

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	6610	10	<b>0.2</b>
<b>NZX 50</b>	11199	93	<b>0.8</b>
<b>DJIA Futures</b>	26753	52	0.2
<b>S&amp;P 500 Futures</b>	2977	5	0.2
<b>NASDAQ Futures</b>	7871	16	0.2

**Local Markets Commentary**

The Australian market opens Friday trade ahead of influential data out of China over the weekend, amid increased Middle East tensions, and with the S&P/ASX indices September quarter rebalance in hand.

**Locally** today, AiG releases its August **construction sector** activity index pre-trade.

Ex-dividend season also continues today. *Please see p4 for a list of companies trading ex-dividend.*

In overnight commodities trade, **oil** settled with relatively minor gains.

US **gold** futures (December) dropped.

**Iron ore** (Nymex CFR China, 62% Fe) seesawed lower.

LME **copper** and **aluminium** extended Wednesday's rally. **Nickel** tumbled.

The **\$A** effectively trod water after trading beyond US68.15c early yesterday evening.

Over the weekend, **China** is expected to publish August trade statistics.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	26728	373	<b>1.4</b>
<b>S&amp;P 500</b>	2976	38	<b>1.3</b>
<b>NASDAQ</b>	8117	140	<b>1.8</b>
<b>FTSE 100</b>	7271	-40	<b>-0.6</b>
<b>DAX 30</b>	12127	102	<b>0.9</b>
<b>Shanghai Comp</b>	2986	28	<b>1.0</b>

**Overseas Markets Commentary**

Renewed risk sentiment remained with most major European and US equities markets overnight, the FTSE proving the exception.

Late-morning (AEST) yesterday, news reports suggested face-to-face high-level China-US trade talks would recommence next month. China subsequently confirmed the planned talks.

**In the UK, UK-EU separation and UK potential election uncertainty continued.**

The House of Commons voted earlier this week to request that the PM seek European Union approval to push back any UK-EU separation, to enable terms to be approved by the UK parliament.

**S&P/ASX indices – September quarter rebalance in hand**  
*Please see p3*

**Today's Stock Watch**
**Zip Co (Z1P)**

S&P is adding Z1P to the S&P/ASX 300 from market open 23 September.

In addition, Z1P is proposing to acquire SME loan specialist Spotcap's Australian and New Zealand businesses for \$8.825M worth of Z1P shares. Further, Spotcap will pay ~\$3M cash into escrow, pending select operational and integration milestones. Completion is anticipated by 15 November.

Z1P settled at \$3.89 yesterday, having traded higher for each session this week.

**Resources**
**Mincor Resources (MCR)**

Reporting a 6.3m @ 7.1% nickel assay from drilling within the WA goldfields Cassini nickel sulphide project.

Moreover, the intersection (including 4.5m @ 9.0% Ni) was obtained from within the current mineral resource area and within a channel that appears more strongly mineralised down-plunge. An updated project resource, plus initial reserve are anticipated by year's end.

**BHP Group (BHP)**

Two requisitioned AGM resolutions lodged post-trade yesterday, one related to the Paris climate accord.

BHP recommends shareholders vote against each resolution as the board endorses neither, due to reasons also lodged.

The BHP Plc AGM is scheduled for 17 October, London.

The BHP Ltd AGM has been scheduled for 7 November, Sydney.

**Fortescue Metals Group (FMG)**

Offering \$US600M worth of senior unsecured bonds. Funds are earmarked to reduce debt on a \$US4.14B 2022 syndicated loan facility.

**Energy**
**Whitebark Energy (WBE)**

Rex-2 has flowed at a restricted 865boe/d, comprising 540bbl/d and 2.0MMscf/d, over a three-hour period.

Commercial production has been declared, and output into existing production facilities is anticipated within days.

30% working interest; earning 40%.

WBE has settled at 0.9c each session for the week to date.

**Strike Energy (STX) / Warrego Energy (WGO)**

Onshore Perth Basin West Erregulla-2 wireline interpretation has indicated a minimum 22m gross gas column within the High Cliff sandstone. 10m net pay; mean porosity 10.3%.



Some anticipate the House of Lords may achieve a vote on this tonight.

Parliament is due to return to recess from 10 September (Tuesday this coming week) until 14 October.

New data releases included **Germany's** July factory orders, which dropped 2.7% following a 2.7% June rise.

The disconcerting news continued, the nation's August construction PMI estimated at 46.3 from 49.5 in July.

In the **US**, ISM's August non-manufacturing index pleased, rising to a robust 56.4 from 53.7. The services sector is estimated to account for ~67% of US GDP growth.

