

## Markets

<b>SFE 200 Futures</b> (9.25am AEST)	<b>5281</b>	<b>-9</b>	<b>-0.2</b>
<b>NZX 50</b>	7319	11	0.2
<b>DJIA Futures</b>	18055	8	0.0
<b>S&amp;P 500 Futures</b>	2132	1	0.1
<b>NASDAQ Futures</b>	4803	4	0.1

## Local Markets Commentary

Australian market trade will likely play out amid some early caution, after US equities settled little changed again ahead of a US Federal Reserve policy statement tonight.

In addition, regionally today, the **Bank of Japan** releases its policy meeting outcomes statement (usually ~1pm - 2pm AEST). Japan's trade balance figures are expected **9.50am** AEST.

In overnight commodities trade, US **gold** futures settled virtually flat, and WTI crude modestly higher. **Copper** swung to a gain, and **nickel** built on Monday's rally. **Iron ore** settled steady.

The **\$A** slipped to ~US75.50c after trading at ~US75.60c early yesterday evening.

Locally today, leading economic indices (10.30am) and skilled vacancies (11am) reports are due.

Companies trading **ex-dividend** include **CAR**, **MQA**, **NCM** and **WEB**. Please see **p3** for a detailed list.

**Japan's markets will be closed tomorrow** during a public holiday.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>18130</b>	10	<b>0.1</b>
<b>S&amp;P 500</b>	2140	0.6	<b>0.0</b>
<b>NASDAQ</b>	5241	6	<b>0.1</b>
<b>FTSE 100</b>	6831	17	<b>0.3</b>
<b>DAX 30</b>	10394	20	<b>0.2</b>
<b>Shanghai Comp</b>	3023	-3	<b>-0.1</b>

## Overseas Markets Commentary

Choppy trade featured across several major European and US equities markets overnight, ahead of outcomes from **Bank of Japan** and **US Federal Reserve** policy meetings later today and tonight.

**US** August housing starts dropped 5.8%, but this was mostly attributed to flooding across two southern States. Building permits pulled back 0.4%.

In the **UK**, the British pound (£) suffered, reportedly from central bank meeting speculation.

Tonight in the **US**, the US Federal Reserve releases its policy meeting outcomes statement (early Thursday AEST), ahead of a press conference with chair Janet Yellen. Weekly mortgage applications are also due.

In overnight corporate news, **Allergan** revealed it was paying up to \$US1.7B for liver treatment specialist **Tobira Therapeutics**, propelling Tobira more than 700% higher.

## RIU Resources Investor Roadshow

No cost for State One clients

Sydney - Tuesday 27 September Intercontinental Hotel  
Melbourne - Thursday 29 September Grand Hyatt Hotel

[Click here for more information and registration](#) or visit

[www.stateone.com.au](http://www.stateone.com.au).

**RBA** - economic analysis head Alexandra Heath speaks at CEDA's Future Skills conference in Brisbane, **12.20pm** AEST.

## Today's Stock Watch

### Nufarm Ltd (NUF)

36% lower, full-year \$27.5M full-year NPAT. 2% higher, \$2.8B revenue. 7c final dividend, following 6c for FY 2015. Results impacted by Brazil market changes, and hence increased interest costs and forex losses. \$2.55 NTA. 6.1c EPS. \$281.4M cash and equivalents.

### Kathmandu Ltd (KMD)

64.2% higher, \$NZ33.5M full-year NPAT. 4.0% higher, \$NZ425.6M sales revenue. NZ8c fully-franked final dividend, against NZ5c for FY 2015. NZ37c NTA. NZ16.6c EPS. \$NZ6.9M cash and equivalents.

### Ausnet Services (AST)

Based on an Australian Energy Regulator draft decision on AST transition charges, AST expects to be ~\$62M worse off revenue-wise during CY 2018. Details lodged post-trade yesterday.

### Bionomics Ltd (BNO)

Resuming from a trading halt with a BNC 210 Phase 2 trial outperforming a marketed drug, and also suppressing adverse behaviour in subjects with generalised anxiety disorder. BNO last traded at 26.5c.

### Sydney Airport (SYD)

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

## Resources

### BHP Billiton (BHP)

\$1B ATO tax dispute update lodged this morning. In addition, director John Schubert is retiring from the BHP board at the November AGM. Dr Schubert has been a BHP director for ~16 years. BHP's AGMs remain scheduled for 20 October (Plc, London) and 17 November (Ltd, Brisbane). Meanwhile, Macquarie has re-assessed BHP as outperform, from neutral.

