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Participant of ASX, Chi-X Australia, SSX & NSX

Market Opener

Wednesday, 23 September 2020

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Markets

SFE 200 Futures (9.30am AEST)	5831	60	1.0
NZX 50	11693	84	0.7
DJIA Futures	27186	43	0.2
S&P 500 Futures	3296	-4	-0.1
NASDAQ Futures	11105	-45	-0.4

Local Markets Commentary

The Australian market commences mid-week trade with key preliminary domestic data due late morning, comments anticipated from the Reserve Bank of New Zealand and Bank of Japan, and a batch of international PMIs scheduled for release through tonight.

Overnight, major international equities markets ultimately turned higher.

Locally today, the Australian Bureau of Statistics (ABS) releases **preliminary** August **retail sales** figures, **11.30am** AEST.

Regionally today, the **Reserve Bank of New Zealand** (RBNZ) will announce policy meeting outcomes **midday** AEST.

September manufacturing and services **PMIs** are due for **Japan 10.30am** AEST, as markets there trade for the first time this week.

Bank of Japan governor Haruhiko Kuroda is scheduled to speak publicly **3.35pm** AEST, ahead of the release of September policy meeting minutes tomorrow.

In overnight commodities trade, **oil** turned to settle higher.

US **gold** futures (December) extended Monday's decline.

Iron ore (Nymex CFR China, 62% Fe) fell a little further, below $US125.75/t.

LME **copper** swung decisively higher. **Nickel** turned to post a moderate gain. **Aluminium** continued lower, but slightly.

The **$A** slipped to US71.70c after trading at ~US71.80c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27288	140	0.5
S&P 500	3316	35	1.1
NASDAQ	10964	185	1.7
FTSE 100	5829	25	0.4
DAX 30	12594	52	0.4
Shanghai Comp	3274	-43	-1.3

Overseas Markets Commentary

Choppy, vacillating trade featured across major European and US equities markets overnight, but openings across all key indices featured positive sentiment.

Today's Stock Watch

Westpac Banking Corporation (WBC)

WBC has appointed former Insurance Australia Group (ASX: IAG) CEO and MD Michael (Mike) Hawker AM as an independent non-executive director, effective November.

Alison Deans is retiring from the WBC board at this year's AGM.

Earlier this week, WBC announced the appointment of Deem, Dubai CEO Chris de Bruin as consumer division chief executive.

Nufarm Ltd (NUF)

$456.08M full year net loss, following a $38.31M net profit a year ago. 6.5% higher, $2.85B revenue.

Nil final dividend. $2.12 NTA, against $1.79.

A webcast briefing is scheduled to commence 10am AEST.

Kathmandu Holdings (KMD)

85.9% lower, $NZ8.145M full year net loss.

48.7% higher, $NZ801.52M continuing operations revenue.

Nil final dividend. NZ14c NTA, against NZ25c.

A teleconference was scheduled to commence 8.30am AEST.

Sezzle Inc (SZL)

NYSE-listed Ally Financial's Ally Lending has agreed to partner SZL to offer SZL merchants and shoppers access to Ally finance.

SESCO Ltd (SES)

$1.5M worth of Cardia resin orders in hand for Latin American businesses producing compostable bags for retailers.

Plenti Group (* PLT)

Online consumer loans and investment specialist scheduled to list on the ASX **11am** AEST following a $55M IPO at $1.66 per share.

Top shareholders include carsales.com (ASX: CAR; 9.53%) and Equity Trustees (ASX: EQT; 4.38%).

168.83M quoted shares.

Resources

BHP Group (BHP)

US annual report lodged post-trade yesterday.

Silver Lake Resources (SLR)

The SLR board has approved Deflector South West development.

Northern Star Resources (NST)

Annual strategy day Friday. NST will release the presentation 4.30pm AEST tomorrow, before hosting a live Q&A from 8.30am AEST Friday. Q&A registration link lodged post-trade yesterday. NST has settled lower the past four sessions, settling at $13.90 yesterday.

Central bank comments remained in focus, and will continue to flow through tomorrow night.

Yesterday, **Reserve Bank of Australia** (RBA) deputy governor Guy Debelle confirmed the RBA was considering lowering rates further, if needed.

Overnight, **US Federal Reserve** chair Jerome Powell and treasury secretary Steven Mnuchin met with a US House of Representatives financial services committee to discuss Covid-19 economic support measures, the Fed chair urging the US parliament (Congress) to come up with further relief.

Bank of England governor Andrew Bailey venture the UK government's business employee 'furlough' scheme, due to end next month, ought remain but target select sectors.

Also during overnight trade, the **UK government** recommended people work from home again, and ordered cafes, bars and restaurants to close from 10pm, due to a significant rise in Covid-19 diagnoses, the UK PM warning tighter reimpositions could be needed, despite his own reluctance to see these.

