



Daily Resources Overview

Wednesday 20 September 2017

Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
Precious Metals (COMEX)					
Gold (US\$/oz)	1311.15	0.3	1.1	-0.4	14.3
Silver (US\$/oz)	17.34	1.2	2.2	-9.9	8.9
Platinum (US\$/oz)	953.05	-0.7	-2.6	-7.4	5.5
Industrial Metals (LME)					
Copper (US\$/t)	6488.25	0.2	0.6	36.5	17.5
Aluminium (US\$/t)	2095.75	1.7	1.2	33.6	23.0
Lead (US\$/t)	2397.75	1.4	2.7	22.9	19.9
Zinc (US\$/t)	3125.25	-0.1	0.3	39.7	22.2
Tin (US\$/t)	20650.00	-0.2	2.0	6.7	-2.2
Nickel (US\$/t)	11069.50	-0.8	1.3	9.6	11.1
Bulks					
Iron Ore (US\$/t)	68.85	-4.1	-11.7	23.7	-12.7
Coking Coal (US\$/t)	206.20	0.0	6.0	0.2	-8.8
Thermal Coal (US\$/t)	99.44	1.3	4.2	40.9	5.3
Energy					
Brent Crude (US\$/bbl)	55	-0.2	5.6	9.6	-5.8
Natural Gas (US\$/MMBtu)	3.20	-1.1	9.0	5.1	-12.9
Uranium (US\$/lb)	20.65	0.0	-1.2	-18.4	1.0
Softs					
Wheat (US\$/bu)	443	-0.1	0.1	-8.2	-4.7
Sugar (US\$/lb)	14	-3.7	1.4	-27.7	-22.7
Corn (US\$/bu)	348	-0.9	-4.8	-7.7	-8.4
Soy (US\$/bu)	966	-0.2	3.0	0.6	-2.4
Cotton (US\$/lb)	70	-0.6	3.2	1.4	-0.9
Other					
CRB Comdty Index	427	-0.1	-2.4	6.7	1.0

