

Markets

SFE 200 Futures (9.30am AEST)	5852	4	0.1
NZX 50	11794	46	0.4
DJIA Futures	27766	154	0.6
S&P 500 Futures	3356	23	0.7
NASDAQ Futures	11172	111	1.0

Local Markets Commentary

The Australian market opens a new week's trade with fresh data in hand from China and more to come today, following mixed overnight Friday international equities and commodities trade, and another tropical storm off the US Gulf Coast prompting new petroleum industry evacuations and community warnings.

Also over the weekend, AstraZeneca and Oxford University have announced the resumption of clinical trials, initially in the UK, for their potential Covid-19 vaccine.

This morning, US equities futures, including for the NASDAQ, have been pushed higher, amid news of a Nvidia-SoftBank transaction.

Post-ASX trade Friday, **China** revealed 1280B yuan worth of **new lending** for August, following 992.7B yuan for July, and against forecasts of 1100B yuan.

In addition, January - August **foreign direct investment** was reported to have grown 2.6% against 0.5% for January through July, and following expectations of a 1.2% gain.

Locally today, the Australian Bureau of Statistics (ABS) publishes the first of a series of analytical reports entitled *A Series of Unprecedented Events*, today's report focusing on developments indicated by June quarter data. This is anticipated 11.30am AEST.

In addition, **ex-dividend** season continues, with several high-profile and large-cap stocks trading ex-dividend, including **BRG**, **CNU** and **SFR**. Please see p4 for details.

Regionally today, **China** is expected to report August **house prices**, 11.30am AEST.

Tankan indices updates have been released for **Japan** pre-trade.

In overnight Friday commodities trade, **Brent crude** swung lower. WTI settled little changed.

US **gold** futures (December) turned lower

Iron ore (Nymex CFR China, 62% Fe) was pushed higher, beyond \$US127.40/t.

LME **copper** and **nickel** swung higher. **Aluminium** continued lower.

The **\$A** surpassed US72.55c after approaching US72.00c early Friday evening.

Today's Stock Watch

Macquarie Group (MQG)

Anticipating a 35% year-on-year drop in 1H FY21 profit and 25% fall against 2H FY20. Jefferies Asia Forum (today through Wednesday) investor presentation lodged this morning, including the short-term outlook update, underscored by expectations of 'unprecedented uncertainty'.

Dimerix Ltd (DXB)

Teleconference scheduled to commence **11am** AEST.

Resuming trade with positive albuminuria level results from the phase two study of DMX-200 in a significant number of participants suffering diabetic kidney disease.

'No significant difference' demonstrated across all participants between DMX-200 and the placebo, however.

Safety and tolerance achievements support further studies.

Austal Ltd (ASB)

\$US10M US Alabama land and assets purchase agreement completed. ASB will fund the purchase with existing cash.

PointsBet Holdings (PBH)

Online betting is underway through PBH's 100%-held US Illinois subsidiary.

Anticipating Colorado and Michigan launches, also, which would boost PBH's US online sportsbook tally to six.

Aroa Biosurgery (ARX)

Anticipating H2 FY21 revenue growth against HS FY20's \$NZ11.9M. For CY20 year-to-31 August, year-on-year revenue was down 9%.

Althea Group Holdings (AGH)

Canada cannabis licence in hand enabling AGH subsidiary Peak Processing Solutions to commence commercial operations, manufacturing cannabis 2.0 products on behalf of third parties and supplying medicinal cannabis products to AGH pharma operations.

AusCann Group (AC8)

Phase one Neuvis capsule study successfully completed. Planning a December quarter commencement of a study in chronic neuropathic pain sufferers.

Resources

St George Mining (SGQ) / Western Areas (WSA)

Heralding preliminary test work, including recovery and concentrate grade results, using nickel-copper ore from the WA north east goldfields Mt Alexander project.

Pensana Rare Earths (PM8)

Longonjo resource upgraded to 313Mt @ 1.43% REO, including 0.32% NdPr for 4.47Mt of REO, including 990,000t of NdPr.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	27666	131	0.5
S&P 500	3341	2	0.1
NASDAQ	10854	-662	-0.6
FTSE 100	6032	29	0.5
DAX 30	13203	-6	-0.1
Shanghai Comp	3260	26	0.8

Overseas Markets Commentary

Marked choppy trade featured across major European and US equities markets overnight Friday.

More nations talked of re-introducing Covid-19 containment restrictions, exacerbating fears of a protracted economic recovery period.

Also Friday, the UK and Japan announced a free trade agreement, this representing the first such accord for the UK as independent from the European Union (EU).

