

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	5836	-36	<b>-0.6</b>
<b>NZX 50</b>	11613	-20	<b>-0.2</b>
<b>DJIA Futures</b>	27549	-53	-0.2
<b>S&amp;P 500 Futures</b>	3311	-6	-0.2
<b>NASDAQ Futures</b>	10929	2	0.0

**Local Markets Commentary**

The Australian market commences a new week's trade with a China rates decision by late-morning, US presidential campaign issues heating, and multiple nations reimplementing Covid-19 containment measures over the weekend.

In addition, a quarterly ASX/S&P indices rebalance takes place on open. *Please see pp4-5 for details.*

Also over the weekend, post-US trade, the US has confirmed it will implement sanctions on more than 20 individuals and entities in relation to **Iran** and nuclear weapons.

In addition, reports have emerged, citing confidential documents covering 1999 - 2017, that several global **banks** are alleged to have transferred illicit funds, some knowingly.

**Locally today**, no major economic reports are due.

**Regionally**, the **People's Bank of China** is due to reveal its monthly decision on one-year and five-year loan prime rates at **11.30am** AEST.

In overnight Friday commodities trade, Brent **crude** turned moderately lower. WTI crude recorded a moderate gain.

US **gold** futures (December) seesawed higher.

**Iron ore** (Nymex CFR China, 62% Fe) extended Thursday's gain with a modest rise.

LME **copper** and **aluminium** were pushed higher. **Nickel** picked up the pace of its current decline.

The **SA** appreciated to ~US73.15c. after trading at ~US73.10c early Friday evening.

Subsequently, the \$A has been pushed below US72.95c.

*Japan's markets are closed today and tomorrow due to public holidays.*

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	27657	-245	<b>-0.9</b>
<b>S&amp;P 500</b>	3319	-38	<b>-1.1</b>
<b>NASDAQ</b>	10793	-117	<b>-1.1</b>
<b>FTSE 100</b>	6007	-43	<b>-0.7</b>
<b>DAX 30</b>	13116	-92	<b>-0.7</b>
<b>Shanghai Comp</b>	3338	68	<b>2.1</b>

**Today's Stock Watch**
**DWS Ltd (DWS)**

HCL Australia Services is proposing to acquire DWS under a recommended scheme whereby DWS shareholders will receive \$1.20 cash-per-share plus the previously flagged 3c-per-share dividend.

DWS's largest shareholder, in control of 42.7% of DWS shares, is intending to support the proposal.

Additional details lodged this morning. DWS traded at 87c – 93.5c last week.

**Vection Technologies (VR1)**

VR1 has secured an agreement for its first public hospital trial of the company's 'augmented reality' wearable devices, focusing on endoscopic surgery.

The trial will be conducted by the AORN SG Moscati hospital in conjunction with LUISS Business School promotions.

If deemed successful after three months, the trial will continue for six months.

**CresoPharma Ltd (CPH)**

Subsidiary Mernova has received its first order, for HPG13 and Lemon Haze, worth \$C180,000. The order is from the Nova Scotia Liquor Corporation, the sole distributor of recreational cannabis in Nova Scotia, Canada.

**AdAlta Ltd (1AD)**

Diagnostic imaging agents collaboration agreement extended with GE Healthcare to a fourth stage. 1AD will pay research fees for this stage over six months from November.

**PharmAust Ltd (PAA)**

\$A881,085 grant in hand for the phase one trial of monepantel in Motor Neurone Disease (MND).

The funding comes from independent group FightMND.

**Resources**
**Calidus Resources (CAI)**

CAI is planning to outlay \$A19.5M cash for the WA Pilbara Blue Spec gold-antimony project.

The project is owned TSX.V-listed Novo Resources Corp and boasts a 415,000t @ 16.3g/t Au and 1.3% Sb resource, for 219,000z of gold and 5,200t Sb. CAI is reviewing the resource. CAI has settled higher the past four trading sessions, closing out last week at 58c.

**Energy**
**Global Energy Ventures (GEV)**

Heralding the Brazil Government's plans to enable the natural gas market to be open to private competition. Details lodged this morning.



## Overseas Markets Commentary

Trade across major European and US equities markets overnight Friday highlighted jitterish sentiment.

Reports emerged the US commerce department was ready to implement US presidential executive orders that TikTok and WeChat be made unavailable from US app stores from Sunday.

Friday, **China** had revealed it was also ready to impose sanctions against international entities.

However, TikTok and Oracle agreed on a deal that the president said on Saturday that he accepted 'in concept', and a US judge ruled on Sunday that the case to ban WeChat appeared relatively insufficient and hence issued a ban injunction.

Earlier Friday, the **US** Agriculture Department confirmed up to \$US14B worth of payments would be made available to **agribusinesses**, confirming a campaign rally promise from the US president overnight Thursday.

This followed \$US19B worth of support offered in April, and of which \$10B has been paid out.

During 2028 – 19 the president ordered \$US28B to be made available to agribusinesses in the wake of lost business during UD-China trade argy-bargy.

