

Markets

SFE 200 Futures (9.30am AEST)	5679	7	0.1
NZX 50	7822	7	0.1
DJIA Futures	22310	11	0.0
S&P 500 Futures	2501	1	0.0
NASDAQ Futures	5940	4	0.1

Local Markets Commentary

The Australian market opens a new week's trade on: scant support from overnight Friday international trade; a post-trade UK credit rating downgrade; political election uncertainty in Germany and New Zealand; and heightened US-North Korea tension.

In overnight Friday commodities trade, US **gold** futures and WTI **crude** settled slightly higher. Brent crude appreciated with comparative conviction. LME **copper** continued lower and **nickel** to drop. **Iron ore** also extended its current slide.

The **\$A** vacillated after trading at ~US79.55c early Friday evening.

Locally pre-trade, a weekly capital city residential property price report is due.

Regionally, **Bank of Japan** governor Haruhiko Karoda is scheduled to speak publicly in Osaka at **3.30pm** AEST. A September preliminary manufacturing PMI is expected this morning.

Election results could influence some regional trade sentiment today, with some caution considered possible ahead of northern hemisphere market reaction to outcomes in Germany later today and tonight.

In Germany, the ruling party will need to form a different coalition from previously, but still under chancellor Angela Merkel.

Early commentary favours the new mix likely to include a party with a major pro-business platform. A far-right party surprised with the strength of its vote, sufficient for parliamentary representation, but is not expected to form part of the coalition.

Meanwhile, New Zealand's national election has delivered no clear result, but also no curved balls.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	22350	-10	-0.0
S&P 500	2502	2	0.1
NASDAQ	6427	4	0.1
FTSE 100	7311	47	0.6
DAX 30	12592	-8	-0.1
Shanghai Comp	3353	-5	-0.2

Overseas Markets Commentary

Choppy trade featured across major European and US equities markets overnight Friday ahead of the national election in **Germany** and as **North Korea** and the US talk toughened following a threat by North Korea to test another bomb, this time in the Pacific.

ASX - regular trade today.

Public holidays in Western Australia and the ACT.

Today's Stock Watch

Premier Investments (PMV)

1.21% higher, \$105.2M full-year NPAT. 3.98% higher \$1.1B revenue. 27c fully-franked final dividend, up 2c. \$3.05 NTA. 66.25c EPS. \$170.6M cash and equivalents. Proposing to open Smiggle stores in mainland Europe next year and to also expend Peter Alexander operations.

PMV holds 27.5% of Breville Group (ASX: BRG).

Fonterra Shareholders' Fund (FSF)

Fonterra Co-operative Group has this morning reported a 9% fall in full-year NPAT, to \$NZ734M, and 12% higher, \$NZ19.2M revenue. The group will pay a NZ20c final dividend. NZ46c (basic) EPS. Forecasting NZ45c - NZ55c FY 2-18 EPS.

FSF reported a 46% drop in revenue, to \$NZ79M.

CIMIC Group (CIM)

CIM's Thiess has won a \$189M 30-month mining services contract extension with Jellinbah Mining at the Jellinbah coal project, Blackwater, central Queensland.

In addition, CIM's CPB Contractors has been selected by Queensland Corrective Services to design and construct upgrades for the Capricornia centre. CIM estimates the work to be worth \$145M.

Meanwhile, CIM has secured a new \$2.6B bank facility.

Air New Zealand (AIZ) / Qantas Airways (QAN) / Virgin Australia Holdings (VAH) / Auckland International Airport (AIA) / Z Energy (ZEL)

Jet fuel supply via ZEL's refinery-Auckland pipeline will resume to Auckland Airport from this evening following an unexpected pipeline outage. Fuel has been delivered via road transport over the past several days. *Please also see AIA p2.*

Sydney Airport (SYD) / Qantas Airways (QAN) / Virgin Australia Holdings (VAH)

A radar failure has disrupted Sydney domestic airport operations this morning.

