

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	<b>6179</b>	<b>-4</b>	<b>-0.1</b>
<b>NZX 50</b>	9246	-25	-0.3
<b>DJIA Futures</b>	25975	-101	-0.4
<b>S&amp;P 500 Futures</b>	2881	-11	-0.4
<b>NASDAQ Futures</b>	7399	-38	-0.5

## Local Markets Commentary

The Australian market opens today's trade with US-China trade moves directly in focus, and a key meeting in North Korea, following broadly negative overnight international equities and commodities trade sentiment.

The **\$A** remained within a relatively narrow range after trading at ~US71.75c early yesterday evening, but has dropped this morning.

The US president has confirmed, post-overnight US equities trade, that new import taxes on ~\$US200B worth of Chinese goods will be implemented from Monday next week.

In addition, the president threatened an 'immediate' tariffs increase on an additional ~\$US267B worth of goods, should China announce retaliatory measures.

In response to some industry concerns, some Apple Inc and Fitbit products, bicycles, vehicle seats for babies and other consumer goods will be exempt from next week's increased tariffs.

In overnight commodities trade, **oil** settled just a few cents lower.

US (December) **gold** futures gained modestly.

LME **copper**, **nickel** and **aluminium** headed lower.

Locally today, the Reserve Bank of Australia (**RBA**) is scheduled to publish the minutes of its 4 September policy meeting **11.30am** AEST.

The Australian Bureau of Statistics (**ABS**) is expected to report capital city residential property prices for the June quarter at the same time.

A well-followed weekly consumer sentiment reading is due pre-trade.

In addition, **NHC**, **KMD** and **TPM** have reported for the full year this morning.

Regionally, the Bank of **Japan** commences a monetary policy meeting today, from which an outcomes statement will be released at the conclusion of the meeting tomorrow. No 'outlook report' is due following this month's meeting.

Meanwhile, international geopolitical focus will include the Korean peninsula today, as the leaders of North and South **Korea** are scheduled to meet in Pyongyang, North Korea.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	26062	-93	<b>-0.4</b>
<b>S&amp;P 500</b>	2889	-16	<b>-0.6</b>
<b>NASDAQ</b>	7896	-114	<b>-1.4</b>
<b>FTSE 100</b>	7302	-2	<b>-0.0</b>
<b>DAX 30</b>	12096	-28	<b>-0.2</b>
<b>Shanghai Comp</b>	2562	-30	<b>-1.1</b>

## Australia - RBA policy meeting minutes **11.30am** AEST

## Today's Stock Watch

### TPG Telecom (TPM)

4.1% lower, \$396.9M full year NPAT. 0.2% higher, \$2.495B revenue. Flat, 2c fully franked final dividend. Anticipating additional challenges for broadband network suppliers in the coming year.

### Kathmandu Holdings (KMD)

32.9% higher, \$NZ50.53M full year NPAT. 11.7% higher, record \$NZ497.44M sales revenue. NZ11c fully franked final dividend. NZ13c NTA.

Paying a \$NZ1000 bonus to KMD permanent staff.

### Auckland International Airport (AIA)

Planning a fixed-rate, six-year bond offer for which details are likely to be announced early next week.

### Air New Zealand (AIZ)

Achieved 5.3% year-on-year growth in the number of passengers carried during August. Additional statistics lodged this morning.

### Nuheara Ltd (NUH)

NUH's IQbuds BOOST will be sold on a trial basis in 50 Vision Group stores in Italy.

### Sydney Airport (SYD)

Macquarie has re-rated SYD as underperform, from neutral.

## Resources

### Pioneer Resources (PIO)

TSXV-listed Novo Resources is planning to farm into PIO's WA Pilbara Kangan gold project. Consideration includes an initial \$200,000 cash fee, 100,000 Novo shares, and a \$A1M subscription for PIO shares at 2c each.

Novo proposes to spend \$500,000 on exploration within two years for a 70% interest.

PIO has traded at 1.8c - 2.1c over the past five trading sessions.

### Dampier Gold (DAU) / Vango Mining (VAN)

VAN is offering two VAN shares for every seven DAU shares in an unsolicited off-market bid for DAU.

VAN says it has received pre-bid acceptance agreements from DAU shareholders representing a combined 12.63% holding in DAU.

DAU currently advises shareholders to take no action.

