

Markets

SFE 200 Futures (9.30am AEDT)	7180	52	0.7
NZX 50	13298	19	0.2
DJIA Futures	34271	104	0.3
S&P 500 Futures	4359	16	0.4
NASDAQ Futures	14822	60	0.4

Local Markets Commentary

The Australian market opens a new week's trade ahead of a Reserve Bank of Australia (RBA) policy meeting tomorrow, with four Australian States and/or Territories observing public holidays, both the premier and deputy premier of NSW now resigning, and with China's markets remaining closed for a further four days.

Overnight Friday US equities trade leads ultimately proved positive.

Since overnight Friday trade, the US has confirmed ongoing wrangling regarding key infrastructure and social spending legislation.

Locally today, the Melbourne Institute is listed by some to publish its monthly inflation gauge report.

In overnight Friday commodities trade, Brent and WTI **crude** were each pushed decidedly higher.

US **gold** futures added to Thursday's gain, but just slightly so.

Iron ore (China port CFR, 62% fines) turned lower in relatively low volume trade during the first day of China's National Day holiday period.

LME (3mth evening) **copper** and **nickel** turned variously higher.

Aluminium continued lower, but slightly so.

The **\$A** appreciated to ~US72.60c, after being propelled to US72.40c early Friday evening. This morning, the \$A has traded at ~US72.80c.

China's markets are closed today through Thursday due to the National Day holiday season.

In Australia, the ACT, New South Wales, Queensland and South Australia are observing Monday public holidays today.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34326	483	1.4
S&P 500	4357	50	1.2
NASDAQ	14567	118	0.8
FTSE 100	7027	-59	-0.8
DAX 30	15156	-104	-0.7
Shanghai Comp	3568	Public	Holiday

Overseas Markets Commentary

Negative sentiment continued across major European and UK

Regular ASX trade & settlement today

Public holidays in the ACT, NSW, QLD and South Australia

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

From today, 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
Nick Scali (NCK)

Proposing to pay ~\$103M cash for Plush Think-Sofas, using cash and new debt facilities.

Intega Ltd (ITG)

Agreeing a scheme deed whereby Kiwa NV will pay A90c cash-per-share to acquire ITG. ITG traded at 53c – 60c last week.

Auckland Airport (AIA) / Air New Zealand (AIZ)

AIA has appointed recent AIZ COO Carrie Hurihanganui as CEO, effective early 2022.

Current AIA CEO Adrian Littlewood flagged his resignation in May and will remain with AIA until 12 November.

AIA GM corporate services Mary-Liz Tuck will be interim CEO until Ms Hurihanganui commences with AIA.

Resources
Gold Road Resources (GOR)

Revising 2021 Gruyere JV production guidance from 260,000oz – 300,000oz to 250,000oz – 260,000oz.

71,000oz – 81,000oz December quarter output is expected.

The Gruyere 50:50 JV with Gold Fields' Gruyere Mining produced 59,371oz of gold during the September quarter, from 58,132oz for the June quarter.

Unscheduled ball mill maintenance has been completed, with mill throughput ramped during this past weekend.

West African Resources (WAF)

Anticipating 2021 gold output will exceed the upper end of previous guidance of 280,000oz. The Burkina Faso Sanbrado gold project produced 81,960oz of gold during the September quarter, pushing the 2021-to-date tally to 201,400oz.

Sayona Mining (SYA)

Resuming from a trading halt having raised ~\$A100M in a 14.5c-per-share placement, ahead of a \$A25.5M rights issue, in support of the proposed Quebec Moblan lithium project acquisition. SYA traded at 17c – 19c over the five sessions immediately prior to calling the halt.

equities markets overnight Friday, amid energy shortage and fuel cost concerns.

Following early meandering trade however, US sentiment improved markedly during second-half (US) trade.

This was attributed mostly to optimism surrounding a potential oral, and hence easily administered, treatment for Covid-19, following revelations of trial results sufficiently encouraging to prompt a refocus on seeking US FDA emergency use approval.

In addition, some US economic indicators came in better-than-anticipated.

Further, the US administration was reported to have committed, as early as June, to ordering 1.7M doses should the treatment receive authorisation.

On the flip side, the House of Representatives made little progress on preparing to vote on the \$US1 trillion infrastructure package already approved by the Senate.

Some of the delay and opposition is tied to separate proposed legislation for \$US3.5 trillion to cover planned social infrastructure and climate change spending.

In overnight Friday **data** releases, an initial September **euro zone** CPI calculation put inflation 0.5% higher for the month, following a 0.4% August increase, and forecasts for a 0.2% new rise.

Against September 2020, inflation was up 3.4%. This, after the annualised inflation rate at the end of August had come in at 3.0%.

