

Markets

SFE 200 Futures (9.30am AEST)	6741	23	0.3
NZX 50	10823	35	0.3
DJIA Futures	27037	-16	-0.1
S&P 500 Futures	3037	0	0.0
NASDAQ Futures	8105	11	0.1

Local Markets Commentary

The Australian market commences today's trade following positive overnight equities sentiment and with a batch of high-profile domestic stocks hosting AGMs and providing updates.

Also locally today, a weekly consumer sentiment reading is due pre-trade.

This evening, **Reserve Bank of Australia (RBA)** governor Philip Lowe is scheduled to speak publicly **5.45pm** AEDT.

In overnight commodities trade, **oil** and US **gold** futures (December) turned lower.

Iron ore (Nymex CFR China, 62% Fe) gained US1c/t.

LME **copper** gained, **nickel** fell and **aluminium** rallied.

The **\$A** was pushed to ~US68.40c after trading at ~US68.30c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27091	133	0.5
S&P 500	3039	17	0.6
NASDAQ	8326	83	1.0
FTSE 100	7331	7	0.1
DAX 30	12942	47	0.4
Shanghai Comp	2980	25	0.9

Overseas Markets Commentary

Major European equities markets mostly trended higher from weak early sentiment overnight, but key US indices rallied on opening.

Over the weekend, China had reported another fall in industrial profits, this time by 2.1% for January – September.

Overnight however, the **US** president appeared to boost growth outlook sentiment, claiming the accord reached earlier this month between US and **China** top-level trade negotiators, and now being finalised, represented a large part of a likely final deal.

The US president also touted faster-than-expected progress.

Across the Atlantic, the European Council announced **European Union (EU)** leaders had agreed to extend the deadline for the UK's withdrawal from the EU beyond 31 October (Thursday) to 31 January.

In the **UK**, the PM's subsequent, and previously promoted, move

RBA – governor Philip Lowe is scheduled to deliver the Sir Leslie Melville lecture, *Some Echoes of Melville*, 5.45pm AEDT, in Canberra

Today's Stock Watch
Coles Group (COL)

September quarter sales rose 1.8% year-on-year, to \$8.695B.

Breakdown statistics lodged this morning.

Coles traded 2.7% lower yesterday, settling at \$14.56.

Westpac Banking Corporation (WBC)

Considering a Federal Court decision to allow an appeal by the Australian Securities & Investments Commission (ASIC) on a decision regarding calls to superannuation customers.

A cross-appeal by WBC was dismissed.

Bega Cheese (BGA)

Anticipating \$95M - \$105M FY 2020 EBITDA, against \$115M for FY 2019, in part due to milk supply competition. AGM today.

Unibail-Rodamco-Westfield (URW)

January – September proportionate turnover rose 26.1% year-on-year.

Tenant sales grew 5.2% in continental Europe, and 5.2% in the UK. US specialty sales/square foot rose 12.5%.

Virtus Health (VRT)

CEO Sue Channon is planning to step down at the end of February 2020, after seven years in this role. Ms Channon was appointed IVF CEO in 2004.

Resources
Mineral Resources (MIN)

Australia's Foreign Investment Review Board (FIRB) has determined no objection to NYSE-listed Albemarle Corp's proposed acquisition of 60% of MIN's Wodgina lithium project.

Completion is anticipated within 10 business days.

Albemarle is the largest lithium producer internationally, but is pushing back plans to boost processing capacity by 125,000t in favour of profitability.

Pilbara Minerals (PLS)

Produced 21,322t of spodumene concentrate at 6.06% Li₂O during the September quarter, against 63,782t for the June quarter.

Shipped 20,044t against 43,214t.

Sold 12,171lb of tantalite concentrate, against 38,856lb.

\$A60.9M cash.

PLS has again outlined its falling prices-associated reduced production strategy. PLS appreciated 10.71% yesterday, in part due to reported lithium project blockades in Chile.



for a 12 December election was voted down in the House of Commons, the final tally (299, with many opposition party PMs abstaining) falling short of the required two-thirds majority.