VAN traded at 19c yesterday. DAU last traded 30 August, at 3.1c.

VAN has scheduled the offer for 1 October - 1 November.

## Energy

### New Hope Corporation (NHC)

6% higher, \$149.498M full year NPAT. 28% higher, \$1.08B revenue. 8c fully-franked final dividend, up 33.3%. \$2.202 NTA.

Anticipating quality coal prices to hold during the coming year.

In addition, subsidiary Bridgeport Energy statistics, updated as at 1 August, include 5.6Mmbbl of oil (2P reserves) and 11.4MMbbl (2C resources).

## Overseas Markets Commentary

Investor jitters were evident overnight, major European equities markets characterised by significant swings and key US indices closing almost at session lows.

The US president had declared he would make a trade tariffs announcement post-US trade, this impacting large-cap communications services stocks and bruising sentiment for the discretionary consumer buying sector. In addition, an advisor had earlier claimed new import taxes on goods from China were likely to match the \$US200B worth previously threatened.

The \$US fell and 10-year bond yields climbed above 3.00% again.

Among scant overnight data releases, the **US** Fed New York region business activity index dropped 6.6 points to 19 following forecasts of a 2.3-point fall.

The **euro zone's** final August CPI reading was confirmed at 0.2% growth for the month, following a 0.3% fall in July. Year-on-year the CPI had risen 2.0%.

**Tonight** in the US, a home builders' association housing market index is due.

Elsewhere, **European Central Bank** (ECB) president Mario Draghi is scheduled to speak publicly.

AutoZone, General Mills, Ocado and Spire Healthcare are scheduled to report earnings or provide an update.

## Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1206</b>	oz	5	0.4
<b>Silver (NY) (Sep)</b>	14.2	oz	0.07	0.5
<b>Gold (LON)</b>	1202	oz	-0.05	-0.0
<b>Platinum</b>	798	oz	6	0.8
<b>WTI Crude (Oct)</b>	<b>68.91</b>	bbbl	-0.08	-0.1
<b>Brent Crude (Nov)</b>	<b>78.05</b>	bbbl	-0.04	-0.1
<b>Iron Ore</b> (CHN port 62%)	67.7	t		
<b>Copper</b> (LME, 3mth, PM)	<b>5945</b>	t	-28	-0.5
<b>Nickel</b>	12240	t	-415	-3.3
<b>Aluminium</b>	2032	t	-11	-0.5
<b>Lead</b>	2071	t	33	1.6
<b>Zinc</b>	2320	t	-14	-0.6
<b>Tin</b>	19025	t	-15	-0.1
<b>CBT Wheat (Oct)</b>	<b>5.06</b>	bshl	-0.04	-1.0

## Commodities Commentary

**Oil** – pushed and pulled overnight by the wait for the latest moves in the US-China import taxes standoff, burgeoning commentary regarding global crude supply in relation to scheduled November sanctions against Iran's oil exports and a \$US pullback.

Russia confirmed major OPEC and non-OPEC producers would effectively kick around all likely outcomes in relation to potential production strategies at a meeting later this month in Algiers.

In the meantime, the US Energy Information Administration (EIA) predicted US daily shale output would rise by ~80,000bbbl during October to 7.6MMbbbl/d.

**Gold** – equities were out of favour from the outset overnight, and the \$US fell, supporting gold

## Pre-Open Announcements

### The BetMakers Holdings (\* TBH)

Confirming subsidiary BetMakers DNA now holds 100% of Global Betting Services Pty Ltd.

### Webster Ltd (WBA)

WBA has appointed John Tyndall as CFO and company secretary, effective January 2019.

Mr Tyndall has been DeBortoli Wines' CFO for the past 16 years.

### Volt Power Group (VPR)

VPR has appointed Elvio Ruggiero as company secretary following the resignation of Ian Sydney from that role. Mr Ruggiero is the CFO of VPR's largest shareholder, ECM Pty Ltd.

## Resources

### Blackham Resources (BLK)

BLK has appointed CFO Anthony Rechichi also as company secretary, following the resignation of Mike Robbins.

Mr Robbins has been with BLK for the past five years.

## Energy

### Yancoal Australia (YAL)

YAL yesterday reduced total debt by \$US150M by pre-paying some loan liabilities.

### Vintage Energy (VEN)

Oil and gas explorer completed its ASX listing yesterday following a \$30M IPO at 20c per share.

