

Markets

SFE 200 Futures (9.30am AEST)	7157	-82	-1.1
NZX 50	13082	-93	-0.7
DJIA Futures	34230	55	0.2
S&P 500 Futures	4347	4	0.1
NASDAQ Futures	14765	0	0.0

Local Markets Commentary

The Australian market commences mid-week trade on the second last trading day for the September quarter with an overnight \$A depreciation, negative overnight international equities trade leads, and no major regional or domestic economic indicators due for release.

Post-overnight trade, US equities futures have mostly turned higher, however.

Locally today, a tsunami of stocks is due to trade **ex-dividend**, most of these from the property sector. *Please see pp4-5 for a detailed ex-dividends list.*

The Australian Bureau of Statistics (ABS) publishes a June quarter engineering construction activity report at 11.30am AEST.

In overnight commodities trade, Brent and WTI **crude** ultimately turned variously lower, Brent after exceeding \$US80/bbl for the first time in three years intra-session.

US **gold** futures fell well below \$US1750/oz.

Iron ore (China port CFR, 62% fines) also swung lower.

LME **copper** and **nickel** fell. **Aluminium** rallied.

The **\$A** dropped to ~US72.40c, after trading at ~US72.65c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34300	-569	-1.6
S&P 500	4453	-90	-2.0
NASDAQ	14547	-423	-2.8
FTSE 100	7028	-35	-0.5
DAX 30	15249	-325	-2.1
Shanghai Comp	3602	19	0.5

Overseas Markets Commentary

Sentiment dropped early across major European, UK and US equities markets overnight.

Geopolitical, international economic growth, central bank policy, and Covid-19 management updates and developments featured among investor considerations.

US 10-year bond yields in the meantime were reportedly pushed as high as 1.567% before falling back to 1.546%, up 0.062% for the day.

*** LIC listing – 11am AEST – TVL ***

September quarter – second last trading day

Monday 4 October – ASX trade & settlement as normal
 Public holidays in the ACT, NSW, QLD and South Australia

Daylight saving commences in the ACT, New South Wales, South Australia, Tasmania and Victoria early **Sunday 3 October**.

From Monday (4 October), ASX trade consequently commences local time in:

Western Australia at 7am;
Queensland at 9am; and the
Northern Territory at 8.30am.

Today's Stock Watch
Smartgroup Corporation (SIQ)

Indicative consortium \$10.35 cash-per-share takeover proposal in hand. Four weeks' exclusive due diligence granted. Additional details lodged pre-trade.

SIQ has traded at \$7.59 - \$7.95 over the past five sessions.

Telstra Corporation (TLS)

Presentations for today's retail shareholder meeting and Q&A lodged pre-trade.

ASX Ltd (ASX)

Today's AGM materials lodged pre-trade.

Woolworths Group (WOW)

Issuing \$350M worth of senior unsecured six-year sustainability-linked notes, plus \$350M worth of 10-year notes.

Crown Resorts (CWN)

CWN has appointed Redbubble (ASX: RBL) and MNF Group (ASX: MNF) chair Anne Ward as an independent non-executive director, pending approvals.

Mayne Pharma (MYX)

US distribution of MYX's acne treatment isotretinoin capsules underway. Isotretinoin is a generic version of Absorica.

Resources
Lithium Power (LPI)

Chile Maricunga lithium brine project measured and indicated resource up 90%, to ~1.9Mt LCE at 953mg/L lithium.

Argosy Minerals (AGY)

Nevada, US Tonopah lithium project magnetotelluric resistivity survey data interpretation and analysis has identified three targets prospective for lithium brine.



Earlier yesterday, Goldman Sachs reduced its forecast for China's 2021 GDP growth from 8.2% to 7.8%.

Goldman Sachs estimated energy shortages and higher prices had produced power cuts and curbs impacting up to 44% of China's industrial production.

Similar energy issues, particular centred on natural gas supply and subsequent power price increases, continue to plague Europe in the meantime.

US Federal Reserve chair Jerome Powell and US treasury secretary Janet Yellen meet with a Senate banking, housing and urban affairs committee, Ms Yellen emphasising the need to raise the government's debt ceiling.