A final Markit services PMI represented a 2.3-point fall to 50.7, however.

July factory orders rose 1.4% for the month, following a 0.5% June increase.

Ahead of tonight's national employment figures, a private sector August jobs report calculated 195,000 new jobs, following 142,000 in July.

A separate August job cuts report estimated 53,480 planned layoffs against 38,845 for July.

In the meantime, weekly new unemployment claims rose by just 1000, to 217,000.

**Tonight** in the US, Federal Reserve chair Jerome Powell is scheduled to speak publicly 12.30pm (US ET). National August employment statistics are also due.

Elsewhere, the euro zone's final June quarter GDP growth reading, and Germany's July industrial production, are also keenly anticipated.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>1525.5</b>	oz	-34.9	<b>-2.2</b>
<b>Silver (NY)</b> (Dec)	18.807	oz	-0.74	<b>-3.8</b>
<b>Gold (LON)</b>	1546	oz		
<b>Platinum</b>	958	oz	-26	<b>-2.7</b>
<b>WTI Crude</b> (Oct)	<b>56.30</b>	bbl	0.04	<b>0.1</b>
<b>Brent Crude</b> (Nov)	<b>60.95</b>	bbl	0.25	<b>0.4</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	90.72	t	-0.85	<b>-0.9</b>
<b>Copper</b> (LME,3mth,PM)	<b>5841</b>	t	87	<b>1.5</b>
<b>Nickel</b>	17480	t	610	<b>-3.4</b>
<b>Aluminium</b>	1789	t	17	<b>0.9</b>
<b>Lead</b>	2053	t	1	<b>0.1</b>
<b>Zinc</b>	2331	t	17	<b>0.7</b>
<b>Tin</b>	17450	t	210	<b>1.2</b>

### Commodities Commentary

**Oil** – prices fluctuated overnight on reports of a deadly missile attack by Yemen military personnel against Saudi Arabia military in Saudi Arabia, a US inventories report, varied commentary associated with a planned resumption of high-level US-China trade talks and recent concerning economic data releases.

WTI crude traded as high as \$US57.76bbl intra-session, and Brent at \$US62.40/bbl.

A weekly US petroleum inventories published overnight by the

## Pre-Open Announcements

### ClearVue Technologies (CPV)

\$A602,353 R&D tax credit received from the ATO.

### Reffind Ltd (RFN)

RFN has appointed IT infrastructure, control systems and distributed computing consultant Rumi Guzder as non-executive chairman.

Mr Guzder takes over from David Jackson who is retiring from the RFN board in order to focus on other responsibilities.

### Fonterra Shareholders' Fund (FSF)

Pushing back a full year results announcement from 12 September until later this month.

## Resources

### Poseidon Nickel (\* POS)

Accelerating activity, in part due to stronger nickel prices. Details lodged this morning.

### Millennium Minerals (\* MOY)

Expecting to produce 70,000oz – 75,000oz of gold during 2019, against previous guidance of 80,000oz – 90,000oz. Cost reduction plans also lodged this morning.

### Metals X (\* MLX)

Tasmania Renison tin JV project drilling within the continuation of a high-grade zone has returned 30.10m @ 4.58% Sn from 233.0m.

Assays are pending for six additional Bell 50 are holes. Two drill rigs in operation.

MLX 50%.

In addition, this morning S&P has announced that MLX will be deleted from the S&P/ASX 300 as from market open 23 September.

### White Cliff Minerals (WCN) / RTG Mining (RTG)

WCN is selling its 90% holding in the Kyrgyzstan Aucu copper-gold project to RTG for \$US2.65M, comprising \$US2.15M cash and \$US500,000 worth of RTG shares.

WCN is proposing for focus in the near-term on WA nickel-cobalt projects.

WCN and RTG are resuming from trading halts, having last traded at 0.6c and 8.5c respectively.

## Energy

### Buru Energy (BRU)

Operational update and corporate presentation lodged post-trade yesterday.



EIA included a larger-than-anticipated 4.77MMbbl fall in stored crude. This, also against a late-Wednesday industry report which indicated a small rise.

Accumulated petrol declined by 2.4MMbbl.

Crude output fell to 12.4MMbbl/d, from a daily 12.5MMbbl.

Imports grew a daily 934,000bbl to 5.9MMbbl/d. Exports rose by 42,000bbl/d to 3.1MMbbl/d.

Meanwhile, the Saudi crown prince and Iraq's PM were reported to have held a teleconference during which they discussed co-operation in stabilising oil markets.

