

Markets

SFE 200 Futures (9.30am AEST)	5862	7	0.1
NZX 50	11744	54	0.5
DJIA Futures	26832	117	0.4
S&P 500 Futures	3253	15	0.5
NASDAQ Futures	10954	62	0.6

Local Markets Commentary

The Australian market commences Friday trade with a banking and lending sector announcement anticipated from the Australian treasurer, key preliminary domestic data due late morning, and an ultimate overnight gain for US equities markets.

Locally today, the Australian Bureau of Statistics (ABS) is due to release *preliminary August trade* figures, **11.30am** AEST.

Regionally over the weekend, **China** is expected to publish August industrial profits.

In overnight commodities trade, **oil** extended Wednesday's move higher.

US **gold** futures (December) settled higher for the first time this week.

Iron ore (Nymex CFR China, 62% Fe) declined further, slipping below \$US124.0/t.

LME **copper** and other key base metals continued lower.

The **\$A** rose to US70.45c after trading at ~US70.30c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26815	52	0.2
S&P 500	3247	10	0.3
NASDAQ	10672	39	0.4
FTSE 100	5823	-76	-1.3
DAX 30	12607	-36	-0.3
Shanghai Comp	3280	-	-

Overseas Markets Commentary

Marked vacillating trade featured across major European and US equities markets overnight, amid ongoing international central bank and government Covid-19 – related support assurances and some mixed data, as US presidential campaign issues continued to simmer, and demand for the \$US remained buoyant.

US Federal Reserve chair Jerome Powell and US treasury Steven Mnuchin met with a Senate banking committee, disclosing \$US380B worth of unused funds earmarked earlier this year for Covid-19 economic relief remained available to support individuals and businesses.

The Fed chair proffered that some of the funding could be reallocated/repurposed, including to better support smaller

Monday – public holiday in Western Australia

Today's Stock Watch
Yojee Ltd (YOJ)

\$20M worth of binding commitments in hand for a 20c-per-share placement.

Gentrack Ltd (GTK)

Confirming H2 FY20 trade has proved an improvement on that for H1, and hence anticipating FY20 EBITDA will exceed the \$11M forecast by analysts.

Planned investment could push FY21 profitability to break-even levels, however.

Opthea Ltd (OPT)

Planning an IPO in the US. Details lodged this morning.

Resources
Gold Road Resources (GOR)

WA Gruyere gold project production has been interrupted by a ball mill motor bearing failure.

This has contributed in part to a GOR full year forecast output revision to 250,000oz – 270,000oz, from 250,000oz – 285,000oz.

GOR's ASIC guidance is now \$A1250/oz - \$A1350/oz from \$A1150/oz - \$A1250/oz.

For the September quarter, GOR expects to produce 53,000oz – 57,000oz, with ASIC at \$A1540/oz - \$A1590/oz.

GOR 50%; Gold Fields 50% and operator.

Red 5 (RED)

\$4.54M full year NPAT, against a \$3.03M net loss a year ago.

\$200.33M sales revenue, from \$153.965M.

\$116.22M cash and equivalents.

Navarre Minerals (NML)

High-grade diamond drilling assays returned for the Resolution prospect, Victoria.

De Grey Mining (DEG)

Encouraging initial infill resource definition assays lodged this morning for the Brolga zone within the WA Pilbara Hemi gold project.

Energy
Central Petroleum (CTP)

\$5.41M full year maiden profit, against a \$14.53M net loss a year ago. 10% higher, \$65.1M revenue.

New Zealand Oil & Gas (* NZO)

Commencing ASX trade **11am** AEST as a foreign exempt listing. 164.43M quoted shares.



businesses and also individuals remaining without work.

The Democrats in the meantime also promoted work on a new \$US2.2 trillion proposal.

The UK chancellor announced several new Covid-19 economic compensatory measures, including a new jobs support scheme to come into effect when the government's initial program ends 31 October, an extension in the VAT reduction (from 20% to 5%) for hospitality outlets and longer repayment terms for companies borrowing from a government loan scheme.