### South 32 Ltd (S32)

Macquarie has replaced an underperform rating for S32 with outperform.

### Resolute Mining (RSG)

Ravenswood expansion project feasibility study outcomes lodged this morning, including a 13-year mine-life increase to 2029, \$A134M start-up capex and 1.8Moz reserves. Teleconference scheduled to commence 11am AEST. Access details lodged this morning. In addition, RSG presented overnight at the Denver Gold Forum. Presentation also lodged this morning.

## Energy

### New Hope Corporation (NHC)

Macquarie has reassessed NHC as outperform, from underperform.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1318</b>	oz	0.4	0.0
<b>Silver (NY) (Dec)</b>	19.3	oz	-0.01	-0.0
<b>Gold (LON)</b>	1314	oz	-1	-0.1
<b>Platinum</b>	<b>1028</b>	oz	8	0.8
<b>WTI Crude (Oct)</b>	<b>43.4</b>	bbl	0.1	0.3
<b>Iron Ore (Tianjin)</b>	<b>55.3</b>	t	0.0	0.0
<b>Copper (LME)</b>	<b>4793</b>	t	17	0.4
<b>Nickel</b>	10310	t	160	1.6
<b>Aluminium</b>	1577	t	-6	-0.4
<b>Lead</b>	1980	t	26	1.3
<b>Zinc</b>	2300	t	49	2.2
<b>Tin</b>	19475	t	125	0.7
<b>CBT Wheat (Dec)</b>	<b>4.06</b>	bshl	0.02	0.5

**Commodities Commentary**

*Oil* – prices swung intra-trade, as the \$US waxed and waned a little, and as reports emerged **Russia** had indicated it could join any one-year production freeze, pending major suppliers' commitments.

Weekly US petroleum inventories are due tonight from the EIA.

November WTI settled 0.4% higher, at \$US44.05/bbl and Brent crude \$US0.07 lower, at \$US45.88/bbl.

*Gold* – caution noted overnight, ahead of two keenly anticipated central bank policy meetings.

A **Bank of Japan** policy meeting, from which outcomes will be known this afternoon, is expected to further influence currencies and hence early gold trade, and the **US Federal Reserve** policy meeting statement later trade (early-morning Thursday AEST).

*Base metals* – largely reportedly supported overnight by positive sentiment regarding China demand, specific recent data releases out of China, including house prices, and returning Chinese trade following public holidays scheduled for Thursday – Saturday last week.

**Exchange Rates**

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7557	0.0002	0.02
<b>EUR – USD</b>	1.1155	0.0005	0.04

**Australian Data Today**

Westpac/MInst	Leading indices	Aug
DoEmplyt	Skilled vacancies	Sep

**US Data Tonight**

Federal Reserve policy statement	21 Sep
MBA mortgage applications	16 Sep

**Other Overseas Data Today & Tonight**

<b>Japan</b>	BoJ policy statement	21 Sep
Japan	Trade balance (provisional)	Aug
Japan	Steel production	Aug
Japan	Machine tool orders (final)	Aug
Japan	Department store sales	Aug

**Pre-Open Announcements**
**Boral Ltd (\* BLD) / Adelaide Brighton (\* ABC)**

Macquarie has re-rated both BLD and ABC as outperform.

**Suncorp Group (\* SUN)**

SUN holds its AGM tomorrow. Meanwhile, SUN banking and wealth CFO David Carter has been appointed banking and wealth CEO, effective 26 September (Monday next week). SUN acting chief risk and legal officer Fiona Thompson has been appointed chief risk officer. CBA wealth management and technology GM legal Kate Olgers will join SUN as chief legal officer 17 October.

**Fonterra Shareholders' Fund (\* FSF)**

Fonterra Co-operative Group is raising its 2016-17 farm-gate milk price forecast 50c to \$5.25/kgMS.

**Charter Hall Group (\* CHC)**

MTAA Super and CHC are acquiring Campbelltown Mall for \$197M, for a wholesale property fund that the two partners are establishing. CHC will manage the fund, named Charter Hall Prime Retail Fund.

**Clover Corporation (\* CLV)**

Full-year results lodged this morning.

**James Hardie Industries (JHX)**

\$US35M share/SUFS repurchase completed. Details lodged this morning.

