeal to assist drought affected farmers. Funds were raised from clients and friends, and the Morgans Foundation has also donated $250,000. In addition, the whole Morgans Institutional business donated all brokerage generated on the day. Thank you to everyone who contributed your support will go a long way.

Morgans continued to be recognised in 2019 for excellence in research. Senior analysts Nathan Lead, Belinda Moore, Alex Lu and Fiona Buchanan won awards at the StarMine Analyst Awards from Refinitiv, which recognises outstanding performance as stockpickers and/or earnings estimators. 2019 continued the tradition of our experienced research team consistently ranking in the awards each year.

As for the 2020 outlook, Michael Knox and the Equity Strategy team continue to uncover compelling opportunities amongst the market noise. Early signs point to potential strengthening in the global economy through 2020-21, and while conditions are tepid, the Australian economy is in sound shape. We remind investors to remain vigilant against a series of macro-economic risks which are likely to make for a bumpy ride. That is why in this extended version of Investment Watch we include our key themes and picks for 2020 as well as our best buys. As always, speak to your adviser in relation to which stocks suit your investment goals.

2019 has been another exciting year of growth for Morgans so from all the staff and management we appreciate your ongoing support as a valued client of our business. We wish you and your family a safe and happy festive season, and we look forward to sharing with you what we believe will be a prosperous 2020.

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Recently published research

- **Australia Strategy** – Sector outlooks and preferred picks (28/11)
- **Australia Strategy** – Morgans International Investing update (11/11)
- **Westpac** – AUSTRAC commences formal action (21/11), ADD PT A$30.50
- **Telstra** – Pedalling hard to catch the next cycle, (28/11), ADD PT A$4.46
- **Woodside** – Having its cake and eating it too, (2/12), ADD PT A$38.77

In this issue 🔗 indicates published research available online.

Economics – where is the US market headed in 2020?

US earnings growth is beginning to rise again. This explains why the US market is looking a little bit better than was expected as we head into 2020.

Estimates of market earnings are key inputs into our valuations of the US (S&P500 Index) and Australian stock markets (ASX200). Most of the stocks in US markets are not traded by individuals, they're traded by machines. When machines look for a measure of earnings, they adopt the one that has the highest correlation to actual share prices. Even though the market talks about quarterly earnings (which are still important), what really determines the level that stocks vary is 12-month rolling earnings (per share).

The rate of growth in the 12-month rolling earnings in the S&P500 reached its peak in the third quarter of 2018, posting stunning growth of 27%. This was about a year after US corporate tax cuts were passed into law, which were the dominant driver.

We then saw a sharp fall in earnings into the fourth quarter of 2018. This happened because the provisions for bringing back corporate income that was parked overseas back into the US resulted in a flow of money before the end of the US government financial year. This finished at the end of September, meaning the money brought back from the fourth quarter was much less, leading to a slump in earnings per share.

The earnings growth rate declined to only 2.4% for the year to the September quarter of 2019 (from 27%). Part of this was due to the artificially high base in earnings in the previous period. Right now, that base effect is disappearing, so from here on 12-month earnings will begin to rise at a faster pace.

Earnings growth should improve to 6.3% for the year to December 2019 and should continue to accelerate at a modest pace. It rises to 9.4% by the end of the June quarter and rises by 11.7% for the year to the December quarter of 2020.