Ms Yellen nominated 18 October as the date the government would effectively run out of funds should this not occur.

Meanwhile, wrangling continued in the US parliament (Congress) regarding funding for US government operations with new legislation technically required by midnight Thursday.

Also overnight, **European Central Bank** (ECB) president Christine Lagarde opened an ECB-hosted central bankers' forum, emphasising an ongoing need to support economies through Covid-19 impacts, again declaring current inflation pressures as transitory and not broad-based.

In Covid-19 developments, Japan announced plans yesterday evening (AEST) to lift state-of-emergency Covid-19 containment measures at the end of the week.

In addition yesterday, reports emerged of North Korea having fired a missile off the north central east coast.

In overnight **data** releases, the GfK October consumer confidence reading for **Germany** improved to 0.3 following September's -1.1 and expectations of a deterioration to -1.5 for the new month.

Meanwhile a **UK** treasury 30-year gilt auction delivered a 1.332% yield from 0.972% previously.

In the **US**, August wholesale inventories rose 1.2% for the month, after increasing 0.6% during July and following forecasts for a new 0.4% rise.

The Conference Board's September consumer confidence reading fell to a seven-month low of 109.3 from 115.2, against expectations of a smaller decline to 114.

The Richmond Fed manufacturing index tumbled to -3 from nine, defying forecasts of an improvement to 11.

In the meantime, the Case-Shiller and FHFA July residential property indices represented respective 1.5% and 1.4% increases in prices for the month, and 19.9% and 19.2% year-on-year appreciation.

Tonight in the US, August pending home sales are due, together with weekly mortgage applications.

In addition, Fed chair Jerome Powell is listed as a panel member at the ongoing European Central Banking (ECB) forum.

Elsewhere, Germany hosts a 10-year bond auction.

Bank of England governor Andrew Bailey is expected to speak publicly at the ECB forum.

UK online retailer Next Group is among companies scheduled to report quarterly earnings later today and tonight.

Pre-Open Announcements

Touch Ventures (* TVL)

LIC scheduled to list on the ASX **11am** AEST, after raising \$100M in a 40c per share IPO.

713.37M quoted shares.

Touchcorp [acquired by Afterpay (ASX: APT)] holds 24.31%.

Thorney Technologies (ASX: TEK) holds 1.30%.

4DS Memory (* 4DS)

Conductive amorphous oxide contact layers US patent in hand.

Botanix Pharmaceuticals (* BOT)

BTX 1204A canine atopic dermatitis treatment proof of concept study underway. Details lodged pre-trade.

Link Administration Holdings (* LNK)

LNK is aware of a class action filed in England against LNK 100% subsidiary Link Fund Solutions regarding the LF Equity Income Fund (formerly LF Woodford Equity Income Fund).

Emeco Holdings (EHL)

Confirming CFO Neil Siford is leaving EHL today following a six-month notice period.

EHL has appointed EHL chief strategy officer Thao Pham to assume CFO duties in an interim capacity from tomorrow.

IDT Australia (IDT)

Therapeutic Goods Administration (TGA) manufacturing licence extension in hand, enabling the production of sterile goods under the designation: *Medicine manufacture sterile injection/sterile solution of dosage forms of registered therapeutic goods and therapeutic goods for clinical trials.*

Delta Drone International (DLT)

DLT has secured a \$2.5M unsecured loan facility with major DLT shareholder Delta Drone SA (53.28%).

Li-S Energy (* LIS) / PPK Group (PPK)

Lithium-sulphur battery technology developer and PPK spinoff LIS completed a stellar ASX listing yesterday, following a \$34M IPO at 85c per share.

Opened at \$2.00 and was pushed to \$3.05 before settling at \$2.33.

~27.476M shares were traded across 12,144 transactions.

150.14M quoted shares/units.

PPK held 45.43% on listing, and traded as high as \$20.35 intra-session yesterday after closing at \$17.86 Monday. Settled 0.9% lower for the session however, at \$17.70.

Resources

Volt Resources (VRC)

Forum presentation lodged pre-trade.

