

Markets

SFE 200 Futures (9.30am AEST)	7391	-42	-0.6
NZX 50	13091	-17	-0.1
DJIA Futures	34605	22	0.1
S&P 500 Futures	4449	4	0.1
NASDAQ Futures	15404	17	0.1

Local Markets Commentary

The Australian market opens mid-week trade with negative overnight US equities trade leads ahead of material domestic and regional data reports today.

Locally today, Westpac and the Melbourne Institute are scheduled to publish their monthly **consumer sentiment** report **10.30am** AEST.

Large-cap stocks trading **ex-dividend** today include **CGC, CIM, DTL, LOV** and **REG**. Please see pp3-4 for a detailed ex-dividend list.

Regionally today, **China** is expected to release August updates for **fixed asset investment, industrial production** and **retail sales** at **midday** AEST.

Japan publishes July machinery orders just before ASX open.

Earlier this morning, the September Tankan indices were published.

In overnight commodities trade, Brent **crude** settled slightly higher and WTI essentially flat.

US **gold** futures picked up the pace of Monday's slight turn higher.

Iron ore (China port CFR, 62% fines) extended the current run of declines.

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

The **\$A** fell to ~US73.20c after trading at ~US73.45c early yesterday evening.

Yesterday, Reserve Bank of Australia (RBA) governor Philip Lowe indicated any rate moves higher were unlikely next year and perhaps through into 2023.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34577	-292	-0.8
S&P 500	4443	-26	-0.6
NASDAQ	15038	-68	-0.5
FTSE 100	7034	-34	-0.5
DAX 30	15723	22	0.1
Shanghai Comp	3663	-53	-1.4

Overseas Markets Commentary

A drop in risk sentiment was evident across most major European, UK and US equities markets overnight, amid some surprises for key data releases on both sides of the Atlantic.

* Copper-focused exploration listing – 1pm AEST – CUS *

Today's Stock Watch
Brambles Ltd (BXB)

Yesterday evening's second investor day briefing presentations lodged post-trade yesterday. BXB fell 8.32% yesterday, settling at \$11.24, following Monday evening's initial investor day briefing.

Dotz Nano (DTZ)

\$US220,000 order in hand to supply SARS-coV-2 virus test kits to Paraguay distributor El Alamo under an initial two-year distribution agreement.

Calix Ltd (CXL)

Carbon Direct is paying €15M for 7% of CXL's LEILAC cement and lime decarbonisation business.

Nuheara Ltd (NUH)

Australian Hearing Human Research Ethics Committee approval in hand for clinical trials of NUH's medical devices.

Mastermyne Group (MYE)

Reporting the overnight death of a Crinum underground coal mine worker. Another worker was recovered from the mine and taken to hospital for assessment.

Patrys Ltd (PAB)

A pre-clinical study has demonstrated positive deozymab cancer treatment potential. Details lodged pre-trade.

Resources
Pilbara Minerals (PLS)

PLS has sold an additional 8000t of spodumene concentrate (SC) via the Battery Material Exchange.

The digital auction raised a bid of \$US2240/t(SC5.5 FOB Port Hedland). Including freight costs, PLS says this is equivalent to ~\$US2500/t (SC6.0 CIF China).

Pending the requisite letter of credit from the bidder, PLS anticipates loading the concentrate in November.

Poseidon Nickel (POS)

Initial Silver Swan tailings resource estimated at 675,000t @ 0.92% Ni & 683ppm Co, for 6200t of nickel and 460t of cobalt. Metallurgical test work results also lodged pre-trade.

Australian Potash (APC)

US Organic Materials Review Institute approval in hand for APC's K-Brite potassium sulphate SOP to be used in organic foods production and processing.

Eagle Mountain (EM2)

Heralding thick copper zones detected by infill drilling at the Arizona, US Oracle Ridge project.



Yesterday, Australia's Reserve Bank governor doused any outside expectations that conditions could be met to trigger rate rises next year.

Among geopolitical developments, China's ambassador to the UK was prohibited from entering parliament to attend a meeting in protest at China's sanctions against several British MPs.

In overnight data releases, the **UK** reported a 58,600 drop in unemployment claims during August.

The July unemployment rate in the meantime was estimated at 4.6% from June's 4.7%.

July average wages (not including bonuses) rose 6.8% following a 7.3% June increase.

Meanwhile a five-year treasury gilt auction delivered a 0.429% yield from 0.324% previously.

In the **US**, the August CPI reading represented 0.3% inflation for the month and annualised 5.3% growth, following respective 0.5% and 5.4% July figures.

