

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	6179	18	<b>0.3</b>
NZX 50	12470	Public	Holiday
DJIA Futures	28042	-147	-0.5
S&P 500 Futures	3433	-19	-0.5
NASDAQ Futures	11616	-48	-0.4

**Local Markets Commentary**

The Australian market commences the final week's trade for October, and the last full week's trade before the US presidential election, following mixed overnight Friday international equities and commodities trade sentiment, and with US futures lower this morning.

Since overnight Friday trade, the US senate has voted to shorten the time for debating the new Supreme Court nomination, pushing expectations for a final confirmation vote to tonight (early tomorrow AEDT).

In addition, the United Nations secretary general has commenced a World Health Summit labelling the Covid-19 outbreak as the 'greatest crisis of our age'.

New Covid-19 - related curfews have been announced in Europe, and a state of emergency has been reimplemented in Spain, where the PM described his nation as 'living in an extreme situation'.

In the meantime, the Australian PM has further publicly criticised individual State' virus management plans.

Among local **economic data** releases today, the Australian Bureau of Statistics (ABS) is due to reveal *preliminary* trade statistics for September, 11.30am AEDT.

Also today, CommSec publishes a quarterly *State of the States* economic overview report.

**Regionally** today, **China's** Communist Party Central Committee commences a four-day forum at which from which a new five-year economic and social plan will be announced.

In overnight Friday commodities trade, **oil** swung lower.

US **gold** futures (August) settled essentially flat.

**Iron ore** (Nymex CFR China, 62% Fe) was pushed moderately lower, towards \$US121.00/t.

LME **copper** and other key base metals declined variously.

The **\$A** was pushed below US71.40c after trading at US71.45c early Friday evening.

*Markets in **New Zealand** and **Hong Kong** are closed today, due to public holidays.*

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	28336	-28	<b>-0.1</b>
<b>S&amp;P 500</b>	3465	12	<b>0.3</b>

**\* Online retail listing 11am AEDT – ZBT \***

**Today's Stock Watch**
**Coca-Cola Amatil (CCL)**

A **teleconference** was scheduled to commence 9am AEDT. Coca-Cola European Partners (CCEP) has presented CCL with an indicative proposal to acquire CCL for \$12.75 cash-per independent shareholders'-share.

CCEP plans a separate acquisition of CCL shares held by The Coca-Cola company. Additional details lodged this morning. Also pre-trade, CCL has provided a trading update, rather than wait until the scheduled 2 November update.

September quarter trading revenue and volumes fell respectively 4.2% and 5.4% year-on-year.

For the year to date, trading revenue is down 7.6%, at \$A2.19B. Volumes are 9.7% lower, at 289.4M unit cases.

Breakdown statistics also lodged.

Resuming from a trading halt, having last traded at \$10.75.

**Westpac Banking Corporation (WBC)**

2H FY20 cash earnings are expected to be adversely impacted by \$1.22B worth (post-tax) of notable items. In addition, CET1 is expected to fall by 0.24%.

Full year results due Monday next week.

**Adairs Ltd (ADH)**

ADH has appointed former ADH chair and current ADH director Trent Peterson as interim chairman due to previously announced retirement of chair Michael Butler at the conclusion of today's AGM. Today's AGM materials lodged.

**Cann Global (CGB)**

The 50:50 CGB-Canntab Therapeutics JV is launching six cannabis tablets in Australia. Details lodged pre-trade.

**Antisense Therapeutics (ANP)**

US FDA orphan drug designation in hand for ANP's proposed muscular dystrophy treatment ATL1102.

**New Energy Solar (NEW)**

Commencing a process to ultimately sell the NSW Beryl and Manildra solar power plants.

**Zebit Inc (\* ZBT)**

Online retailer and financier scheduled to list **11am** AEDT following a \$35M IPO at \$1.58 per CDI.

94.29M quoted CDIs.

**Energy**
**Senex Energy (SXY)**

Domestic gas sales agreement secured with Alinta Energy for the supply of 4PJ over two years from 1 January.



NASDAQ	11548	42	0.4
FTSE 100	5860	75	1.3
DAX 30	12646	103	0.8
Shanghai Comp	3278	-35	-1.0

### Overseas Markets Commentary

Major European equities headed higher in early trade overnight Friday, AstraZeneca and Johnson & Johnson revealing earlier Friday that each had been granted US FDA approval to resume trials in the US of their potential **vaccines** for Covid-19.

Sentiment vacillated during the US equities trading session, however, investors reacting for the first time to the Thursday evening, post-US trade televised debate between the two major party candidates in the **US presidential election**.

Several nations and US regions in the meantime reported new record daily Covid-19 diagnoses.

Also in the **US**, early Friday, a US administration official had described negotiations for potential new **economic support legislation** as 'barely moving'.

US trade and agriculture officials announced China had purchased US agribusiness goods representing ~70% of the targeted volumes agreed under an initial trade accord in January.

Meanwhile, the UK and Japan formalised a trade agreement that had been revealed in September.

Negotiations continued between the UK and EU in the meantime.

Among overnight Friday **data** releases, the **euro zone's** initial PMI estimates proved mixed.

