

Markets

SFE 200 Futures (9.30am AEST)	5841	-27	-0.5
NZX 50	11859	46	0.4
DJIA Futures	27693	4	0.0
S&P 500 Futures	3368	0.5	0.0
NASDAQ Futures	11577	2	0.0

Local Markets Commentary

The Australian market opens Friday trade with material domestic data due by late morning and US monthly employment statistics scheduled for release tonight, following vacillating overnight international equities sentiment and some significant price falls for key commodities.

In addition, China's markets remain closed through Wednesday next week and several Australian states and territories are heading into Monday public holiday weekends.

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

Post-ASX trade, the Reserve Bank of Australia (RBA) publishes a monthly **assets and liabilities** report.

Regionally today, **Japan** reports August workforce figures pre-ASX trade, and September consumer confidence in late-ASX trade.

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

US **gold** futures (December) seesawed again, this time to record a post-\$US1915/oz settlement.

Iron ore (Nymex CFR China, 62% Fe) was pushed decisively lower, beneath \$US121.50/t.

LME **copper** tumbled. **Nickel** and **aluminium** fell.

The **\$A** traded at 71.90c early yesterday evening.

This morning, the **\$A** has fallen to ~US711.80c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27817	35	0.1
S&P 500	3381	18	0.5
NASDAQ	11327	159	1.4
FTSE 100	5879	13	0.2
DAX 30	12731	-30	-0.2
Shanghai Comp	3218	Public	Holiday

Overseas Markets Commentary

Major European and US equities markets opened higher overnight, but subsequent choppy trade across key indices, with the exception of the NASDAQ, led to significant reductions in gains by close.

Geopolitical issues on both sides of the Atlantic delivered

Australia – August retail sales – 11.30am AEST

Monday – regular ASX trade and settlement
 Public holidays in the ACT, NSW, Queensland and South Australia

Daylight saving commences in the ACT, New South Wales, South Australia, Tasmania and Victoria early **Sunday**.

From Monday (5 October), ASX trade consequently **commences local time** in:

Western Australia at 7am;
Queensland at 9am; and the
Northern Territory at 8.30am.

Today's Stock Watch
Mesoblast Ltd (MSB)

Anticipating being granted a Type A meeting with the US FDA after receiving an FDA response for the MSB Biologics application for remestemcel-L in treating childhood steroid-refractory acute graft versus host disease.

The FDA has requested additional scientific rationale.

Antisense Therapeutics (ANP)

Phase two clinical trial results include a statistically significant improvement in muscle function following treatment with ANP's ATL1102. Statistics lodged this morning.

The results have been presented to the World Muscle Society annual congress, ahead of a webinar which was scheduled to commence 9am AEST.

PainChek Ltd (PCK)

Partnership agreement secured with Ramsay Hospital Research Foundation and Edith Cowan University, for a two-year investigation into reducing progressive frailty in patients admitted to hospitals.

Vection Technologies (VR1)

Resuming trade having completed a \$6M oversubscribed 9c-per-share placement. VR1 traded at 8.3c – 15.5c the five sessions immediately prior to calling a halt.

Plenti Group (PLT)

48% year-on-year increase in September quarter loan originations to a record \$106.9M. PLT's total loan portfolio grew to ~\$434M, \$8M beyond the PLT IPO prospectus prediction. PLT listed on the ASX 23 September.

Growthpoint Properties Australia (GOZ)

GOZ has secured Bunnings as a tenant for ~71% (13,886sq m) of the 570 Swan St, Richmond, Victoria (Botanicca 3) building. Bunnings has committed to a 10-year, seven-month lease from yesterday.

disappointment and a plethora of key data releases came in mixed.

US Democrats played down the US treasury secretary's positive talk the previous session regarding negotiations towards legislation that would make available additional **funding** programs to help offset the Covid-19 impacts on businesses and individuals.

This, as the House of Representatives prepared to vote on the Democrats' proposed \$US2 trillion plan.

The US administration favours its own package, reportedly worth \$US1.5 trillion.

Also in the US, investors were also assessing the implications of a late-Wednesday US president signing of an executive order aimed at reducing US reliance on China and select nations for strategic rare earths and minerals.

Among US presidential election campaign developments, Texas administrators revealed plans to close most early mail-voting ballot drop-off centres across counties, in favour of one central drop-off point.

In addition, the US administration indicated it would not adhere to any rule changes implemented ahead of the next presidential contenders' debate.

