

Markets

SFE 200 Futures (9.25am AEST)	5415	9	0.2
NZX 50	6963	-14	-0.2
DJIA Futures	18127	2	0.0
S&P 500 Futures	2138	0	0.0
NASDAQ Futures	4829	-2	0.0

Local Markets Commentary

The Australian market opens on generally lacklustre equities and mixed commodities leads, ahead of a third and final US presidential candidate debate commencing later this morning (AEDST).

In overnight commodities trade, **oil** rallied. **Gold** futures also continued higher. **Copper** declined a little. **Iron ore** (China port) closed steady.

The **\$A** traded beyond US77.0c after reaching ~US76.70c early yesterday evening.

Locally today, September **employment** figures are due **11.30am** AEDST.

NAB's quarterly business survey and CBA's monthly business sales indicator are also due.

September forex transactions and reserve assets are due from the RBA post-trade.

September property prices are due out of China tomorrow.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18203	41	0.2
S&P 500	2144	5	0.2
NASDAQ	5246	3	0.1
FTSE 100	7022	22	0.3
DAX 30	10646	14	0.1
Shanghai Comp	3085	1	0.0

Overseas Markets Commentary

Major European and US equities markets ultimately gained overnight, rising oil prices supporting the energy sector and some on-target data out of China offering relief from some of last week's figures.

In **US** data releases, the Federal Reserve's region-by-region economic summary (beige book) revealed wages were beginning to rise in some districts, but overall remained 'modest'. In addition, the report noted increased residential property activity.

September housing starts fell 9%, impacted by a 38% drop for apartments. Single-family home commencements rose 8.1% however.

Building permits rose 6.3%.

Weekly mortgage applications rose just 0.6% but were nonetheless 18.5% higher than a year ago.

UK August unemployment was reported at a steady 4.9%.

For the three months to the end of August, average earnings rose 2.3% year-on-year.

Meanwhile, **Saudi Arabia** conducted a \$US17.5B bond offer.

Tonight in the **US**, weekly new unemployment

Australia - September employment figures due **11.30am** AEDST.

* Cannabis-based health products listing **11.30am** AEDST - **CPH** *

Today's Stock Watch

QBE Insurance Group (QBE)

Inviting certain note holders to tender some or all of their QBE notes for sale back to QBE. The offer covers \$US538.6M worth of notes. Details lodged post-trade yesterday.

Ten Network (TEN)

\$156.8M full-year net loss, following a \$312.2M loss a year ago 5.4% higher, \$689.5M revenue. \$67,000 cash on hand. \$14.7M cash at bank. 10c NTA. AGM 8 December.

Australian Pharmaceutical Industries (API)

19.8% higher, \$51.7M full-year NPAT. 11.1% higher, \$3.8B revenue. 3.5c fully-franked final dividend, up 1c. 70.9c NTA. 10.5c EPS. \$25.5M cash and equivalents. AGM 25 January.

Brambles Ltd (BXB)

4% higher, \$US1.4B September quarter revenue. 5% higher on a constant currency basis, and 7% on continuing operations, constant currency terms.

MG Unit Trust (MGC)

Lowering forecast \$42M FY 2017 NPAT due to southern region wet-weather milk losses reaching ~350ML, equivalent to ~10% of FY 2016 production. Anticipating 10% - 12% lower FY 2017 production. Southern milk region farm-gate milk price forecast also revised from \$4.88kgms to \$4.70kgms.

Crown Resorts (CWN)

AGM today. Previously-flagged demerger update lodged this morning.

Sydney Airport (SYD)

September domestic passenger numbers grew 3.9% and international 5.5%, making for an overall 5.5% year-on-year increase. For the year to date, passenger numbers have risen 6.2%, 9.4% for international passengers and 4.5% domestic.

Creso Pharma (* CPH)

Cannabis/hemp pharma/nutraceutical product developer due to list 11.30am AEDST following a \$5M, 20c-per-share IPO.

Resources

Rio Tinto (RIO)

Produced 83.2Mt of iron ore during the September quarter, up 2% year-on-year. Shipped 80.9Mt, down 5%. Compared with a year ago, produced 21% more hard coking coal (2.175Mt), 4% more semis-soft and thermal coal (5.412Mt), 3% more bauxite, 1% more aluminium, 4% less copper and 13% more titanium dioxide slag. Nine-month statistics also lodged this morning. Revising 2016 iron ore shipments from 330Mt to 325Mt - 330Mt.

Fortescue Metals Group (FMG) / South32 Ltd (S32)

September quarter production statistics anticipated today.

BHP Billiton (BHP)

BHP Plc AGM later today in London. Targeting a 50% female workforce by 2025 and expected to announce this as a policy at the AGM.