The manufacturing sector PMI rose from 53.7 to 54.4.

The services sector reading however, indicated deepening contraction, estimated at 46.2 from 48.

**Germany's** manufacturing PMI rose by 1.6 to 58.0, against expectations of a fall to 55.1.

The services sector PMI slipped to a contraction-mode 48.9, from September's 50.6.

In the **UK**, September retail sales encouraged, calculated 1.5% higher for the month, and surpassing September 2019's by 4.7%, following expectations of a 0.5% monthly increase.

UK PMIs continued to indicate services and manufacturing sector expansion, but declined respectively from 56.1 to 52.3, and from 54.1 to 53.3.

In the **US**, Markit's preliminary October PMIs proved encouraging, the services reading, the more influential when estimating US GDP, rising to a robust 56.0 from 54.6.

The manufacturing PMI rose by 0.1 to 53.3.

**Tonight** in the **US**, September new home sales, the Chicago Fed's national activity index and the Dallas Fed (Texas region) manufacturing index are due.

Post-US trade, a final confirmation vote is anticipated for the president's Supreme Court nominee.

This, following a debate curtailment vote approved in the US Senate overnight.

Companies scheduled to report earnings later today and tonight include: Atlas Copco, Canon, Hasbro, HSBC, NXP Semiconductors, Petrobras, Reliance Industries and SAP.

## Pre-Open Announcements

### Infratil Ltd (\* IFT)

Offering to acquire up to 60% of Qscan Group Holdings, for up to \$A330M.

Presentation lodged this morning.

### Quickstep Holdings (\* QHL)

September quarter sales rose 16% year-on-year, to \$22.6M. Net bank debt fell by \$800,000 to \$5.6M.

Also reporting a 'marked' increase in quotation requests.

### Bank of Queensland (\* BOQ)

\$200M convertible capital notes offer at \$100 per note.

### CIMIC Group (\* CIM)

CIM's Sedgman has secured two three-year contract extensions, worth a combined \$166M, with QCoal's Sonoma and Byerwen processing facilities, Queensland.

### Tribeca Global Natural Resources (TGF)

Tribeca Investment Partners CEO and founder David Aylward has resigned from the TGF board.

In association, TGF has appointed recent Colonial First State global resources head Todd Warren as an independent non-executive director.

### CleanSpace Holdings (\* CSX)

Industrial and healthcare respiratory protection equipment manufacturer completed a stellar ASX listing Friday following a \$131.4M IPO at \$4.41 per share.

Opened at \$6.65 and traded at \$6.20 - \$7.44 before settling at \$7.42. 4.93M shares changed hands across 2995 transactions. 77.02M quoted shares.

### Adore Beauty Group (\* ABY)

Online cosmetics retailer completed a successful listing Friday following a \$269.5M IPO at \$6.75 per share.

94.125M quoted shares.

Opened at \$7.40 and traded at \$6.70 - \$7.42 before settling at \$6.92. ~6M shares were traded.

Trading commence on a conditional and deferred settlement basis.

Normal (T+2) trade is expected to commence tomorrow.

## Resources

### White Cliff Minerals (WCN)

Heralding high-grade gold assays from RC drilling within the WA Murchison region Reedy South project King Cole prospect.

### Deterra Royalties (DRR) / Iluka resources (ILU)

ILU's demerged DRR completed its ASX listing Friday.

Opened \$4.87 and traded at \$4.585 - \$4.95 before settling at \$4.60. 6.96M shares were traded across 3846 transactions.

### Megado Gold (\* MEG)

Explorer scheduled to list midday AEDT **tomorrow** following a

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1905.2</b>	oz	0.6	0.0
<b>Silver (NY) (Dec)</b>	<b>24.675</b>	oz	-0.03	-0.1
<b>Gold (LON)</b>	<b>1904</b>	oz	2.7	0.1
<b>Platinum</b>	<b>879</b>	oz	19	2.2
<b>WTI Crude (NYMEX Dec)</b>	<b>39.85</b>	bbl	-0.79	-1.9
<b>Brent Crude (ICE EUR Dec)</b>	<b>41.77</b>	bbl	-0.69	-1.6
<b>Iron Ore (NYMEX,CHN,62%)</b>	<b>121.02</b>	t	-0.54	-0.4
<b>Copper (LME,3mth Ind,PM)</b>	<b>6874</b>	t	-47	-0.7
<b>Nickel</b>	<b>15615</b>	t	-200	-1.3
<b>Aluminium</b>	<b>1843</b>	t	-6	-0.3
<b>Lead</b>	<b>1779</b>	t	-16	-0.9
<b>Zinc</b>	<b>2546</b>	t	-26	-1.0
<b>Tin</b>	<b>18405</b>	t	-280	-1.5

**Commodities Commentary**

**Oil** – global economic concerns, largely in relation to further announcements of the struggle for several developed nations to contain Covid-19, impacted overnight Friday trade.

With demand expected to fall, Libya's National oil Corp announcement that production was expected to rise to ~1MMbbl/d within four weeks (from 560,000bbl/d mid last week), exacerbated oil price falls.