Global resource share price movement

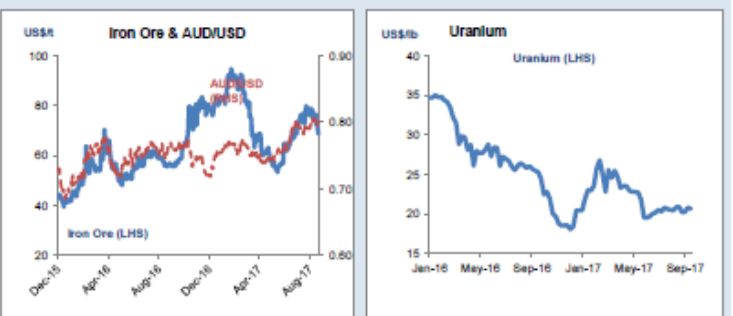
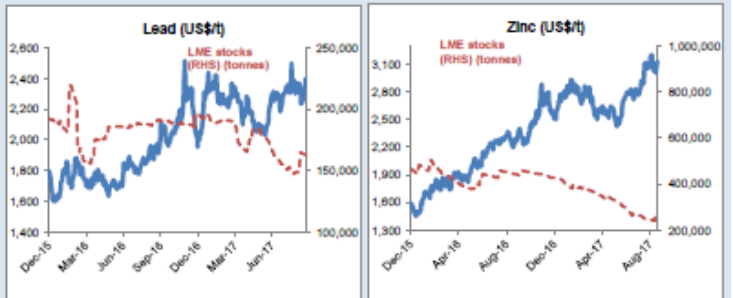
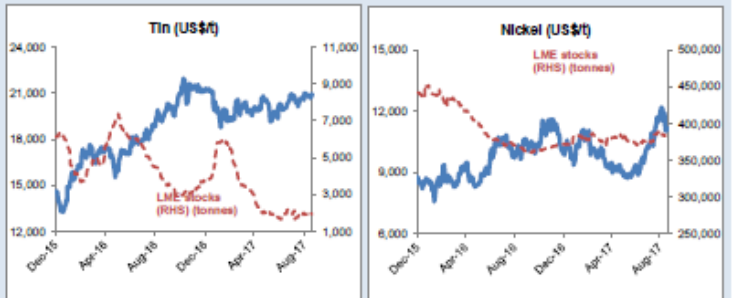
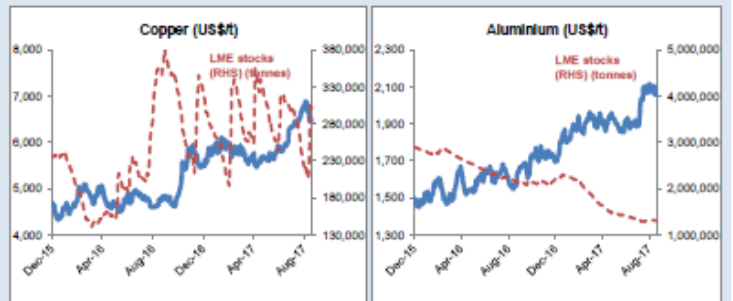
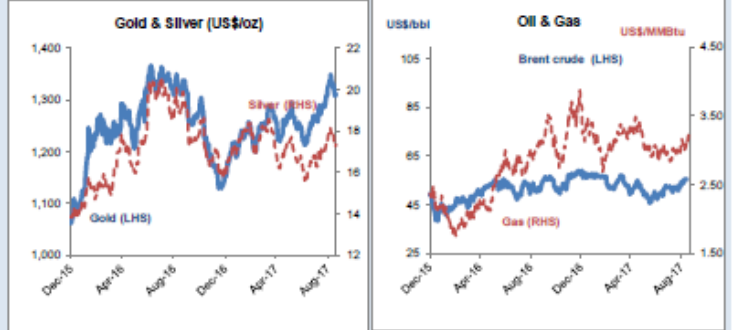
Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	-0.1	1.6	-1.7	5.8
Newmont	Gold	0.8	6.3	-0.9	11.8
Goldcorp	Gold	-0.9	-0.2	-18.1	-5.5
Anglo Platinum	Platinum	0.5	0.2	-10.5	29.6
Anglo American	Diversified	-0.4	0.9	50.0	11.3
BHP Billiton PLC	Diversified	0.9	3.6	27.6	4.9
Rio Tinto PLC	Diversified	0.5	2.6	49.1	11.4
Teck Resources	Diversified	2.0	-8.5	13.2	0.0
Glenore	Diversified	-0.1	1.5	79.1	26.9
Vale	Iron Ore	-0.6	6.8	119.9	34.2
Fortescue	Iron Ore	0.6	-1.3	9.5	-7.8
South32	Diversified	-1.6	6.4	34.8	14.2
China Shenhua	Coal	-0.7	0.6	50.4	50.6
Freeport McMoRan	Copper	2.5	2.3	44.7	9.8
Antofagasta	Copper	-1.4	-0.4	87.8	39.3
Alcoa	Aluminium	2.9	22.4	120.4	64.5
Chinalco	Aluminium	0.2	23.9	133.8	107.5
Rusal	Aluminium	-0.2	8.4	109.0	76.5
Norilsk Nickel	Nickel	0.0	10.1	8.3	-2.0
Timah PT	Tin	0.0	8.0	18.1	-18.1
Boliden	Zinc	-0.4	3.3	48.1	15.0
Cameco	Uranium	-0.6	1.0	6.7	-12.3
Arcelor Mittal	Steel	-1.6	0.7	46.4	6.2

Commodity currency exchange rates (note: red = weakness against US\$)

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.80	0.0	0.9	6.0	11.1
USD/ZAR	13.32	0.0	-1.1	4.4	3.1
USD/BRL	3.14	0.1	0.9	4.4	3.8
USD/CAD	1.23	0.0	2.2	7.3	9.4
USD/RUB	58.12	0.0	1.8	11.5	5.9
USD/CNY	6.58	-0.1	1.3	1.3	5.5

LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	300,625	-0.8	10.8	-14.0	-6.7
Aluminium	1,306,650	-0.3	1.5	-39.5	-40.8
Lead	162,700	-0.1	9.9	-13.5	-16.5
Zinc	267,525	2.1	7.9	-39.8	-37.5
Tin	1,930	0.0	-0.8	-49.5	-48.5
Nickel	383,502	0.0	-0.4	4.5	3.3



Precious Metals Commentary

Gold saw trading on both sides of unchanged in a choppy session Tuesday. The marketplace is awaiting the results of the Federal Reserve’s Open Market Committee (FOMC) meeting that began Tuesday morning and ends Wednesday afternoon. No interest rate changes are expected from the FOMC at this week’s meeting. However, it is expected the Fed will announce it is drawing down its big balance sheet of securities. Fed Chair Janet Yellen will hold a press conference after the FOMC meeting ends. Also, the Federal Reserve will release inflation projections that will be closely scrutinized.