Among overnight **data** releases, **euro zone** September consumer confidence improved, albeit to -13.9 from -14.7.

The **UK**'s CBI industrial trends orders index disappointed, coming in at -48 from -44, against expectations of -40.

In the **US**, August existing home sales rose 2.4% after a 24.7% July jump and following expectations of a 0.9% new gain.

The Richmond Fed manufacturing index encouraged, rising to 21 from 18 and against expectations of 10.

Meanwhile, 10-year government bond yields fell to 2.5-week lows, and the $US continued to gain.

Tonight in the US, **US Federal Reserve** chair Jerome Powell meets with a US House of Representatives coronavirus crisis committee.

US data releases scheduled for tonight include Markit September services and manufacturing PMIs, a housing industry house price index and weekly mortgage applications.

Commodities

COMMODITY	CLOSE	$US/	+/-	%
Gold (NY) (Dec)	**1907.6**	oz	-3	-0.2
Silver (NY) (Dec)	**24.523**	oz	0.14	0.6
Gold (LON) (21 Sep)	**1909**	oz		
Platinum	**864**	oz	-11	-1.3
WTI Crude (NYMEX Oct)	**39.60**	bbl	0.29	0.7
Brent Crude (ICE EUR Nov)	**41.72**	bbl	0.28	0.7
Iron Ore (NYMEX,CHN,62%)	**125.73**	t	-0.28	-0.2
Copper (LME,3mth Ind,PM)	**6764**	t	74	1.1
Nickel	**14600**	t	60	0.4
Aluminium	**1779**	t	-2	-0.1
Lead	**1888**	t	-3	-0.2
Zinc	**2467**	t	0.5	0.0
Tin	**18250**	t	150	0.8

Commodities Commentary

Oil – prices turned higher overnight, despite continuing demand concerns

Pre-Open Announcements

WhiteHawk Ltd (* WHK)

WHK's Cyber Risk Scorecard and US Department of Defense Cybersecurity Maturity Model Certification (CMMC) are available together for online clients.

Details lodged this morning.

BARD1 Life Sciences (* BD1)

A University of Geneva ovarian cancer test study has indicated BD1's research version of the BARD1 kit for ovarian cancer detection is effective.

The test is due to be independently validated at Griffith University, NSW.

Medlab Clinical (* MDC)

Australian 'transmucosal and transdermal delivery systems' patent for MDC's NanoCelle in hand until March 2036.

ArchTIS Ltd (AR9)

Presentation lodged post-trade yesterday.

Washington H Soul Pattinson (SOL) / Brickworks Ltd (BKW)

Scheduled to report full year results tomorrow.

Wisr Ltd (WZR)

~25.76M WZR shares are due for release from voluntary escrow 29 September (Tuesday next week).

Resources

Tesoro Resources (* TSO)

Chile El Zorro gold project holdings will be boosted 500% to 540sq km, due to TSO's has successful application for a package of 188 additional concessions.

EcoGraf Ltd (EGR)

Tesla Battery Day presentation lodged this morning.

AngloGold Ashanti (AGG)

AGG group planning and technical executive VP Graham Ehm has sold 24,888 AGG CDIs on-market at $A8.19-per CDI for $A203,872.52 (pre-fees).

Mr Ehm was listed as holding 256,355 AGG shares/CDIs as at 31 August.

AGG has traded on the ASX at $A7.14 - $8A.43 the past five sessions.

Base Resources (BSE)

BSE has appointed Janine Herzig as an independent non-executive director, effective 12 October.

BSE director Sam Willis is retiring from the BSE board at the 20 November AGM, after 13 years.

Mont Royal Resources (MRZ)

Retracting exploration data contained in an ASX announcement yesterday.

MRZ jumped 45.1% yesterday, settling at 37c after trading as

Gulf of Mexico tropical storm Beta had crossed the US Texas coast late Monday US time, with no major reports of wind or inundation damage.

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

Overnight, post-US trade, an industry report included an estimate of a 691,000bbl rise in crude stocks.

The WTI October contract expired on settlement. The November contract added 26c for the session, closing at $US39.80/bbl.

Gold – prices were pushed yet lower overnight, the $US continuing to appreciate (ICE $US index ~+0.3%), amid some ongoing liquidity boosting.

US Federal chair Jerome Powell will meet with another US parliamentary committee tonight, after last night urging Congress to legislate for additional Covid-19 compensatory support.

Base metals – sentiment was pushed and pulled overnight by an appreciating $US, some underwhelming data releases and equities sentiment which opened and closed key sessions positively.

Among production news, the International Copper Study Group estimated January – June global copper mine output had fallen 1% year-on-year, and concentrate production by 1.2%, and that solvent extraction-electrowinning (SX-EW) had declined by 0.4%.

