

Markets

SFE 200 Futures (9.30am AEDT)	5942	-103	-1.7
NZX 50	12144	-121	-1.0
DJIA Futures	26551	142	0.5
S&P 500 Futures	3282	18	0.6
NASDAQ Futures	11196	64	0.6

Local Markets Commentary

The Australian market opens today's trade following an overnight drop in international equities and key commodities sentiment, and a \$A fall, ahead of a Bank of Japan policy meeting today, and European Central Bank policy meeting tonight.

In addition, a bevy of high-profile corporate earnings are scheduled for release from today through tonight, plus a GDP estimate for the US tonight.

US futures have turned higher this morning.

Regionally today, the **Bank of Japan** convenes a policy meeting from which outcomes and a quarterly outlook are anticipated **2pm AEDT**.

Locally today, the Australian Bureau of Statistics (ABS) September quarter import and export prices **11.30am AEDT**.

In overnight commodities trade, **oil** dropped.

US **gold** futures (August) swung decisively lower.

Iron ore (Nymex CFR China, 62% Fe) continued to decline, albeit slightly.

LME **copper** and most key base metals also settled lower.

The **\$A** dropped below US70.45c, after trading at ~US71.50c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26520	-943	-3.4
S&P 500	3271	-120	-3.5
NASDAQ	11005	-426	-3.7
FTSE 100	5583	-146	-2.6
DAX 30	11561	-503	-4.2
Shanghai Comp	3269	15	0.5

Overseas Markets Commentary

Major European and US equities markets dropped overnight, Covid-19 containment, and hence economic global growth, concerns exacerbated by lockdown announcements in France and Germany and data revealing growing Covid-19 spread in the US and Russia.

This pushed the \$US higher on safe-haven demand.

Tuesday, the US president had doused expectations of further near-term US economic support, with most European markets

Today's Stock Watch
Australia & New Zealand Banking Group (ANZ)

35c fully franked final dividend.

40% lower, \$A3.577B full year NPAT.

6% lower, \$17.637B continuing operating income.

41% lower, \$3.66B cash profit.

\$1.674B 1H and \$1.064B 2H provisions.

JB Hi-Fi (JBH)

Australian JBH sales grew 27.3% during the September quarter, and 4.7% year-on-year. New Zealand sales fell 2.5% but were 3.8% higher than for the September quarter 2019.

Teleconference scheduled to commence **10.30am AEDT**.

archTIS Ltd (AR9)

Planning to outlay up to \$A9.75M in shares for information protection specialist Nucleus Cyber.

Presentation lodged pre-trade.

Austal Ltd (ASB)

Anticipating a \$125M FY21 EBIT, against a record \$130M EBIT recorded for FY20. Revenue is expected to come in at ~\$1.8B.

AGM scheduled for tomorrow.

Link Administration Holdings (LNK)

Granting non-exclusive due diligence to the Pacific Equity Partners and Carlyle Group consortium.

The consortium presented a revised indicative takeover proposal this week, which LNK considers still 'does not represent compelling value'.

Resources
Fortescue Metals Group (FMG)

Shipped a record 44.3Mt of iron ore during the September quarter, 5% more than a year earlier. C1 costs fell 2%.

Pilbara Minerals (PLS)

PLS is proposing to acquire Altura Mining's (ASX: AJM *administrators, receivers and managers appointed*) lithium project, located to the west of PLS's Pilgangoora lithium-tantalum project.

PLS plans to pay \$US155M cash up-front and deferred, additional consideration of ~\$US20M. PLS intends to support funding with a \$A240M, 36c-per-share equity capital raising.

PLS has traded at 38c – 44c over the company's past five trading sessions, falling 7.1% Tuesday to settle at 39c immediately before calling a trading halt.

Platina Resources (PGM)

Skaergaard project sale closure effectively in hand with a cash payment deposited by buyer Major Precious Metals Corp. As part of the deal PGM becomes a substantial Major shareholder.

reacting to this for the first time overnight.

In scant overnight **data** releases, **US** September wholesale inventories were reported 0.1% lower, following a 0.3% August rise and expectations of a new 0.2% increase.

Weekly mortgage applications rose 1.7% after falling 0.6% the previous week. Average 30-year mortgage rates came in at 3.0% from 3.02%.

In **Germany**, September import prices were estimated 0.3% higher for the month and 4.3% lower than for September 2019. For the month, prices had been expected to fall 0.4%.

Meanwhile, the German Institute for Economic Research (DIW) ventured 6% GDP September quarter growth for Germany, coupling this with expectations of a new slowdown following this.

Tonight in the **US**, an initial September quarter GDP estimate, September pending home sales and weekly new unemployment claims are due.

