

Markets

SFE 200 Futures (9.30am AEST)	6186	6	0.1
NZX 50	9343	-3	-0.0
DJIA Futures	26540	20	0.1
S&P 500 Futures	2923	2	0.1
NASDAQ Futures	7604	9	0.1

Local Markets Commentary

The Australian market opens midweek trade following vacillating overnight international equities and trade sentiment, ahead of an anticipated US rate rise tonight and key international data tomorrow and Friday.

In overnight commodities trade, **oil** continued higher, Brent crude trading beyond \$US82.50/bbl.

US (December) **gold** futures again settled a little higher.

Iron ore (62% Fe, China port) recorded a slight rise.

LME **copper** continued lower, **nickel** settled essentially flat, and **aluminium** swung higher.

The **\$A** appreciated to ~US72.50c after trading at ~US72.40c early yesterday evening.

Locally today, **BKL** is among companies trading ex-dividend. Please see p3 for additional stocks and details.

Regionally, **New Zealand** has this morning reported a \$NZ1.48B August trade deficit (a record monthly high), against expectations of \$NZ925M

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26492	-70	-0.3
S&P 500	2916	-4	-0.1
NASDAQ	8007	14	0.2
FTSE 100	7508	49	0.7
DAX 30	12375	24	0.2
Shanghai Comp	2781	-16	-0.6

Overseas Markets Commentary

Mixed openings and choppy trade featured across major European and US equities markets overnight, with plenty of international geopolitical commentary and developments to consider.

US officials complained that talking trade with **China** and **Canada** was difficult, claiming each was too intransigent.

This followed a bullying accusation the previous day from China, and after the US touted a trade agreement with South Korea and talks with Japan late-week.

The US president addressed other United Nations (UN) world leaders at the UN General Assembly, decrying past 'trade abuse' that the US would no longer tolerate, at the same time trading accusations with **Iran**.

Meanwhile in **Argentina**, the nation's central bank president, appointed three months ago, resigned.

In overnight data releases, **US** residential property prices rose 5.9% in July according to Case-Shiller,

* Investment trust listing 11am AEST – NBI *

Today's Stock Watch

Ramsay Health Care (RHC)

RHC has appointed Claudia Süssmuth Dyckerhoff as a non-executive director, pending shareholder approval at the 14 November AGM.

Dr Süssmuth Dyckerhoff is an external senior advisor with McKinsey & Company.

Her directorships include with Hoffmann La Roche.

Nufarm Ltd (NUF)

\$15.59M full year net loss, against a \$114.47M net profit a year ago.

6.3% higher, \$3.3B revenue.

6c final dividend, against 8c. 86c NTA, against \$2.67.

NUF remains in a \$A303M capital raising trading halt.

Southern Cross Media (SXL) / Nine Entertainment (NEC) / Seven West Media (SWM)

SXL is outsourcing Canberra broadcast playout services to NEC and Seven Networks JV, NPC Media.

MyFiziq Ltd (MYQ)

South Korean patent effectively in hand for MYQ's 'Imaging a Body' technology.

Blackmores Ltd (BKL)

Trading ex-dividend (\$1.55) today.

Resources

BHP Billiton (BHP)

Morgan Stanley has reassessed BHP as equal-weight, from overweight.

Great Boulder Resources (GBR) / Gold Road Resources (GOR)

GBR has secured an option to acquire GOR's WA Yamarna region Mt Carlon nickel-copper project.

Atlas Iron (AGO)

Hancock Prospecting has boosted its off-market bid for AGO to 4.6c per share, should it achieve an 87% holding.

Redstone says it has achieved a 77.06% AGO holding.

AGO has traded at 4.2c – 4.3c the past five trading sessions.

Energy

AGL Ltd (AGL)

No shortage of questions anticipated at today's AGM.

Santos Ltd (STO)

Today's investor day update lodged pre-trade.

Proposing to almost double annual production by 2025 to 100MMboe.

Presentation lodged pre-trade.

A live webcast commenced at 9am AEST.

TerraCom Ltd (TER)

Three-year 1.056Mtpa off-take agreement secured with a customer in Japan. The customer is effectively taking 42% of TER's expected Blair Athol coal project sales.

Expecting to sell 1.25Mt of coal during 1H FY 2019, after securing buyers for 637,000t of Blair Athol coal for the December quarter.

slowing from a 6.4% increase in June.

In the meantime, the FHFA calculated a 0.2% gain in its July home price index, from a 0.3% rise in June.

The Conference Board's US consumer sentiment index climbed to 138.4 from 134.7 last month, and was heralded for its approach to the record 144.7 recorded in September 2000.

The Richmond Fed manufacturing index did achieve a record peak, coming in at 29, five points higher for the month. Shipments and new orders supported the gain, but not so the employment component.

Tonight in the **US**, the Federal Reserve announces outcomes from its policy meeting, ahead of a press conference.

