

Markets

SFE 200 Futures (9.30am AEST)	6542	55	0.9
NZX 50	10953	61	0.6
DJIA Futures	26420	-105	-0.4
S&P 500 Futures	2939	-12	-0.4
NASDAQ Futures	7732	-35	-0.5

Local Markets Commentary

The Australian market opens a new week's trade on a public holiday for several domestic States and Territories, with positive international equities leads from overnight Friday, but US futures turning lower this morning.

China's markets remain closed today, but US-China trade talks are in focus, as high-level face-to-face negotiations are scheduled to resume later this week.

Over the weekend, North Korea announced it had ended formal nuclear discussions between US and North Korean officials in Sweden. For its part, the US declared North Korea's description of the talks was not accurate, and effectively accused North Korea of misrepresenting the US approach.

Locally today AiG's September construction sector activity index is due pre-trade.

The monthly inflation gauge is due from the Melbourne Institute and TD Securities 11am AEDT.

In overnight Friday commodities trade, **oil** settled higher.

US **gold** futures (December) turned to settle slightly lower.

Iron ore (Nymex CFR China, 62% Fe) also settled slightly down, below \$1592.20/t.

LME **copper** continued to fall and **nickel** to ascend. **Aluminium** settled essentially flat.

The **\$A** appreciated to ~US67.70c after trading a little beyond US67.55c early Friday evening, but fell earlier this morning.

China's markets remain closed today, due to a public holiday. Trade will resume for the first time in a week tomorrow.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26574	373	1.4
S&P 500	2952	41	1.4
NASDAQ	7982	110	1.4
FTSE 100	7155	78	1.1
DAX 30	12013	88	0.7
Shanghai Comp	2905	Public	Holiday

Overseas Markets Commentary

US equities markets rallied from outset towards close overnight Friday. Major European equities featured vacillating sentiment but were pulled decisively higher in late trade.

ASX – normal trade and settlement today
Public holidays in the ACT, NSW, QLD and SA

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

MyState Ltd (MYS)

MYS has appointed former ME Bank and AXA Australia CFO Gary Dickson as interim MYS CFO, through to 30 June 2020.

Mr Dickson commences with MYS today and will assume responsibility as CFO 19 October.

Veriluma Ltd (VRI)

Conditional HoA secured to acquire health insurance software and services provider Prometheus Information.

Consideration comprises \$600,000 worth of cash and shares upfront, plus an up to \$75,000 performance-related cash payment.

VRI expects an additional 21 clients and \$670,000 revenue from the proposed purchase.

VRI is resuming from a trading halt having last traded at 4.2c.

PharmAust Ltd (PAA)

PAA's development of monepantel as a canine cancer treatment has qualified the company for a 43.5% R&D tax rebate pre-approval for select activities.

Details lodged this morning.

Nick Scali (NCK)

Trading ex-dividend (20c) today.

Resources

Resolute Gold (RSG)

Produced 103,201oz of gold during the September quarter, pushing the 2019 total-to-date to 279,438oz.

Anticipating 400,000oz production at a \$US960/oz AISC for 2019. Planning to lodge the company's quarterly activities report 30 October.

RSG's reporting year concludes 31 December.

Energy

Oil Search (OSH)

UK road show presentation lodged this morning.



The **US** September jobs report included a 0.2% fall in the employment rate to 3.5%, and the creation of 136,000 jobs, against 168,000 in August.

The unemployment rate was the lowest since December 1969, but the participation rate remained at the same as for August, 63.2%.

Average hourly earnings also came in flat, following a 0.4% August increase and expectations of a 0.3% rise for the month.

Against September 2018, earnings were 2.9% higher.

US August trade statistics included \$US297.9B worth of exports, against \$US207.4B for July.

Imports tallied \$US262.8B, following \$US261.4B in July.

The overall trade deficit was estimated at \$US54.9B, from \$US54.0B.

In other overnight Friday data releases, **Germany's** September construction PMI heartened, exceeding expectations by 3.1 points in rising to an expansionary 50.1, from August's 46.3.