Across the Atlantic in the meantime, the **European Union (EU)** commenced legal action against the UK after an EU-imposed deadline expired for the **UK** to abandon its legislation proposed to override some trade and business support matters agreed in the EU-UK separation agreement signed in January.

In overnight data releases, the **UK's** final September manufacturing PMI confirmed a pullback to 54.1 from 55.2.

In **Germany**, the September manufacturing PMI was finalised at a robust 56.4, from 52.2 for August.

For the **euro zone** as a whole, the September manufacturing PMI was finalised at 53.7 from 51.7.

Euro zone September producer prices rose 0.1% for the month, but were 2.5% lower than for August 2019.

The August unemployment rate was calculated at 8.1% following 8.0% for July and against forecasts of 8.2%.

Italy's unemployment rate came in at 9.7%, from 9.8% and following forecasts of as much as 10.5%.

In France, a 10-year bond auction resulted in a -0.25% yield from -0.19%.

Yesterday afternoon, a 10-year bond auction in Japan had delivered a 0.024% yield from 0.034%.

In the **US**, ISM's September manufacturing index slipped to 55.4 from 56, remaining decidedly in expansion mode.

Weekly new unemployment claims tallied 837,000, against 873,000 the previous week and following forecasts of 855,000.

A job cuts report estimated 118,804 jobs were planned to go during September, following 115,762 for August.

August personal income and spending respectively fell 2.7% and rose 1%.

August construction spending rose 1.4% following a 0.7% July increase.

Meanwhile, Markit's revised September manufacturing index came in at 55.4 from 56 for August.

Pre-Open Announcements

QUB Holdings (** QUB)

Commencing an exclusive period for LOGOS Property Group to investigate potentially supporting the monetisation of the Moorebank Logistics Park.

Serko Ltd (** SKO)

Resuming trade having completed a \$NZ45M fully underwritten placement, which was bumped to \$NZ47.5M following a book-build at \$NZ4.55 per share.

SKO is also planning a \$NZ10M SPP.

Holding \$NZ33.6M cash, but when 'meaningful revenue generation' will recommence remains 'uncertain'.

CSL Ltd (* CSL)

CSL has appointed recent Bupa CFO and executive director Joy Linton as CFO, taking over from David Lamont, whose plans to leave CSL were disclosed in June.

Select Harvests (* SHV)

SHV is planning to acquire United Almonds' and Lucas Almonds' Piangil Almond Orchard for \$129M cash plus a yet-to-be-determined growing costs reimbursement.

In association, SHV is conducting a \$120M fully-underwritten fundraiser, comprising a \$40M placement and \$80M entitlement offer, each at \$5.20 per share.

The retail component of the entitlement offer is scheduled for 9 – 22 October.

In addition, SHV plans to use funds from new debt facilities in support of the acquisition.

SHV has traded at \$5.46 - \$5.77 the past five trading sessions.

Trading halt called post-trade yesterday.

iSentric Ltd (ISU)

ISU's approved name change to IOUpay Ltd, and associated new ASX code, IOU, is expected to take effect on market open Monday.

Resources

Talisman Mining (TLM)

Non-executive director Karen Gadsby is planning to retire from the TLM board at the end of the 4 November AGM.

Ms Gadsby has been a TLM director since 2008.

Trading Halts

Company	Code	Resuming
Fatfish Group	FFG	2 Oct
iCandy Interactive	ICI	2 Oct
Kazia Therapeutics	KZA	2 Oct
Metalicity Ltd	MCT	2 Oct
AML3D Ltd	AL3	5 Oct



Tonight in the **US**, September national **employment** statistics, including the number of jobs created, wages growth and overall unemployment, are keenly anticipated.

In addition, the final University of Michigan consumer sentiment estimate for September is due, together with the ISM's September New York business activity index and August factory orders.

Elsewhere, the overall euro zone preliminary September CPI estimate is anticipated.

In overnight corporate news, **Rolls-Royce** announced a £2B rights offer.