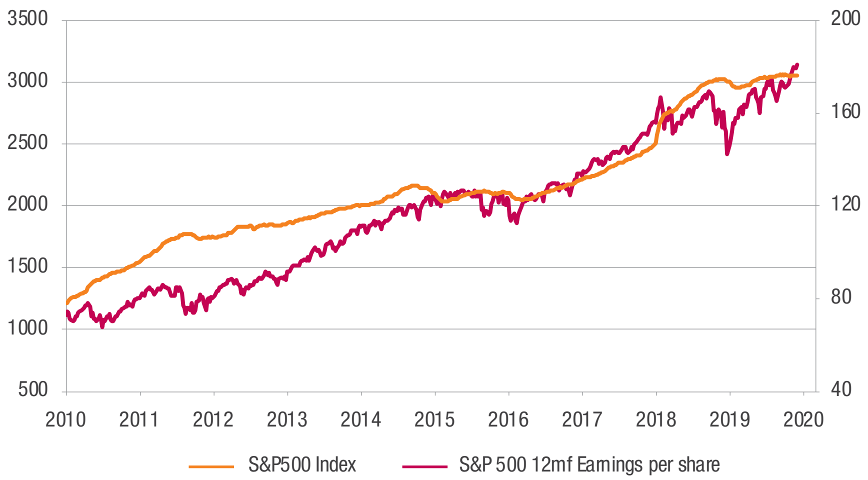
Our valuation of the S&P500 based on current earnings and bond yields sits roughly 200 points below current prices, suggesting the US market is moderately overvalued. Similarly our valuation of the ASX200 sits roughly 220 points below current prices. Both the US and Australian markets are strong, but they are only moderately over-valued when we look at what's actually happening with earnings and bond yields.

Markets certainly do feel over-extended at present. However December is the strongest seasonal month of the year, and earnings fundamentals, particularly in the US do look resilient. This suggests that any market correction during the summer months, and in 2020 for that matter, has a strong chance of being short lived.

Current US dynamics suggest that any market correction during the summer months, and in 2020 for that matter, has a strong chance of being short lived.

Refer to our recent research for more Economics coverage **The S&P500 and the ASX200: What are they worth?** http://bit.ly/IW-Summer-2020-What-Are-They-Worth

S&P500 Index versus Consensus 12m forward EPS forecasts



Source: Factset

Equity strategy

2020 outlook and tactics

Our equity strategy in 2019 emphasised the need for investors to stay vigilant and that remains the case into 2020. Several unusual economic drivers remain in play, several of which are frankly hard to explain. Bond holders in Japan and parts of Europe are so nervous about possible deflation that they pay central bankers to hold their money, driving negative bond yields. Meanwhile key equity markets continue to ratchet toward new records. With global geopolitics now seemingly playing out daily in the Twittersphere, these are truly abnormal times.

A softer global outlook

Recent economic data continues to reflect strain in the global economy. Global manufacturing (ex the US) dipped into contractionary territory in late 2019, while US economic growth also eased to 1.9%. Growth in advanced economies looks set to ease further in 2020 as labour markets weaken and softness spreads from industry into the services sector. De-globalisation has been a by-product of the rise of populist political agendas globally, which poses risks to emerging economies.

That said, there are few signs that suggest a recession is imminent. The recent reversion of the yield curve suggests that US recessionary risks are actually fading and there is every chance the large drop in global interest rates seen already will underpin a cyclical recovery into 2021. Lead indicators suggest that recovery is likely to be gradual, but it pays to remember that equity markets will price this in earlier.

The global economy (and markets) have so far averted several potential "crises" in the current prolonged post-GFC expansion and it looks reasonable to expect more of the same in 2020.

The Australian outlook

Recent Australian economic data has been disappointing, notably around retail sales, jobs data and a slight tick up in unemployment, although the 2019 housing price rebound brought relief. Activity levels are sluggish. NAB's latest business surveys "continue to point to only modest outcomes in the business sector, though forward-looking indicators have improved slightly and may be pointing to a stabilisation in conditions". Our best interpretation is that the economy is in better shape than the press suggests, but that tepid activity levels are set to persist in 2020.

Chinese economic activity remains a key influence. Chinese construction activity – a key consumer of Australia's raw materials – proved surprisingly resilient in 2019 amid broadly weaker manufacturing activity. Conditions look challenging into 2020, reflected in slower residential property activity. Easier monetary policy offers support, but Chinese growth has slowed from the official target of 6.5% in 2018, to around 5.2% in 2019 and a slightly lower level looks likely in 2020.

Australian corporate earnings

Australian industrial companies (ASX200 ex-Mining) grew their profits by only 1.0% in FY19, and a mixed AGM season crystallised further downgrades, suggesting we may see profits fall for this cohort in FY20. The tepid economy and major bank remedial actions are key drivers. Clearly the premium in equity yields (~4.2%) achievable relative to bond/fixed interest yields (~1.1%) is stretching equity valuations.

