

Markets

SFE 200 Futures (9.30am AEST)	7290	14	0.2
NZX 50	13225	19	0.2
DJIA Futures	34183	54	0.2
S&P 500 Futures	4390	6	0.1
NASDAQ Futures	15185	21	0.1

Local Markets Commentary

The Australian market opens today's trade with a swag of stocks trading ex-dividend, following strong positive overnight international equities leads and gains for most key commodities.

In overnight commodities trade, **oil** rose further.

US **gold** futures settled essentially flat.

Iron ore (China port CFR, 62% fines) jumped.

LME **copper** and other major base metals rallied.

Locally today, the Australian Bureau of Statistics (ABS) publishes two reports at 1130am AEST, one featuring payroll jobs and wages for the week ending 28 August and one providing additional information to last week's August workforce statistics release.

Stocks trading **ex-dividend** today include: **APE**, **COH** and **NWH**.
Please see p4 for a detailed ex-dividends list.

The **SA** fell beneath US72.40c after trading at US72.45c early yesterday evening. This morning, the SA has traded below US72.35c.

Japan's markets are closed today.

Markets in China will be closed again 1 – 7 October.

In Australia, Western Australia will observe a public holiday Monday.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34258	338	1.0
S&P 500	4396	41	1.0
NASDAQ	14897	150	1.0
FTSE 100	7083	102	1.5
DAX 30	15507	158	1.0
Shanghai Comp	3628	15	0.4

Overseas Markets Commentary

Major European, UK and US equities markets jumped on open overnight, sentiment subsequently never looking seriously threatened throughout respective trading sessions.

Natural gas prices continued at record highs, prompting continued announcements of industrial production cuts, but also a UK government assurance of the restart of a fertiliser operation, so that the carbon dioxide by-product remained available for food production.

*** Minerals exploration listing – 11am AEST – RRR ***

*** Minerals exploration listing – midday AEST – IR1 ***

Today's Stock Watch
Premier Investments (PMV)

46c fully franked final dividend against 36c.

97.3% higher, \$271.84M full year NPAT. 16.8% higher, \$1.46B revenue. \$4.44 NTA from \$3.28.

Brickworks Ltd (BKW)

40c fully franked final dividend from 39c a year ago.

19.8% lower, \$239.16M full year NPAT. 6.3% lower, \$890.31M revenue. \$13.88 NTA against \$14.08.

Washington H Soul Pattinson & Co (SOL)

36c fully franked final dividend from 35c a year ago.

71.3% lower, \$273.196M full year NPAT. 9.7% higher, \$1.50B revenue. \$15.90 NTA against \$16.93.

Suncorp Group (SUN)

Group and industry update anticipated at today's AGM.

Sealink Travel Group (SLK)

SLK has agreed a conditional JV between SLK's Tower Transit Westbourne Park public bus operations and RATP Dev UK's London United and London Sovereign operations.

Tower Transit will hold 12.5% of the joint venture company to be known as RATP Dev London Transit.

Additional details, including conditions precedent, lodged post-trade yesterday.

Telix Pharmaceuticals (TLX)

The US FDA has extended by three months the review period for TLX's new drug application for prostate cancer imaging product Illuccix.

PPK Group (PPK)

PPK and Xefco are establishing JV company Survivon to commence domestic production of anti-viral and anti-bacterial face masks using Xefco technology independently verified by the Peter Doherty Institute for Infection and Immunity.

Nexion Group (NNG)

NNG will deliver California-headquartered NetApp's storage-as-a-service service throughout Australia and New Zealand.

Resources
Rare Earths (REE)

WA Kimberley region Cummins Range rare earths project diamond drilling has intersected REE-Nb mineralisation in four additional holes. Details lodged pre-trade.



Carbon dioxide prices could rise 400%, however, the UK's administrators warned.

Yesterday, major Chinese property developer Evergrande announced today's domestic (~\$US25.9M) bond repayment was 'covered'.

In addition, the People's Bank of China essentially injected ~\$US18.6B (120B yuan) into the banking system via reverse repurchase operations, the net effect estimated at 90B yuan.

An \$US83.5M Evergrande overseas bond repayment, also due today, was not mentioned.

The US Federal Reserve post-policy meeting statement confirmed broad FOMC committee views an easing of the pace of the \$US120B monthly asset purchases program ought commence sooner rather than later, and that several rate increases could be appropriate come 2023.

In the subsequent press conference Fed chair Jerome Powell described the likely asset purchase change process as 'very gradual', adding it could conclude by mid-2022.

He ventured that in his mind, the employment conditions for beginning the process were 'all but met'.

The pace of adjustment would not necessarily be fixed, he also offered.

In addition, he reiterated there would be no rate moves during the purchases tapering process, essentially pointing to a potential initial rise anytime from mid-2022.