Tonight in the **US**, August consumer credit is due (5am ADST Tuesday).

Elsewhere, **UK** and **European Union** (EU) officials resume formal negotiations regarding plans for the UK to separate from the EU 31 October. The UK's key negotiator and the PM have each declared over the weekend that the UK is prepared to be flexible and have again expressed optimism in reaching some arrangement with the EU that British parliamentarians might also approve.

In light of a recent spate of disappointing international manufacturing activity releases, **Germany's** August factory orders, also due tonight, could influence some trade sentiment.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1512.9	oz	-0.9	-0.1
Silver (NY) (Dec)	17.625	oz	-0.051	-0.3
Gold (LON)	1499	oz	-18	-1.2
Platinum	880	oz	-8	-0.9
WTI Crude (Nov)	52.81	bbl	0.36	0.7
Brent Crude (Dec)	58.37	bbl	0.66	1.1
Iron Ore (NYMEX,CHN,62%)	92.18	t	-0.01	-0.1
Copper (LME,3mth,PM)	5623	t	-37	-0.7
Nickel	17730	t	95	0.5
Aluminium	1717	t	0	0.0
Lead	2147	t	17	0.8
Zinc	2305	t	15	0.7
Tin	16450	t	-25	-0.2

Commodities Commentary

Oil – commentary ahead of, and out of face-to-face **US-China** trade talks scheduled for later this week, is expected to influence some trade sentiment this week.

Demand concerns last week meant WTI closed 5.5% lower for the week, and Brent down 4.4%, despite overnight Friday gains.

A weekly US petroleum drill rig count, published overnight Friday, included another fall in the number of operational oil rigs, this time by three, to an almost 2.5-year low 710 tally.

Pre-Open Announcements

engage:BDR Ltd (* EN1)

September quarter revenue grew 16% for the three months, came in 46% higher against revenue achieved during the September quarter 2018.

In addition, revenue for 2019-to-date has reached total revenue recorded for 2018.

Details lodged this morning.

Respiri Ltd (RSH)

Independent laboratory report confirmation is anticipated this week, regarding RSH's proposed asthma symptom monitoring device wheezo® having passed safety and compliance tests.

Plans for satisfying other conditions ahead of CE mark approval lodged this morning.

Telix Pharmaceuticals (TLX)

TLX has appointed David Cade as chief business officer and head of investor relations.

Dr Cade is a former chief medical officer of both Cochlear (ASX: COH) and Sirtex Medical (ASX: SRX).

Traffic Technologies (TTI)

TTI has secured a \$1M contract with DM Roads, to supply LED street lights for installation in New South Wales.

This is in addition to a contract to supply LED street lighting for roads in Victoria.

Macquarie Media (* MRN) / Nine Entertainment Co (* NEC)

NEC's Fairfax Media has acquired 92.8% of MRN in its off-market takeover and hence qualifies to proceed with compulsory acquisition of the balance of MRN shares.

Resources

Tribune Resources (* TBR)

TBR will pay a 20c fully franked dividend, trading ex-dividend 11 October (Friday).

TBR is attributing its decision in part to higher gold prices and reduced overheads.

Rand Resources (* RND)

RND will pay a 10c fully franked dividend, trading ex-dividend 10 October (Thursday).

Golden Rim Resources (GMR)

RC and diamond drilling underway again within GMR's Kouri gold project, Burkina Faso.

A 21,000m program was suspended following the completion of 7800m of drilling, due to the commencement of the regional wet weather season.

Kalium Lakes (KLL)

KLL has awarded a \$10M design and construct contract to Clarke Energy, to provide the Beyondie sulphate of potash project with a 7.5MW gas-fired power station.



Over the weekend, **Iran's** oil minister revealed China had pulled out of a major Iranian gas field development, that Iran was seeking good relations with Middle East nations, and that the Middle East faced a 'mutual enemy' outside the region.

Meanwhile, **Russia's** PM vowed to support Cuba in obtaining oil and other petroleum products in the face of US sanctions, adding Russia would supply wheat should the US add food to the sanctions list.

