

Markets

SFE 200 Futures (9.30am AEST)	5870	-5	-0.1
NZX 50	8123	-6	-0.1
DJIA Futures	23238	10	0.0
S&P 500 Futures	2564	1	0.0
NASDAQ Futures	6069	4	0.1

Local Markets Commentary

The Australian market opens today's trade on negative US equities and mixed commodities leads, ahead of a batch of high-profile AGMs.

In overnight commodities trade, US **gold** futures and **WTI** crude settled essentially flat. **Brent** crude fell. **Iron ore** (China port 62% Fe) swung lower. LME **copper** and **nickel** swung higher.

The **\$A** traded in a narrow range after slipping below US78.10c early yesterday evening.

Locally today, a weekly consumer sentiment report is due pre-trade.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23274	-55	-0.2
S&P 500	2565	-10	-0.4
NASDAQ	6587	-42	-0.6
FTSE 100	7524	1	0.0
DAX 30	13003	12	0.1
Shanghai Comp	3381	2	0.1

Overseas Markets Commentary

Major European equities markets swung and chopped overnight, while key US indices mostly trended lower from early trade.

Varying levels of disquiet surrounded political uncertainties in the UK, Spain, Germany and Iraq/Kurdistan. In the US, how tax changes might be funded resurfaced, and the tech and industrial sectors appeared out of favour, in part due to newly-released results.

Among data releases, a European Commission **euro zone** consumer confidence measure came in at -1.0, nonetheless encouraging after -1.2 last month and forecasts of -1.1.

Further, this was the highest reading in 16 years, and represented a third consecutive monthly improvement.

In the **US**, the Chicago Fed national activity index rose to 0.17 from -0.37.

Tonight in the US, Markit's initial services and manufacturing PMI estimates are due, together with a regional manufacturing index.

Anglo American, AT & T, Canon, Caterpillar, General Motors, LG Household & Healthcare, Lockheed Martin, McDonald's and United Technologies are among companies scheduled to report earnings later today or tonight.

In overnight corporate news, **General Electric** was pushed 6% lower, damaged by analyst reports following results and company turnaround plans

Today's Stock Watch

Domino's Pizza Enterprises (DMP)

Agreement secured with Domino's Pizza Japan JV partner Bain Capital Domino Hong Kong, to purchase Bain's holding for ~\$A42M. DMP will use existing cash and debt facilities.

Nufarm Ltd (NUF)

Paying \$US490M cash, plus \$US50M for inventory, to acquire products registered in Europe and held by Adama and Syngenta. In support, NUF is conducting a \$A446M fully-underwritten two-for-nine rights offer at \$7.50 per share. NUF will also use \$A272M from existing debt facilities.

The institutional component will be conducted today through Thursday. The retail offer is scheduled for 1 - 15 November.

Further, NUF is holding exclusive discussions regarding the potential <\$US100M acquisition of another crop protection portfolio, fully-funded from existing debt facilities.

In addition, NUF has secured a long-term extension of fungicide development global collaboration agreements with Sumitomo Chemical Company.

NUF has traded at \$8.45 - \$9.34 over the past five sessions.

Rural Funds Group (* RFF)

Outlaying a combined \$53M for three contiguous cattle properties in North Queensland.

RFF will pay a total \$72.5M for the transaction, as it will also provide a \$10M loan to the properties' vendor, Camm Agricultural Group, plus support to the 10-year lessee, a member of Camm. Details and presentation lodged.

Vocus Communications (VOC)

Asset sale, spending and NBN impact questions anticipated at today's AGM.

State One Analyst Comment

Vonex Ltd (NSX: VON)

IPO Subscribe 10c (Speculative)

Vonex is a junior telco, aiming to steal market share from the big boys.

The IPO comes after a 12-month baptism of fire culminating in a failed ASX float for reasons beyond current management's control.

After a thorough going over by the regulators, Vonex has been given a clean bill of health.

VON is expected to list in two weeks with a minimum \$4M raise, supported by experienced industry players.