In the US, negotiations continued after a Republican Covid-19 relief package requiring \$US300B was rejected in negotiations, with the Democrats retaining their position that \$US3 trillion worth of new support spending was required.

Among overnight Friday **data** releases, the **UK's** July GDP was calculated 11.7% down on July 2019, and averaging a 7.6% drop for the three months to 31 July.

The NIESR's GDP tracker for the three months to the end of August indicated 7% growth.

July industrial production rose 5.2% for the month following a 9.3% June jump, and following forecasts of a new 4% gain.

Against July 2019, output was down 7.8%.

July trade figures included a £1.1B surplus against £3.9B for June.

Germany's final August CPI reading confirmed 0.1% deflation for the month and no year-on-year change.

In the **US**, August CPI was estimated as having risen 0.4% for the month following a 0.6% July increase and against expectations of 0.2% growth.

Year-on-year core inflation rose 1.7%.

The August monthly budget statement included a \$US200B deficit, \$US20B more than anticipated, and against a \$US63B shortfall for July.

Figures also revealed \$US6 trillion worth of spending during January – August (the first 11 months of the US financial year), \$US2 trillion of this on Covid-19 economic relief initiatives. During this time, the US treasury receipted a total \$US3 trillion in taxes.

Tonight in the US, no major economic indicators are due.

Elsewhere, the euro zone reports July industrial production.

In weekend corporate news, **Gilead Sciences** yesterday announced a proposed \$US21B purchase of Immunomedics Inc which is developing a potential breast cancer treatment under US FDA accelerated approval.

Pre-Open Announcements**Cadence Capital (CDM)**

August investment update lodged post-trade Friday, including top-20 holdings.

The top-five are listed respectively as Alibaba Group, Alphabet Inc, AP Eagers, Apple Inc and ARB Corp.

Monadelphous Group (MND)

\$120M of construction and maintenance contracts recently secured.

Details lodged this morning.

BrainChip Holdings (BRN)

BRN has achieved functional validation of the company's Akida neuromorphic system-on-chip design with functional silicon.

In addition, BRN has appointed former FIG Partners partner Christa Steele as a non-executive director.

Further, Manny Hernandez is remaining as company chairman.

FlexiGroup Ltd (FXL)

Launching the group's humm buy now pay later (BNPL) product in New Zealand today, for purchases up to \$NZ10,000 in-store and online.

humm is replacing FXL's Oxipay in New Zealand.

Shekel Brainweigh (SBW)

Evaluating options to strengthen the company's balance sheet, ahead of anticipated commercialisation opportunities.

Considerations-to-date remain confidential as no decisions have yet been made.

SBW appreciated 33.3% Tuesday last week, and 45.45% Wednesday, attracting an ASX price and volume query.

Resuming from suspended trade today, having last traded at 32c.

Nufarm Ltd (NUF)

CFO Paul Binfield has resigned, effective 31 December.

Contact Energy (CEN)

August update lodged this morning in presentation format.

Electricity and gas sales tallied 450GWh against 478GWh for August 2019.

Tyro Payments (TYR)

Calendar year-to-date total transaction value (TTV) is 5% higher than a year ago, at \$4.21B. For 1 – 11 September, TTV is 12% higher than a year ago.

Synlait Milk (SM1)

Director Bill Roest is planning to retire at the SM1 25 November AGM.

In association, Simon Robertson has been nominated for potential election at the AGM.

Ellerston Asian Investments (EAI)

Renewing an on-market buy-back for an additional 12 months to 26 September 2021.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1947.9	oz	-16.4	-0.8
Silver (NY) (Dec)	26.857	oz	-0.43	-1.6
Gold (LON)	1947	oz	-19	-1.0
Platinum	921	oz	-1	-0.1
WTI Crude (NYMEX Oct)	37.33	bbl	0.03	0.1
Brent Crude (ICE EUR Nov)	39.83	bbl	-0.23	-0.6
Iron Ore (NYMEX,CHN,62%)	127.43	t	0.66	0.5
Copper (LME,3mth Ind,PM)	6708	t	58	0.9
Nickel	15100	t	270	1.8
Aluminium	1775	t	-9	-0.5
Lead	1895	t	9	0.5
Zinc	2473	t	66	2.7
Tin	18040	t	40	0.2

Commodities Commentary

Oil – US Gulf of Mexico operators, including Chevron, began new evacuations over the weekend on the approach of another tropical storm, which has been forecast to cross the Louisiana – Mississippi coastline as a hurricane by early Tuesday US time.