Energy

Woodside Petroleum (WPL)

Due to report for the September quarter.

claims, September existing home sales, a regional manufacturing index and a leading index report are due.

The European Central Bank will convene a policy meeting and host a post-meeting press conference.

American Airlines, Bank of NY Mellon, E*Trade, Microsoft, Nestlé, PayPal, Schlumberger Verizon and Walgreens Boots are among companies scheduled to report.

BAE Systems, Rolls-Royce Holdings and HSBC trade ex-dividend on the FTSE 100.

Overnight, **Morgan Stanley** results pleased early, but challenging market conditions were noted.

Wells Fargo pushed back a 10-year bond sale on a credit rating outlook downgrade to negative.

American Express earnings fell.

Halliburton surprised with a profit, but remained cautious.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1270	oz	7	0.6
Silver (NY) (Dec)	17.7	oz	0.1	0.3
Gold (LON)	1269	oz	11	0.9
Platinum	941	oz	-1	-0.1
WTI Crude (Dec)	51.4	bbl	1.1	2.3
Brent Crude	52.6	bbl	0.9	1.7
Iron Ore (Tianjin)	58.0	t	0.0	0.0
Copper (LME)	4671	t	-10	-0.2
Nickel	10310	t	-100	-1.0
Aluminium	1632	t	-11	-0.6
Lead	1998	t	25	1.2
Zinc	2308	t	23	1.0
Tin	19925	t	300	1.5
CBT Wheat (Dec)	4.16	bshl	-0.04	-1.0

Commodities Commentary

Oil – EIA's (US agency) weekly petroleum stockpiles report revealed a 5.2MMbbl fall in **US**-stored crude for the week ending last Friday.

Saudi Arabia's energy minister Khalid al-Falih told an oil and gas conference in London that the global petroleum market was heading towards a deficit.

Gold – continued to appreciate overnight, supported by a weaker \$US, mostly well-received GDP and retail sales figures out of China yesterday, and near-term demand commentary out of a key gold conference in Singapore.

Base metals - China's September quarter 6.7% year-on-year GDP growth, reported yesterday, offered some relief, but September 6.1% industrial production undershot forecasts, pressuring last night's trade sentiment.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7722	-0.0001	-0.01
EUR – USD	1.0977	0.0003	0.02

Australian Data Today

ABS	Employment	Sep
NAB	Business survey	Sep Q
CBA	Business sales indicator	Sep
RBA	Forex transactions	Sep

Pre-Open Announcements

Auckland International Airport (AIA)

AGM address and presentation lodged this morning.

Fletcher Building (FBU)

Investor day (building products) presentation lodged this morning.

Lendlease Corporation (* LLC)

Investor day presentation lodged this morning.

Westfield Corporation (WFD)

Los Angeles investor day presentation lodged this morning.

Transurban Ltd (TCL)

62.5% TCL-held Transurban Queensland is issuing ~\$A74M worth of secured notes in four tranches (10-, 12-, 15- and 18-year). Settlement is anticipated in two stages, in December 2016 and January 2017.

Australian Agricultural Company (AAC)

AAC noteholder AA Trust is intending to convert 59 of 160 AAC notes into fully-paid AAC shares. The conversion price is \$1.1486. AAC traded at \$1.89 - \$1.935 yesterday.

NetLinkz Ltd (NET) / rhipt Ltd (RHP)

Cloud channel company RHP will promote and sell NET's SD-WAN products, on a non-exclusive basis, in Australia and the broader Asia Pacific region.

New Zealand King Salmon Investments (NZK)

Aquaculture company completed a successful ASX listing yesterday following a \$NZ77.5M IPO at \$NZ1.12 per share. Opened at \$A1.15 and slipped to its day one closing price of \$A1.05. ~280,000 shares were traded across 28 transactions.

Gooroo Ventures (GOO)

Recruitment search software specialist completed a successful ASX listing yesterday following a \$5M IPO at 20c per share. Opened at 25.5c and slipped to 24.25c before settling at 24.5c. ~1.1M shares changed hands across 81 trades.

EPAT Technologies (EPT)

The former MinQuest was reinstated to official ASX quotation (ie re-listing) yesterday, reincarnated as a mobile medical application specialist. EPL is focused on developing and commercialising products which assess pain in individuals unable to communicate pain to others. Opened at 4c and traded as high as 4.2c before settling at 3.3c. 37.9M shares were traded across 479 transactions. MinQuest had last traded at 2.45c.

Enerji Ltd (ERJ)

Voluntary administrators appointed.

Resources

Graphitecorp Ltd (* GRA)

Heralding Mount Dromedary graphite concentrate lithium-ion battery suitability (physical and electrochemical) results.

