

Markets

SFE 200 Futures (9.25am AEST)	5442	-31	-0.6
NZX 50	7303	-49	-0.7
DJIA Futures	18090	-2	0.0
S&P 500 Futures	2144	0	0.0
NASDAQ Futures	4856	-2	0.0

Local Markets Commentary

The Australian market commences today's trade on negative US equities and a substantial **gold** price drop.

In other overnight commodities trade, **WTI crude** settled modestly lower. **Copper** fell further. **Iron ore** continued slightly lower.

The **\$A** swung decidedly lower after trading at ~US76.70c yesterday evening.

Locally pre-trade, AiG releases a national September services sector activity index.

11.30am AEDST, the ABS publishes August retail trade. September vehicle sales are due midday.

In **Japan**, a services PMI is expected anytime from 11.30am.

China's markets remain closed for the week.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18168	-85	-0.5
S&P 500	2150	-11	-0.5
NASDAQ	5290	-11	-0.2
FTSE 100	7074	91	1.3
DAX 30	10620	109	1.0
Shanghai Comp	3005	Public	Holiday

Overseas Markets Commentary

Major European and US equities markets diverged markedly overnight, US sentiment vacillating sufficiently to produce further falls.

The British pound continued to drop, on warnings from the **UK** PM and Chancellor of a likely bumpy process for European Union separation negotiations.

The pound began its descent on the weekend announcement that the UK would commence a formal exit process by the end of March 2017.

Reports emerged that the European Central Bank (**ECB**) could curtail its assets purchases program earlier than at the initially proposed March 2017. .

Gold slid, in part on a comparative robust \$US, dragging commodities prices lower.

Meanwhile in data releases, a 52.3 **UK** construction sector PMI meant the sector had returned to expansion mode for the first time since May. In addition to the lower pound, this bolstered equities sentiment.

Euro zone August producer prices came in as anticipated, another 2.1% lower following a 2.6% drop in July.

In the **US**, the ISM's New York business activity index was reported 2.1 points higher, at a still

Today's Stock Watch

Suncorp Group (SUN)

\$A200M (minimum) bond issue underway.

Qube Holdings (QUB)

\$305M raised in QUB's \$100 notes offer.

Bapcor Ltd (BAP)

Proposing to acquire MTQ Engine Systems' (Australia) wholesale diesel business, for ~\$17M.

Living Cell Technologies (LCT)

A Phase IIb clinical trial of LCT's NTCELL Parkinson's disease treatment has demonstrated no safety issues. LCT recouped 9.5% yesterday, closing at 8.1c.

Universal Biosensors (UBI)

US FDA approval in hand to sell a product which uses test strips developed and manufactured by UBI. The product, Xprecia Stride, is a handheld device which tests and monitors the efficacy of oral warfarin.

Stargroup Ltd (STL)

September quarter revenue grew 151% year-on-year. Details lodged this morning.

ShareRoot Ltd (SRO)

SRO's Universal Pictures advertising campaign for *The Secret Life of Pets* experiential gallery, developed by ShareRoot, generated 60,000 unique user visits and produced 6200 Instagram posts. Details lodged this morning

Cedar Woods Properties (CWP)

Trading ex-dividend (16.5c) today.

Bank of Queensland (BOQ)

Full-year results due tomorrow.

Resources

Clean TeQ Holdings (CLQ)

Syerston nickel-cobalt project pre-feasibility outcomes lodged this morning, including the potential of scandium by-product to boost economics.

Niuminco Group(NIU)

PNG Edie Creek resource drilling has delivered 2.0m @ 6.89g/t Au & 195g/t Ag, from within 5.4m @ 2.97g/t Au & 94g/t Ag from 8m. In addition, Tasmania Aberfoyle (NIU, 72.54%) tin project diamond core drilling is expected to commence by month's end. Further, NIU has secured full underwriting for the planned \$750,000 SPP.

Energy

Beach Energy (BPT) / Origin Energy (ORG) / Santos Ltd (STO)

BPT September drilling report lodged this morning.

contraction-mode 49.6. The employment component plunged 21 points to 33.9.

As pre-empted last week the International Monetary Fund's (IMF) **World Economic Outlook** contained varied growth forecast revisions.

The UK's 2016 GDP prediction was raised to 1.8% but the 2017 forecast lowered to 1.1%.

The IMF expects 1.6% 2016 growth in the US, down from 2.2%.

Tonight in the **US**, ISM's September services sector activity index, a private sector jobs report, August factory orders, final August durable goods orders, August trade balance, Markit final September PMIs and weekly mortgage applications are due.

