

Markets

SFE 200 Futures (9.30am AEST)	6651	-13	-0.2
NZX 50	11153	11	0.1
DJIA Futures	26989	-4	0.0
S&P 500 Futures	2997	-1	0.0
NASDAQ Futures	7949	-4	0.0

Local Markets Commentary

The Australian market commences Friday trade ahead of a plethora of material data out of China, and with agreement between UK and EU negotiators on proposed arrangements governing the UK's planned EU departure, plus a US-announced five-day Turkey ceasefire in northern Syria.

China is expected to publish September quarter **GDP** growth, January – September **fixed asset investment**, September **industrial production** and September **retail sales 1pm** AEDT.

Yesterday evening, China revealed a 6.5% year-on-year rise in January-September **foreign direct investment** (FDI), following 6.9% higher January-August FDI.

Also regionally today, **Japan's** September **CPI** growth is anticipated **10.30am** AEDT.

Locally today, no major domestic economic indicators are scheduled for release.

In overnight commodities trade, **oil** settled higher for a second consecutive session.

US **gold** futures (December) extended Wednesday's gain a little.

Iron ore (Nymex CFR China, 62% Fe) continued to fall.

LME **copper** turned modestly higher. **Nickel** was pushed yet lower. **Aluminium** again settled little changed.

The **\$A** appreciated further, to ~US68.25c, after rising beyond US68.05c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27026	24	0.1
S&P 500	2998	8	0.3
NASDAQ	8157	33	0.4
FTSE 100	7182	14	0.2
DAX 30	12655	-15	-0.1
Shanghai Comp	2977	-1	-0.1

Overseas Markets Commentary

Choppy trade featured at various times across major European and US equities markets overnight.

US data releases largely came in weaker-than-anticipated, and corporate earnings again proved decidedly mixed, but there was plenty more to consider.

China –GDP, industrial production, fixed asset investment and retail sales 1pm AEDT

Japan –September CPI – 10.30am AEDT

Today's Stock Watch
Southern Cross Media (SXL) / Seven West Media (SWM) / Prime Media (PRT)

SXL's Southern Cross Austereo is proposing to acquire SWM's regional radio business Redwave Media for \$28M cash, pending regulatory approvals.

In addition, SWM and PRT are planning a merger via a scrip-based scheme of arrangement.

SWM presentation lodged this morning.

SXL has traded lower the past three sessions, yesterday settling at 86.5c after closing out last week at \$1.145.

Mercury NZ (MCY)

Raising FY 2020 EBITDAF guidance by \$NZ25M to \$NZ510M. September quarter operational update lodged this morning.

Spark New Zealand (SPK)

SPK has appointed SPK finance lead partner Stefan Knight as CFO, taking over from David Chalmers who plans to return to Melbourne.

In addition, Fletcher Building (ASX: FBU) communications head Leela Gantman has been appointed SPK corporate relations director, due to the previously-flagged departure of Andrew Pirie at the end of the year.

SkyCity Entertainment (SKC) / Event Hospitality (EVT)

Materials lodged for today's AGMs.

Collaborate Corporation (CL8)

Agreement secured with Hyundai Motor Australia whereby customers can subscribe via CL8's Carly for Hyundai-provided vehicles. Details lodged this morning.

Resources
BHP Group (BHP)

Speeches and presentation from the overnight BHP Plc AGM in London lodged pre-trade.

Mt Gibson Iron (MGX)

Sold 1.4Mt (wet) of iron ore during the September quarter, for \$A122M revenue. Additional statistics lodged this morning.

Fortescue Metals Group (FMG)

Planning to power up to 100% of WA Pilbara Chichester Hub iron ore day-time operations with renewable energy, under an agreement with Alinta Energy.

FMG expects to spend \$US250M on energy transmission infrastructure. Details lodged this morning.



European Union (EU) and **UK** negotiators announced agreement on arrangements for the UK's planned EU departure, as a European Council forum commenced in Brussels.

Separately, the UK and EU parliaments must now approve the plans.

The UK parliament's House of Commons will convene a special sitting tomorrow to consider the proposal.