Among overnight **data** releases in the **US**, the September Chicago Fed national activity came in at -0.45 against 0.15 for August.

A Texas region manufacturing index dropped to -5.1 from 1.5.

September wholesale inventories fell 0.3% following a flat August result.

Earlier, **Germany's** September import prices were reported 0.6% higher for the month after a 0.6% August fall.

Year-on-year, prices were down 2.5%.

In the **UK**, the CBI distributive trades index improved, albeit with a rise to -10 from -16.

Tonight in the **US**, the US Federal Reserve commences a two-day policy meeting from which outcomes will be known overnight Wednesday (early Thursday AEDT).

Among data releases, house price and consumer confidence indices are due, together with September pending sales.

Elsewhere, UK parliamentarians are expected to be presented with a new bill promoting an early election, but one that does not require a two-thirds majority.

Companies scheduled to report earnings later today and tonight include: Advanced Micro Devices, Aluminium Corp of China, Amgen, Angang Steel, BP, China Petroleum & Chemical Corp, Chubb, Conoco Phillips, General Motors, Kellogg, KKR, L'Oreal, Mastercard, Mattel, Merck, Mondelez International, NEC, PetroChina and Pfizer.

In overnight corporate news, **Alphabet** (Google parent) has reported post-US trade, this including a 20% jump in quarterly revenue, but net profit seeming sub-expectations.

In earlier trade, **Microsoft** achieved a new record high on a \$US10B Pentagon contract.

Tiffany confirmed it was considering a \$US14.5B offer from **LVMH**.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1495.8	oz	-9.5	-0.6
Silver (NY) (Dec)	17.876	oz	-0.05	-0.3
Gold (LON)	1513	oz		
Platinum	916	oz	-8	-0.9
WTI Crude (Dec)	56.81	bbl	-0.85	-1.5
Brent Crude (Dec)	61.57	bbl	-0.45	-0.7
Iron Ore (NYMEX,CHN,62%)	90.23	t	0.01	0.0
Copper (LME,3mth,PM)	5920	t	28	0.5
Nickel	16555	t	-305	-1.8
Aluminium	1737	t	13	0.7
Lead	2228	t	-4	-0.2
Zinc	2539	t	33	1.3
Tin	16725	t	30	0.2

Commodities Commentary

Oil – China's January – September industrial profits, published Sunday, disappointed, helping ultimately turn prices lower overnight.

Pre-Open Announcements

Lendlease Group (LLC)

LLC has appointed New River REIT Plc chair (Baroness) Margaret Ford (OBE) as an independent non-executive director, effective 1 March 2020.

AdAlta Ltd (* 1AD)

A primate study of 1AD's AD-214 has demonstrated safety and tolerability.

A phase one clinical study is now anticipated to commence by 31 March 2020.

Medical Developments International (MVP)

Extension secured for an agreement with the Commonwealth Scientific & Industrial Research Organisation (CSIRO) for the development of manufacturing technologies for 'small molecule' pharmaceutical products.

Details, including funding commitments, lodged this morning.

Opthea Ltd (OPT)

Data from OPT's first human clinical trial of OPT-302 has been published in the American Academy of Ophthalmology publication *Ophthalmology Retina*.

Costa Group Holdings (* CGC)

Conducting a \$176M fully underwritten entitlement offer at \$2.20 per share.

The book build for the institutional offer closes 8am AEDT tomorrow.

The retail offer is scheduled for 6 – 18 November.

Reduced calendar 2019 guidance and 2020 outlook lodged post-trade yesterday, together with a presentation.

CGC trade remains suspended. CGC last traded at \$3.41.

PointsBet Holdings (PBH)

Conducting a \$A122.1M fully underwritten capital raising, comprising a \$60M institutional placement at \$3.60 per share, and a \$62.1M entitlement offer at \$3.20 per share.

Presentation lodged and trading halt called post-trade yesterday.