Monsanto and Tesco (UK supermarket chain) re among companies due to report.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1270	oz	-43	-3.3
Silver (NY) (Dec)	17.8	oz	-1.1	-5.7
Gold (LON)	1283	oz	-30	-2.3
Platinum	985	oz	-9	-1.9
WTI Crude (Nov)	48.7	bbl	-0.1	-0.3
Iron Ore (Tianjin)	55.0	t	-0.1	-0.2
Copper (LME)	4805	t	-14	-0.3
Nickel	10080	t	-270	-2.6
Aluminium	1669	t	-9	-0.5
Lead	2073	t	-24	-1.1
Zinc	2380	t	-26	-1.1
Tin	19875	t	-50	-0.3
CBT Wheat (Dec)	3.96	bshl	0.00	0.0

Commodities Commentary

Oil – prices appreciated post-settlement despite \$US strength, due to the American Petroleum Institute reporting reduced US imports last week, and lower stockpiles.

EIA (government agency) US weekly petroleum inventories are due tonight.

Brent crude settled barely changed overnight, at \$US50.87/bbl.

Gold – a strong **\$US** and particularly weak **£** helped push gold futures to three-month lows.

For the second time in as many days, at least one Federal Reserve official publicly promoted a near-term rate rise.

Technicals also promoted selling.

Some have also attributed the exaggerated overnight moves to **China** and its markets observing holidays through the whole week.

Base metals – \$US strength and China's absence from markets combined to produce overnight falls.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7616	-0.0003	-0.04
EUR – USD	1.1205	0.0002	0.02

Australian Data Today

AiG	PSI	Sep
ABS	Retail sales	Aug
VFACTS	Vehicle sales	Sep

Pre-Open Announcements

Adacel Technologies (ADA)

Montreal, Canada-based ADA VP finance Jean-Philippe Duval has been appointed CFO.

Austin Engineering (ANG)

ANG finance consultant Christine Haywar has been appointed ANG CFO and company secretary.

3P Learning (3PL)

Annual report lodged this morning. AGM scheduled for 10 November. 3PL has traded lower for the past four sessions, settling at \$1.05 yesterday.

Trading Halts

Company	Code	Resuming
8IH Holdings	8IH	5 Oct
American Patriot Oil & Gas	AOW	5 Oct
Zenith Minerals	ZNC	5 Oct
Freshtel Holdings	FRE	6 Oct
Hexagon Resources	HXG	6 Oct
Lindian Resources	LIN	6 Oct
Sky & Space Global	SAS	6 Oct
Zyber Holdings	ZYB	6 Oct

Suspensions (selected)

Company	Code	Since
Cleveland Mining Company	CDG	3 Oct
Cudoco Ltd	CDU	30 Sep
Drake Resources	DRK	23 Sep
KBL Mining	KBL	9 Sep
Oakajee Corporation	OKJ	12 Sep
Realm Resources	RRP	13 Sep
Unilife Corporation	UNS	30 Sep
Windward Resources	WIN	20 Sep
Wolf Minerals	WLF	30 Sep
Zamia Metals	ZGM	3 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
CWP	Today	16.5	100	5.85
GOW	Today	6	100	3.38
ARB	Tomorrow	17	100	1.72
EBG	Tomorrow	0.33	100	6.40
GJT	Tomorrow	261	0	6.47
GVF	Tomorrow	3	100	5.58
MNY	Tomorrow	2.5	100	3.08
QVE	Tomorrow	1.8	100	2.70
SGM	Tomorrow	12	100	2.32
WBA	Tomorrow	1	100	0.86
ALR	Fri	1	100	4.67
AUB	Fri	28	100	3.57
TFC	Fri	3	100	1.96
ALF	Mon	5	100	6.56
BCN	Mon	0.25	0	0.00
FGX	Mon	2	100	3.45

**US Data Tonight**

MBA mortgage applications	30 Sep
ISM non-manufacturing	Sep
ADP employment change	Sep
Factory orders	Aug
Durable goods orders (final)	Aug
Trade balance	Aug
Markit PMIs services, composite	Sep

Other Overseas Data Today & Tonight

Japan	PMI services	Sep
UK	PMIs services, composite (final)	Sep
Euro zone	PMIs services, composite (final)	Sep
Euro zone	Retail sales	Aug

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

REH	Mon	65	100	2.02
ORL	Tue	3	100	3.60
UOS	Tue	0.5	0	5.08

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