April – May production was calculated to have dropped 4%.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7170	-0.0054	-0.75
EUR – USD	1.1707	-0.0063	-0.54

Australian Data Today

ABS	Retail sales (preliminary)	Aug

US Data Tonight

Markit manufacturing, services PMIs	Sep
FHFA house prices	Jul
MBA mortgage applications	18 Sep

Other Overseas Data Today & Tonight

New Zealand	RBNZ policy statement	23 Sep
Japan	Manufacturing, services PMIs (prelim)	Sep
Japan	All industry activity index (2.30pm AEST)	Jul
UK	Manufacturing, services PMIs (prelim)	Sep
Germany	Manufacturing, services PMIs (prelim)	Sep
Germany	GfK consumer confidence	Oct
Euro zone	Manufacturing, services PMIs (prelim)	Sep

high as 42c.

North Stawell Minerals (* NSM)

Victoria-focused gold explorer and project developer scheduled to list on the ASX 11.30am AEST **tomorrow** following a $20M IPO at 50c per share.

Former BHP CEO and chair Jerry Ellis non-executive chairman.

Leviathan Resources Pty Ltd holds 36.0%.

40M quoted shares.

Energy

88 Energy (* 88E)

Alaska North Slope Peregrine project seismic analysis has indicated regional prospectivity parity.

88E is planning a first well during the March quarter 2021, pending farm-out progress.

Bounty Oil & Gas (BUY)

Resuming from a trading halt having raised $1.43M in a 1c-per-share placement.

Funds are earmarked for working capital and project development.

BUY traded at 2.1c – 2.8c the five full sessions immediately prior to calling the halt.

Triangle Energy (Global) (TEG) / State Gas (* GAS)

In reply to an ASX price query, TEG pointed to its 32.5% holding in GAS, which has flagged an imminent announcement regarding central Queensland coal seam and natural gas plans.

TEG added 21.4% Wednesday last week, appreciated 16.1% Friday and settled 37.8% higher for the session yesterday.

TEG jumped to 5.7c intra-session yesterday, before settling at 5.1c.

GAS traded as high as 63c Wednesday last week, before settling 11.76% higher for the day, at 57c, after updating Nyanda-4 gas flow rates.

Friday last week, GAS again updated the increasing rates, but slipped 1.7c for the session before calling a trading halt.

This morning, GAS has announced $9.5M worth of commitments for a 55c-per-share private placement, plus a $2M SPP, planned for 1 – 22 October.

Trading Halts

Company	Code	Resuming
Argonaut Resource	ARE	23 Sep
European Lithium	EUR	23 Sep
Greenland Minerals	GGG	23 Sep
Lindian Resources	LIN	23 Sep
Recce Pharmaceuticals	RCE	23 Sep
Sabre Resources	SBR	23 Sep
Vanadium Resources	VR8	23 Sep
Xantippe Resources	XTC	23 Sep
Cardiex Ltd	CDX	24 Sep

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Nanoveu Ltd	NVU	24 Sep
TAO Commodities	TAO	24 Sep
Kairos Minerals	KAI	25 Sep
Linius Technologies	LNU	25 Sep
Optiscan Imaging	OIL	25 Sep
Pilot Energy	PGY	25 Sep
Rimfire Pacific Mining	RIM	25 Sep
Emu NL	EMU	28 Sep
New Age Exploration	NAE	28 Sep
Pepinnini Minerals	PNN	28 Sep

Suspensions *(select)*

Company	Code	Since
Ansila Energy	ANA	7 Sep
Aus Tin Mining	ANW	22 Sep
East Energy Resources	EER	18 Sep
FAR Ltd	FAR	14 Sep
Faster Enterprises	FE8	2 Sep
Intiger Group	IAM	1 Sep
Kaiser Reef	KAU	17 Sep
Lincoln Minerals	LML	21 Sep
Mint Payments	MNW	21 Sep
Phoslock Environmental Technologies	PET	21 Sep
Piedmont Lithium	PLL	22 Sep
Quantify Technology Holdings	QFY	14 Sep
Riedel Resources	RIE	22 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AVA	Today	**1**	0	0.00
COG	Today	**0.15**	100	0.00
CAJ	Tomorrow	0.5	100	3.85
CUP	Tomorrow	1.25	100	2.28
EBO	Tomorrow	32.41	95.77	2.86
FSF	Tomorrow	3.91	0	0.00
GC1	Tomorrow	2	0	1.32
HGH	Tomorrow	2.3	85	3.75
LAU	Tomorrow	0.5	100	2.86
LYL	Tomorrow	5	100	7.03
MYE	Tomorrow	4	100	4.28
SWK	Tomorrow	0.3	100	1.36
VLS	Tomorrow	1.5	100	3.95
ALX	Fri	11	0	2.38
RRL	Fri	8	100	1.49