Tonight's data releases include August new home sales and weekly mortgage applications.

Commentary out of the United Nations General Assembly is also likely to attract further attention.

A trading update is expected from PZ Cussons.

In overnight corporate news, **Banco Santander** appeared to catch the financial sector off-guard with the appointment of UBS investment banking head Andrea Orcel as CEO.

Michael Kors confirmed it was purchasing **Versace**, and would pay \$2.1B. To assuage some purists, Michael Kors pointed out Donatella Versace would still head Versace creations.

Pharmaceuticals manufacturer **Novartis** announced facility closures and ~2500 associated job cuts over two-four years, with a view to boosting operating profit margins amid a lower price environment, including in the key US market.

Facebook suffered early on the resignations of the two founders of **Instagram**.

Intel ultimately settled ~2% lower on an analyst downgrade. Several downgrades across the chip manufacturing sector were issued by two groups.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1206	oz	1	0.1
Silver (NY) (Sep)	14.5	oz	0.15	1.0
Gold (LON)	1202	oz	-1	-0.1
Platinum	821	oz	-4	-0.5
WTI Crude (Nov)	72.3	bbl	0.2	0.3
Brent Crude (Nov)	81.9	bbl	0.7	0.8
Iron Ore (CHN port 62%)	69.2	t	0.1	0.2
Copper (LME, 3mth, PM)	6318	t	-35	-0.6
Nickel	12950	t	-5	-0.0
Aluminium	2071	t	11	0.5
Lead	2010	t	-34	-1.7
Zinc	2507	t	-57	-2.2
Tin	18900	t	-25	-0.1
CBT Wheat (Oct)	5.21	bshl	-0.06	-1.2

Commodities Commentary

Oil – during overnight trade OPEC's secretary general admonished co-operation between OPEC and non-OPEC countries, and the US president again attacked current OPEC production policy.

In the meantime, key trader Vitol confirmed it would cease business with Iran, due to pending (4 November) US sanctions.

Brent traded at \$US82.55/bbl, a new almost four-

Pre-Open Announcements

NB Global Corporate Income Trust (* NBI)

Scheduled to list **11am** AEST following a \$413.98M IPO at \$2.00 per unit. 206.99M quoted securities.

Zelda Therapeutics (* ZLD)

First of 24 patients dosed with ZLD's proposed medicinal cannabis insomnia treatment in a clinical trial at the UWA Centre for Sleep Science.

Initial results anticipated by 30 June 2019.

Osprey Medical (* OSP)

Heralding responses to recent presentations at a Transcatheter Cardiovascular Therapeutics conference in California, US.

Resources

Syrah Resources (* SYR)

Anticipating producing 15,000t of flake graphite during September, against previous 18,000t guidance, following a delay in regular maintenance supplies.

September quarter output is anticipated at 39,000t – 40,000t, following 21,200t during the June quarter.

SYR does not expect further delayed deliveries of the relevant consumables.

Planning to lodge the company's September report 15 October.

Celsius Resources (CLA)

Renewals in hand for exclusive prospective licences, including the key permit for the company's 95%-held Opuwo cobalt project in Namibia.



The 2018 RIU Resources Investor Roadshow will continue at the **Grand Hyatt Hotel Melbourne tomorrow 27 September**, following a successful day one in Sydney yesterday.

Address: **123 Collins St, Melbourne**

Free morning tea and lunch is provided for all registered delegates. To register to for your complimentary pass, and for event information, please click on the link [here](https://resourcesinvestorroadshow.riu.com.au/).

(<https://resourcesinvestorroadshow.riu.com.au/>)

Remember to fill in the details as prompted.

You are also welcome to just turn up.

This event is the third of its type run by Vertical Events for the resources industry and follows the success of its Techknow Investor Roadshows run in the technology sector over the past year.

The event features presentations from 21 companies.

The companies presenting offer insights into a broad range of commodities including **base metals** – copper, nickel, lead, zinc; **precious metals** – gold; **green technology plays** – graphite, lithium, cobalt; **industrial materials** – mineral sands, kaolin (HPA), iron ore, potash; and **energy plays** – gas and wave energy.

No suppliers will be at the event, making it a very high-powered investment event.



year high, before pulling back some.

Tonight in the US, a weekly domestic petroleum inventories report is due.

Gold – cautious trade was noted overnight, most attributing this to a wait for key events and reports from tonight through week's end.

Outcomes will be known from the US Federal Reserve's policy meeting early tomorrow AEST. Any rate change and economic growth statements are anticipated to move the \$US.

Final US and UK June quarter GDP growth readings, due tomorrow (US time) and Friday evening AEST respectively, are also expected to influence late-week trade.

Base metals – muted **China** property sector changes reportedly influenced some overnight LME price declines, after decidedly impacting associated equities trade in China yesterday.