VRC is presenting via a no-charge webinar 3.10pm AEST tomorrow.

**Commodities.**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1737.5	oz	-14.5	-0.8
Silver (NY) (Dec)	22.47	oz	-0.22	-1.0
Gold (LON)	1755	oz		
Platinum	964	oz	-12	-1.2
WTI Crude (NYMEX Nov)	75.29	bbbl	-0.16	-0.2
Brent Crude (ICE EUR Nov)	79.09	bbbl	-0.44	-0.6
Iron Ore (Qingdao) (CHN;62%F)	112.06	t	-7.25	-6.5
Iron Ore (Nymex)	119.89	t	-0.34	-0.3
Copper (LME Ind)	9254	t	-109	-1.2
Nickel	18485	t	-465	-2.5
Aluminium	2930	t	47	1.6
Lead	2169	t	2	0.1
Zinc	3065	t	-3	-0.1
Tin	35400	t	25	0.1

Commodities Commentary

Oil – OPEC's annual *World Oil Outlook* report, published overnight, forecast ongoing demand growth through to 2035, with 2023 demand surpassing pre - Covid-19 levels.

Prices ultimately fell overnight, however, after Brent crude traded as high as \$US80.75/bbl intra-session and WTI at \$US76.67/bbl.

Some of the decline was attributed to profit-taking amid uncertainty, in part due to China's power and hence industrial curbs, but the \$US also continued strong, and most equities trade demonstrated risk-off sentiment.

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

Overnight, the American Petroleum Institute (API) published a weekly report containing an estimated 4.127MMbbl increase in US crude stocks last week.

Gold – higher US 10-year bond yields (~1.53%) and a buoyant \$US again detracted from overnight gold interest.

Fed chair Jerome Powell and US treasury Janet Yellen met with the Senate banking, housing and urban affairs committee overnight, Ms Yellen nominating 18 October as the date the US government would effectively run out of funds should the debt ceiling not be increased.

Base metals – \$US strength, China's energy shortages, in part based on high coal prices, and uncertainty regarding the extent of Evergrande potential debt default impacts combined to sour overnight trade sentiment.

An increasing number of provinces within China were reported to be limiting power consumption, hence further impacting activities such as smelting (supporting aluminium prices in particular) and steel production.

For its part, Goldman Sachs joined other major financial institutions in predicting China's 2021 GDP growth would be significantly adversely impacted by energy constraints.

China's August industrial profits, reported yesterday, grew 49.5% year-on-year, following forecasts for a 45% rise. July profits were last month reported 57.3% higher than for July 2020.

China is expected to announce official September PMIs tomorrow.

Kirkland Lake Gold (* KLA)

Planning to merge with Agnico Eagle Mines.
Details lodged pre-trade.

Ragnar Metals (RAG)

Sweden Tullsta nickel-copper project Granmuren deposit environmental and exploration work plan permits in hand, enabling further exploration to commence immediately.

Firefinch Resources (FFX)

FFX has appointed former Galaxy Resources (formerly ASX: GXY) CEO Simon Hay as Leo Lithium MD, effective 10 January 2022.

GXY recently merged with Orocobre Ltd (ASX: ORE).

Conico Ltd (CNJ)

Withdrawing the proposed ~\$3M, 6c-per-share rights issue, due to the underwriter terminating the underwriting agreement, citing the withdrawal of 47% of sub-underwriting commitments, in turn quoting market conditions.

CNJ has traded at 4.3c – 5.3c for the week to date, after trading at 4.9c – 6.2c last week.

Dalaroo Metals (* DAL)

Exploration company completed an enviable ASX listing yesterday, following a \$5M IPO at 20c per share.

Opened at 31.5c and traded at 28c – 39c before settling at 29.5c.

3.757M shares changed hands across 557 transactions.

27.2M quoted shares.

Koonenberry Gold (KNB)

Explorer and project developer completed its ASX listing yesterday, following an \$8M IPO at 20c per share.

Opened at 21.1c but fell to 15.5c before closing at 17c.

~1.12M shares were traded across 107 transactions.

~73.55M quoted shares.

