

Markets

SFE 200 Futures (9.30am AEST)	6696	9	0.1
NZX 50	10828	53	0.5
DJIA Futures	27138	-10	0.0
S&P 500 Futures	3005	-2	-0.1
NASDAQ Futures	7887	-8	-0.1

Local Markets Commentary

The Australian market commences today's trade with a Reserve Bank of Australia bulletin and influential domestic data due late-morning, and new US sanctions against Iran announced overnight, ahead of central bank meetings and subsequent policy statements in Japan today and the UK tonight, following an overnight cut in US rates.

Locally today, the Reserve Bank of Australia releases a quarterly bulletin with updated forecasts **11.30am** AEST.

The Australian Bureau of Statistics reports August employment figures at the same time.

COH, CWN, SIG and **SPK** are among stocks trading **ex-dividend** today. *Please see pp3-4 for a detailed list.*

Regionally, the **Bank of Japan** holds a policy meeting, from which an outcomes statement is anticipated **1pm** AEST.

This morning, **New Zealand** has reported 0.5% June quarter **GDP** growth, following 0.6% for the two previous quarters.

In overnight commodities trade, **oil** continued to pull back following Monday's surge.

US **gold** futures (December) extended Tuesday's slight gain, but have moved lower post-settlement.

Iron ore (Nymex CFR China, 62% Fe) recorded another slight fall, this time to close below US\$94.00/t.

LME **copper** was pushed lower again. **Nickel** turned higher.

The **\$A** slipped to ~US\$68.30c after dropping below US\$68.35c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27147	36	0.1
S&P 500	3007	1	0.0
NASDAQ	8177	-9	-0.1
FTSE 100	7314	-6	-0.1
DAX 30	12390	17	0.1
Shanghai Comp	2986	8	0.3

Overseas Markets Commentary

Vacillating trade featured across major European equities markets overnight, with some influential data releases in focus, and ultimately some better-than anticipated US housing figures dragging sentiment higher.

Australia – RBA quarterly bulletin 11.30am AEST
August employment statistics also 11.30am AEST

Opening times today – due to the expiry of the ASX24 September 2019 SPI 200™ Futures Contracts the time between each equity group opening this morning will be extended from 2min and 15sec to 4min as follows:

Group 1 (A-B) - 10:00:00 ± 15sec

Group 2 (C-F) - 10:04:00 ± 15sec

Group 3 (G-M) - 10:08:00 ± 15sec

Group 4 (N-R) - 10:12:00 ± 15sec

Group 5 (S-Z) - 10:16:00 ± 15sec

The quarterly **S&P/ASX indices rebalance** will be effected as trading opens **Monday (23 September)**. *Please see p4 for details*

Today's Stock Watch
Washington H Soul Pattinson & Co (SOL)

7.1% lower, \$247.94M full year NPAT. 37.6% higher, \$1.616B revenue. 34c fully franked final dividend, up 1c. \$14.00 NTA, against \$13.46.

Brickworks Ltd (BKW)

11.9% lower, \$154.64M full year NPAT. 17.0% higher, \$918.695M revenue. 38c fully franked final dividend, up 2c. \$13.28 NTA, against \$12.42.

Resources
Marmota Ltd (MEU)

Heralding 1m assays from June Aurora Tank extensional and reconnaissance drilling, including one at 120g/t Au at a depth of 21m. Additional details lodged this morning.

Resuming from a trading halt having last traded at 3.5c after closing out August at 2.6c.

Lithium Australia (LIT)

LIT says it has developed processes that will recover up to 85% of the lithium and ~90% of the nickel and cobalt from spent lithium-ion batteries.

Discussions underway with potential buyers.

Energy
Santos Ltd (STO) / Carnarvon Petroleum (CVN)

The Dorado-3 Baxter reservoir has flowed during testing at 48MMscf/d gas and 4500bb/d of condensate.

CVN says the testing was limited to surface equipment capacity. Caley reservoir testing is expected to commence within 8 – 10 days and results to be available within 10-12 days.

STO operator and 80%; CVN 20%.



The US Federal Reserve's policy meeting constrained key indices before an ultimate boost that achieved settlements at or near sessional peaks.

The lift came in the form of another Federal Reserve 0.25% rates reduction, bringing the range to 1.75% - 2.00%.

The overnight debt swap-for-cash was reduced to 1.70%.

Excess reserves interest will be charged at 1.80%, rather than just 0.15% above the top rate within the Fed's range.

The differences between the views of the FOMC members were perhaps more notable than the rates changes.

Seven of the 17 members were revealed as currently in favour of another general rates cut by year's end.

Two members advocated no September rate cut and one promoted a 0.50% cut.

Earlier, the Fed again boosted the amount of cash available for overnight borrowing, this time by a reported \$US75B.

In the meantime, the US state secretary met with Saudi Arabia's crown prince, describing the weekend oil operations attacks within Saudi Arabia as 'an act of war', as the US president announced new sanctions against Iran.