Improved equity investor sentiment is occurring globally into year end, and further cuts to local rates may help sustain Australian shares near record highs. However we see a material risk of an eventual disconnect between ever higher equity prices and the earnings results companies print at the half year reporting season.

The 2020 events to watch

Central banks now have limited remaining ammunition, so the pivot from monetary to stimulatory fiscal policy should ramp up in 2020 offering support to market sentiment. Jockeying by key powers ahead of the November 2020 US election is likely to shape markets next year. This includes Trump's possible impeachment and trade deal negotiating tactics.

Trade tensions are manifesting globally as populist political agendas continue to creep into play. A partial US-China trade deal appears on the cards, offering a potential boost to a global economic rebound. However strained US-China relations and renminbi depreciation is likely to persist, suggesting that decoupling of the two economies will continue.

Political developments in Europe and the UK could continue to challenge that region's unity. We don't expect any Eurozone members to leave the bloc, but tensions could spark financial stress for countries on the periphery, such as Italy.

We'd be surprised if any of these events didn't crystallise some market angst in 2020, and we look to these moments to deploy spare capital opportunistically.

Tactical thinking into 2020

Stretched equity valuations disagree with very cautious bond markets suggesting the weight of invested capital struggles to identify a clear outlook. Easier monetary policy and the capacity for fiscal stimulus offers support to the softening global economy. Australia's economic fundamentals do look sound, suggesting that recession is not imminent.

Elevated market risk suggests investors should continue to build portfolio protection through diversification. Our updated asset allocations settings (page 10) maintain a defensive stance as insurance against elevated macro-economic uncertainty and stretched asset values.

We continue to advocate key tactics into 2020:

Temper expectations

Investors face a prolonged period of low inflation, low growth and potentially tepid returns.

Avoid complacency

We see a material risk of an eventual disconnect between ever higher equity prices and the earnings results companies print at half yearly reporting seasons. Stretched valuations leave little room for error if companies disappoint.

Tread carefully in high yielders

We caution income investors of chasing diminishing yields at the expense of assuming excessive portfolio risk.

Be opportunistic

Be open to re-cycling profits and to actively pursuing opportunities during inevitable market volatility.

Act decisively

The depth of inevitable market pullbacks in 2020 is protected by growing cash piles in money market funds. Windows of opportunity may be short.

We prefer stocks that provide exposure to above average growth prospects, experienced management teams and healthy balance sheets. We highlight our preferred sector exposures below.

We'd be surprised if geopolitics didn't crystallise some market angst in 2020, and we look to these moments to deploy spare capital opportunistically.

Equities – Preferred stocks by sector	
Banks	Westpac
Financials	Link Administration, Kina Securities, Generation Development
Industrials	Orora, PWR Holdings, Cleanaway
Healthcare	Resmed, Sonic Healthcare, Volpara, Promedicus
Telecommunications	Telstra, Over the Wire
Consumer Staples	–
Consumer Discretionery	Lovisa, Baby Bunting, Super Retail Group
Resources	Oz Minerals, Red 5, Orocobre
Energy	Woodside, Oil Search, Cooper Energy

Equities – Preferred stocks	
Food & Agriculture	Treasury Wines
Infrastructure	Transurban, APA Group
Online / Software / IT	Iress, Frontier Digital Ventures

Property – Preferred AREITs	
AREITs	Aventus, APN Conv. Retail REIT

Fixed Interest – Preferred securities	
Hybrids / LITs	CBAPD, NABPE, WBCPE, GCI, MXT

Banks – outlook better than recent events suggest

Coming into the latest round of reporting, we had been of the view that the underlying cash earnings outlook for the major banks is better than the results will suggest. We continue to be of this view.

Recent bank results have shown that overall credit growth for the major banks has been anaemic over the last six months, particularly due to very subdued home loan growth and the major banks generally continuing to focus on optimising returns in institutional banking by running off lower-returning exposures.

However, we believe system home loan growth over the next 12 months will be better than the last 12 months as a result of the recent official cash rate cuts as well as the First Home Loan Deposit Scheme which kicks in on the 1st of January 2020. It also appears that the major banks are now largely done with running off low-returning exposures in their respective institutional divisions.