A weekly US petroleum drill rig count, released overnight Friday, included six additional operational oil rigs, bringing the oil sector tally to 211.

**Gold** – overnight Friday sentiment was in part pushed and pulled by the wait for any definitive news regarding potential new US economic relief, and initial reactions to the US presidential candidates' Thursday evening debate.

In the meantime, Refinitiv reported that central banks had sold more gold than they had acquired during the September quarter, the first time this had occurred in ~10 years.

Gold sentiment is expected to be influenced by many factors this week in addition to US presidential election and Covid-19 developments and ongoing EU-UK negotiations.

Material data releases this week include initial September quarter GDP readings for the euro zone and US.

Major tech stocks will also report earnings in the US.

**Base metals** – announcements of worsening Covid-19 spread in several European nations and across a number of US regions Friday, coupled with plans for further restrictions, including lockdowns, impacted overnight Friday base metals trade sentiment.

China's plenary session, due to commence today and continue through Thursday, also was viewed as producing some caution during overnight Friday trade. A new five-year economic plan, due to come out of the session, had last week been touted to likely include announcements of bulk purchases of key commodities including copper.

In the meantime on Friday, China announced it had given the green light for an international copper futures contract to be launched 19 November.

\$6M IPO at 20c per share. 39.25M quoted shares.

**Energy****Karoon Energy (KAR)**

KAR has appointed former Oil Search (ASX: OSH) executive Julian Fowles as CEO and MD, effective at the conclusion of the 27 November KAR AGM.

**Stanmore Coal (\* SMR)**

Isaac Downs BFS outcomes lodged post-trade Friday, indicating an \$A85.2M capex, \$215M NPV and 139% IRR for the Isaac Plains proposed satellite operation.

September quarter operational statistics also lodged post-trade Friday.

**Trading Halts**

Company	Code	Resuming
Fatfish Group	FFG	26 Oct
Resource Generation	RES	26 Oct
Technology Metals Australia	TMT	26 Oct
Cauldron Energy	CXU	27 Oct
HGL Ltd	HNG	27 Oct
Marley Spoon	MMM	27 Oct
Resources & Energy Group	REZ	27 Oct
Urbanise.com Ltd	UBN	27 Oct
Cyprium Metals	CYM	28 Oct
OpenLearning Ltd	OLL	28 Oct
Troy Resources	TRY	28 Oct
Sultan Resources	SLZ	29 Oct

**Suspensions (select)**

Company	Code	Since
Consolidated Financial Holdings	CWL	16 Oct
Cyclone Metals	CLE	19 Oct
New Energy Minerals	NXE	15 Oct
Quantum Graphite	QGL	2 Oct
Vault Intelligence	VLT	9 Oct

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>KAT</b>	Today	<b>0.5</b>	100	1.48
CLV	Tomorrow	2.5	100	1.01
GCI	Thu	0.74	0	4.34
RFT	Thu	0.1	100	0.00
BIS	3 Nov	5	100	2.72
BOQ	4 Nov	12	100	4.62
WAT	6 Nov	3	100	1.71
JYC	9 Nov	2.7	100	9.93
NAC	9 Nov	1.4	100	5.05
NSC	9 Nov	1.25	100	6.02



Also on Friday, data out of China revealed China had exported a greater quantity of aluminium products than it had imported.

Data releases for key trading nations will this week include China's September industrial profits, expected tomorrow.

Earlier this past Friday, **Japan's** October PMIs suggested ongoing contraction for both the services and manufacturing sectors.

September CPI declined 0.1% for the month and came in flat year-on-year.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7128	-0.0011	<b>-0.16</b>
<b>EUR – USD</b>	1.1845	-0.0010	<b>-0.08</b>

### Australian Data Today

CommSec	State of the States	Sep Q
ABS	Trade balance (preliminary)	Sep

### US Data Tonight

Chicago Fed national activity index	Oct
New home sales	Sep
Dallas Fed manufacturing	Oct

### Other Overseas Data Today & Tonight

<b>Germany</b>	IFO business climate	Oct
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### Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

## Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
<b>Today</b>	<b>ADH</b>	AGM
	<b>ARG</b>	AGM
<b>Tomorrow</b>	BTI	AGM
	BGA	AGM
	BEN	AGM
	BLD	AGM
	CNB	AGM
	CTD	AGM
	EVN	AGM
	GUD	AGM
	IMM	AGM
	LNK	AGM
	MNF	AGM
	NCK	AGM
	NST	Sep Q
	REG	AGM
	SLK	AGM
	VIC	AGM
<b>Wed</b>	CDA	AGM
	COL	Sep Q
	EQT	AGM
	NSR	AGM
	SBM	AGM
	SDF	AGM
	SUL	AGM
	TGR	AGM
VOC	AGM	
<b>Thu</b>	ANZ	Full year
	CGF	AGM
	IAP	Interim (w/cast tele 5pm)
	JHG	Sep Q
	JBH	AGM
	JIN	AGM
	MYR	AGM
	PNI	AGM
	RWC	AGM
	S32	AGM (2pm)
TGG	AGM	
<b>Fri</b>	ASB	AGM
	CAR	AGM
	DUG	AGM (9am)
	EML	AGM



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