PBH has traded at \$3.91 - \$4.57 the past five trading sessions.

OncoSil Medical (OSL)

Today's AGM materials lodged pre-trade.

In addition, OSL has submitted an updated clinical evaluation report to the British Standards Institute, as requested.

The report includes PanCo study clinical data and analysis.

OSL is applying for CE Mark certification.

Environmental Clean Technologies (ECT)

Repair and replacement costs following the 21 October fire at ECT's Coldry facility, Melbourne are estimated at a total \$A2M - \$2.5M.

The fire appears to have been caused by an electrical fault.

Promising updates on the completions of engineering assessments and the insurance claims process.

ECT trade remains suspended.



In earlier trade, Brent had traded as high as \$US62.34/bbl and WTI at \$US56.92/bbl.

Meanwhile, a weekly media survey predicted a rise in US crude stockpiles over the past week and a fall in refined products.

Elsewhere, the respective energy ministers for the US and Saudi Arabia pledged to co-operate on ensuring the security of international supply, Saudi media reports have claimed, following an overnight meeting in Riyadh.

Russia in the meantime declared OPEC+ was considering slower growth in US oil production and would keep this in mind at the 5 – 6 December meetings.

Gold – US equities proved firmly in favour overnight, ahead of the US Federal Reserve policy meeting, the S&P 500 again touching a record peak intra-session, fuelling further gains and detracting from gold interest.

Comex futures slipped below \$US1500/oz again.

As forecast by industry watchers, India's Diwali festival gold purchases have been significantly lower than last year's, this past Friday's estimated 40% lower, and overall festival buying predicted to come in 25% - 35% below the 2018 tally.

This has been attributed to higher prices and a domestic gold tax increase.

The **US Federal Reserve** commences a two-day policy meeting tonight and will announce outcomes overnight tomorrow (early Thursday AEDT).

These, together with a series of international material data releases and major corporate reports yet to come this week, are expected to influence equities, and hence gold, sentiment through to the end of the week.

Base metals – overnight sentiment was pushed and pulled by China's 2.1% drop in January-September industrial profits, reported Sunday, and optimism regarding China-US trade negotiations, following overnight comments from the US president.

Indonesia's investment agency has claimed in the meantime that *nickel* miners agreed yesterday to stop ore exports immediately, ahead of a planned exports ban from January.

An estimated 80,000t – 100,000t of ore had been earmarked for export before year's end, but no immediate comment was available from Indonesia's government.

For its part, Tsingshan revealed it was reducing nickel smelting in Indonesia by 20% from next month, due to the wet season and dwindling ore supply.

Nickel miners in Indonesia have asserted local smelters were cutting prices too much, prompting authorities earlier this month to promise the introduction of a floor price.

Meanwhile, a media survey, published overnight, produced a list of reduced forecasts for industrial metals prices in 2020, due to expectations that global economic growth will prove weak.

Copper, *nickel*, *aluminium* and *zinc* price predictions were all reduced.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6837	-0.0001	-0.02
EUR – USD	1.1100	0.0000	0.00

Fluence Corporation (FLC)

September quarter report lodged this morning, highlighting two supply agreements with customers in China.

Anticipating \$US22M worth of cash receipts during the December quarter.

Resources

Ramelius Resources (RMS)

Produced 44,1282oz of gold at a \$A1234/oz AISC during the September quarter.

Sold 39,918oz at \$A1810/oz, for \$72.3M revenue.

Anticipating December quarter output to come in at 45,000t – 50,000t, with a \$1325/oz – 1425/oz AISC.

\$A92.8M cash and gold on hand.

Red 5 (RED)

Heralding further WA goldfields King of the Hill assays of historical diamond drill core.

AngloGold Ashanti (AGG)

Produced 825,000oz of gold during the September quarter, 3% more than a year earlier.

AISC rose 12% to \$US1031/oz.

Financial and corporate review lodged post-trade yesterday.