Sweden's **H&M** revealed plans to close 250 stores due to increasing online and retail park shopping.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1916.3	oz	20.8	1.1
Silver (NY) (Dec)	24.254	oz	0.76	3.2
Gold (LON) (29Sep)	1884	oz		
Platinum	891	oz	7	0.8
WTI Crude (NYMEX Nov)	38.72	bbl	-1.50	-3.7
Brent Crude (ICE EUR Dec)	40.93	bbl	-1.37	-3.2
Iron Ore (NYMEX,CHN,62%)	121.43	t	-2.55	-2.1
Copper (LME,3mth Ind,PM)	6353	t	-328	-4.9
Nickel	14350	t	-150	-1.0
Aluminium	1737	t	-31	-1.8
Lead	1799	t	-29	-1.6
Zinc	2325	t	-80	-3.4
Tin	17420	t	-74	-0.4

Commodities Commentary

Oil – OPEC production figures, increasing warnings regarding Covid-19 containment, most recently in India, the UK, Russia, and the euro zone, plus reduced optimism regarding potential new US fiscal support, pushed prices lower overnight.

A media report estimated OPEC September output as having grown a daily 160,000bbl during the month, exports coming in at 18.2MMbbl/d from 17.53MMbbl/d.

Most of this was attributed to Libya and Iran, however, which haven't been required to comply with any cuts.

Libya's production was calculated at 270,000bbl/d this week, as the UN reported progress moderating the nation's militant groups, further lifting expectations of recovering output.

Saudi Arabia's exports seemed to weigh the most, reportedly growing by a daily 500,000bbl during September.

In the meantime, Exxon Mobil issued a third quarter earnings warning.

A weekly US petroleum drill rig count is due tonight.

Gold – a weaker \$US stirred with US presidential election angst, some geopolitical concerns, and mixed indicators of economic progress, helped support overnight gold interest.

September US employment figures, due for release tonight, are expected to influence end-of-week trade.

Base metals – reduced-volume trade was reported overnight

Black Earth Minerals	BEM	5 Oct
Funtastic Ltd	FUN	5 Oct
Nova Minerals	NVA	5 Oct
Over The Wire Holdings	OTW	5 Oct
Purifloh Ltd	PO3	5 Oct
Renegade Exploration	RNX	5 Oct
Reward Minerals	RWD	5 Oct
The Agency Group Australia	AU1	5 Oct
Ultima Ltd	UUL	5 Oct
Select Harvests	SHV	6 Oct
Black Rock Mining	BKT	7 Oct
CresoPharma Ltd	CPH	7 Oct

Suspensions *(select)*

Company	Code	Since
East Energy Resources	EER	18 Sep
FAR Ltd	FAR	14 Sep
Kaiser Reef	KAU	17 Sep
Lifespot Health	LSH	28 Sep
Lincoln Minerals	LML	21 Sep
Mint Payments	MNW	21 Sep
MyFiziq Ltd	MYQ	1 Oct
Phoslock Environmental Technologies	PET	21 Sep
Riedel Resources	RIE	22 Sep
VIP Gloves	VIP	1 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
PFG	Today	0.25	100	2.53
PRN	Today	3.5	100	6.01
PTB	Today	2.5	100	3.42
NCC	Mon	3.5	100	7.18
NCK	Mon	22.5	100	5.31
VEA	Mon	5.94	0	2.11
REH	Tue	6	100	1.51
ICS	Wed	4.5	0	4.86
SXE	Wed	3	100	0.00
ARB	Thu	39.5	100	0.74
CAM	Thu	1.13	100	6.06
GNG	Thu	4	0	3.90
PIA	Thu	2.5	100	5.04
DGH	Fri	2.25	0	4.04
HVN	Fri	18	100	4.62
MFF	Fri	3	100	1.71
TRA	Fri	3.64	85	6.54



due to China's markets being closed for the National Day and Mid-Autumn Festival holiday season.

Copper sentiment suffered, in part due to a turnaround in inventories and also due to growing international concessions that the Covid-19 outbreak was not contained in several regions.

Among key industrial and trading nations, Japan's 47.7 final September manufacturing PMI, reported yesterday, represented a 0.5-point improvement for the month, but nonetheless ongoing sector contraction.

In producer news, Lundin Mining sought government mediation over threats of industrial action at the Candelaria copper project.

China's markets are closed for 'Golden Week' through Wednesday next week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7181	0.0019	0.27
EUR – USD	1.1744	0.0023	0.20

Australian Data Today

ABS	Retail sales	Aug
RBA	Liabilities and assets (4.30pm AEST)	Sep

US Data Tonight

Employment (incl jobs and wages growth)	Sep
Uni of Michigan consumer sentiment (final)	Sep
ISM New York	Sep
Factory orders	Aug

Other Overseas Data Today & Tonight

Japan	Consumer confidence (3pm AEST)	Sep
Japan	Employment	Aug
Euro zone	CPI (initial)	Sep

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