With the exception of ANZ, recent results told us that underlying net interest margins (NIMs) are broadly stable.

We generally expect major bank NIMs to be broadly stable over the next couple of years even if the RBA reduces the official cash rate further. We also again point out that the RBA may consider introducing a lending program as an unconventional monetary policy tool to allow the banks to lend more without compromising NIMs.

Asset quality remains broadly sound, however, we continue to keep a close eye on 90-day home loan arrears as these have been trending up over the last year. On capital, there is a risk that NAB may need to raise ordinary equity if AUSTRAC launches a civil penalty proceeding against it.

In terms of Westpac's AUSTRAC issue, while the timing and quantum of a potential civil penalty are both highly uncertain, at this stage we suspect the penalty will not exceed $2bn; from this perspective, the sell-off in WBC's shares looks overdone to us. **Westpac** remains our preferred major bank.

Westpac
ADD PT A$30.50
AUSTRAC commences formal action

Telecommunications – building momentum

In late 2019, 90% of the National Broadband Network (NBN) will be built and 75% of households will be using the NBN as their fixed line connection. In our view, the 75% marks a critical inflection point as it means competition for NBN customers lessens. This can be seen in prices creeping higher over the last 12 months.

With the NBN pressure largely worked through, the next major milestone for the sector remains the High Court's approval (or not), of the merger of TPG Telcom and Vodafone. Once this is known, the competitive landscape will be known, and we expect investor attention to return to the sector.

Telstra is our key pick for its upside if sector profits improve, which we think is only a matter of time. Given TLS holds ~50% market share in fixed and mobile, they have the best economies of scale and most to gain when markets become more rational. 5G mobile plans will become more commonplace and typically next generation technologies, like 5G, initially come with higher plan prices. The lead indicator of a more rational market is that both NBN and mobile plan prices have tracked higher in CY19. This is yet to be factored into Telco share prices.

Over The Wire is our preferred small cap stock. It boasts double digit organic growth, healthy financials and looks likely to undertake further acquisitions. Historically OTW makes a sensible, value creating acquisition every 12 months, and it has now been more than 12 months since their last acquisition.

The recovery in the Telco sector now looks entrenched, and we expect further gains into 2020.

Telstra
ADD PT A$4.46
Pedalling hard to catch the next cycle

International – the importance of international diversification

In a lower-for-longer growth world, investors need to cast a wider net to sustain the same level of return they have been accustomed to over the past decade. A core plank of this is investing into international markets.

The Australian equity market represents just 1.8% of the global total. The four major banks (ANZ, CBA, NAB, and WBC) and two major miners (BHP and RIO) make up over 25% of the domestic market. The Australian market is not only small on a global scale but it is also highly concentrated in two sectors: Financials and Resources (c50% of the market). Strong capital returns and consistent dividend streams have made these attractive investments for long periods of time, but in an environment where growth is scarce and dividend growth is limited, investors face the prospect of suboptimal returns and concentration risk. International diversification provides exposure to different economic cycles and access to a much broader set of market thematics.

International investing has never been easier

Investing offshore is no longer limited to buying and selling individual companies. Investors now have access via the ASX to over 121 internationally focused Listed Managed Investments and Exchange Traded Funds with products ranging from passive index tracking exposures through to actively managed investments. Some listed products also offer the identical strategy in a hedged version which can mitigate currency volatility. In this update, we highlight our preferred international exposures and look at themes that we believe will endure over the balance of 2019 and into 2020.

Gaining access to emerging trends

The pace at which themes transform businesses is unprecedented today, but we believe this rate of technological change will be faster still over the next decade. The exponential growth of data (doubling every 2-3 years), commoditisation of computing power and rise of a connected world (Internet of Things and 5G) will bring about incredible change for societies. These trends, enabled by mobile connectivity as the bedrock platform, will hasten the rollout of nextgen technologies (autonomous vehicles, big data and artificial intelligence). Investors need to look offshore for the best examples of companies associated with these emerging trends.