Copper Mountain Mining (C6C)

The Copper Mountain mine proven and probable reserve has been boosted 12% to 477Mt @ 0.23% Cu and 0.10g/t Au, for 2.47Bib of copper and 1.55Moz of gold.

The measured and indicated resource as at 1 August is estimated at 598.85Mt, for 3.084Bib of copper and 1.995Moz of gold.

Cazaly Resources (CAZ)

\$23.9M cash as at 30 September.

Energy

Paladin Energy (PDN)

PDN has appointed Pacific Energy (ASX: PEA) chair Cliff Lawrenson as non-executive chairman.

Mr Lawrenson is taking over from Rick Crabb, who flagged last month his intention to retire from the PDN board.

Central Petroleum (CTP)

September quarter activities report lodged pre-trade.

Buru Energy (BRU)

Onshore WA Canning Basin activity update lodged this morning.

Trading Halts

Company	Code	Resuming
Eagle Mountain Mining	EM2	29 Oct
QMS Media	QMS	29 Oct
Adriatic Metals	ADT	30 Oct
Aurora Labs	A3D	30 Oct
Ausmex Mining Group	AMG	30 Oct

**Australian Data Today**

ANZ/RoyMorgan	Consumer sentiment	27 Oct
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US Data Tonight

Pending home sales	Sep
Case Shiller house price index	Aug
Conference Board consumer confidence	Oct

Other Overseas Data Today & Tonight

UK	BoE consumer credit	Sep
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Carbonxt Group	CG1	30 Oct
Invigor Group	IVO	30 Oct
Metals Australia	MLS	30 Oct
Tyranna Resources	TYX	30 Oct
Vanadium Resources	VR8	30 Oct
Wellness & Beauty Solutions	WNB	30 Oct
PointsBet Holdings	PBH	1 Nov

Suspensions *(select)*

Company	Code	Since
Costa Group Holdings	CGC	23 Oct
Environmental Clean Technologies	ECT	23 Oct
Family Insights Group	FAM	1 Oct
Force Commodities	4CE	7 Oct
Horseshoe Metals	HOR	28 Oct
iSignthis Ltd	ISX	2 Oct
New Standard Energy	NSE	14 Oct
Peppermint Innovation	PIL	11 Oct
Troy Resources	TRY	15 Oct
UltraCharge Ltd	UTR	21 Oct
Wattle Health Australia	WHA	2 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CLV	Today	1.75	100	0.61
NST	Today	7.5	100	0.61
TER	Today	1	0	0.00
GCI	Tomorrow	0.76	0	4.95
PCI	Tomorrow	0.37	0	1.12
QRI	Tomorrow	0.79	0	3.46
MOT	Thu	1	0	2.69
MXT	Thu	0.88	0	5.47
FNP	Fri	3.25	0	0.90
NBI	Fri	0.9	0	5.84
PIA	4 Nov	3.5	67.14	3.14

Reports & Events*(selected)*

When	Company	Report/Event
Today	AQG	Sep Q (post-ASX trade)
	BGA	AGM
	BEN	AGM
	COL	Sep Q
	FLC	Sep Q
	FMG	AGM
	LEP	AGM
	LOV	AGM
	SXE	AGM
	URW	Sep Q



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	VOC	AGM
Tomorrow	CGF	AGM
	IAP	Interim (teleconf 5pm AEDT)
	JHX	Sep Q
	JHG	Sep Q
	MYR	AGM
	NUF	AGM
	NCZ	AGM
	NXT	AGM
	NHF	AGM
	REG	AGM
	WOW	Sep Q
Thu	ANZ	Full year
	BAL	AGM
	BKL	AGM
	CNU	AGM
	GPT	Sep Q
	ILU	Sep Q
	IFN	Sep Q
	OGC	Sep Q (post-trade; tele 8am Fri)
	PNI	AGM
RWC	AGM	
Fri	CLH	AGM
	CSR	Interim
	IMM	AGM
	MQG	Interim
	ORI	Full year