

Markets

SFE 200 Futures (9.30am AEST)	5912	24	0.4
NZX 50	8119	-27	-0.3
DJIA Futures	23332	7	0.0
S&P 500 Futures	2572	-1	0.0
NASDAQ Futures	6250	0	0.0

Local Markets Commentary

The Australian market commences a new month's trade mid-week, ahead of new data out of China, and on mixed overnight commodities and mostly lacklustre equities leads.

Key domestic economic figures will also continue, ahead of the Reserve Bank of Australia's (RBA) policy meeting Tuesday next week.

Post-US trade, a deadly vehicle attack off-road in Manhattan has raised international security tensions.

Reports have emerged also, of significant deaths and a possible radioactive leak at a nuclear base in North Korea early last month.

Regionally today, China's October manufacturing PMI, as calculated by Caixin, is expected **12.45pm AEDST**.

In overnight commodities trade, US **gold** futures turned lower. **Oil** extended recent gains. **Iron ore** (China port, 62% Fe) continued lower. LME **copper** swung lower, but **nickel** surged.

The **\$A** fell to ~US76.55c after slipping below ~US76.70c yesterday evening.

Locally today, AiG publishes its October manufacturing activity index pre-trade.

October residential property prices are also due from CoreLogic this morning.

RBA-calculated commodity prices are expected post-trade.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23377	29	0.1
S&P 500	2575	2	0.1
NASDAQ	6728	29	0.4
FTSE 100	7493	5	0.1
DAX 30	13230	Public Holiday	
Shanghai Comp	3393	3	0.1

Overseas Markets Commentary

Major European and US equities markets largely opened higher overnight, but mostly failed to achieve convincing gains amid mixed earnings and data, ahead of central bank decisions in the US tonight and UK tomorrow night. Equities markets in Germany did not trade due to a public holiday.

An initial estimate of October **eurozone** CPI placed annual growth at 1.4%, a little below expectations.

September quarter GDP rose 0.6% for the three months and 2.5% year-on-year, slightly higher than anticipated, again in a preliminary reading.

China - Caixin manufacturing PMI **12.45pm AEDST**

* IT services listing **11am AEDST - RD1 ***

Today's Stock Watch

CSR Ltd (CSR)

4% higher, \$A118.7M full-year NPAT. 7% higher, \$A1.3B revenue. 13.5c, 50%-franked interim dividend. \$2.09 NTA. 23.4c EPS. \$20.5M cash and equivalents.

CIMIC Group (CIM)

CIM has appointed deputy CEO Michael Wright as CEO and MD, effective 1 December, replacing Adolfo Valderas who is moving to a new role with CIM parent ACS Group.

Dragados (also owned by ACS) CEO Ignacio Segura has been appointed COO and deputy CEO.

For the nine months to 30 September, CIM revenue grew 26% year-on-year, to \$9.6B.

September quarter profit grew 20% to \$178.2M, and revenue by 21.9% to \$3.3B. \$35.7B worth of work in hand as at 30 September, up \$1.7B. Presentation lodged.

Myer Holdings (MYR)

2.8% lower, \$699M September quarter sales. Sales per square metre rose 3.6%. Online sales grew 67.8% year-on-year. Investor day today. Strategy update, including targets, lodged. Presentations will be webcast.

Skycity Entertainment Group (SKC)

\$US150M private US notes placement to be conducted in two tranches. Details lodged this morning.

Speedcast International (SDA)

Satellite communications supply contract secured with the Australian Government, specifically for the Mawson, Casey and Davis research stations and Macquarie Island, Antarctica.

Smart Parking (SPZ) / Telstra Corporation (TLS)

TLS has agreed rates and conditions under a special purchase order with SPZ, having named SPZ as TLS's preferred supplier of parking sensors and information.

AuMake International (AU8)

Acquiring 50% of Health Essence. Holds an option to purchase the balance. Details lodged this morning.

Registry Direct (* RD1)

Cloud-based shareholder and securities management software specialist scheduled to list 11am AEDST following a \$2M IPO at 20c per share. 32M shares. 10.156M listed options.

Resources

Alacer Gold Corporation (AQG)

Produced 39,312oz of gold during the September quarter. Details lodged this morning. Webcast teleconference was scheduled to commence 8am AEDST.