Gold Road Resources (* GOR)

Gruyere gold project feasibility outcomes lodged post-trade yesterday, including an updated 3.52Moz reserve. Capex is estimated at \$A507M and life-of-mine sustaining capital at \$A77M. \$A486M NPV. 24% internal rate of return, based on a \$A1500/oz gold price. Presentation also lodged. Resuming from a trading halt having last traded at 57.5c.

Lefroy Exploration (* LEX) / Lithium Australia (LIT)

LEX (formerly US Masters Holdings) was reinstated to official



RBA Reserve assets Sep

US Data Tonight

Initial jobless claims	15 Oct
Existing home sales	Sep
Philadelphia Fed manufacturing	Oct
Conference Board leading index	Sep

Other Overseas Data Today & Tonight

Japan	Steel production	Sep
Japan	Machine tool orders (rev)	Sep
Japan	Department store sales	Sep
UK	Retail sales	Sep
UK	Public sector finances	Sep
UK	CBI industrial orders	Sep
Germany	PPI	Sep
Euro zone	ECB policy statement	Oct
Euro zone	Consumer confidence	Oct
Euro zone	Current account	Aug

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ASX quotation yesterday. LEX opened at 10.5c and was pushed to 24c where it settled. 439,000 shares changed hands across 32 transactions.

Energy**Key Petroleum (KEY)**

Approval in hand for the transfer of a 40% holding in WA-41 –P to KEY.

Trading Halts

Company	Code	Resuming
European Lithium	EUR	20 Oct
Corazon Mining	CZN	21 Oct
Deep Yellow	DYL	21 Oct
Greenpower Energy	GPP	21 Oct
Imugene Ltd	IMU	21 Oct
Nido Petroleum	NDO	21 Oct

Suspensions (selected)

Company	Code	Since
Cabral Resources	CBS	19 Oct
Cleveland Mining Company	CDG	3 Oct
Cudoco Ltd	CDU	30 Sep
Enerji Ltd	ERJ	20 Oct
Freshtel Holdings	FRE	6 Oct
KIN Mining	KIN	17 Oct
Metals Australia	MLS	19 Oct
Nkwe Platinum	NKP	18 Oct
Omni Market Tide	OMT	19 Oct
Orinoco Gold	OGX	12 Oct
Target Energy	TEX	13 Oct
Tiger Resources	TGS	19 Oct
Unilife Corporation	UNS	30 Sep
Volta Mining	VTM	17 Oct
Wangle Technologies	WGL	18 Oct
Wolf Minerals	WLF	30 Sep
Zamia Metals	ZGM	3 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AVG	Today	1.5	100	2.73
BWF	Today	1.8	100	4.73
BYI	Today	5	10	8.00
MCP	Today	2	100	7.41
1AL	Tomorrow	3.5	0	10.53
CL1	Tomorrow	1	0	1.14
SNC	Tomorrow	3	100	5.38
KAT	Mon	0.5	100	6.67
MAI	Mon	1	100	1.52
RIC	Tue	2.5	100	3.15
CUP	Wed	2	100	9.82
BOQ	27 Oct	38	100	6.84
CBL	27 Oct	~2.83	0	1.86
CLV	27 Oct	0.5	100	5
JYC	27 Oct	6	100	3.93
PMV	28 Oct	25	100	3.10
FNP	31 Oct	2.25	100	0.84
HVN	31 Oct	17	100	5.77

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	AGO	Sep Q
	AIA	AGM
	AMC	AGM
	API	Full-year
	BHP Plc	AGM (LON)
	BXB	Sep Q
	CWN	AGM
	EVN	Sep Q
	FBU	Investor Day
	FMG	Sep Q
	GRR	Sep Q
	IOF	AGM
	LLC	Investor Day
	RIO	Sep Q
	S32	Sep Q
	SKT	AGM
	SPO	AGM
	SXL	AGM
	SYD	Sep Stats
TEN	Full-year	
WFD	Investor Day	
WPL	Sep Q	
Tomorrow	BAP	AGM
	EVT	AGM
	HSO	AGM
	IAG	AGM
	JHC	AGM
	MQA	Sep Q
	OZL	Sep Q
	QAN	AGM
	RSG	Sep Q
	SKC	AGM
	STO	Sep Q
Mon	MDL	Sep Q
	PRU	Sep Q
	SUL	AGM
Tue	ACX	AGM
	BGA	AGM
	BEN	AGM
	DXS	Sep Q
	GXL	AGM
	GUD	AGM
	MMS	AGM
	MGR	Sep Q
	SRX	AGM
	TAH	AGM
WOR	AGM	
Wed	AQG	Sep Q
	BKN	AGM
	DXS	AGM
	EPW	AGM
	IGO	Sep Q
	OEC	AGM
	SGP	AGM

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