

Markets

SFE 200 Futures (9.25am AEST)	5458	25	0.5
NZX 50	7236	-35	-0.5
DJIA Futures	18204	4	0.0
S&P 500 Futures	2154	1	0.0
NASDAQ Futures	4877	3	0.1

Local Markets Commentary

The Australian market opens today's trade on improved US equities sentiment.

In overnight commodities trade, **oil** turned and rallied. US **gold** futures and LME **copper** settled slightly lower. **Iron ore** fell further.

The **\$A** traded in a relatively small range after briefly falling below ~US76.10c yesterday evening.

Locally today, August **trade** figures are due **11.30am** AEDST.

China's markets remain closed until next week. September foreign reserves are anticipated anytime from tomorrow.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18281	113	0.6
S&P 500	2160	9	0.4
NASDAQ	5316	26	0.5
FTSE 100	7033	-41	-0.6
DAX 30	10586	-34	-0.3
Shanghai Comp	3005	Public	Holiday

Overseas Markets Commentary

Major European and US equities markets respectively switched direction overnight.

Higher oil prices and improved finance sector sentiment supported gains, but European trade reacted to the late-Tuesday reports that the European Central Bank (ECB) may not continue with current asset purchase levels past March 2017.

Something to support almost every economic view could be found in **US** data releases.

ISM's September services sector activity index jumped 5.7 points to 57.1, against expectations of ~53. Moreover, the employment component put on 6.5 points to 57.2.

Markit's final September services PMI rose 1.3 for the month to 52.3, improving at the best rate in five months.

An ADP report estimated 154,000 private sector jobs were added in September, undershooting expectations a little, ahead of Friday's government department national employment report.

August factory orders rose 0.2%, following expectations of an up to 0.2% pullback, and at best 0.1% gain.

The national August trade deficit grew 3% to \$US40.73B, on a greater-than-anticipated impact from imports, and against expectations of a \$US39B result.

ACCC - Chairman Rod Sims speaks on *Getting Privatisation Right* at a Centre for Independent Studies event, Sydney, 5.45pm AEDST.

Today's Stock Watch

Bank of Queensland (BOQ)

6.3% higher, \$338M full-year NPAT. 0.8% higher, \$360M cash profit. 3% higher, \$1.1B revenue. Restructuring costs totalled \$15M. Loan impairments fell 9% to \$67M and asset impairments 2%, to \$232M. 38c fully-franked final dividend. 85.5c EPS.

News Corporation (NWS) / APN News & Media (APN)

The Australian Competition & Consumer Commission (ACCC) has published its *Statement of Issues* regarding NWS's proposed APN acquisition. A submissions period ends 27 October ahead of a targeted 1 December final decision.

Aurizon Holdings (AZJ)

The Australian Competition & Consumer Commission (ACCC) has published its *Statement of Issues* regarding AZJ's and Pacific National's alternative proposals for the planned acquisition of the Glencore Coal rail business, GRail. A submissions period ends 21 October ahead of a targeted 15 December final decision.

Flight Centre (FLT)

Proposing to acquire (Bangalore) Travel Tours Group business assets, for an undisclosed amount, via cash-plus-equity. FLT says Travel Tours' FY 2016 TTV has been estimated at ~\$A150M.

JB Hi-Fi (JBH)

The JBH \$26.20-per-share retail entitlement offer initially raised ~\$90M, representing a 67% take-up. A \$29.40-per-share book-build post-trade yesterday for the 1.7M-share shortfall, raised ~\$45M. JBH raised \$259M in the institutional offer. JBH traded at \$29.51 - \$30.30 yesterday.

Australian Pharmaceutical Industries (API)

Raising forecast full-year underlying NPAT to \$51M, a 17% gain on FY 2015 2015. CEO and MD Stephen Roche is stepping down in February. API GM business development, operations and strategy has been appointed CEO-designate. Proposing to lodged full-year results, including sub-\$30M net debt, 20 October.

Quickstep Holdings (QHL)

Produced 108 parts for the F-35 Lightning II Joint Strike Fighter program during September, exceeding 100-parts-per-month for the first time.

Trade Me Group (TME)

68,000 job vacancies listed with TME during the September quarter. TME estimates 12.4% more jobs were available across New Zealand than for the September quarter 2015.

Transurban Group (TCL)

TCL's 62.5%-held Transurban Queensland is issuing \$A200M worth of fixed-rate seven-year notes.

Resources

Dakota Minerals (DKO) / Pilbara Minerals (PLS)

DKO is selling its WA Lynas Find lithium project to PLS for \$4M cash up-front, \$1M cash on a licence extension and up to \$3M in cash or equity, pending licence grants.

Earlier in the **euro zone**, August retail sales fell 0.1% for the month, but were 0.6% higher year-on-year. The figures surprised some, largely due to a significant revision of July's 1.1% monthly gain to a 0.3% improvement, and the year-on-year rise from 2.9% to 1.8%.

The final September services PMI came in at 52.2, 0.6 lower for the month, and the composite PMI down 0.3, at 52.6.