The likely impact of new import tariffs also remained in question, introducing some hesitation in positioning.

Over the weekend, China's premier had assured China would reduce trade costs for offshore companies.

In the meantime, China's fourth quarter *copper* treatment and refining charges were yesterday reported to have been settled lower than for the December quarter 2017, with a \$US90/t floor.

China's August industrial profits are expected tomorrow.

In another key trading nation, Japan, the Bank of Japan's September policy meeting minutes, published early yesterday, revealed some dissent regarding long-term easing.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7249	0.0000	0.00
EUR – USD	1.1763	-0.0003	-0.02

US Data Tonight

Fed policy statement	Sep
New home sales	Aug
MBA mortgage applications	21 Sep

Other Overseas Data Today & Tonight

UK	Mortgage approvals	Aug
UK	CBI distributive trades	Sep

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As valued clients of State One/amscot, it would be great to see you attend.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	AGL	AGM
	AIZ	AGM
	NUF	Full year
	STO	Investor day

Trading Halts

Company	Code	Resuming
Australian Vanadium	AVL	26 Sep
Cougar Metals	CGM	26 Sep
Norwood Systems	NOR	26 Sep
Equus Mining	EQE	27 Sep
Inca Minerals	ICG	27 Sep
Janison Education Group	JAN	27 Sep
Lindian Resources	LIN	27 Sep
Simavita Ltd	SVA	27 Sep
Smart Marine Systems	SM8	27 Sep
Tech Mpire	TMP	27 Sep
Xref Ltd	XF1	27 Sep
Nufarm Ltd	NUF	1 Oct

Suspensions (select)

Company	Code	Since
AFT Corporation	AFT	11 Sep
Alice Queen	AQX	10 Sep
ApplyDirect Ltd	AD1	21 Sep
Aurora Dividend Income Trust	AOD	21 Sep
AustSino Resources Group	ANS	6 Sep
Axesstoday Ltd	AXL	14 Sep
Black Star Petroleum	BSP	21 Sep
buyMyplace.com.au Ltd	BMP	24 Sep
Hardey Resources	HDY	10 Sep
Jacka Resources	JKA	21 Sep
MSM Corporation International	MSM	25 Sep
Sundance Resources	SDL	10 Sep
Tawana Resources	TAW	24 Sep
Victory Mines	VIC	11 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BKL	Today	155	100	2.19
CAJ	Today	0.4	100	2.76
CWP	Today	18	100	4.93
GAP	Today	1	0	5.63
MXI	Today	1.5	100	6.48
ABW	Tomorrow	0.19	0	4.95
ACF	Tomorrow	0.5	0	0.91
AIB	Tomorrow	0.13	0	12.36
AJD	Tomorrow	2	0	6.37
AOD	Tomorrow	0.29	0	6.66
AOF	Tomorrow	3.95	0	5.82
ARF	Tomorrow	3.38	0	5.41

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AUP	Tomorrow	3.45	0	9.89
AVN	Tomorrow	4.09	0	7.41
AYF	Tomorrow	8.75	49	5.85
BSA	Tomorrow	0.5	100	1.82
BWF	Tomorrow	2.1	100	3.81
CAB	Tomorrow	4	100	3.42
CI1	Tomorrow	0.12	0	6.67
CIP	Tomorrow	4.6	0	6.89
CLW	Tomorrow	6.4	0	6.07
CMA	Tomorrow	4.53	0	7.15
CMW	Tomorrow	1.81	0	7.37
CRR	Tomorrow	5.22	0	7.18
CUP	Tomorrow	1	100	1.50
EBO	Tomorrow	28.7	95.77	2.78
EOL	Tomorrow	2	0	2.00
FET	Tomorrow	4	0	5.40
GBT	Tomorrow	2.5	100	2.53
GCI	Tomorrow	0.74	0	1.16
GCM	Tomorrow	1	0	4.05
GDF	Tomorrow	2.25	0	6.98
IDR	Tomorrow	4.25	0	5.97
JHC	Tomorrow	3.75	50	5.70
KLA	Tomorrow	2.55	0	0.31
LGD	Tomorrow	0.75	100	3.92
LYL	Tomorrow	18	100	6.52
MAQ	Tomorrow	25	100	2.07
MEZ	Tomorrow	9.89	0	3.92
PFG	Tomorrow	0.45	100	7.20
PNC	Tomorrow	7.71	100	4.12
RFF	Tomorrow	2.61	0	4.54
RFP	Tomorrow	2.51	100	0.00
TGP	Tomorrow	1	0	27.73
TOT	Tomorrow	3	0	7.74
TRS	Tomorrow	11	100	7.09
WDE	Tomorrow	2	100	4.28
CII	Fri	5	100	5.00
GVF	Fri	3.15	70	5.75
MXT	Fri	0.7	0	tbc