Growth potential is huge, even before some highly innovative new products.

The Vonex offer will close 31 October.

For those considering investment in the Vonex IPO, the more turmoil in the NBN, the more it plays to the benefit of Vonex.

State One executive chairman Alan Hill

released Friday.

Toy and game manufacturer **Hasbro** dropped more than 8.5% on disappointing guidance.

Halliburton profits and sales exceeded forecasts, however.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1281	oz	0.4	0.0
Silver (NY) (Sep)	17.1	oz	0.0	0.1
Gold (LON)	1275	oz	-6	-0.5
Platinum	923	oz	2	0.2
WTI Crude (Nov)	51.9	bbl	0.06	0.0
Brent Crude (Nov)	57.4	bbl	-0.4	-0.7
Iron Ore (CHN port 62%)	62.0	t	-0.5	-0.7
Copper	7004	t	52	0.8
Nickel	11860	t	125	1.1
Aluminium	2137	t	1	0.1
Lead	2500	t	32	1.3
Zinc	3129	t	30	1.0
Tin	19580	t	5	-1.4
CBT Wheat (Dec)	4.37	bshl	0.11	0.0

Commodities Commentary

Oil – Kurdish exports reportedly rose by ~90,000bbl yesterday from the weekend's reported ~200,000bbl/d.

A stronger **\$US** constrained gains.

Gold – reached two-week lows in early trade, as the \$US traded at two-week peaks, but weaker equities sentiment supported interest.

Speculation reigned on who might be named, as early as this week, as the next chair of the US **Federal Reserve**.

Base metals – **China's** residential property prices, reported yesterday, came in at 6.3% higher year-on-year, following 8.3% for August, suggesting regulators had curtailed some speculation.

Manufacturing PMIs, due for Japan, the euro zone and US later today and tonight, could influence some of tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7810	0.0002	0.02
EUR – USD	1.1750	-0.0003	-0.02

Australian Data Today

ANZ/RyMgn	Consumer sentiment	22 Oct
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US Data Tonight

Markit PMIs (init)	Oct
Richmond Fed manufacturing index	Aug

Other Overseas Data Today & Tonight

Japan	PMI manufacturing (init)	Oct
Germany	PMIs (init)	Oct
Euro zone	PMIs (init)	Oct

Pre-Open Announcements

Mirvac Group (MGR)

80% of FY 2018 residential EBIT secured, supported by settling 300 residential lots during the September quarter.

Seven Group Holdings (SVW)

\$17M secured in SVW's \$11.20-per-share SPP. The SPP followed a \$375M placement. SVW traded at \$12.32 - \$12.82 yesterday.

McMillan Shakespeare (MMS) / IDP Education (IEL)

Presentations and addressed for today's AGMs lodged.

Dimerix Ltd (* DXB)

Ethics committee approval in hand for a healthy volunteer study to determine pharmacokinetic properties of the tablet scheduled for use in the DMX-200 Phase 2b trial involving patients suffering from chronic kidney disease.

Dreamscape Networks (* DN8)

Proposing to outlay ~\$4.5M cash to acquire the Enetica Group, operating as Enetica, Host1 and Web City.

Cloudsafe Holdings is providing a \$3.0M unsecured loan at 8.0%pa interest in support of the acquisition.

Quickstep Holdings (QHL)

Traded at 8.1c – 8.3c yesterday after reporting pre-trade for the September quarter.

Sales totalled \$12.4M

Joint Strike Fighter (JSF) parts production is expected to increase this December quarter, supporting a 20% FY 2018 increase in output for this business to greater than 1500 units.

Holding \$4.3M cash.

AGM scheduled for 23 November.

CannPal Animal Therapeutics (* CP1)

Researching, developing and planning to commercialise medical cannabis products for animals. Scheduled to list 11am AEDST tomorrow following a \$6M IPO at 20c per share. ~37.55M shares on issue. Top 20 shareholders include Citicorp, CS Third, HSBC, National, Pershing and UBS nominees.

