

Markets

SFE 200 Futures (9.30am AEST)	6700	-23	-0.3
NZX 50	10812	18	0.2
DJIA Futures	27063	21	0.1
S&P 500 Futures	3037	1	0.0
NASDAQ Futures	8062	7	0.1

Local Markets Commentary

The Australian market opens mid-week trade with a notable overnight statement from Australia's central bank governor, material domestic data due late-morning, plus another batch of large-cap domestic stocks hosting AGMs and providing updates, ahead of a US rates decision and key data tonight, together with a swag of large-cap international corporate earnings reports.

In addition, post-US trade, the **UK House of Commons** has voted for a 12 December general election.

Further, yesterday evening, **Reserve Bank of Australia (RBA)** governor Philip Lowe effectively ruled out overseeing any cut in interest rates to below zero.

Dr Lowe also predicted rates would need to remain low for the foreseeable future.

Locally today, September quarter **CPI** is due **11.30am** AEDT.

A **new home sales** report is also expected this morning.

In overnight commodities trade, **Brent** crude settled essentially flat. WTI extended Monday's pullback.

US **gold** futures (December) also declined for a second consecutive session.

Iron ore (Nymex CFR China, 62% Fe) traded slightly lower, approaching \$US90.00/t.

LME **copper** settled a little higher. **Nickel** resumed rally-mode.

Aluminium picked up the pace of Monday's move higher.

The **\$A** rose to ~US68.65c after appreciating to ~US68.50c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27071	-19	-0.1
S&P 500	3037	-3	-0.1
NASDAQ	8277	-49	-0.6
FTSE 100	7306	-25	-0.3
DAX 30	12940	-2	-0.0
Shanghai Comp	2954	-26	-0.9

Overseas Markets Commentary

Choppy trade featured across major European and US equities markets overnight, key US indices closing at or near session lows ahead of key data releases and corporate reports through the remainder of the week, and a US Federal Reserve rates decision

Australia – September quarter CPI – 11.30am AEDT

Second last trading day for October

Today's Stock Watch
Woolworths Group (WOW)

September quarter sales grew 7.1% year-on-year, to \$A 15.90B. Breakdown statistics lodged this morning.

In addition, WOW is compensating ~5700 employees after a review found they were underpaid, by up to a total \$300M, according to the General Retail Industry Award.

WOW is promising initial back payments prior to Christmas.

WOW is reviewing the remuneration of all employees, across all relevant awards.

Suncorp Group (SUN)

SUN banking & wealth CEO David Carter is leaving SUN early 2020, due to being appointed RACQ CEO.

Genworth Mortgage Insurance Australia (GMA)

CEO and MD Georgette Nicholas is retiring from these roles 31 December.

GMA non-executive director Duncan West has been appointed acting CEO from 1 January 2020, and will remain with GMA, following any permanent appointment, through 31 March 2020.

In addition, GMA has this morning reported 28% higher year-on-year, \$A25.1M September quarter NPAT.

January – September NPAT has grown 84.1%.

September quarter new insurance written rose 26.4% to \$6.4B. Further, GMA has secured a three-year renewal of its lenders mortgage insurance supply and service contract with Commonwealth Bank of Australia (ASX: CBA).

GMA says the contract accounted for 53% of 1H FY 2019 gross written premium.

Telix Pharmaceuticals (TLX)

Collaboration and technology licensing agreement secured with AusHealth covering a new radiation process (APOMAB) designed to treat ovarian and lung cancer.

TLX and AusHealth intend to fund an initial human clinical trial at the Royal Adelaide Hospital.

Catapult Group International (CAT)

CAT has appointed Amazon subsidiary Audible's former chief revenue officer Will Lopes as CEO, effective 11 November (Monday week). Mr Lopes will move from New York to Boston.

Regis Healthcare (REG)

Today's AGM materials lodged pre-trade.

The AGM will be webcast.

during tonight's trade.

Meanwhile, US officials conceded a preliminary China-US trade accord may not be ready, as previously touted, for the US and China presidents to sign at the November APEC summit in November.

In the **UK**, the leader of the parliamentary opposition party announced he would back a proposal for an early general election, citing the satisfaction of his condition of no 'no-deal' UK separation from the European Union (EU).