Mitre Mining Corporation (* MMC)

Explorer scheduled to list on the ASX 11.30am AEST **tomorrow**, following a \$5M IPO at 20c per share.

Targeting gold, base metals and lithium near Batemans Bay, southern NSW coast.

27.085M quoted shares.

Forrestania Resources (* FRS) / Firefly Resources (FFR) / Gascoyne Resources (GCY)

Exploration company FRS is scheduled to list on the ASX 1pm AEST **tomorrow**, following a \$5M IPO at 20c per share.

28.05M quoted shares.

FRS will hold the formerly FFR-owned WA Forrestania lithium, gold and nickel project, in addition to the Southern Cross and Leonora gold projects.

FFR holds 12.25%.

Energy**DevEx Resources (* DEV)**

Heralding new Northern Territory Nabarlek uranium project



Also tomorrow, Caixin is scheduled to release its China September manufacturing PMI.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7239	-0.0071	-0.97
EUR – USD	1.1683	-0.0016	-0.13

Australian Data Today

ABS	Engineering construction activity	Jun Q
-----	-----------------------------------	-------

US Data Tonight

Pending home sales	Aug
MBA mortgage applications	24 Sep

Other Overseas Data Today & Tonight

UK	BoE consumer credit	Aug
Germany	Import prices	Aug
Euro zone	Consumer confidence (final)	Sep

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

targets. Details lodged this morning.

Triangle Energy (* TEG) / Pilot Energy (* PGY)

Perth Basin offshore Cliff Head-6 and Cliff Head-11W1 wells have been returned to normal operation.

TEG 78.75%; PGY 21.25%.

Trading Halts

Company	Code	Resuming
Castillo Copper	CCZ	29 Sep
Hannans Ltd	HNR	29 Sep
Stemcell United	SCU	29 Sep
Ultima United	UUL	29 Sep
Eastern Iron	EFE	30 Sep

Suspensions (selected)

Company	Code	Since
Zeus Resources	ZEU	6 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ADI	Today	4.33	0	4.85
AOF	Today	3.8	0	6.30
AQR	Today	5.72	0	6.24
ARF	Today	3.95	0	3.39
AVN	Today	4.5	0	5.26
BOL	Today	1	0	2.63
CIP	Today	4.33	0	4.50
CLW	Today	7.62	0	5.91
CMW	Today	1.63	0	8.48
COF	Today	3.8	0	6.49
CQE	Today	5.72	0	4.25
CWP	Today	3.95	100	3.18
CYG	Today	3	100	0.00
ECF	Today	2.35	0	8.89
EOL	Today	6	0	0.65
FSF	Today	12.34	0	0.98
GCI	Today	0.74	0	4.53
GDF	Today	1.8	0	4.80
HDN	Today	2	0	2.69
KKC	Today	1	0	5.29
LEP	Today	5.5	0	3.85
MEZ	Today	10.48	0	3.07
PCI	Today	0.31	0	3.36
QRI	Today	0.75	0	5.84
RFF	Today	2.93	0	4.08
TCF	Today	3	0	2.53
TGP	Today	1.5	100	5.16
TOT	Today	1.5	100	6.70

**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.

VIP	Today	0.05	0	4.29
WPR	Today	3.95	0	5.65
CII	Tomorrow	1	100	1.67
COS	Tomorrow	1	100	0.78
GVF	Tomorrow	3.3	100	4.82
MOT	Tomorrow	0.93	0	6.49
MXT	Tomorrow	0.64	0	4.21
PBP	Tomorrow	3	100	2.24
PGG	Tomorrow	0.68	0	4.72
PTB	Tomorrow	5	100	2.45
WGX	Tomorrow	2	0	0.00
XRF	Tomorrow	2	100	2.06
EDC	Fri	2	0	7.72
NBI	Fri	0.8	0	5.18
NCK	Fri	25	100	5.42
SST	Fri	11.69	0	2.51

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	ASX	AGM
	GOW	Full year
	TLS	Update & Q&A
5 Oct	AFI	AGM
	BBN	AGM
	MIR	AGM
	PBH	AGM
6 Oct	MEZ	AGM