Resources

Mustang Resources (* MUS)

Planning to offer 405,000 carats of rubies at the company's first public tender scheduled for 27 – 30 October.

MUS had initially targeted having 200,000 carats ready for sale from the Montepuez project, Mozambique.

Tender buyers have registered from Europe, Hong Kong, Sri Lanka and the US, for the event to be held in Port Louis, Mauritius.

Energy

Central Petroleum (* CTP)

Former Suncorp Group (ASX: SUN) chairman Martin Kriewaldt has been appointed as an independent non-executive CTP director.

Norwest Energy (* NWE)

Initial TP/15 Xanadu-1 crude analysis confirms similarities with Cliff Head oil field output.

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Trading Halts

Company	Code	Resuming
Arafura Resources	ARU	24 Oct
Elysium Resources	EYM	24 Oct
Hannans Ltd	HNR	24 Oct
MedAdvisor Ltd	MDR	24 Oct
NTM Gold	NTM	24 Oct
Allegiance Coal	AHQ	25 Oct
Altech Chemicals	ATC	25 Oct
Avenira Ltd	AEV	25 Oct
Brain Resource	BRC	25 Oct
DGO Gold	DGO	25 Oct
Dragontail Systems	DTS	25 Oct
Echo Resources	EAR	25 Oct
Finders Resources	FND	25 Oct
Fremont Petroleum Corp	FPL	25 Oct
Greenpower Energy	GPP	25 Oct
Kairos Minerals	KAI	25 Oct
Otto Energy	OEL	25 Oct
Sheffield Resources	SFX	25 Oct
Sovereign Metals	SVM	25 Oct
Urbanise.com Ltd	UBN	25 Oct
West Wits Mining	WWI	25 Oct
Nufarm Ltd	NUF	27 Oct

Suspensions *(selected)*

Company	Code	Since
Arrowhead Resources	AR1	9 Oct
Cudeco Ltd	CDU	28 Sep
Haoma Mining	HAO	18 Oct
Kinetiko Energy	KKO	5 Oct
Lantern Hotel Group	LTN	2 Oct
Neurotech International	NTI	13 Oct
SIV Asset Management	SAM	10 Oct
Soon Mining	SMG	23 Oct
Stargroup Ltd	STL	19 Oct
UltraCharge Ltd	UTR	18 Oct
XPD Soccer Gear Group	XPD	11 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
MAI	Today	0.75	100	2.50
REX	Today	10	100	5.95
AKG	Tomorrow	0.5	100	1.49
RIC	Tomorrow	2.75	100	3.04
TRA	Thu	~2.32	100	0.00
CLV	Fri	0.75	100	2.06
PMV	Fri	27	100	4.04

Reports & Events*(selected scheduled)*

When	Company	Report/Event
Today	BGA	AGM
	CTD	AGM
	DXS	AGM
	IEL	AGM
	MMS	AGM
	MGR	Sep Q

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	RCR	AGM
	SGF	AGM
	SRX	AGM
	SXL	AGM
	VOC	AGM
Tomorrow	CIM	Sep Q
	FBU	AGM
	GXL	AGM
	IGO	Sep Q
	QAN	Sep Q
	SXY	AGM
	SGP	AGM
	TGR	AGM
	WES	Sep Q
	WHC	AGM
Thu	ANZ	Full-year
	BKL	AGM
	CWN	AGM
	FMG	Sep Q
	GUD	AGM
	JBH	AGM
	NCM	Sep Q
	NCK	AGM
	OGC	Sep Q
	REH	AGM
	SGR	AGM
	SDF	AGM
	TTS	AGM
Fri	AMP	Sep Q
	APA	AGM
	ASB	AGM
	CAR	AGM
	GWA	AGM
	JHC	AGM
	MQG	Interim
	QAN	AGM
	REG	AGM
	RMD	Sep Q
	TAH	AGM
	WOR	AGM