

Markets

SFE 200 Futures (9.30am AEST)	6683	52	0.8
NZX 50	11099	54	0.5
DJIA Futures	27004	2	0.0
S&P 500 Futures	2998	0	0.0
NASDAQ Futures	7960	0	0.0

Local Markets Commentary

The Australian market commences mid-week trade with new data out of China and a reduced domestic growth prediction from the International Monetary Fund (IMF) overnight, improved international equities sentiment, four large-profile domestic stocks hosting AGMs, and two reporting for the September quarter.

Post-yesterday's ASX trade, **China** has reported 1690B yuan worth of new lending during September, against 1210B for August.

The **IMF** has cut **Australia's** predicted 2019 **GDP** growth from 2.1% to 1.7%, and 2020 growth from 2.8% to 2.3%.

Locally today, Westpac and the Melbourne Institute are due to release their monthly leading economic index report.

In addition, the Commonwealth Bank of Australia (**CBA**) is among ASX-listed stocks hosting an annual general meeting. **Rio Tinto (RIO)** has lodged a September quarter operations report pre-trade.

In overnight commodities trade, **oil** extended Tuesday's fall.

US **gold** futures (December) swung lower.

Iron ore (Nymex CFR China, 62% Fe) also turned higher.

LME **copper** also turned, but lower. **Nickel** continued to pull back. **Aluminium** recorded a gain.

The **\$A** fell to ~US67.60c after trading at US67.75c early yesterday evening.

This morning, **New Zealand** has reported 0.7% CPI growth for the September quarter and 1.5% year-on-year growth, each rate 0.1% greater-than-anticipated.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27025	237	0.9
S&P 500	2996	30	1.0
NASDAQ	8149	100	1.2
FTSE 100	7212	-2	-0.0
DAX 30	12630	143	1.2
Shanghai Comp	2991	-17	-0.6

Overseas Markets Commentary

Major European and US equities markets mostly turned higher overnight.

* Professional services listing midday AEDT – DTC *

Today's Stock Watch
Commonwealth Bank of Australia (CBA)

Today's AGM materials lodged pre-trade.

Treasury Wine Estates (TWE)

Today's AGM speeches and presentation lodged.

The Reject Shop (TRS)

Comparable stores sales growth has improved to 0.3% for the first 15 weeks of FY 2020.

Today's AGM speeches and presentation also lodged pre-trade.

Australia & New Zealand Banking Group (ANZ)

ANZ is unsure of the ultimate impact of proposed Australian Prudential Regulation Authority (APRA) changes to investments in subsidiaries.

The bank proposes to provide updates while it participates in a consultation period which will remain open until January 2020.

PPK Group (PPK)

Research JV agreed with Deakin University and BNNT Technology, with a view to manufacturing boron nitride nanotubes (BNNT) for a range of commercial uses.

In association, PPK will issue 2M shares at \$4.25 each to institutional investors.

PPK will hold 65% of the JV, Deakin 25% and BNNT Technology the balance

PPK is resuming from a trading halt, having last traded at \$4.50.

Resources
Rio Tinto (RIO)

Shipped 5% higher year-on-year, 86.1Mt of Pilbara iron ore during the September quarter.

Produced 3% more iron pellets and concentrate, 9% more Bauxite, and 3% less bauxite. Mined copper output fell 1%.

OZ Minerals (OZL)

Produced 24,663t of copper in concentrate and 30,346oz of gold in concentrate during the September quarter, at a \$US1.283/lb AISC. This, against 28,525t and 27,072oz, at \$US1.197/lb for the June quarter.

Webcast presentation scheduled for 10am AEDT.

OceanaGold Corporation (OGC)

Lowering expected full year production to 460,000oz – 480,000oz of gold and 10,000t – 11,000t of copper.

The AISC is now anticipated to come in at \$US1040/oz - \$US1090/oz. The revisions come following a blockade impacting Philippines Didipio project operations, and assume no further Didipio production or sales this year. January – September production and cost statistics also lodged.

Select US corporate earnings surprised on the upside and a China foreign ministry spokesperson was reported as claiming the US and China remained 'on the same page' regarding trade issues.

Among overnight data releases, the **UK's** August average earnings grew by 3.8% following a 3.9% gain for July. Unemployment rose by 0.1% to 3.9%.

September new unemployment claims rose to 21,100 from a 16,300 August increase.

An economic sentiment index for **Germany** was estimated at -22.8, against -22.5 in September.

For the overall **euro zone**, the index fell to -23.5 from -22.4.

In the US, the New York Fed's October regional manufacturing survey current conditions index doubled to four, following expectations of 0.8.

Tonight in the US, the Federal Reserve's district-by-district economic update report (beige book), September retail sales, August business inventories and an industry-calculated housing market index are due.