In addition overnight Friday, influential **US Supreme Court** Justice Ruth Bader Ginsburg died, sparking political tit-for-tat in relation to the timing of a new court nomination and appointment in relation to the US presidential election.

Should the US presidential vote ultimately be contested in the Supreme Court, as happened in 2000, any view that the Court did not decide independently, would spawn national dissent regarding the legitimacy of the ultimate election winner.

In overnight Friday **data** releases, the **UK's** August retail sales were estimated 0.8% higher for the month following a 3.7% July jump.

Sales were 2.8% higher than for August 2019.

In **Germany**, August producer prices were reported flat for the month following a 0.2% July increase.

Prices were 1.2% lower than for August 2019.

In the **US**, the University of Michigan initial September consumer confidence reading rose to 78.9 from August's 74.1.

The Conference Board's August leading index was estimated at 1.2% against 2.0% for July.

**Tonight** in the US, the Chicago Fed August national activity index is due.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>1962.1</b>	oz	12.2	<b>0.6</b>
<b>Silver (NY)</b> (Dec)	<b>27.129</b>	oz	0.03	<b>0.1</b>
<b>Gold (LON)</b> (17 Sep)	<b>1936</b>	oz		
<b>Platinum</b>	<b>923</b>	oz	-8	<b>-0.9</b>
<b>WTI Crude</b> (NYMEX Oct)	<b>41.11</b>	bbl	0.14	<b>0.3</b>
<b>Brent Crude</b> (ICE EUR Nov)	<b>43.15</b>	bbl	-0.15	<b>0.4</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>127.09</b>	t	0.50	<b>0.4</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>6846</b>	t	55	<b>0.8</b>

## Pre-Open Announcements

### AdBri Ltd (\* ABC)

Trading ex-dividend today. ABC settled at \$2.84 Friday after closing out the previous week at \$2.75.

### Austal Ltd (ASB)

ASB has delivered a seventh Guardian-class patrol boat to Australia's Department of Defence.

The vessel has been gifted by the Australian Government to the Government of Palau.

### Collins Foods (CKF)

CKF has appointed former Burger King Netherlands MD Hans Miete as CEO Europe, effective 5 October.

### SCA Property Group (SCP)

Philip Redmond plans to resign from the SCP board 30 September.

### SRJ Technologies Group (\* SRJ)

Pipe systems coupling and leak containment specialist completed an enviable ASX listing Friday, following an \$8M IPO at 50c per CDI/share.

Opened at 78c and traded at 71.5c – 81c before settling at 80c.

2.48M shares changed hands across 575 transactions.

73.999M quoted shares/CDIs.

### EROAD Ltd (ERD)

Fleet management technology specialist completed its ASX listing Friday as a foreign exempt listing.

ERD's home exchange is the New Zealand Stock Exchange (main board).

~68.3M quoted shares.

## Resources

### AVZ Minerals (AVZ)

Agreement secured for rights to an additional 10% of the Manono lithium-tin project, held in JV by Dathcom Mining.

AVZ holds 65% and can secure 75% with \$US15.5M cash.

AVZ has already paid \$US500,000 of this in advance to JV partner Dathomir Mining Resources.

The potential additional holding must be approved by JV shareholders.

### RareX Ltd (REE)

A geological review has identified nickel-copper-PGE targets within the WA Byro East project.

Details of additional corporate regional activity lodged pre-trade.

### Enterprise Metals (ENT)

Heralding a new shear zone following receipt of WA goldfields Kambalda region Mandilla project air core drilling results.

Assays, plus additional indications and plans, lodged this morning.



<b>Nickel</b>	<b>14860</b>	t	-205	<b>-1.4</b>
<b>Aluminium</b>	<b>1792</b>	t	8	<b>0.5</b>
<b>Lead</b>	<b>1913</b>	t	14	<b>0.7</b>
<b>Zinc</b>	<b>2545</b>	t	33	<b>1.3</b>
<b>Tin</b>	<b>18115</b>	t	40	<b>0.2</b>

### Commodities Commentary

**Oil** – pushed and pulled overnight Friday by demand considerations and further likely US onshore and offshore petroleum sector disruptions.

Friday, reports had risen containing a declaration by Libya National Army commander Khalifa Haftar regarding the lifting of oilfield and port blockades

Among the forecasters, Goldman Sachs ventured 1 3MMbbl/d international crude deficit by the December quarter.

Meanwhile, a further Gulf of Mexico tropical storm (Beta) was forecast to bring significant amounts of rain to coastal regional of Texas and Louisiana from overnight tonight through Thursday.

Royal Dutch Shell confirmed new Gulf evacuations, as another greater regional hurricane remained under watch.

In the meantime, reports outlined international petroleum refinery woes, due to reduced product demand.

A weekly US petroleum drill rig count, published overnight Friday, included the operational oil rig tally falling by one to 179.

**Gold** – US futures rose early overnight Friday, supported by some bargain buying, but appreciated further when a US leading index growth rate came in at just 1.2% against July's 2%.

This week's trade is expected to react to Covid-19 containment developments, US presidential election campaign considerations, and further central bank commentary, particularly out of the US.