The US administration subsequently announced a five-day northern Syria cease-fire had been agreed between Turkey and the US.

Earlier, a China commerce ministry spokesperson was reported to have confirmed a draft of a 'phase one' trade accord with the US, based on last week's official talks, was being prepared. The spokesperson also asserted tariffs remained a sticking point ahead of any final trade agreement.

Among overnight **data** releases, **UK** September retail sales came in flat, following a 0.3% August fall.

Year-on-year, sales were 3.1% higher.

Euro zone August construction output rose 1.2% year-on-year, against 1.8% for July.

In the **US**, the Philadelphia Fed's regional manufacturing index tumbled to 5.6 from 12.

September industrial production fell 0.4% for the month, following a 0.8% August improvement. The fall was in part attributed to industrial action within General Motors.

Compared with September 2018, overall September output slipped 0.1%.

Housing starts and building permits also disappointed, dropping 9.4% and 2.7% respectively, against 15.1% and 7.7% August gains.

Weekly new unemployment claims rose by 4000, following expectations of a 5000 decline.

Tonight in the US, the Conference Board's leading index and a September national budget statement are due

The International Monetary Fund (IMF) and World Bank annual meetings will also attract attention in Washington, through Sunday.

Elsewhere, the European Council is scheduled to conclude its two-day forum.

Overnight criticism indicated the UK parliament would be unlikely to deliver a positive vote on the UK-EU separation plans tomorrow.

Companies scheduled to report earnings include American Express, BNP Paribas, China Citic Bank, Coca-Cola, Danone, General Electric, Reliance Industries and Schlumberger.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1498.3	oz	4.30	0.3
Silver (NY) (Dec)	17.612	oz	0.185	1.1
Gold (LON)	1485	oz		
Platinum	886	oz	3	0.3
WTI Crude (Nov)	53.93	bbl	0.57	1.1
Brent Crude (Dec)	59.92	bbl	0.49	0.8
Iron Ore (NYMEX,CHN,62%)	90.01	t	-1.39	-1.5

Pre-Open Announcements

Aristocrat Leisure (* ALL)

Las Vegas G2E global gaming expo presentation lodged post-trade yesterday.

ALL presented overnight.

Sydney Airport (SYD)

September passenger numbers grew by 1.4% year-on-year, supported by a 1.9% increase in international passengers and 1.2% domestic passengers rise.

Acrow Framework & Construction (* ACF)

Paying an initial \$21.25M (\$12.75M cash and \$3.5M worth of shares at 35c each) for Uni-span Australia.

Earn-outs could total up to \$4.3M.

ACF has traded at 25c – 27.5c the past five trading sessions.

Presentation lodged post-trade yesterday.

Tassal Group (TGR)

Majore approvals in hand for the Queensland Proserpine prawn farm stage-three expansion.

Australian Primary Hemp (* APH)

The former Alchemia Ltd recommences ASX trade on **today's open**, following a \$5.7M offer at 20c per share.

~49M quoted shares.

APH specialises in growing hemp and offering production services.

Elanor Investors Group (ENN)

Proposing to conduct an IPO and list the Elanor Commercial Property Fund.

Details lodged post-trade yesterday.

MyFiziq Ltd (MYQ)

MYQ has appointed former Beachbody Llc chief digital officer William Bradford as MYQ business development head in the US.

Resources

Australian Mines (AUZ)

AUZ has appointed Bedford Road Associates principal and MD Lee (Les) Guthrie as a non-executive director.

Mr Guthrie is also a Neometals (ASX: NMT) director and former BHP senior leadership employee.

Energy

Stanmore Coal (SMR)

MD Dan Clifford has resigned.

Strike Energy (STX)

September quarter report lodged this morning.

Yancoal Australia (* YAL)

Attributable saleable coal production grew 2% year-on-year during the September quarter, to 8.4Mt.

January-September attributable saleable coal production increased 4% to 26.2Mt.



