

Markets

SFE 200 Futures (9.30am AEST)	6602	-14	-0.2
NZX 50	11058	-9	-0.1
DJIA Futures	26762	8	0.0
S&P 500 Futures	2990	1	0.0
NASDAQ Futures	7888	7	0.1

Local Markets Commentary

The Australian market opens a new week's trade amid further uncertainty regarding likely UK-EU separation scenarios, with additional key data releases out of China and Japan today, and following violent protests in Hong Kong yesterday.

Post overnight Friday trade, the UK House of Commons voted effectively 'not to vote' on plans agreed by UK and EU negotiators proposed to govern the UK's EU departure.

Under recent legislation, this required the UK PM to request from the EU a separation delay.

Such a written request was sent, but reportedly unsigned, together with signed correspondence outlining the PM's view that any delay would prove detrimental.

Subsequently, a government spokesperson claimed the government still intended the UK to leave the EU come 31 October.

Regionally today, China is expected to release its September home price index **12.30pm** AEDT.

Japan's September trade figures are anticipated **10.50am** AEDT.

Locally, several high-profile companies are reporting for the September quarter. **SLK, SGP** and **WOR** are hosting AGMs.

NHC is among companies trading ex-dividend. *Please see p4 for a detailed list.*

In overnight Friday commodities trade, **oil** swung lower.

US **gold** futures (December) also turned to post a decline.

Iron ore (Nymex CFR China, 62% Fe) turned higher, surpassing \$US90.75.

LME **copper** and **nickel** rallied. **Aluminium** also recorded a gain.

The **\$A** appreciated beyond US58.55c after trading at US68.40c early Friday evening.

Japan's markets are scheduled to be closed tomorrow.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27770	-256	-1.0
S&P 500	2986	-12	-0.4
NASDAQ	8090	-67	-0.8
FTSE 100	7151	-32	-0.4
DAX 30	12634	-21	-0.2
Shanghai Comp	2938	-39	-1.3

China – residential property prices – 12.30pm AEDT

Japan – trade balance – 10.50am AEDT

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

Reviewing claims in a class action filed in the Federal Court of Australia against CBA subsidiary Colonial First State Investments. The claims relate to superannuation trust fees.

Seven West Media (SWM)

Selling Pacific Magazines to Bauer Media for \$40M cash, pending Australian Competition & Consumer Commission (ACCC) approval.

In association, SWM will receive \$6.6M worth of Bauer Media advertising over three years.

Noxopharm Ltd (NOX)

Interim data from the DARRT-1 study, treating late-stage prostate cancer patients with low-dose radiotherapy and NOX's Veyonda, includes 80% of patients reviewed to date showing no disease progression after six months.

In addition, 55% are showing clinically significant pain reduction.

Resources
Syrah Resources (SYR)

Teleconference scheduled to commence **10am** AEDT, to explain restructuring, with the aim of maintaining a sustainable business following a material flake graphite price drop.

Sold and shipped 45,000t of graphite during the September quarter, 15% fewer tonnes than for the June quarter. The mean (WAV) price came in at \$US391/t, against \$US457/t for the June quarter.

Planned changes include reducing December quarter production and likely early 2020 output. The 2020 production target will be subject to market conditions.

In association, Mozambique Balama project employee numbers will be reduced by ~30%, project commitments will be renegotiated with contractors and mining and processing reconfigured.

In addition, SYR will scrap the chief commercial officer, Chief legal officer and chief people officer positions and allocate responsibilities to the CEO, CFO, COO and other senior management.

SYR also proposes to amend non-executive director remuneration. Presentation lodged post-trade Friday.



Overseas Markets Commentary

Negative sentiment featured across major European and US equities markets overnight Friday, amid the wait for a Saturday vote in the **UK** House of Commons regarding the arrangements UK negotiators had agreed with the **European Union** governing the planned 31 October departure of the UK from the EU.

In addition, the EU was facing the overnight implementation of new US import tariffs across a range of key EU exports.

Further, reports emerged the US administration's chief economic advisor had been warning the US president of a potential US recession directly related to impacts from **US trade** relations.

Earlier Friday, **China** had reported 6% annual September quarter GDP growth, the slowest officially reported China growth rate in ~three decades, and 0.1% below consensus. Other material data releases had indicated select economic improvements, however.

Since then, reports have indicated China chased lower-price soybean purchases from Brazil last week, and that no US soybean purchases had been recorded since the earlier October US-China trade talks in Washington.

In overnight Friday **data** releases, the Conference Board's September **US** leading index was estimated at -0.1% following -0.1% for August.

Tonight in the US, no material economic data releases are due.