**Gold** – a US private sector August jobs report pointed to strength in the domestic employment market. This, together with plans for a resumption of high-level US-China trade talks within weeks, detracted from overnight gold interest, pushing investors towards higher-risk equities.

Tonight's national US employment figures are expected to also influence precious metals trade.

**Base metals** – overnight trade was supported in general by news of planned new US-China trade talks between the top negotiators.

In addition, reports suggested China may again ease reserve requirements for some financial institutions, in order to ensure lending growth.

On the flip side, Germany's factory orders fell 2.7% in August, exacerbating manufacturing and ultimately GDP growth fears.

Caution could come into play in the second-half of tonight's trade, ahead of **China's** August trade figures, anticipated over the weekend.

#### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6813	-0.0002	<b>-0.03</b>
<b>EUR – USD</b>	1.1036	0.0002	<b>0.01</b>

#### Australian Data Today

AiG	PCI	Aug

#### US Data Tonight

Employment (incl wages, jobs created)	Aug

#### Other Overseas Data Today & Tonight

<b>Japan</b>	Household spending	Jul
Japan	Leading economic index (prelim; 3pm AEST)	Jul
<b>Germany</b>	Industrial production	Jul
<b>Euro zone</b>	GDP (final)	Jun Q

## S&P S&P/ASX Indices Re-balance

The following changes will be effected as trading opens 23 September ...

### S&P/ASX 100

Out: PDL

In: NHF

### S&P/ASX 200

Out: ALG, API, ECX, EHL, PGH, SIG

In: CKF, GOR, JIN, NWL, PNV, SLR

### S&P/ASX 300

Out: AJM, ARQ, CL1, CLQ, LNG, MLX, OMH, PPS, RIC, SLK, WGN

In: AD8, AQG, AVH, BGL, BUB, CDA, CIA, CNI, DTL, IAP, ISX, LIC, NIC, PET, SM1, WAF, Z1P

### S&P/ASX All Australian 200

Out: ECX, IFN, SWM, SYR

In: AVH, CVN, INA, JIN

### Trading Halts

Company	Code	Resuming
Aldoro Resources	ARN	6 Sep
Oklo Resources	OKU	6 Sep
Aspire Mining	AKM	9 Sep
Big Star Energy	BNL	9 Sep
Boadicea Resources	BOA	9 Sep
DomaCom Ltd	DCL	9 Sep
iBuyNew Group	IBN	9 Sep
Latin Resources	LRS	9 Sep
Nova Minerals	NVA	9 Sep
Nusantara Resources	NUS	9 Sep
Orminex Ltd	ONX	9 Sep
Oro Verde	OVL	9 Sep
Silver Mines	SVL	9 Sep
Alkane Resources	ALK	10 Sep

### Suspensions (select)

Company	Code	Since
Golden Cross Resources	GCR	19 Aug
Heron Resources	HRR	16 Aug
Homestay Care	HSC	20 Aug
Kollakorn Corporation	KKL	2 Sep
Lustrum Metals	LRM	30 Aug
Maximus Resources	MXR	4 Sep
Millinium's Alternative Fund	MAX	30 Aug
Pioneer Credit	PNC	28 Aug
Trek Metals	TKM	4 Sep

**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)

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**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>AFG</b>	Today	<b>5.9</b>	100	2.09
<b>ALI</b>	Today	<b>4</b>	100	2.09
<b>APD</b>	Today	<b>1.5</b>	45	4.13
<b>APL</b>	Today	<b>2.5</b>	50	7.41
<b>CYC</b>	Today	<b>0.5</b>	0	0.74
<b>KPG</b>	Today	<b>0.55</b>	100	5.24
<b>MCP</b>	Today	<b>6</b>	100	2.91
<b>MNF</b>	Today	<b>4</b>	100	1.28
<b>NVL</b>	Today	<b>3.5</b>	100	0.00
<b>OCL</b>	Today	<b>6</b>	83.33	0.00
<b>PTL</b>	Today	<b>1.3</b>	100	4.51
<b>SXL</b>	Today	<b>4</b>	100	6.13
<b>WTC</b>	Today	<b>1.95</b>	100	0.08
ABA	Mon	18.5	100	5.87
BGA	Mon	5.5	100	1.33
CIE	Mon	1	50	7.50
CTX	Mon	32	100	4.87
CWY	Mon	1.9	100	1.48
EQT	Mon	46	100	2.83
IEL	Mon	7.5	45	1.10
JLG	Mon	3	100	1.06
MIN	Mon	31	100	0.96
OTW	Mon	2	100	0.66
TOP	Mon	1.14	100	2.26