Elsewhere, the **European Central Bank** (ECB) convenes a policy meeting from which it will announce outcomes ahead of a press conference hosted by president Christine Lagarde.

Companies scheduled to report earnings later today and tonight include: Activision Blizzard, Airbus, Alibaba, Alphabet (post-US trade), Amazon (post-US trade), Anheuser Busch Inbev, Apple (post-US trade), Archer-Daniels-Midland, Atlassian, Comcast, ConocoPhillips, DuPont, Facebook (post-US trade), Janus Henderson Group, Kellogg, Kraft Heinz, Mitsubishi Electric, Motorola, Newmont Goldcorp, Nokia, Panasonic, PetroChina, ResMed, Royal Dutch Shell, Samsung Electronics, Sanofi, Shopify, Starbucks, Suzuki Motor, Takeda Pharmaceutical, Toyota Industries, Twitter (post-US trade), Volkswagen and Yum! Brands.

In overnight corporate news, **Eli Lilly** reported it had secured US FDA emergency use authorisation for the company's Covid-19 antibody treatment, and that the US would pay \$US375M for 300,000 doses. In addition, the US was considering purchasing an additional 650,000 doses by 30 June 2021, Eli Lilly said.

Gilead Sciences revealed 17% growth in September quarter revenue, to \$US6.6B, in part supported by \$US873M worth of remdesivir sales. Forecasters had anticipated up to \$US960M in remdesivir revenue, however.

BT announced an agreement to use Ericsson 5G equipment on the EE mobile network, meaning that with Nokia and Ericsson combined, BT would not need any 5G infrastructure arrangements with Huawei in compliance with government directions.

Boeing foreshadowed further job cuts, bringing the tally of actual and planned Boeing job losses by the end of 2021 to 20% of the company's early-2020 workforce.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1879.2	oz	-32.7	-1.7
Silver (NY) (Dec)	23.359	oz	-1.21	-4.9
Gold (LON) (Oct 27)	1906	oz		
Platinum	863	oz	-11	-1.3
WTI Crude (NYMEX Dec)	37.39	bbl	-2.18	-5.5
Brent Crude (ICE EUR Dec)	39.12	bbl	-2.08	-5.1
Iron Ore (NYMEX,CHN,62%)	120.45	t	-0.18	-0.1

Pre-Open Announcements

Janus Henderson Group (* JHG)

September quarter operational figures anticipated post-ASX trade.

A teleconference is scheduled to commence **7pm** AEDT.

Investec Australia Property Fund (* IAP)

Interim results anticipated today.

A webcast teleconference is scheduled to commence **5pm** AEDT.

Over the Wire Holdings (OTW)

OTW's \$5M, \$4.00-per-share SPP attracted ~\$18.7M worth of subscriptions.

Above-minimum applications were scaled back proportionally. OTW added 4.08% yesterday, settling at \$4.59.

Nutritional Growth Solutions (* NGS)

Paediatric nutritional supplements specialist scheduled to list on the ASX 10.30am AEDT **tomorrow**, following a \$7M IPO at 20c per share.

~43M quoted securities.

Resources

Mali Lithium (* MLL)

~\$A74M fundraiser completed at 16c per share, in support of the acquisition of 80% of the Morila gold mine, Mali.

MLL initially raised \$A64M in a select placement and received applications for \$9.8M worth of shares in a SPP targeting \$6M.

MLL subsequently accepted all SPP oversubscriptions.

The Morila transaction is expected to close by 1 November (Sunday).

MLL has settled lower the past five sessions, yesterday closing at 15.5c.

Orcobre Ltd (ORE)

ORE has appointed Enerflex Latin America president Patricia Martinez as a director, effective 1 December.

Medusa Mining (MML)

Today's AGM materials lodged post-trade yesterday.

Blackstone Minerals (BSX)

Project development head and GM operations appointments, plus additional promotions, lodged this morning.

Firefly Resources (FFR)

In response to an ASX price and volume query, FFR points out the company is awaiting Yalgoo gold project RC drilling results, and that it has recently received strong support for a private placement, including from new investors.

FFR appreciated 47.06% yesterday, settling at a 25c session high and with 1384 transactions recorded.

Manuka Resources (MKR)

MKR completed its first full quarter since listing on the ASX (14 July), producing 4100oz of Mt Boppy gold for the September



Copper (LME,3mth Ind,PM)	6750	t	-42	-0.6
Nickel	15735	t	-175	-1.1
Aluminium	1810	t	-10	-0.6
Lead	1810	t	31	1.7
Zinc	2539	t	-6	-0.2
Tin	17929	t	-143	-0.8

Commodities Commentary

Oil – both WTI and Brent prices tumbled overnight, general Covid-19-related international economic growth, and hence oil demand, angst adversely impacting sentiment.