Energy

Oil Search (OSH)

Paying \$US40M for Alaska North Slope oil assets. Assuming operatorship in June 2018. Holding an option to double its interest (from 25.5% and 37.5%) in the assets for \$US460M. Vendors are Armstrong Energy and GMT Exploration Company. OSH and Armstrong plan to jointly explore and develop other regional opportunities.

September unemployment slipped 0.1% to 8.9%.

Meanwhile, GfK's **UK** consumer confidence index declined by one to -10.

In the **US**, September quarter employment costs were reported 0.7% higher.

ISM's Chicago PMI rose one point to 66.2, a more than 6.5-year peak.

The Conference Board's 125.9 reading for consumer confidence represented an almost seven-year high.

Tonight in the US, the Federal Reserve announces outcomes from its policy meeting, with hints regarding a possible rate rise by year's end and definitive plans regarding assets keenly awaited.

Data releases due tonight include a private sector employment report, ISM's October manufacturing PMI, September construction spending, Markit's final October PMI readings and weekly mortgage applications.

Allergan, Facebook, Honda Motor, Kraft Heinz, Office Depot, Prudential, Qualcomm, Tesla and Yamaha are among companies scheduled to report earnings today or tonight.

In overnight corporate news, **Qualcomm** dropped 7% on reports it may lose significant custom from Apple.

Kellogg and **Mondelez International** (reported late-Monday) benefited from well-received respective sales and profits, in general boosting consumer staples stocks.

BP doubled profits from a year ago and revealed plans to resume buy-backs.

Automation software and manufacturing controls specialist **Rockwell Automation** knocked back an unsolicited \$US27.6B offer from **Emerson Electric**.

Earlier, **Airbus** admitted it was reviewing company reports in relation to US arms trade laws, due to uncovered 'inaccuracies'.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1271	oz	-7	-0.6
Silver (NY) (Sep)	16.7	oz	-0.1	-0.8
Gold (LON)	1273	oz	6	0.5
Platinum	917	oz	0	0.0
WTI Crude (Nov)	54.4	bbl	0.2	0.4
Brent Crude (Nov)	61.4	bbl	0.5	0.8
Iron Ore (CHN port 62%)	58.5	t	-0.3	-0.4
Copper	6839	t	-28	-0.4
Nickel	12295	t	620	5.3
Aluminium	2160	t	-3	-0.1
Lead	2414	t	4	0.2
Zinc	3265	t	56	1.8
Tin	19375	t	-50	-0.3
CBT Wheat (Dec)	4.19	bshl	-0.06	-1.5

Commodities Commentary

Oil – US government agency the EIA estimated domestic crude production had eased to 9.203MMbbl/d during August, against a daily 9.234MMbbl in July.

EIA US weekly petroleum inventories are due tonight.

Gold – the \$US chopped some overnight. Swings are anticipated ahead of and/or following the Federal Reserve's post-policy meeting statement, due early tomorrow AEDST. In addition, speculation regarding the next Fed chair, possibly to be

Pre-Open Announcements

Telstra Corporation (* TLS)

Technology, innovation and strategy head Stephen Elop is guest speaker at an AmCham event in Sydney today.

TLS is hosting an investor day tomorrow.

WorleyParsons Ltd (WOR)

Anne Templeman-Jones has been confirmed as a WOR non-executive director, effective today. Ms Templeman-Jones is also a director of GUD Holdings (ASX: GUD), HT&E (ASX: HT1) and Cuscal.

Link Administration Holdings (LNK)

Today's AGM speeches lodged.

The GO2 People (* GO2)

Labour hire and recruitment services specialist completed its ASX listing yesterday following a \$10M IPO at 20c per share.

Opened at 20c and slipped to 19c where it settled. 251,900 shares were traded across 18 transactions. 62.5M shares on issue.

Resources

Perseus Mining (* PRU)

Planning to release Yaouré gold project DFS results ~8.30am AEDST Friday, and to host a teleconference commencing 10am AEDST.

Access details lodged post-trade yesterday.

Volt Resources (* VRC)

\$2.3M better off following an oversubscribed SPP at 2.1c per share. Funds will advance VRC's Bunyu graphite project, Tanzania.

VRC has traded at 2.5c – 2.7c for the week to date.

Finders Resources (* FND)

Facility problems will continue to adversely impact production through to the end of the year. Details lodged post-trade yesterday.

Rift Valley Resources (RVY)

In advanced negotiations to sell the company's Tanzania gold projects.

RVY is proposing to focus on three projects in Angola.