**Resources**
**Perseus Mining (\* PRU) / Independence Group (\* IGO)**

Presented at the Denver Gold Forum overnight. Presentations lodged this morning.

**Northern Star Resources (\* NST) / St Barbara (\* SBM)**

Macquarie is re-labelling both NST and SBM as outperform, from neutral.

**Crusader Resources (\* CAS)**

3.6m @ 554g/t Au, including 1m @ 1992g/t Au reported from Jurena gold project Querosene prospect drilling, Brazil. Other details lodged this morning.

**Lucapa Diamond Company (\* LOM)**

104-carat diamond recovered from the Lulo JV diamond project, Angola. Details lodged this morning. LOM settled at 34.5c yesterday, after closing out last week at 32c.

**Predictive Discovery (PDI)**

Heralding soil and rock chip sampling across the Côte D'Ivoire Beriaboukro JV permit, by Toro Gold.

**Platina Resources (PGM)**

NSW Owendale project resource updated to 8.6Mt @ 330ppm Sc and 0.15% Co. PGM expects to boost both scandium and cobalt resources.

**Energy**
**A-Cap Resources (ACB)**

Harry Stacpoole and Paul Woolrich have resigned as ACB directors. In association, Jiangsu Chixiang Precision Gear Co chairman Jijing Nui and Jiangsu Huaxing Investment Group chair Chenghu Zhu have been appointed to the ACB board. Jiangsu Chixiang Precision Gear Co holds 41.67% of ACB.



UK Public sector finances Aug

**Need More Information?**

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**Trading Halts**

Company	Code	Resuming
Activistic Ltd	ACU	22 Sep
Adslot Ltd	ADJ	22 Sep
Contango Income Generator	CIE	22 Sep
Latin Resources	LRS	22 Sep
NRW Holdings	NWH	22 Sep
Oceania Capital Partners	OCP	22 Sep
Pureprofile Ltd	PPL	22 Sep
Simonds Group	SIO	22 Sep

**Suspensions (selected)**

Company	Code	Since
ATC Alloys	ATA	2 Sep
Diploma Group	DGX	1 Sep
HJB Corporation	HJB	8 Sep
KBL Mining	KBL	9 Sep
Krakatoa Resources	KTA	8 Sep
Oakajee Corporation	OKJ	12 Sep
Realm Resources	RRP	13 Sep
Windward Resources	WIN	20 Sep

**Ex-Dividends**

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>AQZ</b>	Today	<b>2</b>	100	2.67
<b>BEL</b>	Today	<b>0.5</b>	100	6.90
<b>CAR</b>	Today	<b>19.5</b>	100	3.10
<b>DGH</b>	Today	<b>2.25</b>	100	5.70
<b>MQA</b>	Today	<b>9</b>	0	3.64
<b>NCM</b>	Today	<b>~9.75</b>	0	0.46
<b>PMP</b>	Today	<b>2.4</b>	0	5.67
<b>VSC</b>	Today	<b>1.5</b>	0	2.64
<b>WEB</b>	Today	<b>8</b>	100	1.32
ALU	Tomorrow	10	99	2.13
CNU	Tomorrow	~11.50	0	4.87
CWN	Tomorrow	39.5	70	5.38
FBU	Tomorrow	~16.04	0	2.93
GEM	Tomorrow	6	100	7.77
GFY	Tomorrow	3.8	39.47	13.61
GLB	Tomorrow	3	100	5.71
HHV	Tomorrow	3.5	100	4.58
LTN	Tomorrow	0.5	0	0.00
MWR	Tomorrow	1.3	0	2.22
RCO	Tomorrow	0.5	100	4.55
SLK	Tomorrow	7.5	100	2.65
SPK	Tomorrow	~11.82	0	5.60
XIP	Tomorrow	7	100	2.08
CAF	Fri	1.2	100	4.78
CII	Fri	8	100	3.75
GAP	Fri	1	0	4.49
SND	Fri	2	100	7.27
IMF	Mon	7.5	100	4.10
CGC	Tue	6	100	3.01
JHC	Tue	5.75	100	5.96
NST	Tue	4	100	1.66
SRX	Tue	30	77.66	0.96

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**Reports & Events**

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>KMD</b>	Full-year
	<b>NUF</b>	Full-year
	<b>TLS</b>	Shareholder meeting, Bris
<b>Tomorrow</b>	AIA	August statistics
	BKW	Full-year
	ORL	Full-year
	PMV	Full-year
	SOL	Full-year
	SUN	AGM