Further, a weekly US petroleum inventories report, released by government agency the EIA, included a 4.32MMbbl record (weekly) rise in stored crude, plus a 1.2MMbbl/d rise in oil production to 11.1MMbbl/d. Net Imports rose 122,000bbl/d after falling 1.069MMbbl/d the previous week.

In addition, the \$US strengthened.

Meanwhile, Hurricane Zeta was expected to cross the US coast in southern Louisiana post-US trade.

66.6% of oil output and 44.5% of natural gas production were estimated as shut-in ahead of the storm's approach.

Gold – a stronger \$US (ICE \$US +0.5%) and new liquidity demand pushed Comex futures to four-week lows overnight, amid general angst regarding Covid-19 spread.

Comments out of tonight's European Central Bank policy meeting, and also an initial US September quarter GDP reading may push and pull sentiment tonight.

Base metals – growing Covid-19 diagnoses and lockdown announcements, in particular across Europe, Russia and the US overnight, impacted demand views, pushing metals sentiment lower.

Some *lead* support was attributed to historic northern hemisphere winter battery demand.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7058	0.0012	0.17
EUR – USD	1.1751	0.0006	0.05

Australian Data Today

ABS	Import & export price indices	Sep Q
-----	-------------------------------	-------

US Data Tonight

GDP (1 st of three readings)	Sep Q
Initial jobless claims	24 Oct
Pending home sales	Sep

Other Overseas Data Today & Tonight

Japan	BoJ policy meeting outcomes	Oct
Japan	Retail sales	Sep

quarter.

MKR sold the gold \$A2648/oz for \$A11,065 revenue.

Unseasonal wet weather within the NSW Cobar Basin district impacted anticipated mining and haulage. Some remedial and preventative work has since been completed.

\$4.52M cash. \$22.82M total borrowings.

Coda Minerals (* COD)

Mineral explorer completed a successful ASX listing yesterday following a 48.5M IPO at 30c per share.

Opened at 51c and slipped to 43c before settling at 44c.

1.81M shares changed hands across 259 transactions.

69.7M quoted shares.

Angang Group Hong Kong held 13.92% on listing.

Trading Halts

Company	Code	Resuming
Liontown Resources	LTR	29 Oct
Toro Energy	TOE	29 Oct
VRX Silica	VRX	29 Oct
White Cliff Minerals	WCN	29 Oct
Buddy Technologies	BUD	30 Oct
Emerge Gaming	EM1	30 Oct
Hawkstone Mining	HWK	30 Oct
HUB24 Ltd	HUB	30 Oct
Xplore Wealth	XPL	30 Oct
Hydrix Ltd	HYD	3 Nov
Santana Minerals	SMI	3 Nov

Suspensions (select)

Company	Code	Since
Consolidated Financial Holdings	CWL	16 Oct
Cyclone Metals	CLE	19 Oct
MetalsTech Ltd	MTC	27 Oct
New Energy Minerals	NXE	15 Oct
Resource Generation	RES	26 Oct
Trimantium GrowthOps	TGO	28 Oct
Triple Energy	TNP	28 Oct
Vault Intelligence	VLT	9 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
GCI	Today	0.74	0	4.34
PCI	Today	0.31	0	3.78
QRI	Today	0.83	0	6.37
RFT	Today	0.1	100	0.00
MOT	Tomorrow	0.88	0	7.18
MXT	Tomorrow	0.74	0	5.15



Japan	Consumer confidence (4pm AEDT)	Oct
UK	BoE consumer credit	Sep
UK	Domestic vehicle production	Sep
Germany	CPI	Oct
Germany	Unemployment	Oct
Euro zone	ECB policy meeting outcomes	Oct
Euro zone	Economic, 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

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

PGG	Tomorrow	0.71	0	4.53
NBI	Mon	~0.696	0	5.57
BIS	Tue	5	100	2.76
BOQ	Wed	12	100	4.83
WAT	6 Nov	3	100	1.71
JYC	9 Nov	2.7	100	9.93
NAC	9 Nov	1.4	100	4.91
NSC	9 Nov	1.25	100	5.93

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	ANZ	Full year
	CGF	AGM
	FMG	Sep Q
	IAP	Interim (w/cast tele 5pm)
	JHG	Sep Q
	JBH	AGM
	JIN	AGM
	MOZ	AGM
	MYR	AGM
	PNI	AGM
	RWC	AGM
	S32	AGM (2pm)
	TGG	AGM
Tomorrow	ASB	AGM
	CAR	AGM
	DUG	AGM (9am)
	EML	AGM
	GWA	AGM
	HUO	AGM
	IDX	AGM
	JHC	AGM
	RAP	Sep Q
	SXL	AGM
	SPT	AGM
	VRL	AGM