Elsewhere, further **UK** parliamentary moves are anticipated following the Saturday vote pushing back a vote on the UK EU departure plans agreed to last week by UK and EU negotiators.

Companies scheduled to report earnings include: Atlas Copco, Halliburton, Kaiser Aluminium and Moelis.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1494.1	oz	-4.20	-0.3
Silver (NY) (Dec)	17.578	oz	-0.034	-0.2
Gold (LON)	1490	oz	-3	-0.2
Platinum	890	oz	4	0.5
WTI Crude (Nov)	53.78	bbl	-0.15	-0.3
Brent Crude (Dec)	59.42	bbl	-0.49	-0.8
Iron Ore (NYMEX,CHN,62%)	90.76	t	0.75	0.8
Copper (LME,3mth,PM)	5818	t	73	1.3
Nickel	16450	t	225	1.4
Aluminium	1737	t	9	0.5
Lead	2207	t	20	0.9
Zinc	2464	t	33	1.4
Tin	16790	t	-315	-1.8

Commodities Commentary

Oil – swinging prices again featured during Friday trade, China's GDP, industrial production, fixed asset investment and retail sales releases, UK-EU agreement on plans for the UK's EU departure, a temporary ceasefire announced in northern Syria, and China-US trade relations commentary among considerations.

Pre-Open Announcements

Treasury Wine Estates (* TWE)

MD and CEO Michael Clarke intends to retire from his TWE positions during the September quarter 2021, in favour of returning to the UK.

TWE has appointed TWE COO Tim Ford to take over the CEO role at that time, while Mr Clarke will advise TWE for ~12 months from then.

A webcast teleconference was scheduled to commence 9am AEDT.

WiseTech Global (* WTC)

Describing 'many claims and allegations' contained in a report issued by J Capital Research last week as 'untrue'.

Comprehensive report response lodged post-trade Friday.

Resuming from a trading halt, having last traded at \$30.00 after closing out the week ending 11 October at \$34.22.

Cash Converters International (* CCV)

Lynch class action settlement achieved, pending court approval. Under the proposed settlement, CCV will pay \$42.5M, \$32.5M within 21 days of a deed of settlement and \$10M by the end of 30 September.

CCV has admitted no liability.

CCV says available cash will cover the initial payment.

Roots Sustainable Agricultural Technologies (* ROO)

Collaboration agreement secured with cold thermal energy storage company Nostromo to develop ROO's off-grid irrigation by condensation (IBC) irrigation technology for commercialisation.

Specifically, Nostromo's IceBrick will replace lithium batteries.

Additional details lodged post-trade Friday.

ROO settled at 5.5c Friday and traded as high as 5.8c intra-session, after closing out the previous week at 4.6c.

Trading halt called this morning.

Cromwell Property Group (CMW)

CMW has appointed Tanya Cox and UK-based Lisa Scenna as independent non-executive directors.

In addition CMW director Leon Blitz has been elected deputy chair.

Neuren Pharmaceuticals (NEU)

Presentation lodged post-trade Friday.

Australian Primary Hemp (* APH)

The former Alchemia Ltd recommenced ASX trade as hemp producer APH Friday, following a \$5.7M offer at 20c per share. Opened at 31.5c and traded at 24.5c – 35c before settling at 27.5c.

1.13M shares changed hands across 194 transactions.

~49M quoted shares.



Component figures released from China on Friday, included a 9.4% year-on-year rise in September refinery output.

Among other data considerations, a weekly US petroleum drill rig report, published overnight Friday, included one additional operating oil rig, representing a three-rig increase over two weeks.

Over the weekend, Russia revealed its September output, as like for August, exceeded the nation's cap as agreed under the OPEC+ accord.

Russia revealed its condensate (light oil) commitments, ahead of winter, contributed to the 11.25MMbbl/d September output, bringing Russia's production down by 200,000 from October 2018 levels.

Russia had agreed to cut by 228,000bbl/d. Russia's August production totalled 11.29MMbbl/d.

Gold – the ICE \$US index traded at ~two-month lows (€ and British pound relatively strong) overnight Friday, but Comex futures nonetheless turned lower to record a sessional decline.

For the week, December futures gained 0.4%.

Geopolitics, US corporate reporting season and commentary surrounding a European Central Bank meeting are expected to prove the main influences on this week's gold trade.

Base metals – China's year-on-year September quarter GDP growth (6% against 6.2% for the June quarter), January – September fixed assets investment (5.4%; 5.5%), plus September industrial production (5.8%; 4.4%) and retail sales (7.8%; 7.5%), reported Friday proved sufficiently positive to ultimately support trade sentiment.