Refer to **Morgans International Strategy Update** for options available for investing overseas and global themes that we think will define the start of the next decade. http://bit.ly/IW-Summer-2020-International-Investing

Morgans key international themes

Exposure	Name	Key Investments
Index ETF	iShares Core MSCI World (IWLD)	Cost effective, diversified global large, mid-cap and small caps index exposure
Smart Beta	VanEck MSCI World Quality (QUAL)	Diversified global stock index screened on quality metrics (ROE, EPS, leverage)
LIT	Magellan Global Trust (MGG)	High Conviction, technology winners, defensive value, low risk of disruption
LIC	Platinum Capital (PMC)	China and Global Cyclicals (Semi conductors, Autos, Energy and Metals)
LIC	Future Generation Global (FGG)	Exposure to a basket of leading global fund managers

Source: Morgans, Company/Fund Reports

Healthcare – a star performer

The Healthcare sector has continued to outperform the broader market (+7.3% over the last quarter) adding to its impressive yearly gain (+25%), with the majority of names strengthening on the appeal of the sector's 'defensive growth' attributes amid sluggish global growth and macro-economic uncertainty.

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CSL has taken pole position (+13.5% over the last quarter), as tight supply of plasma raw material and competitor challenges continue to capture investor attention. While CSL remains a core holding, we remain cautious on unbridled multiple expansion (FY20 42.1x) and would advise reassessments on pullbacks.

Preferred pick **ResMed** is also a standout (+8.8% over the last quarter), supported by yet another quarter of market beating growth in sleep and respiratory care, along with continued operating leverage underpinned by its evolving end-to-end digital health solutions.

We also rate medical diagnostics service provider Sonic Healthcare for its growing momentum amid a relatively benign regulatory backdrop. We also recently upgraded Monash IVF, which recently provided further clarification on the departure of five referring fertility specialists flagged last August, and we see several initiatives likely to drive profit growth of c5% over the medium term.

We understand…what goes up…tends to come down… but we believe many of the high growth names have been unduly discounted and now represent buying opportunities. Promedicus offers a strong pipeline of deals and progress on the roll out of existing contracts (A$180m over 5 years) underpinning a 3-year earnings CAGR of +30%. Volpara offers 2 near-term key catalysts; mandating US breast density patient information; and publication of 10-year data on software.

Many high growth health care names have recently been unduly discounted and now represent compelling buying.

Refer to our research reports on **Volpara** http://bit.ly/IW-Summer-2020-Volpara and **Promedicus** http://bit.ly/IW-Summer-2020-Pro-Medicus

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Wishing you and your families a

safe and happy

festive season.

This Christmas we recognise Australia's farmers and regional drought-stricken communities.

Fixed Interest – opportunities in a low yield environment

Deposit rates have continued to decline as the RBA cut the Official Cash Rate by 25bp to 0.75% and market expectations are that rates will hit 0.5%. Banks have sought to protect margins by dropping the rates they pay deposit holders and this continues to put pressure on investor returns from cash holdings.

Consequently investors are often moving into lower risk investments in the hunt for yield, which in turn puts pressure on asset prices. We have seen that in fixed interest and equity markets (particularly in the property and utility/infrastructure spaces) and in the listed fixed interest space securities with high issue margins have been bid up by investors. All things considered, we continue to view term deposits as attractive risk/return propositions in the current market climate.

It has been a busy period in the listed fixed interest space as we have seen a number of financial issuers come to market with new Additional Tier 1 issues. We have also seen the first ASX listed corporate bond in some time following Virgin Australia launch their deal. Investors continue to seek yield in the low rate environment and the listed fixed interest trust spaces have seen strong demand for investors. Recently KKR raised $925m for a credit income fund that trades under the ASX code KKC, while GCI announced an entitlement offer. We view the listed investment trusts as solid portfolio diversifiers for clients and view their regular, unfranked income as attractive in a period of low interest rates. Our preferred picks in the listed fixed interest are CBAPD, NABPE and WBCPE, while in the LIT space we like GCI and MXT.

