

Markets

SFE 200 Futures (9.30am AEDT)	5778	-47	-0.8
NZX 50	8648	-73	-0.8
DJIA Futures	25282	97	0.4
S&P 500 Futures	2756	10	0.4
NASDAQ Futures	7058	27	0.4

Local Markets Commentary

The Australian market commences Friday trade with decisively negative leads again from overnight international equities trade, plus a stronger \$A, and ahead of influential data out of China and material domestic reports.

China's September trade statistics are scheduled for release **1.30pm** AEDT.

September finance figures are anticipated this evening.

Locally today, the **Reserve Bank of Australia** (RBA) is due to publish its six-monthly financial stability review at **11.30am** AEDT.

The Australian Bureau of Statistics (ABS) is scheduled to release August **housing finance** at the same time.

In mixed overnight commodities trade, **oil** extended Wednesday's losses, even picking up the pace of declines.

US (December) **gold** futures, plus other precious metals, rallied.

Iron ore (China port, 62% Fe) traded slightly higher.

LME **copper** and **nickel** settled little changed. **Aluminium** continued lower.

The **\$A** was propelled towards US71.25c after trading at ~US70.90c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25053	-546	-2.1
S&P 500	2728	-57	-2.1
NASDAQ	7329	-93	-1.3
FTSE 100	7007	-139	-1.9
DAX 30	11539	-173	-1.5
Shanghai Comp	2583	-142	-5.2

Overseas Markets Commentary

Choppy trade featured across European and US equities markets overnight, most indices again settling close to session lows.

Gold traded at nine-week peaks, energy stocks suffered from further oil price falls, and China's economic growth prospects remained in focus.

Ten of 11 S&P 500 major sectors dropped more than 1%, the communication services sector proving the exception, but nonetheless continuing Wednesday's decline.

UK PM Theresa May confirmed to her cabinet that progress had been made on arrangements governing the UK's departure from the European

China – September trade figures **1.30pm** AEDT

Australia – RBA financial stability review, plus housing finance, **11.30am** AEDT

* Investment company listing **11am** AEDT – **TGF** *

Today's Stock Watch

Adairs Ltd (ADH)

Like-for-like sales grew 5.2% during the September quarter. Anticipating further growth.

Targeting a 5% - 8% like-for-like sales increase for the full year. Presentation lodged this morning.

CYBG Plc (CYB)

IRB approval in hand for the bank's mortgage and SME/corporate portfolios.

Domain Holdings Australia (DHG)

Revenue has fallen 1% during the first 15 weeks of FY 2019, but digital revenue has increased by 6%. Pro-forma total costs have risen by 7%. AGM scheduled for 20 November.

Nine Entertainment Group (NEC) / Fairfax Media (FXJ)

FXJ FY 2019 year-to-date revenue has fallen 5% year-on-year.

NEC digital revenue grew ~10% during the September quarter, and Metro FTA advertising has come in flat.

Scheme booklet for the NEC-FXJ merger anticipated this morning.

Bravura Solutions (BVS) / APN Outdoor Group (APO)

BVS will be added to the S&P/ASX 200 at market open 19 October (Friday next week), when APO is removed, pending final approvals for APO's acquisition by JCDcaux.

APO shareholders are due to vote on the proposed scheme of arrangement acquisition Monday morning.

Tribeca Global Natural Resources (* TGF)

Investment company scheduled to list **11am** AEDT following a \$157.5M IPO at \$2.50 per share. 63M quoted securities.

Resources

Rio Tinto (RIO)

Aluminium investor briefings presentation lodged post-trade yesterday.

RIO forfeited 3.2% yesterday, settling at \$76.61, after closing out last week at \$80.06.

RIO is scheduled to report for the September quarter Tuesday next week.

Copper Mountain Mining Corporation (* C6C)

Produced 18.3Mlb of copper, 7500oz of gold and 64,900oz of silver from the Copper Mountain mine, British Columbia, Canada, during the September quarter.

Additional statistics lodged post-trade yesterday, ahead of official September quarter financial and operating reports which C6C plans to lodge before TSX open Wednesday 31 October.

C6C will then host a webcast teleconference commencing 7.30am Pacific standard time.

Access details lodged post-trade yesterday.

Union (EU).

Trade and security measures are reportedly still considered a long way from settled, however.

