

Markets

SFE 200 Futures (9.30am AEST)	6653	-75	-1.1
NZX 50	10980	-17	-0.2
DJIA Futures	26551	30	0.1
S&P 500 Futures	2943	6	0.2
NASDAQ Futures	7714	18	0.2

Local Markets Commentary

The Australian market opens mid-week trade following generally negative overnight international equities trade sentiment, with mixed key commodities leads, no major domestic economic indicator reports due today, a key presentation by the UK PM to European Union leaders scheduled for tonight, and an escalation in Hong Kong protest response activity.

Overnight, Reserve Bank of Australia (RBA) governor Philip Lowe told an RBA board and business community dinner in Melbourne that the board had again lowered Australia's key rate after 'a detailed assessment of both global and domestic developments'.

Dr Lowe's list included geopolitical events adversely impacting trade and business investment, and less-than-optimal domestic employment levels.

In overnight commodities trade, **oil** continued to fall, but at a slower pace than Friday's decline.

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

Iron ore (Nymex CFR China, 62% Fe) was pushed lower.

LME **copper** continued to fall, but **nickel** and **aluminium** turned higher and rallied.

The **\$A** appreciated to ~US67.05c after dropping following the RBA's rates announcement yesterday, and trading below ~US66.97c early yesterday evening.

China's markets remain closed due to a week of national holidays.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26573	-344	-1.3
S&P 500	2940	-36	-1.2
NASDAQ	7909	-91	-1.1
FTSE 100	7360	-48	-0.7
DAX 30	12264	-164	-1.3
Shanghai Comp	2905	Public	Holiday

Overseas Markets Commentary

Major European and US equities markets fell sharply in unison overnight on the release of a key US economic indicator.

The (US) ISM's manufacturing sector activity index for September confirmed a drop into contraction mode, the 47.8 reading the least recorded since June 2009.

In addition, the reading indicated two consecutive months of

Today's Stock Watch
Mayne Pharma Group (MYX)

Exclusive, 20-year licence agreement secured with Mithra Pharmaceuticals, targeting the commercialisation of a new oral contraceptive in the US.

The contraceptive contains both (native) estetrol (E4) and drospirenone (E4/DRSP).

Pending US FDA approval, MYX is anticipating a launch by 30 June 2021.

Additional details, including net sales potential and positive phase III clinical study outcomes, lodged this morning.

Immuron Ltd (IMC)

US Department of Defense \$US3.7M funding approval in hand for the collaborative development and clinical evaluation of a treatment for campylobacter gastric infection.

Mach7 Technologies (M7T)

US patent in hand for M7T's 'dynamic media object management system', for communicating medical imaging data.

M7T settled at 65c yesterday, after appreciating 3.7%, 8.0% and 7.4% the past three trading sessions, from Thursday last week.

Roots Sustainable Agricultural Technologies (ROO)

\$A87,000 order in hand for ROO's Root Zone Temperature Optimisation technology secured with medicinal cannabis producer UNIVO.

Decmil Group (DCG)

A DCG-McConnell Dowell JV has secured a \$417M main works contract for the Mordialloc Freeway project linking the Mornington Peninsula Freeway to the Dingley bypass, Victoria. DCG 40%.

DCG has closed lower the past seven sessions, settling at 85c yesterday.

CIMIC Group (CIM)

The Rail Infrastructure Alliance which includes CIM's CPB Contractors has secured a Sunbury rail line upgrade works contractor.

CPB Contractors expects \$158M revenue.

Collection House (CLH)

Trading ex-dividend (4.1c) today.

Resources
Talga Resources (TLG)

TLG UK subsidiary Talga Technologies has secured UK Government funding to develop TLG's graphitic anode for solid state batteries. The funding is through the £246M ISCF Faraday Battery Challenge.

contraction, following a 49.1 August estimate.

The new headline figure underscored broader international economic growth concerns already heightened by earlier data, and further soured sentiment in part dampened by reports the first live ammunition had been fired at a Hong Kong protestor on China's National Day.

Among a swag of other overnight data releases, the **euro zone's** preliminary September CPI reading represented 0.9% year-on-year growth.

A final regional manufacturing PMI of 45.7 represented a 1.3-point fall from August's reading.

Germany's 41.7 September manufacturing PMI was 1.8 points lower for the month.

