

Markets

SFE 200 Futures (9.30am AEST)	6645	-2	-0.0
NZX 50	10935	-155	-1.4
DJIA Futures	26746	-17	-0.1
S&P 500 Futures	2993	-2	-0.1
NASDAQ Futures	7854	-5	-0.1

Local Markets Commentary

The Australian market opens mid-week trade following decidedly mixed overnight international trade leads, with 31 October UK-EU separation plans in limbo, and ahead of a barrage of high-profile international corporate reports later today and tonight.

Locally today, a September skilled job vacancies report is expected 11.30am AEDT.

In addition **Reserve Bank of Australia (RBA)** assistant governor (financial markets) Christopher Kent is a panel participant at an International Swaps & Derivatives Association event in Sydney, scheduled to have commenced ~9.20am AEDT.

In overnight commodities trade, **oil** swung higher after two consecutive falls.

US **gold** futures (December) slipped a little, but settled almost flat.

Iron ore (Nymex CFR China, 62% Fe) traded slightly lower again.

LME **copper** turned to record a modest decline. **Nickel** swung back to rally mode.

The **\$A** was pushed a little lower after trading at ~US68.60c early yesterday evening.

This morning, **New Zealand** has announced a \$NZ1.245B September trade deficit against expectations of \$NZ1.565B.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26788	-40	-0.2
S&P 500	2996	-11	-0.4
NASDAQ	8104	-59	-0.7
FTSE 100	7212	49	0.7
DAX 30	12755	7	0.1
Shanghai Comp	2954	15	0.5

Overseas Markets Commentary

Major European and US equities markets trade diverged notably overnight, indices variously featuring choppy, improving or deteriorating sentiment, amid a slew of corporate reports and some positive geopolitical developments.

Yesterday, **China's** vice foreign minister asserted the **US** and China had achieved 'progress' in trade discussions and reiterated his administration's view that resolution was possible through 'mutual respect'.

The presidents of **Russia** and **Turkey** met at a Black Sea location

RBA – assistant governor (financial markets) Christopher Kent is a panel participant at an International Swaps & Derivatives Association event, Sydney, from 9.20am AEDT

Today's Stock Watch
Atlas Arteria (ALX)

September quarter weighted average traffic fell 0.6% year-on-year, and 0.9% for January – September. Weighted average toll revenue grew 1.7% and 1.4% respectively.

SkyCity Entertainment (SKC) / Fletcher Building (FBU)

SKC's Auckland Sky Tower, casino, SkyCity Hotel, SkyCity Gran Hotel and associated precinct car parks, restaurants and offices remain closed following a fire at the under-construction New Zealand International Convention Centre (NZICC) yesterday. Construction timetables for the NZICC and adjacent Horizon Hotel are expected to be materially altered.

Vicinity Centres (VCX)

September quarter operational statistics lodged this morning, featuring specialty stores sales growth.

Vocus Communications (VOC)

VOC has appointed Optus VP corporate finance Nitesh Naidoo as CFO, due to the resignation of Mark Wratten. Mr Naidoo will likely commence with VOC January 2020, and Mr Wratten remain through to the end of February.

Bubs Australia (BUB)

BUB has appointed Dennis Lin as executive chairman, from non-executive chair.

WiseTech Global (WTC)

Again claiming misinformation has been released by J Capitol Research, this time on Monday.

Resuming from a trading halt having last traded at \$26.30.

Botanix Pharmaceuticals (BOT)

BOT will prepare for a phase 3 clinical trial of the BTX 1503 proposed severe acne treatment, given satisfactory phase 2 clinical study safety and efficacy results.

BOT will also plan an end-of-phase 2 meeting with the US FDA. Statistics lodged post-trade yesterday.

BOT is resuming from a trading halt having last traded at 24c.

Resources
Rio Tinto (RIO) / Meridian Energy (MEZ)

RIO is considering options for its 79.4%-held New Zealand aluminium smelter, with a view to restoring profitability.

RIO intends to consult with the New Zealand Government and site power supplier MEZ.

Strategic review outcomes are anticipated by 31 March 2020.

Sumitomo Chemical owns 20.6% of the smelter.



overnight, reportedly discussing the creation of a northern Syria 'safe zone'.