The British pound nonetheless traded at three-week highs.

In new data releases, **US** September CPI growth was estimated at 0.1% for the month and 2.3% year-on-year, undershooting forecasts, and following 0.2% and 2.7% headline figures in August.

Core (excluding food and energy prices) CPI also came in at 0.1% growth for the month, and 2.2% year-on-year.

Weekly new unemployment claims rose by 7000, the four-week moving average growing by 2500.

In **Germany**, the government lowered its 2018 and 2019 GDP forecasts from previous 2.3% and 2.1% predictions to 1.8% for each year.

The economy minister cited international trade battles and a domestic shortage of skilled workers as the major factors influencing the revisions.

The **European Central Bank's** (ECB) September policy meeting minutes also revealed some policy setters regarded global trade conflicts as possibly extending this year's regional economic slowing.

Inflation was also seen as heading towards 2% as cost increases grew and spread.

Tonight in the US, there is plenty that could toy with sentiment.

Companies scheduled to report earnings include Citigroup, JPMorgan Chase and Wells Fargo, and three US Federal Reserve officials are scheduled to speak publicly (one from Bali).

In data releases, September import and export prices are due, together with an initial October consumer sentiment reading from the University of Michigan.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1228	oz	34	2.9
Silver (NY) (Dec)	14.6	oz	0.3	2.0
Gold (LON)	1189	oz		
Platinum	839	oz	16	1.9
WTI Crude (Nov)	71.0	bbl	-2.2	-3.0
Brent Crude (Nov)	80.3	bbl	-2.8	-3.4
Iron Ore (CHN port 62%)	71.3	t	0.16	0.2
Copper (LME,3mth,PM)	6242	t	3	0.1
Nickel	12675	t	-5	-0.0
Aluminium	2020	t	-27	-1.3
Lead	1999	t	89	4.7
Zinc	2606	t	-23	-0.9
Tin	19275	t	250	1.3
CBT Wheat (Dec)	5.08	bshl	-0.03	-0.5

Commodities Commentary

Oil – an OPEC report published overnight, included a cut in forecast 2019 OPEC crude **demand** to a daily 31.8MMbbl.

OPEC's September production was estimated at the most in a month this year (32.76MMbbl/d).

Moreover, if that rate were continued, it was predicted to create a 1MMbbl/d oversupply for 2019 OPEC's secretary-general Mohammad Barkindo commented that members were well aware of the figures, were not wanting to produce a glut, and that the market was currently well supplied.

Pre-Open Announcements

NRW Holdings (* NWH)

NWH subsidiary Golding Contractors has secured a scope extension, worth \$41M, to an existing highway upgrade contract in New South Wales.

The total value of the contract is now estimated at \$121M.

ImpediMed Ltd (* IPD)

Vitrex Llc has agreed to pay IPD \$US500,000 for IPD's XiTRON Technologies.

Details lodged this morning.

The Hydroponics Company (THC)

Update lodged in presentation format post-trade yesterday.

Security Matters (* SMX)

Goods permanent security ID specialist scheduled to list 11am AEDT Monday following a \$5M IPO at 20c per share.

36M quoted securities.

Resources

Wolf Minerals (* WLF)

Voluntary administrators appointed to WLF's AIM-listed subsidiary Wolf Minerals (WLFE).

WLF ASX trade remains suspended.

WLF has been unable to raise sufficient working capital to continue operations at the Drakelands open pit tungsten mine, Hemerdon, England, UK.

Galaxy Resources (GXY)

Planning to lodge the company's September quarter report 18 October (Thursday next week), and to host a teleconference that day, commencing 11am AEDT.

Access details lodged this morning.

Energy

Freedom Oil & Gas (* FDM)

A Wells Fargo lending facility has been updated to \$US20M - \$US500M worth of funds.

FDM says it will access some of the funds by year's end.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Mon	WES	Sep Q
Tue	COH	AGM
	ORA	AGM
	RIO	Sep Q
	SAR	Sep Q
	TLS	AGM
	WHC	Sep Q
Wed	BHP	Sep Q
	CGF	Sep Q
	CSL	AGM
	ORG	AGM
	OZL	Sep Q
	SBM	Sep Q
	TAH	AGM
	TRS	AGM



OPEC also estimated Iran had reduced September daily output by 150,000bbl to 3.45MMbbl/d.