U.S. President Donald Trump gave a fiery speech in front of the United Nations in New York Tuesday. Trump talked very tough on North Korea’s missile program, and on Iran and Venezuela. He said “Rocket man is on a suicide mission” and the U.S. would completely destroy North Korea if that nation initiates military action against another sovereign nation. “No nation on Earth has an interest in seeing this band of criminals arm itself with nuclear weapons and missiles,” Trump said of North Korea, calling the North Korean leadership a “depraved regime.” Trump also issued harsh words denouncing governments in Syria, Iran, and Venezuela when he said that they must all be confronted by a coalition of sovereign nations.

This speech, coupled with concerns about the FOMC meeting which got underway today, was supportive of gold prices. The key outside markets on Tuesday saw the **U.S. dollar index** trade slightly weaker. The greenback bears remain in firm technical control. Source: Kitco

10 Year Gold London Fix PM Daily with 60 and 200-day moving averages



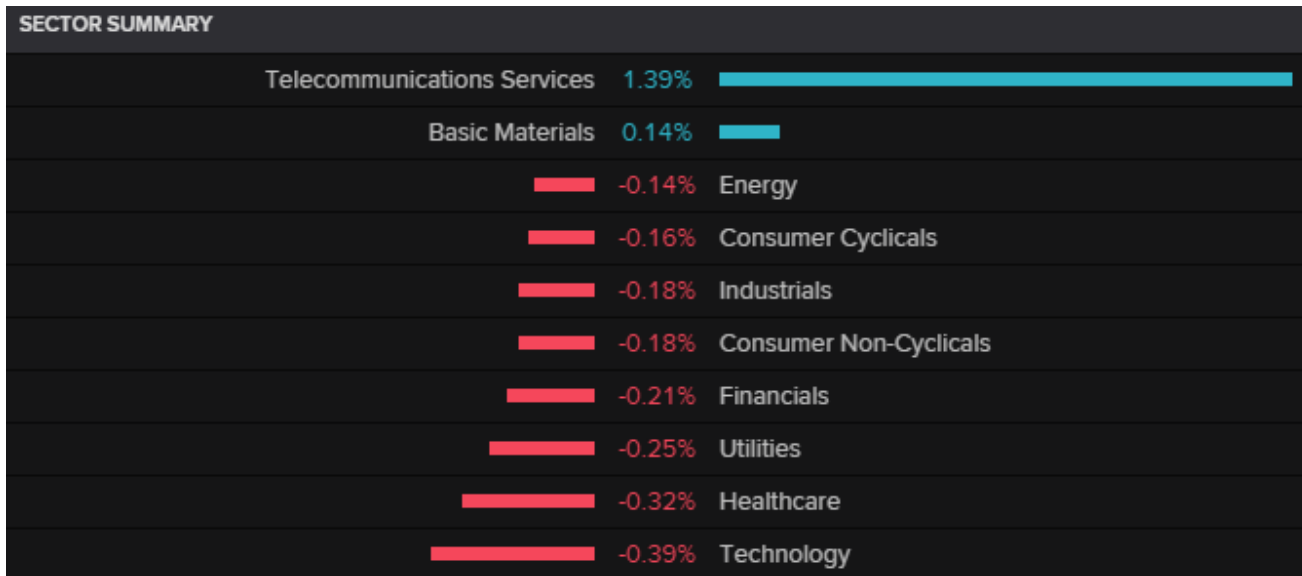
AUSTRALIA MARKET COMMENTARY

Australian shares ended slightly lower on Tuesday, dampened by a sell-off in real estate stocks and top lenders including Commonwealth Bank of Australia. The S&P/ASX 200 slipped 0.1% (7 points) to close at 5,713.6. Real estate stocks accounted for more than half the losses on the index, with industrial property developer Goodman Group Pty Ltd falling 2.2% to its lowest in more than a week, and shopping centre developer Westfield Corp dropping 2.1% to post a near three-week closing low. The sell-off in real estate stocks was probably linked to the Reserve Bank of Australia's September meeting minutes as the central bank remained worried about rising household debt and a strong local dollar. Growth in housing debt has outpaced incomes, a result that threatens economy-wide spending.



S&P/ASX 200 Daily chart (Source: Thomson Reuters)

The top performers of the session were Galaxy Resources Ltd (ASX: GXY), which rose 5.6%, TPG Telecom Ltd (ASX: TPM), which rose 5.2% and ARB Corporation Ltd (ASX: ARB) was up 3.1%. The worst performers of the session were Mayne Pharma Group Ltd (ASX: MYX), which fell 4.1%, Sigma Pharmaceuticals Ltd (ASX: SIG) 3.5% and Southern Cross Media Group Ltd (ASX: SXL) was down 3.4%.