Bank of England governor Mark Carney is also scheduled to speak as a panellist at an International Monetary Fund (IMF) annual general meeting week event.

European Central Bank chief economist Philip Land will also speak publicly in Washington.

Elsewhere, the **UK PM** is scheduled to meet with his Conservative ruling party MPs tonight following reports of progress with **European Union** (EU) officials regarding arrangements governing the planned UK separation from the EU 31 October.

Also tonight, September CPI readings are due for both the euro zone and UK.

In addition, the euro zone is scheduled to report August trade figures.

Companies scheduled to report earnings include: Abbott Labs, Alcoa, American Express, ASOS, eBay, IBM, Netflix and Roche.

Commodities				
COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Dec)	1483.5	oz	-14.1	-1.0
Silver (NY) (Dec)	17.38	oz	0.326	-1.8
Gold (LON)	1491	oz		
Platinum	883	oz	-8	-0.9
WTI Crude (Nov)	52.81	bbl	-0.78	-1.5
Brent Crude (Dec)	58.74	bbl	-0.61	-1.0
Iron Ore (NYMEX,CHN,62%)	92.62	t	0.39	0.4
Copper (LME,3mth,PM)	5774	t	-45	-0.8
Nickel	17000	t	-125	-0.7
Aluminium	1730	t	9	0.5
Lead	2149	t	12	0.6
Zinc	2425	t	11	0.5
Tin	16680	t	130	0.8

Commodities Commentary

Oil – another **OPEC** commitment to market stability, this time specifically stating 'beyond 2020'; reports of progress in **UK-EU** separation talks; another decline in **China's** producer prices; a

Pre-Open Announcements

Althea Group Holdings (** AGH)

Revenue grew 184% to \$A755,385 during the three months to 30 September.

Additional statistics lodged this morning.

Fluence Corporation (FLC)

Conducting a \$A30M, 44c-per-share institutional placement and planning a \$6M SPP.

Hosting a teleconference 11am AEDT.

Trading halt called this morning.

FLC has traded at 49c – 51.5c over the past five trading sessions.

Challenger Ltd (* CGF)

AUM grew 3% during the September quarter to \$84B.

Additional statistics lodged pre-trade.

GUD Holdings (GUD)

Investment conference presentation lodged this morning.

GUD is presenting in Sydney today.

Village Roadshow (* VRL)

Investor presentation lodged this morning.

Genesis Energy (* GNE)

Trading ex-dividend (7.87c) today.

September quarter report and presentation lodged pre-trade.

GNE has traded lower the past three trading sessions, yesterday settling at \$3.25.

Damstra Holdings (* DTC)

Workplace management software specialist expecting to list on the ASX **midday** AEDT, following a \$49.32M IPO at 50c per share.

Trading will commence on a deferred settlement basis.

Normal (T+2) trade is expected to commence Friday.

137.43M quoted securities.

Auswide Bank (* ABA)

Business breakfast presentation lodged post-trade yesterday.

ABA is presenting in Brisbane this morning.

Nuheara Ltd (NUH)

Pleading ignorance in response to an ASX price query.

NUH appreciated 14.3% Monday and 15% Tuesday, settling at 4.6c, following a 12.9% jump Friday last week to 3.5c.

Resources

Metals X (* MLX)

MLX is proposing the following three nominees be approved as independent non-executive directors at the company's 24 October AGM: Brett Lambert, Patrick O'Connor and Tony Polglase.

In addition to various former mining executive and management roles: Mr Lambert currently non-executive chair of Mincor Resources (ASX: MCR); Mr O'Connor is a former



reduced, 3% 2019 global economic growth forecast from the International Monetary Fund (IMF); and a media survey indicating a fifth consecutive rise in US stockpiled crude pushed and pulled prices overnight.

In the meantime, China's Sinopec was reported to be considering reducing December oil imports and cutting back on refinery production due to recent soaring supertanker freight charges.

In Japan, refiners confirmed land and sea shipments had resumed following typhoon Hagibis.

Meanwhile, the OPEC general secretary also overnight confirmed that, despite significant global economic risk, India's oil demand continue to grow, in August increasing by a daily 127,000bbl.

OPEC's next regular meeting is scheduled for 5 – 6 December.

A weekly US industry-calculated petroleum activity report is due tonight, and government stockpiles report tomorrow night.

Gold – better-than-anticipated US corporate earnings reports helped support overnight equities sentiment, at the same time pushing US bond yields higher, detracting from gold interest.

Base metals – new data impacted overnight trade sentiment.

China's September producer prices, reported yesterday, fell 1.2% year-on-year following a 0.8% August year-on-year fall.