Excluding food and energy prices, monthly CPI growth slowed from 0.3% in July to 0.1%, and year-on-year inflation from 4.3% to 4.0%.

The \$US subsequently fell against Japan's yen, the Swiss franc and the euro.

A small business optimism index rose to 100.1 from 99.7.

Tonight in the US, August import and export prices, the September New York Fed manufacturing index and August industrial production are due, together with weekly mortgage applications.

Elsewhere, the UK reports August CPI and the euro zone July industrial production.

Also tonight, the UK treasury hosts a 10-year gilt auction.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1807.1	oz	12.7	0.7
Silver (NY) (Dec)	23.89	oz	0.09	0.4
Gold (LON)	1794	oz		
Platinum	935	oz	-23	-2.5
WTI Crude (NYMEX Oct)	70.45	bbf	0.01	0.0
Brent Crude (ICE EUR Nov)	73.60	bbf	0.09	0.1
Iron Ore (Qingdao) (CHN;62% <i>f</i>)	121.67	t	-2.17	-1.8
Iron Ore (Nymex)	128.11	t	-1.55	-1.2
Copper (LME Ind)	9427	t	-134	-1.4
Nickel	19615	t	-108	-0.6
Aluminium	2831	t	-63	-2.2
Lead	2270	t	-23	-1.0
Zinc	3043	t	-41	-1.3
Tin	33488	t		

Commodities Commentary

Oil – overnight prices were pushed and pulled by another US tropical storm, a US inflation update and a monthly report from the International Energy Agency.

The IEA's report, published overnight, included a prediction that global crude demand would grow by 1.6MMbbl/d in October.

Pre-Open Announcements

Flight Centre (* FLT)

Investor presentation lodged pre-trade.

Amplia Therapeutics (* ATX)

Planning a phase two clinical trial of AMP945 in patients newly diagnosed with pancreatic cancer.

Starpharma Holdings (SPL)

New 'composition of matter' US patent in hand for DEP cabazitaxel nanoparticle.

SPL is near commencement of a phase two clinical trial, having begun recruiting patients suffering cancers including gastro-oesophageal, ovarian and prostate.

Uniti Group (UWL)

UWL intends to make no changes to executive director Vaughan Bowen's roles at UWL.

Responding to media reports, UWL says it understands Mr Bowen 'emphatically denies' allegations he breached regulations in trading Vocus Group (*formerly ASX: VOC; now part of Macquarie Infrastructure and Aware Super JV company Voyage Australia*) shares in 2019.

UWL dropped 5.11% yesterday, settling at \$3.90.

17.7M shares changed hands across 13,714 trades.

Resources

Copper Search (* CUS)

Exploration company scheduled to list on the ASX **1pm** AEST, following a \$12M IPO at 35c per share. 49.33M quoted shares.

Newcrest Mining (NCM)

Denver Gold Forum presentation lodged post-trade yesterday.

Fenix Resources (* FEX)

Paying a maiden 5.25c fully franked final dividend.

\$49.0M full year NPAT.

\$69.0M cash.

New Century Resources (* NCZ)

Silver King and East Fault feasibility study results lodged pre-trade.

A video conference was scheduled to commence 9.30am AEST.

Kingston Resources (* KSN)

39% rise in the PNG Misima gold project indicated resource to 2.5Moz.

Total resources have grown 6% to 3.8Moz.

DFS results are anticipated by 31 March 2022.

Prodigy Gold (* PRX)

Northern Territory Hyperion gold project Tregony deposit diamond drilling has intersected visible gold and multiple structures.

Details lodged pre-trade.



Further, the IEA said it expected growth to continue during November and December, due to Covid-19 vaccination programs producing positive results.

However, the IEA has reduced its 2021 demand growth forecast by 105,000bbl/d, to 5.2MMbbl/d, due to the impacts of Covid-19 Delta variant spread.

The IEA lifted its previous 2022 demand growth prediction by 85,000bbl/d, to 3.2MMbbl/d.

Meanwhile, the US Gulf tropical storm hit the Texas coast and Louisiana as a hurricane (Nicholas) and is expected to impact industry operations around the Houston area due to flooding.

A more benign-than-anticipated US CPI reading sent the \$US lower, but also oil prices temporarily.

A weekly US petroleum inventories report is due tonight from US government agency the EIA.

Overnight, post-US trade, the API released a weekly report which included an estimated 5.437MMbbl fall in US crude stocks last week.