Subsequently, post-US trade, House of Commons MPs voted (438 – 20) for a 12 December general election.

The proposal now requires approval in the House of Lords.

Overnight **data** releases included **US** September pending home sales, which rose 1.5% for the month and 3.9% against September 2018, against respective 1.4% and 2.3% gains reported for August.

The Case-Shiller August house price index came in flat for the month, with prices 2% higher than a year earlier.

A Conference Board consumer confidence index slipped to 125.9 from 126.3.

In the **UK**, September consumer credit remained steady, at £4.6B.

Tonight in the US, the US Federal Reserve concludes a two-day policy meeting from which outcomes will be announced (early tomorrow AEDT).

A first estimate for September quarter GDP growth and a private sector October jobs report are also due, together with weekly mortgage applications.

Elsewhere, the **UK** parliament's House of Lords is expected to debate, and potentially vote on, the House of Commons-approved proposal for a 12 December national election.

Companies scheduled to report earnings later today and tonight include: Airbus, Apple, Banco Santander, Bayer, COSCO Shipping, Credit Suisse, Deutsche Bank, Facebook, General Electric, GlaxoSmithKline, Hitachi, Hino Motors, Komatsu, Mitsui, Motorola, Nomura, Royal Caribbean, Samsung, Sony, Starbucks, TOTAL, Volkswagen, Yum! Brands and Yunnan Copper.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1490.7	oz	-5.1	-0.3
Silver (NY) (Dec)	17.831	oz	-0.045	-0.3
Gold (LON)	1513	oz		
Platinum	918	oz	2	0.2
WTI Crude (Dec)	55.54	bbl	-0.27	-0.5
Brent Crude (Dec)	61.59	bbl	0.02	0.0
Iron Ore (NYMEX,CHN,62%)	90.03	t	-0.2	-0.2
Copper (LME,3mth,PM)	5923	t	6	0.1
Nickel	16820	t	270	1.6
Aluminium	1754	t	17	1.0
Lead	2255	t	27	1.2
Zinc	2549	t	9	0.4
Tin	16850	t	125	0.8

Commodities Commentary

Oil – prices fell early (WTI as low as \$US54.61/bbl) overnight, but

Pre-Open Announcements

AGL Energy (AGL)

Today's investor day presentations lodged pre-trade.

A live webcast is scheduled for 9am – 1.15pm AEDT.

CIMIC Group (CIM)

\$331M contract in hand for an upgrade to the M80 ring road, Melbourne.

The work will be completed by CIM's CPB Contractors over three years, commencing early 2020.

Bendigo & Adelaide Bank (BEN)

Company secretary Will Conlan has resigned after eight years in this role with BEN, in favour of becoming BEN's chief of staff.

Lovisa Holdings (LOV)

LOV suffered a 32.52% poll vote against the company's remuneration report at yesterday's AGM.

Valid proxies had come in at 32.36% against.

LOV subsequently settled 4.4% lower for yesterday's trading session, at \$13.00.

Resources

Alacer Gold Corporation (* AQG)

September quarter production pushed year-to-date output to 290,127oz of gold at a \$US714/oz AISC.

AQG sold 289,701oz during January-September, for ~\$US396M revenue.

\$US90M net debt (post-30 September).

A webcast teleconference was scheduled to commence 7am AEDT.

Mincor Resources (* MCR)

Anticipating a WA Cassini nickel resource update by the end of November, and heralding new exploration results.

TNG Ltd (TNG)

Northern Territory Mount Peake project Tivan processing facility environmental impact statement submitted.

Energy

TerraCom Ltd (* TER) / Universal Coal (* UNV)

TER is acquiring 19.9% of UNV for cash and shares totalling \$34.6M.

Settlement is anticipated this week.

FAR Ltd (FAR)

Offshore Senegal SNE oil field development economics update lodged this morning, including an FPSO-related change to total capex.

A final investment decision is anticipated by year's end.

Targeting first production by the end of 2022.



recovered from session lows, pushed and pulled by: US weekly stockpiles speculation; a claim by Russia's deputy energy minister that it remained too early to hypothesise about any further OPEC+ production cuts; and US officials confirming an initial trade accord with China may not be ready for the respective presidents to sign at the November APEC summit in Chile.