CPI growth, also reported yesterday, came in at 0.9% for the month and 3% year-on-year, against respective 0.7% and 2.8% August gains. The quickening pace was largely attributed to rising pork prices due to swine fever.

Japan's August industrial production was confirmed to have fallen 1.2% during the month and 4.7% against August 2018.

In addition, China *iron ore* futures reportedly traded at ~three-week lows, following Vale's report of 86.7Mt September quarter production, 35.4% higher than for the June quarter.

China port iron ore inventories are also reported at ~five-month highs of ~130Mt.

In specific metal news, Codelco revealed Monday it was considering closing the Ventanas *copper* smelter, Chile.

Nickel trade was questioned, mostly relating to Monday's quick LME drop, which had prompted large selling.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6752	-0.0005	-0.07
EUR – USD	1.1034	0.0001	0.01

Australian Data Today

Wstpc/Melbinstitute	Leading economic index	Sep
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US Data Tonight

Retail sales	Sep
Fed beige book	Oct
Business inventories	Aug
NAHB housing market index	Oct
MBA mortgage applications	11 Oct

OceanaGold Corporation (ASX: OGC) CEO and previous chair of Perilya Ltd; and Mr Polglase is a former MD of Avanco Resources.

In addition, MLX recommends shareholders vote against appointing Brett Smith as an MLX director.

Troy Resources (* TRY)

Awaiting comprehensive approvals and assurances before commencing operations at the Karouni gold project, Guyana.

Operations have been effectively shut down following a fatality last week at the Hicks 1 extension trench.

TRY, Guyana police, the Ministry of Social Protection and the Guyana Geology & Mines Commission each launched inquiries.

Employees retained include those involved in security, plant shut down and exploration activities.

Other project employees have been stood down, pending approvals for regular on-site activity.

TRY trade remains suspended.

Copper Mountain Mining (C6C)

C6C's Queensland Eva copper project Blackard deposit resource has been updated. The measured and indicated resource is estimated at 77Mt @ 0.49% Cu, for 838Mlb of copper.

The inferred resource has been calculated at 19Mt @ 0.49% Cu, for 206Mlb of copper.

Cardinal Resources (CDV)

Total company resources and reserves, as at 30 June, lodged post-trade yesterday.

The overall measured and indicated resource is estimated at 182Mt @ 1.12g/t Au, for 6.53Moz of gold.

Manas Resources (MSR)

Non-executive director Mark Calderwood has resigned from the MSR board, effective immediately.

Trading Halts

Company	Code	Resuming
Latin Resources	LRS	16 Oct
Navarre Minerals	NML	16 Oct
Nvoi Ltd	NVO	16 Oct
Predictive Discovery	PDI	16 Oct
CCP Technologies	CT1	17 Oct
IMF Bentham	IMF	17 Oct
Magmatic Resources	MAG	17 Oct
Northern Cobalt	N27	17 Oct
Paringa Resources	PNL	17 Oct
Swift Media	SW1	17 Oct
Fluence Corporation	FLC	18 Oct
VRX Silica	VRX	18 Oct

Suspensions (select)

Company	Code	Since
Ark Mines	AHK	25 Sep

**Other Overseas Data Today & Tonight**

UK	CPI	Sep
Euro zone	Trade balance	Aug
Euro zone	CPI (final)	Sep

Need More Information?

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AuKing Mining	AKN	30 Sep
European Cobalt	EUC	24 Sep
Family Insights Group	FAM	1 Oct
Force Commodities	4CE	7 Oct
iSignthis Ltd	ISX	2 Oct
New Standard Energy	NSE	14 Oct
Peppermint Innovation	PIL	11 Oct
Thred Ltd	THD	26 Sep
Transcendence Technologies	TTL	24 Sep
Troy Resources	TRY	15 Oct
Wattle Health Australia	WHA	2 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
GNE	Today	7.87	0	2.38
PL8	Today	0.5	100	5.13
AVG	Tomorrow	2	100	2.87
IMD	Tomorrow	2	100	1.51
RIC	Tomorrow	2.75	100	3.94
VLW	Tomorrow	31	100	3.40
WAM	Tomorrow	7.75	100	6.65
CDM	Fri	2	100	3.77

Reports & Events

(selected)

When	Company	Report/Event
Today	CBA	AGM
	MOC	AGM
	ORG	AGM
	OZL	Sep Q
	RIO	Sep Q (pre-trade)
	TRS	AGM
	TWE	AGM
Tomorrow	BOQ	Full year (10.30am web)
	BHP Group	Sep Q (pre-trade)
	BHP Plc	AGM (LON)
	IMD	AGM
	ING	AGM
	NST	Sep Q (9.30 tele)
	STO	Sep Q
	SGF	AGM
	SKC	AGM
	SDF	AGM
WPL	Sep Q	
Fri	SKT	AGM