Overnight Friday, reports continued of crude traders seeking additional floating storage for both oil and diesel amid further Covid-19 case resurgence, India revealing a record increase in new diagnoses on Friday.

Global economic recovery considerations, and hence likely scenarios for oil supply and demand will remain forefront this week.

OPEC's monthly oil market update is due **tonight**.

The International Energy Agency's (IEA) monthly report is anticipated **tomorrow night**.

Thursday, OPEC+ monitoring committee is scheduled to meet (virtually) again.

Meanwhile, a weekly US petroleum drill rig count, published overnight Friday, included one fewer operational oil rig.

Gold – \$US moves and end-of-week liquidity considerations appeared to influence overnight Friday gold trade.

This week, international monetary policy is expected to prove a major influence, with the US Federal Reserve, Bank of England and Bank of Japan scheduled to convene policy meetings, and the Reserve Bank of Australia due to release September policy meeting minutes tomorrow.

Base metals – overnight Friday trade appeared pushed and pulled by currency moves, new data out of China, and new demand commentary.

China's August new lending, reported post-ASX trade Friday, well surpassed expectations and July lending.

In the meantime, a CRU analyst predicted China's refined copper demand would grow by up to 2% for 2020 after dropping ~15% during the March quarter.

Today, China is due to release August house prices.

Tomorrow's August fixed asset investment, industrial production and retail sales updates for China could produce some caution tonight.

Resources**Castillo Copper (CCZ)**

Heralding historic workings rock chip field analysis which supports high-grade copper with gold mineralisation at the Big One deposit.

Middle Island Resources (MDI)

Retracting a production target contained in a print media advertising feature published 10 September.

Los Cerros (LCL)

Closed out a volatile week at 14.5c Friday, after settling the previous week at 6.8c.

Post-trade Friday, the former Metminco lodged its interim financial results, including nil revenue and a \$1.88M net loss. NTA remained flat, at 0.19c.

Orminex Ltd (ONX)

Lodged a WA Comet Vale gold project JV exploration update post-trade Friday, this including 'modest intervals' from drilling, plus drilling difficulties.

Assays pending.

Energy**Otto Energy (OEL)**

OEL has appointed former Woodside (ASX: WPL) Australia COO Michael Utsler as CEO and MD, effective Friday last week.

In association, chairman John Jetter is resuming non-executive chairman duties.

Trading Halts

Company	Code	Resuming
Holista CollTech	HCT	14 Sep
Jindalee Resources	JRL	14 Sep
Kina Securities	KSL	14 Sep
Quantify Technology Holdings	QFY	14 Sep
Saturn Metals	STN	14 Sep
Stellar Resources	SRZ	14 Sep
Blackstone Minerals	BSX	15 Sep
De Grey Mining	DEG	15 Sep
iCandy Interactive	ICI	15 Sep
Pacific American Holdings	PAK	15 Sep
Pursuit Minerals	PUR	15 Sep
BCI Minerals	BCI	17 Sep
DGO Gold	DGO	17 Sep

Suspensions (select)

Company	Code	Since
Ansila Energy	ANA	7 Sep
Faster Enterprises	FE8	2 Sep
Intiger Group	IAM	1 Sep

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7279	-0.0004	-0.05
EUR – USD	1.1840	-0.0007	-0.06

Australian Data Today

ABS	Unprecedented events (new series)	Jun Q
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Overseas Data Today & Tonight

China	Residential property prices	Aug
Japan	Tankan indices	Sep
Japan	Industrial production (final; 2.30pm AEST)	Jul
Euro zone	Industrial production	Jul

Need More Information?

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Paterson Resources	PSL	11 Sep
Velocity Property Group	VP7	7 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BRG	Today	20.5	60	1.42
CNU	Today	12.71	0	2.71
FFI	Today	13	100	4.28
HUB	Today	3.5	100	0.35
MCY	Today	8.52	0	3.01
OTW	Today	2.25	100	0.38
SFR	Today	14	100	4.60
SGF	Today	3.05	100	11.05
TGR	Today	9	25	2.52
WQG	Today	2	50	1.52
CGR	Tomorrow	1.75	100	3.73
DTL	Tomorrow	8.8	100	2.11
ING	Tomorrow	6.7	100	5.56
NWS	Tomorrow	9.69	0	0.56
NWSLV	Tomorrow	9.69	0	0.57
PL8	Tomorrow	0.4	100	5.19
PPG	Tomorrow	0.4	100	0.00
SSM	Tomorrow	5	100	5.01