Recent initiations

Beach Energy (BPT) HOLD PT A$2.29	Solid growth already priced.
Cardno (CDD) ADD PT A$0.67	Cardno is undertaking a demerger that will create two separate ASX listed entities with Intega taking the Quality and Materials Testing operations while Cardno will be a pure play consulting business.
Intega (ITG) ADD PT A$0.54	
Opticom (OPC) ADD PT A$3.45	OPC builds, owns and operates fibre based open access wholesale telecommunication networks. These are predominantly for residential premises.
Red 5 (RED) ADD PT A$3.45	RED 5 is a multi-asset gold producer with two operational mines in Western Australia (Darlot and King of the Hills).
Western Areas (WSA) ADD PT A$3.39	WSA is the largest pure play nickel producer on the ASX.

MoneyMe Limited Initial Public Offer

moneyme

Initial Public Offer to raise $45 million at $1.25 per share.

MoneyMe Limited is a digital consumer credit business that leverages its technology platform and big data analytics to deliver an innovative loan offering to tech-savvy consumers.

Listing on the ASX
Thursday, 12 December 2019

Please speak to your Adviser for more Information.

Company website
moneyme.com.au

Recommended Asset allocations and active tilts

Sluggish economic data both overseas and domestically (referred page 3) are the result of the substantial, and simultaneous, tightening in monetary policy by various central governments in 2018, combined with ongoing 'trade policy' tightening. Trade tensions are manifesting not only in the well documented stand-off between the US and China, but also elsewhere as populist political agendas continue to creep onto the investing landscape as a tangible risk.

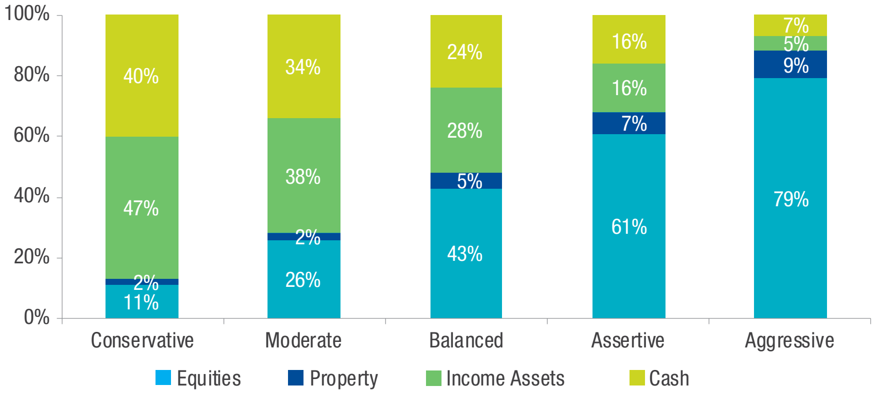
An aggressive pivot toward easier monetary by Central Governments globally stepped up in the second half of 2019, significantly lowering the cost of credit. The progression of monetary into fiscal stimulus is likely to feature in the short term given recent economic data and macro risks. Government long bond yields recovered slightly in late 2019, but remain near record lows (many are negative) in key jurisdictions. Equities continue to edge higher against this backdrop, suggesting investors in contrasting asset classes are struggling to agree on the economic outlook. Clearly these are abnormal times.

Investor expectations around growth, inflation and interest rates are being re-set lower for longer. The yield differential in some equity sectors over bonds (particularly REITs and Utilities), rather than fundamentals, is the main driver of sector returns. Whether this can carry on much further is debatable, however parts of these sectors are clearly expensive, and we caution investors against chasing diminishing yield returns, at the expense of assuming excessive portfolio risk. Our recent Equity Strategy work keeps a close eye on tepid corporate profits versus dividend sustainability in this context.

Despite the abnormal environment, there are positives within the economic outlook: 1) US growth while softening is still solid at around 2%, 2) US employment remains near multi-decade highs; 3) Australian income growth (+3%) is far better than headline GDP figures imply; and 4) central bankers stand ready to combat economic headwinds.

Overall, we continue to caution that investors should temper expectations of above-average returns in a low growth environment. This backdrop supports cautious asset allocation settings. We've maintained our defensive tilts noting the economic unknowns in play (Trade, China, Brexit). We apply slight negative tilts to Equities (-1%) and Property (-1%) in favour of a positive tilt towards cash (+4%) as insurance against downside surprise.