Bank of England governor Andrew Bailey supported the government's proposals, but added that unemployment would probably prove worse than all estimates covering this year and the medium term.

The **European Central Bank** published an economic bulletin which also included a warning on unemployment levels and likely weak consumer spending.

Meanwhile, the US secretary of state pushed US-China relations to the forefront again, with a warning that China's diplomats could engage in propaganda and espionage in their relations with US politicians.

In overnight **data** releases, the IFO business climate index for **Germany** was reported at 93.4 from 92.5.

Both the current conditions and expectations component indices also gained.

The **UK's** CBI distributive trades index surprised on the upside, jumping to 11 from -6, against forecasts of -12.

In the **US**, weekly new unemployment claims came in at 870,000, from 866,000 the previous week.

August new home sales rose 4.8%, after a 14.7% July leap and expectations of a 2.3% fall.

The Kansas City Fed manufacturing index declined to 18 from 23, but a reading as low as seven had been feared.

Tonight in the US, August durable goods orders are due.

In overnight corporate news, the New York-headquartered Court of International Trade was reported to have received applications for several new actions this week, from domestic **vehicle manufacturers** alleging losses due to the import taxes the US government has placed on vehicle component parts from China.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1876.9	oz	8.5	0.5
Silver (NY) (Dec)	23.196	oz	0.09	0.4
Gold (LON) (23 Sep)	1873	oz		
Platinum	843	oz	9	1.1
WTI Crude (NYMEX Nov)	40.31	bbl	0.38	1.0
Brent Crude (ICE EUR Nov)	41.94	bbl	0.17	0.4
Iron Ore (NYMEX,CHN,62%)	123.97	t	-0.82	-0.7
Copper (LME,3mth Ind,PM)	6568	t	-51	-0.8
Nickel	14365	t	-75	-0.5
Aluminium	1749	t	-8	-0.5
Lead	1865	t	-16	-0.9
Zinc	2405	t	-11	-0.5
Tin	17465	t	-385	-2.2

Pre-Open Announcements

PointsBet Holdings (* PBH)

The recent retail entitlement offer achieved 92% take-up and raised ~\$A76M.

PBH has settled lower each of the past four sessions, yesterday closing at \$10.18.

Infigen Energy (IFN)

Three-year unsecured \$A457.4M loan agreed with Iberdrola Financiacion, to repay other debt.

Synlait Milk (SM1)

Full year results due pre-trade Monday.

A teleconference is scheduled to commence 9am AEST.

Resources

Vulcan Energy Resources (* VUL)

VUL has appointed former Tesla central Europe director Jochen Rudat as a member of the company's business development team.

Dreadnought Resources (* DRE)

Illaara gold-VMS-iron ore project Metzke's Find RC drilling has returned high-grade assays.

Additional results anticipated mid-October.

Northern Star Resources (NST)

Today's annual strategy day presentation lodged post-trade yesterday, together with a link to a teleconference which was scheduled to commence 8.30am AEST.

North Stawell Minerals (NSM)

Victoria-focused gold explorer and project developer completed its ASX listing yesterday following a \$20M IPO at 50c per share.

Opened at 44c and traded at 43c – 51.5c before settling at 49c. 4.12M shares were traded across 535 transactions.

40M quoted shares.

Energy

Boss Resources (* BOE)

Heralding technical optimisation work for the Honeymoon uranium project, including indications the NIMCIX IX system can replace solvent extraction columns.

Embarking on an 'enhanced feasibility study'.

Trading Halts

Company	Code	Resuming
Auris Minerals	AUR	25 Sep
Australian Silica Quartz Group	ASQ	25 Sep
Australian Vanadium	AVL	25 Sep
Kairos Minerals	KAI	25 Sep
Norwest Minerals	NWM	25 Sep



Commodities Commentary

Oil – renewed restrictions, in particular across Europe, appeared at the forefront of demand considerations overnight.

In addition overnight, an oil tanker was reportedly loading at a Libyan port, the first such even in months.

In the meantime, Iraq refuted a report that OPEC+ was preparing to allow Iraq to boost crude exports.