In the UK, the September manufacturing PMI was estimated 0.9 higher than for August, at 48.3.

Among additional **US** data releases, Markit's 51.1 final September US manufacturing PMI represented a 0.8-point improvement on August.

August construction spending grew 0.1% following flat July expenditure.

Tonight in the **US**, a private sector September employment report and the ISM's New York business activity index are due, together with weekly mortgage applications.

Elsewhere, the **UK** PM intends to present to **European Union** (EU) leaders his updated plan for arrangements governing the UK's planned separation from the EU.

Should the leaders not want to consider and talk around this proposal, the PM told members at the conclusion of the Conservative party annual conference, his view remained that the UK should nonetheless leave the EU come 31 October.

The PM's proposal includes an all-of-Ireland economic zone, with no border impediments.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1489.0	oz	16.1	1.1
Silver (NY) (Dec)	17.302	oz	0.304	1.8
Gold (LON)	1485	oz		
Platinum	875	oz	-5	-0.6
WTI Crude (Nov)	53.62	bbl	-0.45	-0.8
Brent Crude (Nov)	58.89	bbl	-0.36	-0.6
Iron Ore (NYMEX,CHN,62%)	92.16	t	-0.75	-0.8
Copper (LME,3mth,PM)	5685	t	-32	-0.6
Nickel	17340	t	250	1.5
Aluminium	1742	t	23	1.3
Lead	2100	t	-25	-1.2
Zinc	2303	t	-65	-2.8
Tin	16340	t	490	3.1

Commodities Commentary

Pre-Open Announcements

Clime Capital (* CAM)

The gross assets value of CAM's investment portfolio at close-of-business 30 September was \$113M.

The gross assets value of CAM takeover company CBG Capital's (formerly ASX: CBC) investment portfolio was \$28.9M.

Each portfolio generated a 4.6% gross return for September.

Apollo Tourism & Leisure (ATL)

ATL has appointed ATL North America president Kelly Shier as ATL CFO.

ATL has appointed CanaDream financial controller Kristen Evans to take over as North America president. ATL acquired CanaDream in July 2017.

Current ATL CFO Karl Trouchet has been appointed to the newly-created ATL role of executive director strategy and special projects. Mr K Trouchet will commence this role 11 November.

IntelliHR Ltd (IHR)

31% higher year-on-year customer growth secured during the September quarter, delivering IHL 75 customers.

\$1.5M contracted annual recurring revenue (ARR) also achieved.

Swift Media (SW1)

Non-executive director Paul Doropoulos has resigned from the SW1 board, effective yesterday.

SW1 has appointed former KPMG partner Katherine Ostin as an independent, non-executive director, effective immediately.

Mader Group (MAD)

Resources sector maintenance services provider completed a successful ASX listing yesterday, following a \$49.84M IPO at \$1.00 per share.

Opened at \$1.20 and traded at \$1.13 - \$1.25 before settling at \$1.14. 6.32M shares were traded across 1228 transactions.

200M quoted shares.

Resources

Trigg Mining (* TMG)

Explorer scheduled to list 1pm AEST tomorrow, following a \$4.5M IPO at 20c per share.

39M quoted shares. 19.04M quoted options.

Superior Lake Resources (* SUP)

In response to a media article, SUP maintains no formal offers have been received from Glencore, Trafigura or IXM since SUP announced 5 July that it had received non-binding, indicative Superior Lake zinc project off-take proposals.

Discussions continue, however.

SUP is resuming from a trading halt, having last traded at 1.4c.

Bellevue Gold (* BGL)

Additional Bellevue gold project high-grade mineralisation



Oil – international economic growth concerns pushed demand considerations to the fore overnight, pushing prices lower.

In addition, Ecuador announced it would give up its OPEC membership come January 2020, so that its petroleum sector could support domestic growth without the constraints of the OPEC agreement.

For its part, Iran underscored plans to continue oil trade with confirmation the construction of a \$US1.8B pipeline to the port of Jask on the Gulf of Oman, outside the Strait of Hormuz, would go ahead.

Meanwhile, Russia's Transneft has reportedly revealed organic chloride had reached higher-than-acceptable levels in the oil at several Rosneft-controlled facilities during September.

Among output reports, a monthly media survey place OPEC September production at 28.9MMbbl/d, 750,000 fewer bbl/d than for August.