A 58.6 final September manufacturing PMI reading for the euro zone represented a 2.8-point fall for the month.

Germany's August retail sales rose 1.1% for the month after dropping 4.5% during July.

The final September manufacturing PMI reading for Germany came in at 58.4, from August's 62.6.

The **UK's** September manufacturing PMI was finalised at 57.1 against August's 60.3, but a larger decline to 56.3 had been anticipated.

In the **US**, August personal income and spending rose by 0.2% and 0.8% for the month respectively.

This particularly encouraged as, during July, income had risen 1.1% but spending had declined by 0.1%, and forecasters had predicted a constrained 0.3% improvement in August spending.

The ISM's September manufacturing index also exceeded expectations, rising by 1.2 to 61.1.

The August PCE (personal consumption expenditure) index rose 0.4% for the month and 4.3% year-on-year.

Annualised core PCE was reported in line with expectations, at 3.6%.

August construction spending came in flat after a 0.3% increase in July spending and forecasts for a slight 0.2% new rise.

The University of Michigan's September consumer confidence reading was finalised at 72.8, representing a 2.5-point rise for the month, rather than the 0.7-point forecast increase.

The current conditions sub-component index improved by 1.6 to 80.1, against expectations for a 1.4-point decline to 77.1.

Tonight in the US, August factory orders and a final August durable goods estimate are due.

In overnight Friday corporate news, **Merck** stock was pushed

Pre-Open Announcements

Infratil Ltd (** IFT)

Partnership agreement conditionally secured by IFT and Pacific Radiology Group with Auckland Radiology Group, to establish a national diagnostic imaging business at least 50.1% held by IFT, for a \$NZ30M - \$NZ60M outlay.

Pending approvals, completion is anticipated by month's end.

SkyCity Entertainment Group (** SKC)

SKC's Hamilton casino complex closed down for five days from midnight, due to broadened Covid-19 containment-related restrictions, rejoining SKC's Auckland operations, which have been closed since midnight 17 August.

Nutritional Growth Solutions (NGS)

Distribution agreement secured with Ultrahealth Group, to distribute NGS's Healthy Heights including to hospital ecommerce and pharmacy retailers in China.

Tyro Payments (TYR)

Total transaction value (TTV) for September came in at \$2.168B, 21% higher than for September 2020.

For the year to date (Friday, 1 October), TYR's TTV tallied \$6.605B, 22% more than for the same period last year.

Resources

AuKing Mining (** AKN)

Initial WA Halls Creek region Koongie Park drilling results lodged this morning, confirming high-grade, near-surface Cu, Zn, Ag and Pb mineralisation.

Fortescue Metals Group (* FMG)

WA Pilbara Solomon Hub iron ore processing resumed Friday following a worker fatality early Thursday 30 September.

Some mining activity also recommenced.

Pantoro Resources (* PNR) / Tulla Resources (TUL)

Norseman gold project JV Scotia Deeps drilling outside the current reserve has delivered additional high-grade and significant-width intersections and confirmed high-grade mineralisation beyond 500m below surface.

Four drill rigs in operation.

Assays lodged pre-trade.

PNR and TUL each hold 50% of the project.

King Island Scheelite (* KIS)

Resuming from a trading halt having received commitments for \$14.3M and \$11.2M placements and a \$5.5M SPP, each at 14c per share.

KIS traded at 16c – 18c over the five sessions immediately prior to calling the halt.

Catalyst Metals (CYL)

CYL has appointed GM technical services and development John McKinstry as CEO, effective immediately.

greater than 10% higher, after announcing a late-stage clinical trial had demonstrated that molnupiravir, the oral antiviral capsule developed jointly with Ridgeback Biotherapeutics to treat Covid-19, could reduce by 50% the risk of hospitalisation or death.

Commodities.

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1758.4	oz	1.4	0.1
Silver (NY) (Dec)	22.54	oz	0.49	2.2
Gold (LON)	1743	oz		
Platinum	971	oz	9	0.9
WTI Crude (NYMEX Nov)	75.88	bbl	0.85	1.1
Brent Crude (ICE EUR Nov)	79.28	bbl	0.97	1.2
Iron Ore (Qingdao) (CHN;62% <i>f</i>)	115.79	t	-3.44	-3.0
Iron Ore (Nymex)	115.76	t	3.89	-3.4
Copper (LME 3mth evening)	9128	t	192	2.2
Nickel	17965	t	36	0.2
Aluminium	2849	t	-3	-0.1
Lead	2140	t	48	2.3
Zinc	2983	t	-5	-0.2
Tin	33780	t	-66	-0.2

Commodities Commentary

Oil – OPEC+ members are due to meet from later today to decide on any output adjustments.