Supertanker charges remained in focus with the South Korean refiner reported to have chartered a tanker for a November US-South Korea delivery at a record \$US10M, newly reported to have had to find a replacement tanker, this one at a cost of \$US12.35M.

Phillips 66 was also reported to be paying rocketing prices for US-China and US-South Korea shipments following the US sanctions imposed on select units of China's COSCO.

Gold – prices appeared mostly pushed and pulled overnight Friday by a mixed US jobs reports, some components supporting views of at least one other US Federal Reserve rate cut before year's end, and some headline figures bolstering perceptions of a stable domestic economy.

This week's trade will likely be influenced at least in part by the mid-week release of the US Federal Reserve September policy meeting minutes, but also by the scheduled US-China face-to-face trade talks.

Base metals – Friday's continued fall for *copper* prices was attributed to demand concerns and caution ahead of this week's planned resumption of high-level face-to-face US-China trade talks.

In the meantime, Codelco was reported to have agreed to retain the 2020 European-supply physical copper premium at the same rate as for 2019, \$US98/t.

For its part, Antofagasta, was reported to still be negotiating to prevent industrial action at the Antucoya operation, Chile.

LME *nickel* inventories were reported to have fallen to November 2012 lows, suggesting increased buying ahead of the commencement of Indonesia's nickel ore export ban.

Overnight Friday trade volumes were again reported relatively low, due to China's week-long holiday season. China trade recommences tomorrow.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6760	0.0005	0.08
EUR – USD	1.0982	0.0000	0.00

Australian Data Today

AiG	PCI	Sep
TDSec/MelbInst	Inflation gauge	Sep

US Data Tonight

Consumer credit (5am ADST 8 Oct)	Aug
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Ramelius Resources (RMS)

WA Greenfinch revised clearing permit application granted, pending the outcomes of a 21-day public advertising period and the approval of an offset proposal.

Energy

Big Star Energy (BNL)

Resuming from a trading halt having received subscriptions for \$586,997.80 worth of shares at 0.5c each.

BNL last traded at 0.5c.

Trading Halts

Company	Code	Resuming
BidEnergy Ltd	BID	7 Oct
Force Commodities	4CE	7 Oct
MedAdvisor Ltd	MDR	7 Oct
Estrella Resources	ESR	8 Oct

Suspensions *(select)*

Company	Code	Since
Ark Mines	AHK	25 Sep
ADX Energy	ADX	3 Oct
AuKing Mining	AKN	30 Sep
Bounty Mining	B2Y	3 Oct
European Cobalt	EUC	24 Sep
EVE Investments	EVE	30 Sep
Family Insights Group	FAM	1 Oct
Hexagon Resources	HXG	25 Sep
iSignthis Ltd	ISX	2 Oct
Thred Ltd	THD	26 Sep
Transcendence Technologies	TTL	24 Sep
Wattle Health Australia	WHA	2 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
EDC	Today	1.93	100	5.25
NCC	Today	3.5	100	6.25
NCK	Today	20	100	3.50
ASL	Tomorrow	3.5	100	1.62
REH	Tomorrow	14.25	100	1.91
RHP	Tomorrow	2	100	0.75
SSG	Tomorrow	2.5	80	7.33
GOW	Wed	5	100	4.78
NBL	Wed	5.5	100	3.13
DGH	Thu	3	54.49	3.00
GNG	Thu	2	0	10.23
HVN	Thu	21	100	6.57
FGG	Fri	1.5	100	0.80
FGX	Fri	2.4	100	4.07



Other Overseas Data Today & Tonight

Japan	Leading economic index	Aug
Germany	Factory orders	Aug

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Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

MAH	Fri	0.5	30	0.00
MFF	Fri	2	100	0.94
OPC	Fri	3.6	100	0.00
RND	Fri	10	100	tb
TBR	Fri	20	100	tb
WGB	Fri	2	100	0.00
WLE	Fri	3	100	4.36

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