Among non-OPEC members, Russia's output was calculated at a daily 11.24MMbbl, from 11.29MMbbl in August.

In the meantime, a US government agency (EIA) report estimated July daily domestic output had fallen by 276,000bbl to 11.81MMbbl/d, this attributed largely to tropical storm activity.

A weekly US petroleum stockpiles report is due tonight from the EIA. Overnight, an industry report estimated a 5.9MMbbl draw on stored crude.

Gold – overnight price appreciations were attributed to safe-haven buying, in part fuelled by disappointing manufacturing activity indices.

Further traditionally influential data releases are due this week, including US employment statistics Friday.

Overnight futures remained below a 50-day moving average, despite the turn higher.

Base metals – copper trade caution was evident overnight, amid a strong of disappointing and/or less-than-heartening manufacturing activity readings from key international markets.

Other metals trade appeared largely influenced by supply speculation.

Japan's third quarter Tankan large manufacturing index, reported yesterday, fell to five from seven.

The September Jibun Bank-calculated manufacturing PMI was confirmed at 48.9 from 49.3 for August.

China's markets remain closed for a week of holidays, meaning generally lower-volume LME trade and the associated risk of exacerbated moves.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6708	0.0003	0.05
EUR – USD	1.0930	-0.0001	-0.01

US Data Tonight

confirmed by step-out drilling within the Deacon find.

Hammer Metals (HMX)

Heralding WA Bronzewing South RC drilling results.

Assays lodged this morning.

Cassini Resources (CZI)

WA Musgrave province Mount Squires project Handpump gold prospect RC drilling results lodged this morning.

Additional results pending within weeks.

Pantoro Ltd (PNR)

PNR has appointed former Gindalbie Metals CFO Wayne Zekulich as an independent non-executive director.

PNR has made additional appointments in relation to its Norseman project development activity, and to ensure ongoing Halls Creek success.

Details lodged this morning.

Trading Halts

Company	Code	Resuming
Bounty Mining	B2Y	2 Oct
Sensora Ltd	SE1	2 Oct
UUV Aquabotix	UUV	2 Oct
Wattle Health Australia	WHA	2 Oct
4DS Memory	4DS	3 Oct
ADX Energy	ADX	3 Oct
Azure Minerals	AZS	3 Oct
Black Cat Syndicate	BC8	3 Oct
Mesoblast Ltd	MSB	3 Oct
PharmAust Ltd	PAA	3 Oct
ResApp Health	RAP	3 Oct
Reward Minerals	RWD	3 Oct
Kalium Lakes	KLL	4 Oct
Kathmandu Holdings	KMD	4 Oct

Suspensions *(select)*

Company	Code	Since
AMA Group	AMA	2 Oct
Ark Mines	AHK	25 Sep
AuKing Mining	AKN	30 Sep
Buxton Resources	BUX	30 Sep
Creso Pharma	CPH	18 Sep
Dampier Gold	DAU	24 Sep
European Cobalt	EUC	24 Sep
EVE Investments	EVE	30 Sep
Family Insights Group	FAM	1 Oct
G Medical Innovations Holdings	GMV	10 Sep
Hexagon Resources	HXG	25 Sep
Stonehorse Energy	SHE	18 Sep
Syntonic Ltd	SYT	10 Sep



ISM New York	Sep
ADP employment change	Sep
MBA mortgage applications	27 Sep

Other Overseas Data Today & Tonight

Japan	Consumer confidence (3pm AEST)	Sep
UK	Construction PMI	Sep

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Thred Ltd	THD	26 Sep
Torian Resources	TNR	24 Sep
Transcendence Technologies	TTL	24 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AKG	Today	2.37	100	3.33
CLH	Today	4.1	100	6.30
PIC	Today	3.4	100	5.95
AIA	Tomorrow	10.64	0	2.37
ARB	Tomorrow	21	100	1.94
CAM	Tomorrow	1.25	100	5.38
EOL	Tomorrow	3	0	0.00
SGM	Tomorrow	19	100	5.22
VRT	Tomorrow	12	100	2.76
XRF	Tomorrow	1	100	1.18
WAA	Fri	2.95	100	5.13
WAX	Fri	4.85	100	6.34
WMI	Fri	4.5	100	2.92

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