GDP grew 1.5% for the three months to 30 September, following 1.6% during the June quarter, but commentary appeared to emphasise likely administrative stimulus and some optimistic outlook predictions.

Lead and zinc price gains were also attributed to a mix of better-than-anticipated demand, smelter closures, plus select short-term futures and inventory holdings.

Japan's September trade figures are anticipated today.

Friday, September CPI was reported flat for the month, as was August's. Year-on-year, CPI grew 0.2%, following 0.3% for August.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6844	-0.0004	-0.06
EUR – USD	1.1157	-0.0005	-0.04

Other Overseas Data Today & Tonight

China	Home price index	Sep
Japan	Trade balance	Sep
Japan	All industry activity index	Aug
Germany	Producer prices	Sep

Resources

OZ Minerals (* OZL) / Cobalt Blue (* COB)

COB will test its cobalt-from-pyrite recovery technology on a 10kg – 15kg sample to be provided by OZL under a testwork co-operation agreement. Details lodged this morning.

St Barbara (* SBM)

Produced 87,569oz of gold at a \$A1421/oz AISC during the September quarter.

\$112M debt. \$76M bank cash and term deposits.

Presentation lodged this morning.

Live audio, listen-only webcast scheduled for 11am AEDT.

Lynas Corporation (* LYC)

Produced 3926T of REO during the September quarter, against 4651t a year earlier.

Sold 4186t (against 4723t), for \$A99.1M revenue (\$105.6M).

\$A119.1M cash.

Alkane Resources (* ALK)

September quarter activities report lodged this morning, including 6997oz of gold sold at \$A2151/oz, for \$A15.0M revenue, and a boost to FY 20 production guidance.

Lepidico Ltd (* LPD)

Heralding the production of caesium rubidium formate brine (2.3 SG) from LPD's pilot plant potassium circuit liquor.

Cazaly Resources (* CAZ)

Planning to pay a 2.6c-per-share cash distribution, in the form of a 2.1c return of capital and 0.5c dividend, ~3 December.

Metals X (MLX)

Distancing itself from shareholder APAC Resources activity reported by other shareholders ahead of MLX's AGM Thursday.

In association, MLX says it has been monitoring trading in MLX shares.

Energy

Strike Energy (* STX)

Operations and strategy update lodged this morning.

Trading Halts

Company	Code	Resuming
Great Southern Mining	GSN	21 Oct
Kairos Minerals	KAI	21 Oct
Palla Pharma	PAL	21 Oct
UltraCharge Ltd	UTR	21 Oct
CropLogic Ltd	CLI	22 Oct
Delecta Ltd	DLC	22 Oct
Dropsuire Ltd	DSE	22 Oct
Greenvale Energy	GRV	22 Oct
Millennium Minerals	MOY	22 Oct
Roots Sustainable Agricultural Technologies	ROO	23 Oct

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Suspensions *(select)*

Company	Code	Since
AuKing Mining	AKN	30 Sep
Family Insights Group	FAM	1 Oct
Force Commodities	4CE	7 Oct
Geopacific Resources	GPR	18 Oct
iSignthis Ltd	ISX	2 Oct
Latin Resources	LRS	16 Oct
New Standard Energy	NSE	14 Oct
ParaZero Ltd	PRZ	18 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 (%)
KAT	Today	0.5	100	1.64
NHC	Today	9	100	6.93
SNC	Today	3.5	100	8.14
GBT	Tomorrow	35	100	0.00
ACF	Wed	1	0	3.08
PBP	Thu	2.5	100	0.50
PMV	Fri	37	100	3.43
ASG	28 Oct	3	100	1.20
CLV	29 Oct	1.75	100	0.63
NST	29 Oct	7.5	100	0.59

Reports & Events*(selected)*

When	Company	Report/Event
Today	ALK	Sep Q
	ARG	AGM
	LYC	Sep Q
	SBM	Sep Q
	SLK	AGM
	SGP	AGM
	WOR	AGM
Tomorrow	COH	AGM
	IGO	Sep Q (11am AEDT web)
	MMS	AGM
	OSH	Sep Q
	SAR	Sep Q
	SUL	AGM
	WHC	Sep Q



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Wed	SBM	AGM
Thu	AMP	Sep Q
	APA	AGM
	AD8	AGM
	API	Full year (10.30am AEDT web)
	CWN	AGM
	FMG	Sep Q
	GUD	AGM
	JBH	AGM
	MLX	AGM
	NCM	Sep Q
	QAN	Sep Q
	SXL	AGM
VTG	AGM	
Fri	ADH	AGM
	CAR	AGM
	IAG	AGM
	JHC	AGM
	PAA	AGM
	QAN	AGM
	RMD	Sep Q