Among the forecasters however, ConocoPhillips seemed keen to predict a return to 100MMbbl/d demand, although coupled this with a 2021 ‘uncertainty’ disclaimer.

A weekly US petroleum drill rig count is due tonight.

Gold – Comex futures turned higher overnight. The \$US swung but remained strong.

US Federal chair Jerome Powell and US treasury secretary Steven Mnuchin met with the US Senate banking committee espousing unspent funds from earlier legislated support measures for businesses and individuals.

Among mixed data releases, weekly new unemployment claims disappointed.

Base metals – remaining \$US strength and further reports of rising Covid-19 diagnoses across Europe kept base metals sentiment in check overnight.

Copper traded at its least in ~the past month.

Late Wednesday, the International Nickel Study Group reported an 8900t July international surplus against 14,700t of June oversupply.

Yesterday, The World Steel Association reported international steel production had grown 0.6% during August, to 156.2Mt, and that China’s contribution had risen by 8.4%, at 94.8Mt.

Output in Germany, Japan and the US was estimated 13.4%, 20.6% and 24.4% lower, however.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7056	-0.0016	-0.22
EUR – USD	1.1676	0.0015	0.13

Australian Data Today

ABS	Trade balance (preliminary)	Aug

US Data Tonight

Durable goods orders	Aug

Other Overseas Data Today & Tonight

UK	Public sector borrowing	Aug
UK	Domestic vehicle production	Aug
Euro zone	Lending to individuals & businesses	Aug

Optiscan Imaging	OIL	25 Sep
Pilot Energy	PGY	25 Sep
Red Mountain Mining	RMX	25 Sep
Rimfire Pacific Mining	RIM	25 Sep
Yojee Ltd	YOJ	25 Sep
Australian Leaders Fund	ALF	28 Sep
Bionomics Ltd	BNO	28 Sep
Core Lithium	CXO	28 Sep
Dreadnought Resources	DRE	28 Sep
Emu NL	EMU	28 Sep
Lifespot Health	LSH	28 Sep
New Age Exploration	NAE	28 Sep
Pepinini Minerals	PNN	28 Sep
Scorpion Minerals	SCN	28 Sep
Auroch Minerals	AOU	29 Sep
Carawine Resources	CWX	29 Sep
Vital Metals	VML	29 Sep
Tanga Resources	TRL	30 Sep

Suspensions *(select)*

Company	Code	Since
Ansila Energy	ANA	7 Sep
East Energy Resources	EER	18 Sep
FAR Ltd	FAR	14 Sep
Kaiser Reef	KAU	17 Sep
Lincoln Minerals	LML	21 Sep
Mint Payments	MNW	21 Sep
Phoslock Environmental Technologies	PET	21 Sep
Piedmont Lithium	PLL	22 Sep
Quantify Technology Holdings	QFY	14 Sep
Riedel Resources	RIE	22 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ALX	Today	11	0	2.35
RRL	Today	8	100	1.60
IMD	Mon	0.7	100	1.88
NWH	Mon	4	100	2.14
ADI	Tue	4.3	0	6.28
AOF	Tue	3.75	0	6.94
AQR	Tue	5.47	0	5.62
ARF	Tue	3.63	0	4.98
CIP	Tue	4.25	0	5.82
CLW	Tue	7.2	0	5.51
CMW	Tue	1.88	0	8.33
COF	Tue	4.13	0	8.44
CQE	Tue	3.75	0	5.56
ECF	Tue	2.5	0	5.05
EOL	Tue	3.5	0	0.71



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

This market opener and its contents always remain the property of State One Stockbroking Ltd (“State One”) and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

GCI	Tue	0.71	0	4.51
GDF	Tue	1.8	0	6.71
KLA	Tue	14.45	0	0.70
MEZ	Tue	9.97	0	3.30
QRI	Tue	0.8	0	6.64
RDC	Tue	1.83	0	5.08
RFF	Tue	2.82	0	4.48
TGP	Tue	1	0	4.76
TOT	Tue	1.5	0	10.00