Cromwell Property Group (CMW)

Cromwell European REIT proposed Singapore listing IPO prospectus held back due to an unfavourable review of market conditions.

Resources

Genesis Minerals (GMD)

Sufficiently positive scoping study outcomes for the proposed underground mine within the WA Ulysses gold project have prompted GMD to commence feasibility. GMD is targeting a June quarter 2018 underground construction start. Details lodged post-trade Friday.

Energy

Norwest Energy (NWE) / Triangle Energy (TEG) / Whitebark Energy (WBE)

WA TP/15 Xanadu-1 oil assays anticipated by week's end, and plans are in place to lodge a field discovery notice with regulatory authorities. Wireline logging has confirmed 15% - 16% porosities within the Irwin River Coal Measures reservoir sand intervals. NWE operator and 25%; TEG 30%. WBE 15%.

Post-**UK** Friday trade, Moody's published a UK credit rating downgrade, significant in that the AAA ranking slipped two degrees to Aa2.

Among data releases, initial **euro zone** September PMIs remained robust.

In the **US**, Markit's manufacturing PMI slightly exceeded forecasts, but the services estimate fell 0.9 to 55.1, pushing the preliminary composite reading down 0.7 for the month, to 54.6.

Tonight in the US, the Chicago Fed national activity index is due, together with a Texas region manufacturing index.

Elsewhere, a fourth round of official negotiations between **European Union** (EU) and UK representatives commences ahead of the UK's proposed separation from the EU.

The talks, following mixed reactions to a separation speech from the UK PM overnight Friday, and Moody's downgrade, could impact tonight's trade sentiment.

Also in Europe, European Central Bank (**ECB**) president Mario Draghi speaks publicly.

Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Dec)	1298	oz	3	0.2
Silver (NY) (Sep)	17.0	oz	-0.0	-0.2
Gold (LON)	1295	oz	3	0.2
Platinum	931	oz	-5	-0.5
WTI Crude (Nov)	50.7	bbl	0.1	0.2
Brent Crude (Nov)	56.9	bbl	0.5	0.8
Iron Ore (CHN port 62%)	63.6	t	-2.5	-3.8
Copper	6457	t	-23	-0.4
Nickel	10420	t	-585	-5.3
Aluminium	2158	t	-13	-0.6
Lead	2483	t	-30	-1.2
Zinc	3031	t	-70	-2.2
Tin	20525	t	75	0.4
CBT Wheat (Dec)	4.50	bshl	-0.03	-0.7

Commodities Commentary

Oil – Russia (non-OPEC) and OPEC respectively offered January and November as the likely months a decision to extend or deepen the current oil production curb agreement could be made.

Kuwait's oil minister, chair of Friday's meeting, claimed the market was 'well on its way toward rebalancing'.

A weekly US petroleum rig count, published Friday, estimated five fewer operational oil rigs.

Gold – safe-haven support demonstrated in Friday's trade. Since then, the US has flown fighter jets near North Korean air space. US-North Korea verbal argy-bargy has also strengthened and intensified.

Tomorrow night, a public address by US Federal Reserve Janet Yellen, is expected to influence some trade.

Base metals – China's credit rating downgrade, late Thursday, bit into Friday's trade.

China's August industrial profits are scheduled for release Wednesday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7957	0.0007	0.08

Pre-Open Announcements

Auckland International Airport (* AIA)

International passenger numbers grew 5.4% year-on-year in August, boosted by a 50.7% increase in passengers from Hong Kong. US passenger numbers fell 16.6%.

Domestic passenger numbers rose 5.5%. For the financial year-to-date, overall passenger numbers have risen 6.8%.

Fletcher Building (FBU)

In response to media reports, FBU has confirmed KPMG is reviewing two construction and two infrastructure projects, representing the company's largest current undertakings.

MMA Offshore (* MRM)

Chairman Tony Howarth is planning to retire from the MRM board at the end of the 23 November AGM.

MRM non-executive director Andrew Edwards will then take over as chairman.