In the **UK** House of Commons, a withdrawal agreement bill was approved (329 – 299), but not (322-308) a three-day timetable for moving it through the house, increasing pressure ahead of the planned 31 October UK departure from the European Union (EU).

The UK PM subsequently advised he would stop pushing for progress, in favour of an EU decision on any final delay.

Among **US** overnight **data** releases, September existing home sales fell 2.2% for the month, following a 1.5% August rise.

The Richmond Fed manufacturing index defied dour expectations, jumping to eight, from -9.

In the **UK**, a business optimism index dropped to -44 from -32.

An industrial trends index tumbled to -37 from -28.

Tonight in the US, a house price index is due, together with weekly mortgage applications.

Elsewhere, further developments associated with UK-EU separation plans are anticipated.

Companies scheduled to report earnings include: ABB, Agricultural Bank of China, Akzo Nobel, Barclays, Boeing, Caterpillar, Daimler, eBay (post-US trade), Eli Lilly, Equinor, Ford Motor, Freeport McMoran, Heineken, LG Display, Microsoft (post-US trade), PayPal, Peugeot, Samsung C&T, Tesla and Vale.

In overnight corporate news, **UBS** reported a 16% drop in year-on-year September quarter profit and 59% tumble in investment banking.

Later, **McDonald's** reported what were considered sub-par September quarter sales and earnings.

Toy and games manufacturer **Hasbro** dropped almost 17% on a quarterly report that also disappointed.

Netflix fell on proposed new competition announced by **Verizon**.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1487.5	oz	-0.6	-0.0
Silver (NY) (Dec)	17.50	oz	0.102	-0.6
Gold (LON)	1492	oz		
Platinum	889	oz	3	0.3
WTI Crude (Nov)	54.16	bbl	0.85	1.6
Brent Crude (Dec)	59.70	bbl	0.74	1.3
Iron Ore (NYMEX,CHN,62%)	90.53	t	-0.05	-0.1
Copper (LME,3mth,PM)	5825	t	-18	-0.3
Nickel	16560	t	455	2.8
Aluminium	1717	t	-9	-0.5
Lead	2202	t	-7	-0.3
Zinc	2456	t	-12	-0.5
Tin	16875	t	75	0.5

Commodities Commentary

Oil – overnight media reports claimed further OPEC member support for a definitive December decision regarding market support.

Saudi Arabia was reported to also be focusing on compliance with the current output agreement, with Iraq and Nigeria

Pre-Open Announcements

Tinybeans Group (TNY)

September quarter revenue grew 91% year-on-year, to \$1.12M. Monthly active users have grown 27%, to 1.28M, also representing a 50,000 increase since the end of June.

Dexus Property Group (DXS)

September quarter operational statistics lodged this morning, featuring low vacancy rates.

Roots Sustainable Agricultural Technologies (ROO)

Resuming from a trading halt having secured \$A820,000 worth of commitments in a private placement at 4.3c per share.

ROO had traded at 4.6c – 6c over the five trading sessions immediately prior to calling the halt.

Redbubble Ltd (RBL)

US Securities & Exchange (SEC) approval in hand for ADR trade under the code RDBBY.

One RDBBY will represent 10 RBL ASX-traded shares.

RBL has traded at \$1.415 - \$1.575 over the past five trading sessions.

This morning, RBL is reporting \$70M September quarter revenue, up 43% from a year earlier.

\$37.9M cash.

LogiCamms Ltd (LCM)

LCM chair Charles Rottier is planning to retire from the LCM board following delivery of the company's interim results late-February 2020.

This is in addition to the previously flagged resignation of director Richard Robinson. Mr Robinson will retire his LCM position at the conclusion of the LCM November AGM.

In association, LCM has appointed the chair of Fleetwood Corporation (ASX: FWD) and Vmoto (ASX: VMT) Phillip Campbell as an independent non-executive director.

LCM has also appointed Matthew Morgan as an independent non-executive director.

Mr Morgan is a director of Total Brain (ASX: TTB) and Leaf Resources (ASX: LER).

Resources

Red 5 (* RED)

Produced 28,649oz of gold at a \$A1476/oz AISC during the September quarter, against 30,098oz and \$A1331/oz respectively for the June quarter.

Sold 24,924oz, against 27,406z.

\$40.1M cash and bullion.