The chair also maintained the US Congress should raise the nation's debt ceiling 'in a timely manner', and that this was crucial to the nation's economic health.

Regarding Evergrande's debt position, Mr Powell seemed of the view the situation very much belonged to China, but conceded broader financial markets confidence could be knocked, impacting international conditions.

Updated Fed projections included 5.9% US 2021 GDP growth, rather than the 7.0% forecast in June.

2022's GDP prediction was lifted 0.5% to 3.8%.

4.2% (PCE-based) inflation was expected for 2021, against 3.4% previously, and levels beyond the Fed's 2.0% target were anticipated through to 2024.

The positive Fed view for the US economy kept the \$US strong.

Also overnight, France agreed to return its ambassador to the US, following the protest at the recently announced AUKUS defence-related alliance.

Among overnight data releases, a **euro zone** consumer confidence reading improved, albeit to -4 from -5.3, but against expectations of a further deterioration to -5.7.

In the US, August existing home sales fell 2%, following forecasts for a 1.3% decline and against July's 2.2% increase.

Weekly mortgage applications jumped 4.9%.

Tonight in the US, weekly new unemployment claims, initial Markit September PMIs, the Chicago Fed August national activity index, a regional business manufacturing index and the Conference Board August leading index are due.

Elsewhere, the **Bank of England** convenes a policy meeting from which outcomes will be announced, together with the publication of updated forecasts.

Pre-Open Announcements

Transurban Group (* TCL)

Resuming trade for the first time since revealing the plan by the Sydney Transport Partners (STP) JV, of which TCL holds 50%, to outlay \$1.1B to acquire the balance 49% of the WestConnex road network project from the NSW Government. TCL has completed a \$3.97B fully underwritten \$13.00-per-security entitlement offer, also to support future growth.

In addition to subscribing for its full entitlement in the offer, STP partner AustralianSuper is subscribing for \$250M worth of TCL securities, also at \$13.00 each.

TCL traded at \$13.745 - \$14.215 last week.

CleanTeQ Water (* CNQ)

\$1.6M EVAPX system design-through-delivery contract secured for an agricultural by-product processing facility in New South Wales.

PEXA Group (PXA)

Authorisation in hand to operate an electronic lodgement network in the Australian Capital Territory (ACT).

Centuria Industrial REIT (CIP)

Moody's has assigned its initial issuer rating for CIP, being Baa2 with a stable outlook.

Trading halt called this morning.

Fonterra Shareholders' Fund (FSF)

Fonterra Co-op full year NPAT fell 9% to \$NZ599M.

Revenue rose 1% to \$21.12M.

NZ15c final dividend. \$NZ2.87 NTA from \$NZ2.77.

X2M Connect (X2M)

Utilities-focused Internet of Things specialist completed a successful ASX listing yesterday, following an \$8M IPO at 25c per share.

Opened at 34.5c and traded at 26.5c – 35c before settling at 27c. 3.2M shares changed hands across 475 transactions.

70.69M quoted shares.

Pacific Edge (* PEB)

Cancer diagnostics tools developer PEB will commence ASX trade 11am AEST **Monday** after being granted ASX foreign exempt listing status.

729.2M quoted shares.

PEB's home exchange is the New Zealand Stock Exchange (main board).

Resources

Revolver Resources Holdings (* RRR)

Exploration company scheduled to list on the ASX **11am** AEST, following a \$12.72M IPO at 20c per share.

81.87M quoted shares.

Iris Metals (* IR1)

Exploration company scheduled to list on the ASX **midday**



Companies scheduled to provide earnings or trading updates include Accenture, Costco Wholesale and Nike.

Commodities.

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1778.8	oz	0.60	0.0
Silver (NY) (Dec)	22.91	oz	0.30	1.3
Gold (LON)	1774	oz		
Platinum	994	oz	45	4.7
WTI Crude (NYMEX Nov)	72.23	bbbl	1.74	2.5
Brent Crude (ICE EUR Nov)	76.19	bbbl	1.83	2.5
Iron Ore (Qingdao) (CHN;62%f)	108.7	t	15.67	16.8
Iron Ore (Nymex)	120.73	t	1.72	1.5
Copper (LME Ind)	9271	t	295	3.3
Nickel	19165	t	333	1.8
Aluminium	2940	t	93	3.3
Lead	2133	t	-2	-0.1
Zinc	3033	t	56	1.9
Tin	34885	t	920	2.7

Commodities Commentary

Oil – prices continued higher overnight, despite indications the US Federal Reserve could commence rate rises earlier than initially anticipated, and also despite associated \$US strength.

A US petroleum inventories report, published overnight by government agency the EIA, included a 3.48MMbbl draw on crude stocks and 3.475MMbbl rise in stored petrol.