Overnight Friday night price gains were attributed in a large part to reports that OPEC+ members were unlikely to further ease curbs before year's end

Last week, the OPEC+ joint technical committee had reportedly reduced its 2022 surplus forecast from 1.6MMbbl/d to 1.4MMbbl/d.

A US weekly petroleum drill rig report, published overnight Friday, included a 428-strong operational oil rigs tally, indicating seven additional rigs had commenced operations during the previous week.

Gold – gold prices received limited support overnight Friday, constrained by ultimately positive US equities sentiment, but helped by a fall in 10-year US treasury bond yields to ~1.47%.

This week's trade is expected to react in part to key US data releases including the ISM non-manufacturing index, a private sector jobs report, and at week's end, national September employment statistics.

Base metals – new regional data, technicals and currency moves appeared the major influences on overnight Friday LME trade, during the first day of the last quarter for 2021.

Some short-covering was reported for *copper*, on approach to a key support level.

In production news, Noble Group revealed an *aluminium* smelter in Jamaica, that had suffered fire damage that resulted in an August shut down, would likely not resume full output until late September quarter 2022.

Key data releases Friday and overnight Friday included **South Korea's** September trade figures, which included a \$US4.20B trade surplus, from \$US1.67B for August, but against expectations of \$US6.8B.

Nexus Minerals (NXM)

Pointing to recently-announced drilling results in response to an ASX price query.

NXM traded as high as 44c Friday, before settling at 40c, up 25% for the session, and with 9.3M shares having changed hands.

NXM had closed out the previous week at 33.5c.

NXM last announced drilling results 8 September.

West Cobar Metals (WC1)

Exploration company WC1 completed a successful ASX listing Friday, following a \$5.5M IPO at 20c per share.

Opened at 24c and traded at 22c – 25c before settling at 22.5c. 1.41M shares changed hands across 135 transactions.

29.25M quoted shares.

Holds four exploration projects in the NSW Cobar region, prospective for copper, gold, silver and lead.

Energy

Energy Resources of Australia (** ERA) / Rio Tinto (RIO)

ERA CEO and MD Paul Arnold has resigned, to assume a new role with RIO after a leave period.

Recent RIO chief advisor closure strategy non-managed assets Brad Welsh will be acting ERA CEO.

Central Petroleum (* CTP) / New Zealand Oil & Gas (NZO) / Cue Energy Resources (CUE)

CTP oil and gas resources and reserves update lodged post-trade Friday, reflecting Friday's completion of the sale of 50% of CTP's interests in producing Amadeus Basin assets to NZO and CUE.

\$24M cash balance. \$36.8M loan facility balance.

Updated interests in the Mereenie gas and oil field, Palm Valley gas field and Dingo gas field also lodged.

CTP retains operatorship of the fields.

Trading Halts

Company	Code	Resuming
Sandon Capital Investments	SNC	4 Oct
Tamaska Oil & Gas	TMK	4 Oct
Adavale Resources	ADD	5 Oct
Alligator Energy	AGE	5 Oct
Archer Minerals	AXE	5 Oct
Fin Resources	FIN	5 Oct
Tietto Minerals	TIE	5 Oct
Trigg Mining	TMG	5 Oct
Woomera Mining	WML	5 Oct

Suspensions (selected)

Company	Code	Since
Hannans Ltd	HNR	29 Sep
Murray River Group	MRG	1 Oct



China's markets will remain closed today through Thursday due to the National Day holiday season. This is expected to produce relatively low overall LME trading volumes this week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7279	0.0021	0.29
EUR – USD	1.1607	0.0014	0.12

Australian Data Today

Melb Institute	Inflation gauge	Sep
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US Data Tonight

Factory orders	Aug
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Other Overseas Data Today & Tonight

Euro zone	Sentix investor confidence	Oct
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Stemcell United	SCU	29 Sep
Wiseway Group	WWG	1 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BSA	Today	0.5	100	3.45
BWX	Tomorrow	3.1	100	0.20
CAM	Tomorrow	1.52	100	5.03
GNP	Tomorrow	1.8	100	0.00
NCC	Tomorrow	3.75	100	6.42
PRN	Tomorrow	2	0	8.48
SGM	Tomorrow	30	50	0.95
ARB	Thu	39	100	1.46
MAH	Thu	0.35	20	3.33
RIC	Thu	2	100	0.00
FPC	Fri	4.5	100	2.44
MFF	Fri	3.5	100	2.04
TNK	Fri	24	100	6.27
VRT	Fri	12	100	2.07

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Tomorrow	AFI	AGM
	BBN	AGM
	MIR	AGM
	PBH	AGM
Wed	MEZ	AGM
Thu	AMH	AGM
	DJW	AGM