Conjecture regarding US stored refined product levels appeared the most concerning for some, but other analysts were quick to point out supplies would necessarily pick up soon.

In corporate news, ConocoPhillips reported a \$US3.1B September quarter net profit, against \$US1.9B for the September quarter 2018, boosted by a ~\$US2.7B North Sea assets sale.

BP reported a 41% year-on-year tumble in quarterly profit to (an underlying replacement cost) \$US2.3B.

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

Gold – US Federal Reserve policy meeting outcomes, due tonight, are expected to ultimately influence tonight's settlement.

A US September quarter GDP growth reading is also keenly awaited.

Overnight, traders also considered the prospect of an early UK election, given the leader of the parliamentary opposition party decided to back such a proposal, after being assured the UK would not separate from the European Union without agreed arrangements in place.

Base metals – overnight traders were faced with plenty to consider overnight, apart from further commentary on progress in US-China trade negotiations, and a possible resolution to UK parliamentary wrangling regarding plans to leave the European Union.

Yesterday, Indonesia revealed *nickel* ore exports were ceasing temporarily due to 'violations' of rules, including significantly higher exports since September, ahead of the ban on nickel ore exports set to commence January 2020.

BHP Billiton's Chile Escondida *copper* operation was again hit with temporary industrial action yesterday, in support of broader national protests.

CRCC-Tongguan's El Mirador copper project in Ecuador is reportedly planning to commence exports in November, following a delay related to anti-government austerity protests there.

Meanwhile, Jiangxi Copper yesterday reported 1% higher January-September profit and 5.3% higher revenue.

For its part, Aluminum Corp of China (Chalco) reported an ~84% drop in September quarter net profit to ~\$US14.5M, mostly due to a 20.5% rise in costs against 17.2% higher operating revenue.

China is expected to report official October PMIs tomorrow. This, plus euro zone GDP and CPI readings, and a policy statement due, also tomorrow, following the conclusion of a Bank of Japan policy meeting, could produce *some caution* in tonight's trade - in addition to the wait for the US Federal Reserve's policy statement in second-half US trade (post-LME trade) tonight.

Trading Halts

Company	Code	Resuming
Adriatic Metals	ADT	30 Oct
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
Alexium International Group	AJX	31 Oct
IXUP Ltd	IXU	31 Oct
Strike Energy	STX	31 Oct
Tempo Australia	TPP	31 Oct
PointsBet Holdings	PBH	1 Nov

Suspensions (select)

Company	Code	Since
Horseshoe Metals	HOR	28 Oct
New Standard Energy	NSE	14 Oct
Peppermint Innovation	PIL	11 Oct
Troy Resources	TRY	15 Oct
UltraCharge Ltd	UTR	21 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
GCI	Today	0.76	0	4.93
PCI	Today	0.37	0	1.12
QRI	Today	0.79	0	3.48
MOT	Tomorrow	1	0	2.71
MXT	Tomorrow	0.88	0	5.46
FNP	Fri	3.25	0	0.90
NBI	Fri	0.9	0	5.81
PIA	Mon	3.5	67.14	3.10
BIS	Tue	4	100	3.48
NAC	Tue	1.35	100	5.68
NSC	Tue	1	100	5.30
WLL	Tue	21	100	1.60

Reports & Events

(selected)

When	Company	Report/Event
Today	AGL	Investor day
	CGF	AGM
	GMA	Sep Q
	IAP	Interim (teleconf 5pm AEDT)
	JHG	Sep Q
	MYR	AGM

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6862	-0.0004	-0.06
EUR – USD	1.1113	0.0002	0.02

Australian Data Today

ABS	CPI	Sep Q
HIA	New home sales	Sep

US Data Tonight

Federal Reserve policy statement	Oct
GDP (1 st estimate of three)	Sep Q
ADP employment change	Oct
MBA mortgage applications	25 Oct

Other Overseas Data Today & Tonight

Japan	Retail sales	Sep
Germany	CPI (prelim)	Oct
Germany	Unemployment change	Oct
Euro zone	Business confidence	Oct
Euro zone	Consumer confidence (final)	Oct

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NUF	AGM
NCZ	AGM
NXT	AGM
NHF	AGM
REG	AGM
WOW	Sep Q

Tomorrow	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

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