For its part, Saudi Arabia declared the attacks were 'unquestionably sponsored' by Iran.

Yemen's Houthi military, which claimed responsibility for the attacks, from three sites in Yemen, further claimed it had identified 'dozens of targets' it could attack within the United Arab Emirates, including some in Abu Dhabi.

China and the US meanwhile prepared to commence 'deputy-level' trade talks in Washington.

In the **UK**, the Supreme Court continued to hear arguments in an appeal regarding the legitimacy of the current suspension of parliament, until a couple of weeks before the UK is scheduled to leave the European Union (EU).

The leaders of two EU nations asserted the EU needed written proposals, within two weeks, from the UK regarding what it wanted to change before another UK parliament vote.

Among overnight **data** releases, the **UK's** August CPI growth was estimated at 0.4% for the month, following a flat result for July. Annual inflation came in at 1.7% growth.

A final August CPI reading for the **euro zone** represented 0.1% growth against expectations of a 0.2% rise, and following 0.5% July deflation. Annual CPI growth was confirmed at 1.0%.

August construction output rose 1.1% year-on-year, following a 1.6% July increase.

Among **US**, data releases, August housing starts jumped 12.3% for the month, to the most since June 2007, following a 1.5% July fall. Against August 2018, starts came in 6.6% higher.

Building permits increased by 7.7%, the most since May 2007, following a 6.9% July rise.

Weekly mortgage applications slipped 0.1% after rising 2% the previous week. Average 30-year mortgage rates rose to 4.01% from 3.82%.

Tonight in the US, weekly new unemployment claims are due, together with August existing home sales, the Philadelphia Fed manufacturing index and a Conference Board leading index report.

Pre-Open Announcements

ELMO Software (ELO)

ELO has completed a \$A55M fully underwritten placement at \$A6.00 per share, in support of sales and marketing, R&D, client services and potential acquisitions.

A \$A5M SPP is also planned.

Further, ELO founders and the company's largest pre-IPO seed capital investor have sold ~3.5M shares in total to investors at the same price as the placement.

ELO has traded at \$6.52 - \$6.90 over the past five trading sessions, settling lower for each session, and at \$6.52 yesterday. Presentation lodged post-trade yesterday.

LiveTiles Ltd (LVT)

Resuming from a trading halt having raised \$50M in a 35c-per-share placement. A \$5M SPP will follow.

LVT last traded at 40c.

iCar Asia (ICQ)

Planning to acquire Carmudi Indonesia for \$US3M, \$US2M to be paid on anticipated completion, 15 October, and \$US1M on 15 October 2020.

Splitit Payments (SPT)

Co-founder Gil Don is planning to step down as SPT CEO, in favour of the SPT GM, EMEA (Europe, Middle East and Africa) position.

Consequently, SPT North America MD Brad Paterson will become CEO 1 October.

Strategic Elements (SOR)

SOR's Stealth Technologies has secured a HoA with Global Integrated Operations to supply AI software for fixed plant mining operations.

Air New Zealand (AIZ)

Update lodged this morning, including August operational statistics.

Resources

Red River Resources (* RVR)

North Queensland Charter Towers region Liantown project drilling has returned significant-width intersections containing high-grade copper, gold, lead and zinc.

Assays lodged this morning.

Sheffield Resources (SFR)

WA Thunderbird mineral sands project mining proposal and mine closure plan approvals in hand.

Azumah Resources (AZM)

Urging shareholders to sit tight in relation to the unsolicited off-market cash takeover offer from AZM shareholder Ibaera Capital Fund.



Elsewhere, the **Bank of England** holds a policy meeting from which it will publish a policy statement and offer much-anticipated commentary.

UK August retail sales are also due tonight.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1515.8	oz	2.4	0.2
Silver (NY) (Dec)	17.919	oz	-0.221	-1.2
Gold (LON)	1502	oz	5	0.3
Platinum	929	oz	-9	-1.0
WTI Crude (Oct)	58.11	bbl	-1.23	-2.1
Brent Crude (Nov)	63.60	bbl	-0.95	-1.5
Iron Ore (NYMEX,CHN,62%)	93.97	t	-0.06	-0.1
Copper (LME,3mth,PM)	5801	t	-25	-0.4
Nickel	17190	t	110	0.6
Aluminium	1793	t	2	0.1
Lead	2079	t	15	0.8
Zinc	2320	t	-26	-1.1
Tin	16815	t	10	0.1

Commodities Commentary

Oil – Saudi Arabia overnight estimated its daily September-October oil output would likely average 9.89MMbbl/d.

Further, production capacity would be restored to the normal 12MMbbl/d by the end of November, the energy minister said, and to 11MMbbl/d by 30 September.

Saudi's crown prince revealed that 50% of lost production had been restored by yesterday.