**Base metals** – copper traded at ~two-year peaks Friday, this in part attributed to the OECD's improved 2020 GDP forecast for China and commentary asserting was China stockpiling in the face of uncertainty in relation to international Covid-19 management and containment.

**China's** one-year and five-year loan prime rates are due today. Any change will elicit sufficient commentary to influence at least some of tonight's trade. With Japan observing public holidays both today and tomorrow, trade volumes could also be lower, and any moves hence magnified.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7296	0.0004	<b>0.06</b>
<b>EUR – USD</b>	1.1849	0.0005	<b>0.04</b>

### US Data Tonight

Chicago Fed national activity index	Aug
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### Other Overseas Data Today & Tonight

<b>China</b>	PBOC loan prime rates (one-year & five-year)	Sep
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### Gold Road Resources (GOR)

GOR has secured an additional \$150M as a second tranche to a revolving corporate facility. Maturing in four years.

Additional details lodged post-trade Friday.

### Kingsrore Mining (KRM)

\$A19.38M full year NPAT, following a \$A14.04M net loss a year ago.

\$70.65M revenue against \$32.01M.

\$32.4M cash and equivalents, plus bullion, against \$12.4M.

\$55.1M net assets, against \$36.6M.

### Focus Minerals (FML) / Lithium Australia (LIT)

FML is settling with applicants for the forfeiture of 102 tenements.

FML will pay \$400,000 cash and transfer 13 non-core tenements (mostly from the Nepean group) to an applicants' nominee.

In association, FML and LIT are terminating the Coolgardie rare metals venture, under which LIT could earn 80% of some tenements within the Nepean group.

Tenements and royalty exchange details of the termination lodged this morning.

In addition, LIT has outlined broader exploration plans pre-trade.

### Energy

### Strike Energy (\* STX) / Warrego Energy (\* WGO)

WA Perth Basin EP 469 West Erregulla 3 drilling is expected to commence this afternoon.

STX operator and 50%; WGO 50%.

### Trading Halts

Company	Code	Resuming
Generation Development Group	GDG	21 Sep
Kasbah Resources	KAS	21 Sep
MetalsTech Ltd	MTC	21 Sep
Peak Minerals	PUA	21 Sep
Phoslock Environmental Technologies	PET	21 Sep
Pure Minerals	PM1	21 Sep
Alto Metals	AME	22 Sep
Aus Tin Mining	ANW	22 Sep
Chalice Gold Mines	CHN	22 Sep
Frugl Group	FGL	22 Sep
iCandy Interactive	ICI	22 Sep
Piedmont Lithium	PLL	22 Sep
Riedel Resources	RIE	22 Sep
Sovereign Metals	SVM	22 Sep
Titanium Sands	TSL	22 Sep
Titan Minerals	TTM	22 Sep
State Gas	GAS	23 Sep
TAO Commodities	TAO	24 Sep

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**Suspensions** *(select)*

Company	Code	Since
Ansila Energy	ANA	7 Sep
East Energy Resources	EER	18 Sep
FAR Ltd	FAR	14 Sep
Faster Enterprises	FE8	2 Sep
Intiger Group	IAM	1 Sep
Kaiser Reef	KAU	17 Sep
Lincoln Minerals	LML	21 Sep
Mint Payments	MNW	21 Sep
Quantify Technology Holdings	QFY	14 Sep
Saglio Energy	SAN	16 Sep
Velocity Property Group	VP7	7 Sep

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ABC</b>	Today	<b>4.75</b>	100	1.76
<b>BGP</b>	Today	<b>8.39</b>	0	2.15
CAR	Tomorrow	25	100	2.34
KPG	Tomorrow	1.33	100	3.97
MA1	Tomorrow	1	100	1.86
PSI	Tomorrow	5.5	100	1.23
AVA	Wed	1	0	0.00
COG	Wed	0.15	100	0.00
CAJ	Thu	0.5	100	3.85
CUP	Thu	1.25	100	2.20
EBO	Thu	32.41	95.77	2.80
GC1	Thu	2	0	1.37
HGH	Thu	2.3	85	3.92
LAU	Thu	0.5	100	2.86
LYL	Thu	5	100	7.03
MYE	Thu	4	100	4.44
SWK	Thu	0.3	100	4.29
VLS	Thu	1.5	100	3.87
RRL	Fri	8	100	1.44

**S&P/ASX Indices Re-balance**

*The following changes come into effect as trade opens today ...*

**S&P/ASX20**

*Out:* SCG, SUN  
*In:* COL, FMG

**S&P/ASX100**

*Out:* CIM, VUK  
*In:* APX, FPH

**S&P/ASX200**

*Out:* MMS, NHC, OML, ORE, SXL

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*In:* AIA, AUB, RMS, WGX, Z1P

**S&P/ ASX300**

*Out:* FAR, IGL, JHC, MYR, REG, SGF

*In:* ALK, CMM, DDR, DEG, EVT, REH, TPW

**S&P/ASX All Australian 200**

*Out:* HSN, JIN

*In:* KGN, Z1P

**S&P/ASX All Technology**

*In:* BRN, DDR, EVS, M7T, NVX, SPT, SZL, WSP