Benchmark long-term Asset Allocation and current Tactical Tilts



Sources: Morningstar, Morgans Research

Benchmark long-term asset allocations and tactical tilts

	Conservative	Moderate	Balanced	Assertive	Aggressive	Tactical Tilts
Equities	12%	27%	44%	62%	80%	-1%
Property	3%	3%	6%	8%	10%	-1%
Income Assets	49%	40%	30%	18%	7%	-2%
Cash	36%	30%	20%	12%	3%	4%

Source: Morningstar, Morgans

Quick views per asset class

Equities	Equity valuations look stretched relative to flattening profit growth. Clearly yield arbitrage versus bonds is in full effect, and we caution against complacency.
Listed Property	Low cash rates remain supportive, as does defensive income as a hedge against economic risks. However the sector is expensive, and it's debatable as to how much further this arbitrage has to run.
Global Infrastructure	Appetite for quality yield is strong given the interest rate outlook. Global infrastructure such as toll roads, airports and utilities remains attractive for income certainty and stable growth.
Listed Fixed Interest	A number of financial institutions have recently raised Additional Tier 1 Capital. Listed fixed interest trusts are growing in popularity and provide investors with immediate diversification. We expect further issuance in this space.
Government Bonds	We continue to recommend that conservative investors with <$250,000 stick to term deposits given the Government guarantee over direct Government bond investments.
Term Deposits	Leading term deposit rates continue to offer good risk adjusted returns at around 1.5% for 12 months.
Cash	Despite lower returns, we maintain a higher cash weighting for capital preservation and to protect against downside risks.

Morgans best Ideas

Our best ideas are those that we think offer the highest risk-adjusted returns over a 12-month timeframe, supported by a higher-than-average level of confidence. They are our most preferred sector exposures.

Refer to our Morgans best ideas update for more **morgans.com.au/stockpicks**

Company	Sector	Size	Risk Profile	Price	12m Price target	Dividend Yield	Gross Yield	12m TSR
Telstra Corporation (TLS)	Communication	Large	Lower	$3.70	$4.46	4.3%	6.1%	25%
Treasury Wine Estates (TWE)	Cons. Staples	Large	Moderate	$17.19	$20.60	2.4%	3.5%	22%
Woodside Petroleum (WPL)	Energy	Large	Lower	$33.72	$38.77	5.5%	7.9%	21%
Oil Search (OSH)	Energy	Large	Moderate	$7.06	$8.68	2.7%	2.7%	26%
Westpac Banking Corp (WBC)	Financials	Large	Lower	$24.27	$30.50	6.6%	9.4%	32%
Sonic Healthcare (SHL)	Health Care	Large	Lower	$29.16	$31.00	3.0%	3.4%	9%
Transurban Group (TCL)	Industrials	Large	Lower	$15.09	$14.67	4.1%	4.4%	1%
APA Group (APA)	Utilities	Large	Lower	$10.73	$10.64	4.6%	5.3%	4%
ResMed Inc (RMD)	Health Care	Mid	Moderate	$22.07	$22.82	1.1%	1.1%	5%
Cleanaway Waste (CWY)	Industrials	Mid	Lower	$2.05	$2.00	1.8%	2.6%	-1%
Link Administration (LNK)	Technology	Mid	Moderate	$5.56	$6.47	3.1%	3.1%	19%
Orora (ORA)	Materials	Mid	Lower	$3.24	$3.34	4.0%	4.5%	7%
OZ Minerals (OZL)	Materials	Mid	Moderate	$10.52	$10.90	2.1%	2.1%	6%
Frontier Digital Ventures (FDV)	Communication	Small	Higher	$0.80	$0.96	0.0%	-	19%
PWR Holdings Limited (PWH)	Cons. Discretionary	Small	Moderate	$4.87	$5.30	2.1%	2.9%	11%
Lovisa (LOV)	Cons. Discretionary	Small	Moderate	$12.02	$14.12	2.6%	3.7%	20%
Baby Bunting Group (BBN)	Cons. Discretionary	Small	Moderate	$3.39	$3.92	3.4%	4.9%	19%
Cooper Energy (COE)	Energy	Small	Higher	$0.54	$0.69	0.0%	-	28%
Kina Securities (KSL)	Financials	Small	Higher	$1.51	$1.65	8.8%	8.8%	18%
Generation Development (GDG)	Financials	Small	Higher	$0.69	$0.83	2.9%	2.9%	23%
Pro Medicus (PME)	Health Care	Small	Higher	$23.27	$32.79	0.5%	0.5%	41%
Volpara (VHT)	Health Care	Small	Higher	$1.80	$2.17	0.0%	-	20%
Over The Wire (OTW)	Technology	Small	Higher	$4.61	$5.16	0.8%	0.8%	13%
IRESS (IRE)	Technology	Small	Moderate	$13.16	$15.42	3.6%	4.3%	21%
Orocobre (ORE)	Materials	Small	Higher	$2.34	$4.80	0.0%	-	105%
Red 5 (RED)	Materials	Small	Higher	$0.25	$0.50	0.0%	-	98%
Aventus Group (AVN)	Real Estate	Small	Lower	$2.90	$2.86	5.9%	5.9%	5%
APN Conv. Retail REIT (AQR)	Real Estate	Small	Lower	$3.54	$3.62	6.2%	6.2%	8%