Gold – Comex futures settled decisively above \$US1800/oz overnight, with the \$US falling against other safe-haven currencies.

A US inflation reading came in lower than anticipated.

Base metals – overnight trade appeared mostly influenced by China property group Evergrande warning of lower sales and rising default risk, a \$US swing lower, and new reports of Covid-19 spread in China, amid a wait for material economic indicators expected out of China today.

In the meantime, Cochilco, Chile's copper commission lowered its prediction for 2021 copper prices from \$US4.30/lb to \$US4.20/lb, and forecast \$US3.95/lb for 2022.

Cochilco sees an international copper surplus in 2022 against this year's deficit, and predicts 2.4% and 3.0% demand growth for 2021 and 2022 against respective 1.3% and 4.5% supply increases.

Iron ore's continued run lower was again attributed to emissions and energy-use controls in key steel production regions.

China is due to report August updates for fixed asset investment, industrial production and retail sales **today**.

These figures could well influence tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7318	-0.0021	-0.28
EUR – USD	1.1802	-0.0011	-0.10

Australian Data Today

Wstpc/MelbInst	Consumer sentiment	Sep

US Data Tonight

New York Fed (Empire State) manufacturing index	Sep
Import & export prices	Aug
Industrial production	Aug
MBA mortgage applications	10 Sep

Caravel Minerals (CVV)

WA Caravel copper project Bindi deposit infill RC drilling results lodged pre-trade.

Kuniko Ltd (* KNI)

Norway copper and cobalt projects exploration update lodged pre-trade.

Erawarra Resources (ERW)

WA-focused gold, nickel and copper explorer ERW is pleading ignorance in response to an ASX price query.

ERW added 36.36% yesterday, settling at 30c after trading as high as 35c intra-session.

2.38M shares were traded across 231 transactions.

Heavy Minerals (HVY)

Exploration and development company completed its ASX listing yesterday, following a \$5.5M IPO at 20c per share.

Opened at 18c and traded at 17c – 19c before settling at 17.5c.

4.12M shares changed hands across 228 transactions.

36.67M quoted shares.

Energy

Strike Energy (* STX)

Update on plans for the proposed 1.4Mtpa urea project known as Project Haber lodged pre-trade.

Trading Halts

Company	Code	Resuming
Clime Investment Management	CIW	15 Sep
Conico Ltd	CNJ	15 Sep
Corazon Mining	CZN	15 Sep
Cullen Resources	CUL	15 Sep
GBM Resources	GBZ	15 Sep
Golden Rim Resources	GMR	15 Sep
Hotel Property Investments	HPI	15 Sep
Jindalee Resourcesa	JRL	15 Sep
Resolution Minerals	RML	15 Sep
Vulcan Energy Resources	VUL	16 Sep
A-Cap Energy	ACB	17 Sep
Jadar Resources	JDR	17 Sep

Suspensions (selected)

Company	Code	Since
AIC Mines	A1M	25 Aug
Troy Resources	TRY	1 Sep
Zeus Resources	ZEU	6 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CGC	Today	4	100	2.78

**Other Overseas Data Today & Tonight**

China	Fixed asset investment	Jan-Aug
China	Industrial production	Aug
China	Retail sales	Aug
Japan	Tankan indices	Sep
Japan	Machinery orders	Jul
Japan	Tertiary industry index (2.30pm AEST)	Jul
UK	CPI	Aug
Euro zone	Industrial production	Jul
Euro zone	Wages growth	Jun Q

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.

CIM	Today	42	20	2.84
DTL	Today	9.5	100	2.80
EPY	Today	1.3	100	5.79
LOV	Today	18	50	1.03
MLG	Today	1.71	100	0.00
PAF	Today	2.5	100	1.55
PGF	Today	4	100	1.57
PL8	Today	0.45	100	3.80
PPG	Today	0.3	100	2.89
REG	Today	4.63	50	0.91
AHX	Tomorrow	1.2	100	2.54
DDH	Tomorrow	2.18	100	0.00
PPC	Tomorrow	2.5	100	1.74
PWH	Tomorrow	6	100	0.75
SKC	Tomorrow	6.69	0	0.00
SNL	Tomorrow	12	100	2.06
SPK	Tomorrow	11.88	0	4.86
SVW	Tomorrow	23	100	2.08
WQG	Tomorrow	2.5	100	2.41
AMO	Fri	1.6	100	5.29
CAR	Fri	22.5	100	1.97
GLE	Fri	1.37	0	4.06
NTD	Fri	5	100	2.42