Sector summary (Source: Thomson Reuters)

TPG Telecom Ltd (ASX: TPM) stock surged over 5.17% on September 19, 2017 as the group delivered a better than forecasted FY17 results. Under its reported results, TPM witnessed an EBITDA rise of 5% to \$890.8 million during the year while Net Profit after Tax enhanced 9% yoy to \$413.8 million during the period. Moreover, the group' target of first milestone of nationwide outdoor service coverage in Singapore before the end of 2018 is on track. TPM made agreements with multiple partners to gain access to a large volume of sites to offer coverage of major metropolitan areas. Their implementation of initial site clusters in Sydney, Melbourne and Canberra is forecasted to finish by mid-2018.



TPM Daily chart (Source: Thomson Reuters)

US MARKET COMMENTARY

Shares of US home-good retailer Bed Bath & Beyond tumbled in after-hours trading on Tuesday after its latest quarterly results missed Wall Street expectations yet again, a shortfall it blamed on charges from its changing store-management strategy as well as an estimated hit from Hurricane Harvey.

Ahead of the Fed, it's onward and upward for US equities. The S&P 500 and Dow Jones Industrial Average both climbed to fresh record highs despite heated rhetoric at the UN from US President Donald Trump on North Korea and a looming decision from the Federal Reserve on interest rates. Led by telecoms and financials, the S&P 500 climbed 0.11 per cent to 2,506.6. The healthcare sector was the biggest laggard, as US lawmakers find themselves once again embroiled in Republican-led legislative efforts to repeal Obamacare.

Best Buy on Tuesday unveiled long-term financial goals that disappointed Wall Street and sent its shares sharply lower. Shares in the electronic goods retailer fell 9 per cent to \$52.24, making it among the biggest decliners on the S&P 500 after it predicted full year adjusted earnings per share will come in at between \$4.75 to \$5 out to 2021. While that represents a nearly 9 per cent compound annual growth rate from fiscal 2017, which ended in January this year, it was well shy of estimates of \$5.35 a share, according to analysts polled by Reuters.



Bed Bath & Beyond Daily Chart (Source - Thomson Reuters)



General Advice Warning

The contents of this document have been prepared without taking account of your objectives, financial situation or needs. 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. Whilst State One Stockbroking Ltd 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 Stockbroking Ltd or any officer, agent or employee of State One Stockbroking Ltd. If applicable, you should obtain the Product Disclosure Statement relating to the relevant financial product mentioned in this document (which contains full details of the terms and conditions of the financial product) and consider it before making any decision about whether to acquire the financial product.

Disclosure

The directors and associated persons of State One Stockbroking Ltd may have an 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. State One Stockbroking Ltd has also received a commission on the preparation of this research note. The Research Analyst who prepared this report hereby certifies that the views expressed in this research document accurately reflect the analyst's personal views about the company and its financial products. The research analyst has not been and will not be receiving direct or indirect compensation for expressing the specific recommendations or views in this report. This research at all times remains the property of State One Stockbroking Ltd. And as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from the Executive Director of State One Stockbroking Ltd.

Alan Hill
Executive Chairman
Phone: +61 8 9288 3388
ahill@stateone.com.au

Ric Heydon
Equities & Derivatives Advisor
Phone: +61 8 9288 3307
rheydon@stateone.com.au

Mark Sullivan
Institutional Dealer
Phone: +61 2 9024 9134
msullivan@stateone.com.au

Thomas Tan
Equities Advisor
Phone: +61 2 9024 9131
ttan@stateone.com.au

Morris Levitzke
Equities Advisor
Phone: +61 8 9288 3315
mlevitzke@stateone.com.au

Graeme Johnson
Equities & Derivatives Advisor
Phone: +61 8 9288 3316
gjohnson@stateone.com.au

Yitz Barber
Equities Advisor
Phone: +61 2 9024 9107
ybarber@stateone.com.au

Tammie Wong
Equities Advisor
Phone: +61 2 9024 9133
twong@stateone.com.au

David Zhang
Equities Advisor
Phone: +61 2 9024 9130
dzhang@stateone.com.au

David Brennan
Senior Investment Analyst
Phone: +61 2 9024 9142
dbrennan@stateone.com.au

Disclosure: State One Stockbroking Ltd ABN 95 092 989 083 is holder of AFS Licence Number 247100 and an ASX and Chi-X Market Participant. State One Stockbroking Ltd and/or its associated entities, directors, authorised representatives, employees and associated persons of State One may have an 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. Further, State One Stockbroking Ltd and/or its affiliated companies may have acted as manager or co-manager of a public offering of any such securities or may have provided corporate finance to the companies referred to in the report. Whilst State One Stockbroking Ltd and its related companies 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 Stockbroking Ltd or any related company. Nor do they accept any liability or responsibility arising in any way (including negligence) for errors in, or omissions from, this document or advice.