Net crude imports rose by 519,000bbl/d, and petrol production by 372,000bbl/d.

Overnight Tuesday, post-US trade, the American Petroleum Institute had released a weekly report estimating a 6.11MMbbl fall in US stored crude, and 432,000 fewer barrels of petrol.

Gold – Comex futures settled essentially flat overnight.

The US Federal Reserve policy meeting outcomes and subsequent chairman's press conference respectively pushed gold prices higher and then lower again.

Bank of England policy meeting outcomes and statements are due tonight.

US Fed chair Jerome Powell is scheduled to speak publicly again tomorrow night.

Base metals – general sentiment improved in overnight LME trade, in part due to views China's Evergrande debt crisis might prove to resolve satisfactorily.

Peru confirmed a planned mining sector regulatory overhaul, including for royalties.

Meanwhile, a BHP-operated *copper* project in Chile received a reprieve on a water-pumping ban.

In *aluminium* output news, a flood-affected operation in Henan province, China was revealed to be planning to resume production mid-November.

Japan's markets are closed today, but the resumption of markets in Hong Kong and South Korea today and China yesterday, are expected to return trade volumes to almost normal.

AEST, following a \$7M IPO at 20c per share. 41.25M quoted shares.

Kingsgate Consolidated (* KCN)

Anticipating a near-term resolution enabling a restart for the Chatree gold operation, Thailand. Details lodged pre-trade.

Carawine Resources (CWX) / Black Canyon Resources (BCA)

Heralding WA Pilbara Braeside and Oakover West manganese project areas field assessment. BCA earning up to 75%.

Maximus Resources (MXR)

Initial Wattle Dam gold mine stockwork resource lodged pre-trade.

Copper Mountain Mining Corporation (C6C)

Third ball mill successfully commissioned at the Copper Mountain mine, British Columbia, Canada. Milling capacity has effectively been boosted by 5000t/day to 45,000t/day.

Widgie Nickel (* WIN) / Neometals Ltd (NMT)

WA-focused nickel explorer and project developer, and NMT spin-off, WIN completed a successful listing yesterday, following a \$24M IPO at 20c per share.

Opened at 28c and moved to 29c before settling at 25c.

14.6M shares were traded across 1230 transactions. 250M quoted shares.

Trading Halts

Company	Code	Resuming
Metals Australia	MLS	23 Sep
Miramar Resource	M2R	23 Sep
Technology Metals Australia	TMT	23 Sep
Jaxsta Ltd	JXT	24 Sep
State Gas	GAS	24 Sep
Threat Protect Australia	TPS	28 Sep

Suspensions (selected)

Company	Code	Since
A-Cap Energy	ACB	17 Sep
Arcadia Minerals	AM7	22 Sep
Fe Ltd	FEL	17 Sep
Kogi Iron	KFE	22 Sep
Troy Resources	TRY	1 Sep
Zeus Resources	ZEU	6 Sep

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7234	-0.0016	-0.22
EUR – USD	1.1692	-0.0030	-0.26

Australian Data Today

ABS	Payroll jobs and wages	28 Aug
ABS	Workforce (additional details)	Aug

US Data Tonight

Initial jobless claims	18 Sep
Chicago Fed national activity index	Sep
Markit PMIs (prelim)	Sep
Kansas City Fed index	Sep
Conference Board leading index	Aug

Other Overseas Data Today & Tonight

UK	BoE monetary policy; forecasts	Sep
UK	PMIs (prelim)	Sep
Germany	PMIs (prelim)	Sep
Euro zone	PMIs (prelim)	Sep

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
APE	Today	28.4	100	1.60
CAF	Today	1	100	3.70
CAJ	Today	0.5	100	2.56
CCV	Today	1	100	3.77
COH	Today	140	0	0.49
CUP	Today	1.5	100	2.78
EMB	Today	20	100	0.00
GNE	Today	8.21	0	2.33
LAU	Today	0.5	0	4.59
LYL	Today	15	100	3.23
MYE	Today	2.25	100	5.05
NWH	Today	5	100	4.79
SHJ	Today	3.25	0	1.62
SWK	Today	1	100	2.54
VLS	Today	2.75	100	3.43
ALX	Tomorrow	15.5	0	3.51
BFL	Tomorrow	12.92	0	0.00
SIG	Tomorrow	1	100	1.64
GOR	Mon	0.5	100	1.18
IMD	Mon	1.8	100	0.76
KLA	Tue	21.25	0	1.31
PIC	Tue	2.8	100	4.31

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	BKW	Full year
	FSF	Full yearA
	MCY	AGM
	PMV	Full year
	SOL	Full year
	SUN	AGM
Mon	SM1	Full year (tele 8am)