In the meantime, US weekly petroleum inventories, reported by the EIA overnight, included a 6MMbbl rise in stored crude, following forecasts of a 2.6MMbbl increase.

Petrol stockpiles grew by 1MMbbl, against expectations of a slight fall.

Forecasters expect further crude stock increases due to the pending refinery maintenance season.

Weekly net crude imports fell by a daily 1.4MMbbl, to 4.8MMbbl/d.

A weekly US petroleum drill rig count is due tonight.

Gold – overnight prices broke through even the highest expectations for a possible rally, reaching nine-week highs, and prompting some technical buying.

A September US CPI growth estimate of just 0.2%, half that of recent months, suggested rate rises many not occur at the pace suggested by the September Federal Reserve minutes, helping push the \$US lower again.

Flimsy risk sentiment was again demonstrated in equities trade, supporting some further safe-haven gold buying.

Base metals – negative LME trade featured early, fears that a further yuan weakening, while making exports weaker, would drive more capital out of China.

A \$US weakening against other key currencies, plus inventory figures supported select trade sentiment. LME *copper* stockpiles were reported lower for a 13th consecutive session.

China's September trade figures, anticipated today, will likely influence at least some of tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7125	0.0002	0.03
EUR – USD	1.1595	0.0001	0.01

Australian Data Today

ABS	Housing finance	Aug
RBA	Financial stability review	Oct

US Data Tonight

Uni of Michigan consumer sentiment (init)	Oct
Import and export prices	Sep

Other Overseas Data Today & Tonight

China	Trade balance	Sep
Japan	Tertiary industry index (3.30pm)	Aug
Germany	CPI (final)	Sep
Euro zone	Industrial production	Aug

Need More Information?

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Thu	ANN	AGM
	AZJ	AGM; Sep Q
	GXY	Sep Q
	ING	AGM
	STO	Sep Q
	SKT	AGM
	S32	Sep Q
	SDF	AGM
	TWE	AGM
	WPL	Sep Q

Trading Halts

Company	Code	Resuming
Helix Resources	HLX	12 Oct
Otto Energy	OEL	12 Oct
Southern Gold	SAU	12 Oct
Animoca Brands Corporation	AB1	15 Oct
Carbonxt Group	CG1	15 Oct
Legacy Iron Ore	LCY	15 Oct
MGM Wireless	MWR	15 Oct
Pelican Resources	PEL	15 Oct
Stonewall Resources	SWJ	15 Oct

Suspensions (select)

Company	Code	Since
American Patriot Oil & Gas	AOW	5 Oct
Aurora Dividend Income Trust	AOD	21 Sep
AVZ Minerals	AVZ	9 Oct
Black Star Petroleum	BSP	21 Sep
buyMyplace.com.au Ltd	BMP	24 Sep
Classic Minerals	CLZ	28 Sep
Crusader Resources	CAS	1 Oct
GBM Gold	GBM	11 Oct
Jacka Resources	JKA	21 Sep
MMJ Phytotech	MMJ	8 Oct
MSM Corporation International	MSM	25 Sep
Mustang Resources	MUSDE	11 Oct
PLC Financial Solutions	PLC	5 Oct
Plukka Ltd	PKA	2 Oct
Pure Minerals	PM1	11 Oct
Sprintex Ltd	SIX	28 Sep
Updater Inc	UPD	9 Oct
Wolf Minerals	WLF	27 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
FGX	Today	2.3	100	3.44
SIG	Today	1.5	100	6.72
WAA	Today	2.85	100	5.23
WAX	Today	4.75	100	5.92
WLE	Today	2.5	100	4.33
WMI	Today	4	100	1.37
NZM	Mon	1.82	0	12.36
TPM	Mon	2	100	0.52
UOS	Mon	0.5	0	4.35
ASG	Tue	4.8	100	6.52
PL8	Tue	0.5	100	5.64
SSG	Tue	2.4	100	9.33
GOW	Wed	6	100	4.32

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NWH	Wed	2	100	1.09
AVG	Thu	1.5	100	2.65
KSC	Thu	2	100	2.42
PIC	Thu	3.3	100	5.74
APL	Fri	5	50	4.41
NHC	Fri	8	100	3.75