In addition, managing partner and CIO of 10.38% MRM shareholder Black Crane Capital, Peter Kennan, has been appointed as an MRM non-executive director.

Mr Edwards, who has been an MRM director since 2009, said Mr Howarth first intended to leave MRM two years ago, but that the board requested he remain.

In the meantime, 17.7% MRM shareholder Halom Investments has given notice of plans to remove Mr Howarth plus MD and CEO Jeffrey Weber from the MRM board. Halom has proposed two new appointees.

Elders Ltd (ELD)

Changing the exercise price of unlisted options issued 18 December 2014 under an executive plan from \$1.70 to \$1.57.

ELD traded at \$4.42 - \$4.76 this past week.

Synlait Milk (SM1)

Proposing to establish a R&D centre in Palmerston North, in a push to diversify and hence support profitability. In addition to new products, improved processes and packaging are also listed as priorities.

Chorus Ltd (CNU)

CNU 'copper provisioning and assure' head Jo Crawford has been appointed acting GM customer care.

Aspermont Ltd (ASP)

Industry publisher and media services specialist ASP is launching a new division, Aspermont Events.

Resources

Egan Street Resources (EGA)

Recently completed DFS diamond and reverse cycle drilling programs within EGA's WA mid-west Rothsay gold project are expected to boost the resource, which is currently estimated at 701,000t @ 11.6g/t Au, for 262,000oz of gold. New assays are expected within weeks.

Independence Group (IGO) / Evolution Mining (EVN)

Denver Gold Forum presentations lodged this morning. IGO settled at \$3.39 Friday after closing out August at \$3.53 and trading as high as \$3.99 early-September. EVN closed at \$2.23 Friday after ending August at \$2.42 and reaching \$2.67 early-September.

Northern Cobalt (* N27)

Minerals explorer completed a successful ASX listing Friday following a \$4.2M IPO at 20c per share. Opened at 20c and traded at 19c – 23c before settling at 21.5c. ~5.4M shares



EUR – USD 1.1921 0.0023 0.19

Australian Data Today

CLogic Capital city house prices 23 Sep

US Data TonightChicago Fed national activity index Aug
Dallas Fed manufacturing Sep**Other Overseas Data Today & Tonight**Japan PMI manufacturing (prelim) Sep
Germany IFO business survey Sep
Germany Import & export prices Aug**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

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were traded across 368 transactions.
~21M shares and ~10.5M quoted options.

Trading Halts

Company	Code	Resuming
iCandy Interactive	ICI	25 Sep
Oil Basins	OBL	25 Sep
Shark Mitigation Systems	SM8	25 Sep
Connected IO	CIO	26 Sep
De Grey Mining	DEG	26 Sep
Petrel Energy	PRL	26 Sep
Phosphagenics Ltd	POH	26 Sep
Matsa Resources	MAT	27 Sep

Suspensions (selected)

Company	Code	Since
AnaeCo Ltd	ANQ	31 Aug
Brierty Ltd	BYL	8 Sep
Intrepid Mines	IAU	18 Sep
Manalto Ltd	MTL	18 Sep
SMS Management & Technology	SMX	8 Sep
Veriluma Ltd	VRI	20 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
CIE	Today	3.5	50	6.53
CIW	Today	1.5	100	5.45
CNU	Today	~11.41	0	5.17
IMF	Today	4	100	3.41
MRN	Today	3	100	6.09
SGF	Today	~9.27	100	4.19
SWM	Today	2	100	5.52
WPP	Today	2.1	100	5.45
ACK	Tomorrow	1	100	2.11
BWR	Tomorrow	6.5	0	7.97
GEM	Tomorrow	6	100	5.83
SRX	Tomorrow	30	0	2.19
MXI	Wed	1.5	100	4.86
MYR	Wed	2	100	6.94
PFG	Wed	0.45	100	4.15

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	FSF	Full-year
	PMV	Full-year
Tomorrow	ASX	AGM
	KMD	Full-year
	NUF	Full-year
Wed	AGL	AGM
Fri	ORL	Full-year
	RRS	Full-year