Consolidated Zinc (CZL)

Management changes are afoot as CZL moves closer to production mode.

MD Will Dix is stepping down but continuing with CZL during a transition period through to the end of 2017.

Executive director Andrew Richards will be interim MD.

CuDeco Ltd (CDU)

Resources update, plus quarterly and annual reports lodged post-trade yesterday.

Energy

AssetOwl Ltd (* AU8)

Conditional binding terms sheet secured for the sale of the Northern Territory Rum Jungle uranium project to Weld Range Metals.

Karoon Gas Australia (KAR)

\$352M cash as at 30 September. September quarter report lodged post-trade yesterday.

Helios Energy (HE8)

Tony Brennan has resigned as an HE8 director.



announced overnight Thursday, could affect currency trade.

Base metals – China's official October PMIs (manufacturing down 0.8 to 51.6; services 1.1 lower at 55.4) and Japan's October central bank policy decision (status quo), published yesterday, combined with end-of month trade, inventories, and LME week talk (including regarding electric car metals demand), to produce mixed overnight trade. The \$US also vacillated and US and UK central bank decisions were in mind for tonight and tomorrow night.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7654	-0.0001	-0.02
EUR – USD	1.1649	0.0005	0.04

Australian Data Today

AiG	PMI	Oct
CLogic	Residential property prices	Oct
RBA	Commodity price index	Oct

US Data Tonight

ADP employment	Oct
ISM manufacturing	Oct
Construction spending	Sep
Markit PMIs	Oct
Vehicle sales	Oct
MBA mortgage applications	27 Oct

Other Overseas Data Today & Tonight

China	Caixin manufacturing PMI	Oct
Japan	PMI manufacturing (final)	Oct
Japan	Vehicle sales	Oct
UK	Manufacturing PMI	Oct
UK	BRC shop price index	Sep
Euro zone	PMIs (final)	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.

Senex Energy (SXY)

October drilling report lodged this morning.

Trading Halts

Company	Code	Resuming
Cadence Capital	CDM	1 Nov
Estrella Resources	ESR	1 Nov
Impact Minerals	IPT	1 Nov
Indo Mines	IDO	1 Nov
ServTech Global Holdings	SVT	1 Nov
Battery Minerals	BAT	2 Nov
Crusader Resources	CAS	2 Nov
Emeco Holdings	EHL	2 Nov
Gooroo Ventures	GOO	2 Nov
Managed Accounts Holdings	MGP	2 Nov
Quest Minerals	QNL	2 Nov
Sun Resources	SUR	2 Nov
Aura Energy	AEE	3 Nov

Suspensions (selected)

Company	Code	Since
Arrowhead Resources	AR1	9 Oct
Aspire Mining	AKM	1 Nov
Caeneus Minerals	CAD	30 Oct
Haoma Mining	HAO	18 Oct
Mustang Resources	MUS	30 Oct
Neurotech International	NTI	13 Oct
SIV Asset Management	SAM	10 Oct
Soon Mining	SMG	23 Oct
Stargroup Ltd	STL	19 Oct
Wavenet International	WAL	30 Oct
Wolf Petroleum	WOF	30 Oct
XPD Soccer Gear Group	XPD	11 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
D2O	Today	2.3	75	2.17
FNP	Today	2.25	100	0.91
BOQ	Tomorrow	46	100	5.69
BPS	Fri	2.25	100	5.77
BIS	Mon	2.5	100	3.16
CBC	Mon	1.55	100	2.73
CCP	Mon	31	100	2.89
MQG	Mon	205	45	4.93
OGC	Mon	0.98	0	0.55
BKW	Tue	34	100	3.59
RMD	Tue	3.21	0	1.15

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	AMC	AGM
	CNU	AGM
	CSR	Full-year
	LNK	AGM
	MYR	Investor day
	NHF	AGM



Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This morning note and its contents at all times 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.

Tomorrow	BLD	AGM
	CCP	AGM
	DOW	AGM
	FXJ	AGM
	NAB	Full-year
	PPT	AGM
	SWM	AGM
	TLS	Investor day
Fri	GMA	Sep Q
	HIL	AGM
Mon (Nov7)	ORI	Full-year
	WBC	Full-year
Wed (Nov9)	ACX	AGM
	ALU	AGM
	BTT	Full-year
	CBA	Trading update
	DMP	AGM
	FMG	AGM
	MGX	AGM
	SGM	AGM
VAH	AGM	