Copper (LME,3mth,PM)	5746	t	23	0.4
Nickel	16240	t	-150	-0.9
Aluminium	1726	t	-2	-0.1
Lead	2186	t	15	0.7
Zinc	2431	t	9	0.4
Tin	17105	t	230	1.4

Commodities Commentary

Oil – prices swung again overnight, but seemed ultimately supported by a weaker \$US.

A weekly US petroleum inventories report, released by government agency the EIA overnight, included a 9.28MMbbl rise in stored crude, largely attributed to reduced refinery demand and a US strategic petroleum reserve release.

Petrol stocks were reported 2.56MMbbl lower, and distillates down ~3.8Mmbbl.

Net crude and petroleum products exports rose by ~1000bbl/d to 31,000bbl/d.

Gold – announcements helping to ease some geopolitical concern on both sides of the Atlantic and in the Middle East, plus underwhelming US data releases, toyed with overnight gold sentiment.

The UK-EU announcement propelled the British pound higher, helping push the ICE \$US index 0.4% lower and hence supporting gold trade.

Base metals – overnight sentiment proved mixed, due to a cocktail of data, inventory and geopolitical influences.

China's September quarter GDP growth, January – September fixed asset investment, plus September industrial production and retail sales, all due today, are expected to influence at least some of tonight's trade.

Yesterday, China's major *copper* smelters were reported to be charging 20% more for December quarter treatment and refining than for the September quarter.

In production news, China's MMG said protests blockading the Peru Las Bambas copper project would lower actual output just marginally below guidance.

Yunnan *Tin* said it anticipated a 10% adverse impact on production from a ~50-day smelting facility maintenance closure scheduled to commence this coming Monday.

Meanwhile, LME *nickel* inventories were reported to have fallen to ~seven-year lows.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6826	0.0000	0.00
EUR – USD	1.1125	0.0000	0.00

US Data Tonight

Conference Board leading index	Sep
Budget statement	Sep

Attributable sales rose 2%.

Trading Halts

Company	Code	Resuming
Alloy Resources	AYR	18 Oct
Fluence Corporation	FLC	18 Oct
Geopacific Resources	GPR	18 Oct
ParaZero Ltd	PRZ	18 Oct
Great Southern Mining	GSN	21 Oct
Kairos Minerals	KAI	21 Oct
Palla Pharma	PAL	21 Oct
UltraCharge Ltd	UTR	21 Oct
Wisetech Global	WTC	21 Oct
Delecta Ltd	DLC	22 Oct

Suspensions (select)

Company	Code	Since
AuKing Mining	AKN	30 Sep
CCP Technologies	CT1	17 Oct
Family Insights Group	FAM	1 Oct
Force Commodities	4CE	7 Oct
iSignthis Ltd	ISX	2 Oct
Latin Resources	LRS	16 Oct
New Standard Energy	NSE	14 Oct
Nvoi Ltd	NVO	16 Oct
Paringa Resources	PNL	17 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 (%)
CDM	Today	2	100	3.77
KAT	Mon	0.5	100	2.63
NHC	Mon	9	100	7.02
SNC	Mon	3.5	100	8.05
GBT	Tue	35	100	0.00
ACF	Wed	1	0	3.70
PBP	Thu	2.5	100	0.49
PMV	Fri (25 Oct)	37	100	3.40

Reports & Events

(selected)

When	Company	Report/Event
Today	EVT	AGM
	SKC	AGM

**Other Overseas Data Today & Tonight**

China	GDP	Sep Q
China	Industrial production	Sep
China	Fixed assets investment	Sep
China	Retail sales	Sep
Japan	CPI	Sep

Need More Information?

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

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

Mon	SLK	AGM
Tue	IGO	Sep Q (11am AEDT web)
	MMS	AGM
	SAR	Sep Q
Wed	SBM	AGM
Thu	APA	AGM
	AD8	AGM
	CWN	AGM
	FMG	Sep Q
	GUD	AGM
	JBH	AGM
	MLX	AGM
	SXL	AGM
VTG	AGM	
Fri (25 Oct)	ADH	AGM
	CAR	AGM
	IAG	AGM
	JHC	AGM
	PAA	AGM