Both the International Energy Agency (IEA) and Goldman Sachs maintained no emergency stores need be released to meet current demand.

A weekly **US** petroleum stockpiles report, published overnight, included a 1.058MMbbl rise in stored crude and 781MMbbl rise in petrol stocks.

Forecasters had expected a 2.5MMbbl draw on crude.

The US president's announcement of additional sanctions on Iran helped contain overnight price falls.

Overnight prices were further dampened however, when the US Federal Reserve cut its rates range by 0.25%, this pushing the \$US ICE index ~0.3% higher.

Gold – Comex futures were pushed lower, to \$US1506.4/oz, in post-settlement electronic trade soon after the US Federal Reserve announced a 0.25% cut to its rates range.

Today and tonight, the **Bank of Japan** and **Bank of England** also convene policy meetings and announce outcomes.

Base metals – caution appeared to prevail during overnight LME trade, ahead of the US Federal Reserve post-policy meeting announcement overnight, new US-China trade talks in Washington from tonight, and with further soft CPI figures for the European region but encouraging data out of the US.

Japan's August trade figures, reported yesterday, included a ¥136.3B trade deficit, from ¥250.7B in July.

Imports tumbled 12% year-on-year, and exports dropped 8%, following respective 1.2% and 1.5% July falls.

Energy

Paladin Energy (* PDN)

\$30.2M, 11.5c-per-share placement and \$7M SPP update lodged post-trade yesterday.

PDN has traded at 11.5c – 12.5c for the week to date.

Trading Halts

Company	Code	Resuming
Alt Resources	ARS	19 Sep
Woomera Mining	WML	19 Sep
Ausmex Mining Group	AMG	20 Sep
Bardoc Gold	BDC	20 Sep
Carawine Resources	CWX	20 Sep
Centuria Capital Group	CNI	20 Sep
Centuria Metropolitan REIT	CMA	20 Sep
Paringa Resources	PNL	20 Sep
Rox Resources	RXL	20 Sep
Swick Mining Services	SWK	20 Sep
YPB Group	YPB	20 Sep

Suspensions (select)

Company	Code	Since
Creso Pharma	CPH	18 Sep
G Medical Innovations Holdings	GMV	10 Sep
iBuyNew Group	IBN	9 Sep
Kollakorn Corporation	KKL	2 Sep
Latin Resources	LRSDA	9 Sep
Okapi Resources	OKR	10 Sep
Pioneer Credit	PNC	28 Aug
Stonehorse Energy	SHE	18 Sep
Syntonic Ltd	SYT	10 Sep
Vietnam Industrial Investments	VII	16 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
SGN	Today	1	100	0.00
AHX	Today	0.8	100	3.02
CIW	Today	1.5	100	4.33
COH	Today	175	100	0.74
CWN	Today	30	25	4.87
EMB	Today	20	100	5.10
KPG	Today	1.21	100	4.97
PNI	Today	9.3	100	2.90
QMS	Today	1.2	100	2.56
SIG	Today	1	100	5.22
SPK	Today	11.39	0	4.73
SWK	Today	0.6	100	0.00
AEG	Tomorrow	4	100	4.66

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6827	-0.0002	-0.03
EUR – USD	1.1030	0.0001	0.01

Australian Data Today

RBA	Bulletin (including updated forecasts)	Sep Q
ABS	Employment (including f/t & p/t jobs, wages growth)	Aug
RBA	Forex transactions; official reserve assets	Aug

US Data Tonight

Philadelphia Fed manufacturing	Sep
Existing home sales	Aug
Conference Board leading index	Aug
Initial jobless claims	14 Sep

Other Overseas Data Today & Tonight

Japan	BoJ policy meeting outcomes	19 Sep
UK	BoE policy meeting outcomes	19 Sep
UK	Retail sales	Aug

Need More Information?

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EGG	Tomorrow	3	100	2.27
EGL	Tomorrow	0.06	100	1.40
MA1	Tomorrow	2	100	0.00
BRI	Mon	2.2	100	5.09
CNU	Mon	12.76	0	4.31
GAP	Mon	1	0	6.67
MNY	Mon	5	100	4.27

S&P/ASX Indices Re-balance

*The following changes will be effected as trading opens **Monday** (23 September) ...*

S&P/ASX100

Out: PDL

In: NHF

S&P/ASX200

Out: ALG, API, ECX, EHL, PGH, SIG

In: CKF, GOR, JIN, NWL, PNV, SLR

S&P/ ASX300

Out: AJM, ARQ, CL1, CLQ, LNG, MLX, OMH, PPS, RIC, SLK, WGN

In: AD8, AQG, AVH, BGL, BUB, CDA, CIA, CNI, DTL, IAP, ISX, LIC, NIC, PET, SM1, WAF, Z1P

S&P/ASX All Australian 200

Out: ECX, IFN, SWM, SYR

In: AVH, CVN, INA, JIN