Opened at 23c and slipped to 21c before settling at 21.5c.

~2.25M shares were traded across 149 transactions.

181.625M quoted shares.

## Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>NHC</b>	Full year
	<b>KMD</b>	Full year
	<b>TLS</b>	Sh/hldr meeting
	<b>TPM</b>	Full year
<b>Thu</b>	BKW	Full year
	PMV	Full year
	SOL	Full year
	SUN	AGM
	SYD	August stats
	TLS	Sh/hldr meeting
<b>Fri</b>	TLS	Sh/hldr meeting

## Trading Halts

Company	Code	Resuming
Gladiator Resources	GLA	18 Sep
Impression Healthcare	IHL	18 Sep
Lifespot Health	LSH	18 Sep
The Agency Group Australia	AU1	19 Sep
Aurora Labs	A3D	19 Sep
Liontown Resources	LTR	19 Sep
Marenica Energy	MEY	19 Sep
Midway Ltd	MWY	19 Sep
ResApp Health	RAP	19 Sep

interest.

An outsider complication for equities traders this week is the scrapping of the S&P 500's telecoms sector come week's end, in favour of a broader communications services sector. This will be effected ready for Monday 24 September trade. Positioning could detract from other trade considerations, including for metals.

**Base metals** – demand angst, in particular in relation to international trade tariffs, outweighed relative \$US weakness overnight.

Reports China's central bank made available an additional 265B yuan (~\$US38.6B) in loans funding when no loans were due to mature, supported views China's administration is proactively seeking to skirt adverse US-China trade impacts.

The US easing of sanctions against Rusal, (Norway) Hydro's decision late last week not to acquire a Rio Tinto *aluminium* operation in Iceland, and China's Shandong province plane to charge for onsite power facilities have confused the short-medium term aluminium supply outlook for some.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7147	-0.0032	<b>-0.44</b>
<b>EUR – USD</b>	1.1669	-0.0015	<b>-0.12</b>

### Australian Data Today

ANZ/RyMgn	Consumer sentiment	17Sep
RBA	Policy meeting minutes	4Sep
ABS	Captl city rsdtl prpty prices	JunQ

### US Data Tonight

NAHB conditions, sentiment	Sep
Capital flows	Jul

### 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).

Universal Coal	UNV	19 Sep
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### Suspensions *(select)*

Company	Code	Since
AFT Corporation	AFT	11 Sep
Alice Queen	AQX	10 Sep
Antilles Oil & Gas	AVD	24 Aug
AustSino Resources Group	ANS	6 Sep
Axesstoday Ltd	AXL	14 Sep
Hardey Resources	HDY	10 Sep
Imagion Biosystems	IBX	17 Sep
Metminco Ltd	MNC	17 Sep
Sundance Resources	SDL	10 Sep
Syngas Ltd	SYS	6 Sep
Victory Mines	VIC	11 Sep

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>AEG</b>	Today	<b>2.5</b>	100	5.71
<b>EMB</b>	Today	<b>30</b>	100	3.59
<b>IGL</b>	Today	<b>7.5</b>	100	6.86
<b>QUB</b>	Today	<b>4.8</b>	100	1.99
<b>ZNT</b>	Today	<b>1.5</b>	100	1.79
AHX	Tomorrow	0.8	100	2.86
AXL	Tomorrow	2.9	100	3.57
CIW	Tomorrow	1.5	100	5.77
HOM	Tomorrow	0.9	100	2.95
JLG	Tomorrow	1.9	100	2.02
KKT	Tomorrow	1	100	3.33
PSQ	Tomorrow	3.8	100	4.21
WEB	Tomorrow	12	100	1.20
AHG	Thu	6.8	100	7.15
CLT	Thu	1.25	0	2.40
CWN	Thu	30	60	4.39
EGL	Thu	0.06	100	1.13
KBC	Thu	0.5	100	11.36
PIA	Thu	3.5	100	5.83
PNI	Thu	7	100	1.59
PPC	Thu	3	100	4.17
QMS	Thu	1.2	100	2.26
SLK	Thu	8	100	3.38
SPK	Thu	10.96	0	5.32
XIP	Thu	4.5	100	5.05
BRI	Fri	3.5	100	3.57
CUV	Fri	2	0	0.11
EGG	Fri	2.5	100	3.16

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