Source: Bloomberg, Morgans, Data as at 9 December 2019

Queensland

Brisbane Stockbroking, Corporate Advice, Wealth Management	+61 7 3334 4888
Brisbane Edward Street	+61 7 3121 5677
Brisbane Tynan Partners	+61 7 3152 0600
Brisbane North Quay	+61 7 3245 5466
Bundaberg	+61 7 4153 1050
Cairns	+61 7 4222 0555
Caloundra	+61 7 5491 5422
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Gold Coast	+61 7 5581 5777
Holland Park	+61 7 3151 8300
Ipswich/Springfield	+61 7 3202 3995
Kedron	+61 7 3350 9000
Mackay	+61 7 4957 3033
Milton	+61 7 3114 8600
Newstead	+61 7 3151 4151
Noosa	+61 7 5449 9511
Redcliffe	+61 7 3897 3999
Rockhampton	+61 7 4922 5855
Spring Hill	+61 7 3833 9333
Sunshine Coast	+61 7 5479 2757
Toowoomba	+61 7 4639 1277
Townsville	+61 7 4725 5787

New South Wales

Sydney Stockbroking, Corporate Advice, Wealth Management	+61 2 9043 7900
Sydney Grosvenor Place	+61 2 8215 5000
Sydney Reynolds Securities	+61 2 9373 4452
Sydney Currency House	+61 2 8216 5111
Armidale	+61 2 6770 3300
Ballina	+61 2 6686 4144
Balmain	+61 2 8755 3333
Bowral	+61 2 4851 5555
Chatswood	+61 2 8116 1700
Coffs Harbour	+61 2 6651 5700
Gosford	+61 2 4325 0884
Hurstville	+61 2 8215 5079
Merimbula	+61 2 6495 2869
Mona Vale	+61 2 9998 4200
Neutral Bay	+61 2 8969 7500
Newcastle	+61 2 4926 4044
Orange	+61 2 6361 9166
Port Macquarie	+61 2 6583 1735
Scone	+61 2 6544 3144
Wollongong	+61 2 4227 3022

Victoria

Melbourne Stockbroking, Corporate Advice, Wealth Management	+61 3 9947 4111
Brighton	+61 3 9519 3555
Camberwell	+61 3 9813 2945
Domain	+61 3 9066 3200
Geelong	+61 3 5222 5128
Richmond	+61 3 9916 4000
South Yarra	+61 3 8762 1400
Southbank	+61 3 9037 9444
Traralgon	+61 3 5176 6055
Warrnambool	+61 3 5559 1500

Australian Capital Territory

Canberra	+61 2 6232 4999

Northern Territory

Darwin	+61 8 8981 9555

Tasmania

Hobart	+61 3 6236 9000

Western Australia

West Perth Stockbroking, Corporate Advice, Wealth Management	+61 8 6160 8700
Perth	+61 8 6462 1999

South Australia

Adelaide	+61 8 8464 5000
Exchange Place	+61 8 7325 9200
Norwood	+61 8 8461 2800
Unley	+61 8 8155 4300

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