The **UK** services PMI was also calculated 0.3 lower, at 52.6.

Tonight in the **US**, weekly new unemployment claims and a job layoffs report are due, ahead of tomorrow night's national September employment figures.

Yum Brands, Constellation Brands and easyJet are listed among companies expected to release results.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1269	oz	-0.7	-0.1
Silver (NY) (Dec)	17.7	oz	-0.1	-0.5
Gold (LON)	1269	oz	-14	-1.1
Platinum	975	oz	-8	-0.8
WTI Crude (Nov)	49.8	bbl	1.1	2.3
Iron Ore (Tianjin)	54.5	t	-0.5	-0.9
Copper (LME)	4800	t	-6	-0.1
Nickel	10080	t	0	0.0
Aluminium	1675	t	6	0.4
Lead	2045	t	-28	-1.4
Zinc	2343	t	-37	-1.6
Tin	19900	t	25	0.1
CBT Wheat (Dec)	4.05	bshl	0.1	2.5

Commodities Commentary

Oil – Algeria's energy minister revealed **OPEC** had invited select **non-OPEC** members to discuss production levels and possible curbs, 8 (**Saturday**) – 13 October, in Istanbul.

In addition, the EIA reported three million fewer barrels of crude in storage in the **US** for the previous week, following forecasts of a 2.6MMbbl gain.

Brent crude appreciated 2% to \$US51.86/bbl.

Gold – prices swung in line with \$US moves. \$US1258/oz is viewed as another key support level.

Base metals – a relatively robust \$US, China's absence from markets this week, IMF global growth concerns, a yet weaker Japan services sector (reported yesterday) meant little support for any overnight gains.

Aluminium maintained a gain however, and *nickel* settled flat after falling early.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7613	-0.0008	-0.11
EUR – USD	1.1208	0.0002	0.02

Australian Data Today

ABS	Trade balance	Aug
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Pre-Open Announcements

Capitol Health (CAJ)

MD John Conidi has resigned, effective 4 November. CAJ director Andrew Harrison will be interim CEO.

Resources

European Metals (EMH)

Heralding shallow lithium as defined by analytical results for two drill holes within the Czechoslovakia Cinovec lithium-tungsten project.

Metals X (MLX) / Pantoro Ltd (PNR)

Paul Cmrlec has resigned as an MLX director, due to his role as PNR MD and PNR's status as an emerging gold producer, hence avoiding a conflict of interest.

Meanwhile, MLX CEO and executive director Peter Cook has resigned as PNR chairman and from the PNR board, to focus on his MLX roles.

Michael Jefferies has been appointed non-executive PNR chairman.

In addition, PNR PNG subsidiaries MD David Osikore has resigned from the PNR board.

Kyle Edwards has been appointed as a PNR director.

Exterra Resources (EXC)

Non-executive director Peter Cole has resigned. Mr Cole has been an EXC board member since 2010. EXC listed on the ASX May 2011.

Energy

Magnum Power & Gas (MPE)

\$1.765M fully-underwritten renounceable two-for-one offer at 0.1c per share.

Trading Halts

Company	Code	Resuming
Freshtel Holdings	FRE	6 Oct
Hexagon Resources	HXG	6 Oct
Lindian Resources	LIN	6 Oct
Zyber Holdings	ZYB	6 Oct
Ausmon Resources	AOA	7 Oct
Avanco Resources	AVB	7 Oct
Core Exploration	CXO	7 Oct
Estia Health	EHE	7 Oct
Lakes Oil	LKO	7 Oct

Suspensions (selected)

Company	Code	Since
Cleveland Mining Company	CDG	3 Oct
Cudoco Ltd	CDU	30 Sep
Drake Resources	DRK	23 Sep
Oakajee Corporation	OKJ	12 Sep
Realm Resources	RRP	13 Sep
Unilife Corporation	UNS	30 Sep
Wolf Minerals	WLF	30 Sep
Zamia Metals	ZGM	3 Oct

**US Data Tonight**

Initial jobless claims	1 Oct
Challenger job layoffs	Sep

Other Overseas Data Today & Tonight

Japan	Imported vehicle sales	Sep
Germany	Factory orders	Aug
Germany	PMIs construction, retail	Sep
Euro zone	ECB policy meeting minutes	Sep
Euro zone	Retail PMI	Sep

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Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
ARB	Today	17	100	1.73
EBG	Today	0.33	100	6.40
GJT	Today	261	0	6.47
GVF	Today	3	100	5.48
MNY	Today	2.5	100	3.13
QVE	Today	1.8	100	2.67
SGM	Today	12	100	2.34
WBA	Today	1	100	0.86
ALR	Tomorrow	1	100	4.55
AUB	Tomorrow	28	100	3.48
TFC	Tomorrow	3	100	1.98
ALF	Mon	5	100	6.64
BCN	Mon	0.25	0	0.00
FGX	Mon	2	100	3.46
REH	Mon	65	100	2.06
ORL	Tue	3	100	3.60
UOS	Tue	0.5	0	5.08
KKT	Wed	0.5	100	1.00