Energy

TerraCom Ltd (* TER)

Paying a maiden 1c dividend.



nominated as struggling to meet targeted curbs.

Among the forecasters, Goldman Sachs reduced its 2020 US shale production growth prediction, from 1MMbbl/d to 700,000bbl/d, against expected 1.1MMbbl/d growth for 2019.

In addition, Goldman Sachs said it expected 2020 international oil demand to increase by a daily 1.3MMbbl, 100,000bbl/d fewer than its previous forecast.

In company news, prices for Rosneft's domestic November supply oil tender reportedly fell 15% for sales totalling 30,000t.

In the meantime, an industry analyst suggested US exports could have jumped last week, against a fall in imports.

Post-US trade, the American Petroleum Institute (API) has published an estimated 4.45MMbbl rise in stored crude last week.

The API also calculated in a monthly report, that national output had grown to 12.4MMbbl/d during September.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

The WTI November contract expired overnight on settlement, December prices closing 1.8% higher for the session, at \$US54.48.

Gold – little new cause for safe-haven demand, and no major currency swings overnight, delivered an almost flat finish for Comex futures.

Base metals – US-China trade commentary, industrial disputes, and deficit figures influenced overnight trade.

Copper traded about a 100-day moving average.

Anglo American reduced its predicted 2019 copper output, citing water supply problems in Chile, to 630,000t – 650,000t.

Community protest continued across Chile, yesterday impacting the Escondida copper project.

In the meantime, the International Copper Study estimated a 220,000t January-June copper deficit, against a 177,000t shortfall a year earlier.

Lead continued to be forecast to remain in short supply for some time.

In Siberia, Norilsk reported three deaths in an underground nickel mine, but could not offer a cause.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6857	-0.0001	-0.02
EUR – USD	1.1130	0.0004	0.04

Australian Data Today

DeptofEmplymnt	Skilled job vacancies	Sep

US Data Tonight

	Aug
FHFA house prices	18 Oct
MBA mortgage applications	

Trading Halts

Company	Code	Resuming
Costa Group Holdings	CGC	23 Oct
Environmental Clean Technologies	ECT	23 Oct
Kalina Power	KPO	23 Oct
XCD Energy	XCD	23 Oct
Bluechiip Ltd	BCT	24 Oct
IMEXHS Ltd	IME	24 Oct
Impression Healthcare	IHL	24 Oct
Orion Minerals	ORN	24 Oct
St George Mining	SGQ	24 Oct
Kathmandu Holdings	KMD	25 Oct

Suspensions (select)

Company	Code	Since
AuKing Mining	AKN	30 Sep
Family Insights Group	FAM	1 Oct
Force Commodities	4CE	7 Oct
iSignthis Ltd	ISX	2 Oct
Latin Resources	LRS	16 Oct
New Standard Energy	NSE	14 Oct
ParaZero Ltd	PRZ	18 Oct
Peppermint Innovation	PIL	11 Oct
Troy Resources	TRY	15 Oct
UltraCharge Ltd	UTR	21 Oct
Wattle Health Australia	WHA	2 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ACF	Today	1	0	2.86
PBP	Tomorrow	2.5	100	0.49
PMV	Fri	37	100	3.47
ASG	28 Oct	3	100	1.17
CLV	29 Oct	1.75	100	0.64
NST	29 Oct	7.5	100	0.61
MXT	31 Oct	0.88	0	5.45

Reports & Events

(selected)

When	Company	Report/Event
Today	AIA	AGM
	DXS	Sep Q
	RBL	Sep Q
	SBM	AGM
	SSM	AGM
	VCX	Sep Q

**Other Overseas Data Today & Tonight****Euro zone** Consumer confidence Oct**Need More Information?**Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au**Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice**

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Tomorrow	AMP	Sep Q
	APA	AGM
	AD8	AGM
	API	Full year (10.30am AEDT web)
	CWN	AGM
	FMG	Sep Q
	GUD	AGM (10am AEDT live webcast)
	JBH	AGM
	MLX	AGM
	NCM	Sep Q
	QAN	Sep Q
	S32	AGM
	SXL	AGM
	TAH	AGM
VTG	AGM	
Fri	ADH	AGM
	CAR	AGM
	IAG	AGM
	JHC	AGM
	PAA	AGM
	QAN	AGM
	RMD	Sep Q