

Markets

SFE 200 Futures (9.30am AEST)	5704	-15	-0.3
NZX 50	7998	-12	-0.2
DJIA Futures	22713	2	0.0
S&P 500 Futures	2544	0	0.0
NASDAQ Futures	6064	-1	0.0

Local Markets Commentary

The Australian market opens today's trade with scant support from overnight international equities trade, but price gains for some key commodities.

In commodities trade, US **gold** futures picked up the pace of Friday's gain. **Oil** turned higher. **Iron ore** (China port, 62% Fe) rose for a second consecutive session. LME **copper** settled essentially flat, but **nickel** rallied.

The **\$A** appreciated slightly after falling to ~US77.50c early yesterday evening.

Locally today, NAB publishes its monthly business survey report **11.30am** AEDST.

Pre-trade, a weekly consumer sentiment report is due.

Reserve Bank of Australia (**RBA**) deputy governor Guy Debelle is also due to speak at a forex global conduct conference in Hong Kong via video link from Sydney **2.20pm** AEDST.

In addition, three companies will complete their ASX listings today.

Regionally, **China's** September lending figures are expected anytime from today.

Late yesterday, China reported foreign reserves had grown by more than anticipated, \$US17B to \$US3.109 trillion during September, after a \$US10.5B rise in August.

In the meantime, a Chinese media article has reported People's Bank of China governor Zhou Xiaochuan as promoting a more open Chinese economy.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	22761	-12	-0.1
S&P 500	2545	-5	-0.2
NASDAQ	6580	-10	-0.2
FTSE 100	7508	-15	-0.2
DAX 30	12976	20	0.2
Shanghai Comp	3374	25	0.8

Overseas Markets Commentary

Major European equities markets chopped overnight.

US key indices closed near session lows following light trade during Columbus Day.

Turkey-exposed stocks and the lira fell amid a US-Turkey diplomatic spat.

Earlier yesterday, economic data for China came in mixed against expectations.

In **Germany**, August industrial production was

RBA – deputy governor Guy Debelle speaks on the forex global code of conduct at a Hong Kong event via video link from Sydney **2.20pm** AEDST

* Investment listing **midday** AEDST – **FPP** *

* Gas exploration listing **11am** AEDST – **GAS** *

* Gold exploration listing **1pm** AEDST – **RGL** *

Today's Stock Watch

Pro-Pac Packaging (PPG)

Confirming a \$54.8M fully-underwritten two-for-three entitlement offer at 34c per share, in support of PPG's proposed merger with Integrated Packaging Group. The offer is scheduled for 18 – 30 October. PPG has traded at 39c – 44c over the past five trading sessions.

Ausdrill Ltd (ASL)

Moody's has lifted its ASL credit ratings from B1 to Ba3, and the rating of Ausdrill Finance's \$US300M worth of unsecured bonds from B2 to Ba3. Moody's has assigned stable outlooks, cancelling the previous positive assignments.

Conference presentation, scheduled for today, lodged this morning.

Fat Prophets Global Property Fund (* FPP)

Investment company scheduled to list **midday** AEDST following a \$16.68M IPO at \$1.10 per unit. National Nominees hold 9.29%; JP Morgan Nominees Australia 7.85%.

Resources

Metalicity Ltd (MCT)

Heralding interim pre-feasibility outcomes for the far northern WA Admiral Bay zinc-lead-silver project, focusing on a standalone DSO operation.

Second-stage pre-feasibility will be completed with a yet-to-be-determined JV partner. MCT says it remains in discussions with several interested parties.

Gold Road Resources (GOR)

Private company Cygnus Gold is proposing to earn up to 75% of GOR's southern WA Wadderin and Lake Grace exploration projects. Details lodged this morning, including for initial 51% earn-ins within 30 months.

Riversgold Ltd (* RGL) / Evolution Mining (EVN)

Gold explorer RGL is scheduled to list **1pm** AEDST following a \$6.1M IPO at 20c per share. Assets in Alaska, Cambodia and Western Australia. Greenwich Equities holds 17.01%; EVN 15.10%.

Energy

State Gas (* GAS) / Triangle Energy Global (TEG)

Gas explorer and former TEG subsidiary GAS is scheduled to list **11am** AEDST following an oversubscribed \$5.25M IPO at 20c per share.

GAS holds 60% of the Bowen Basin, Queensland PL 231. TEG MD Rob Towner is a GAS non-executive director. TEG holds 35.47%; Allegro Capital Nominees 10.38%.

29.3M shares. *Please also see p2 for TEG news.*

reported to have jumped 2.6% for the month following a 0.1% pullback for July. Year-on-year, industrial output came in 4.7% higher.

UK leadership and the likely progress and direction of talks with the European Union (EU) regarding leaving the union continued to weigh in the UK. A lift in the British pound also dampened enthusiasm for exporters.

Tonight in the US, economic and small business optimism reports are due.

Companies scheduled to report earnings include BlackRock and Domino's Pizza.

In overnight corporate news, UK-headquartered defence specialist **BAE Systems** was reported to be planning to reduce employee numbers by 1000.

A warning in a research report on **General Electric** sent that stock 3.5% lower, as the company revealed a board appointment.

Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Dec)	1285	oz	10	0.8
Silver (NY) (Sep)	17.0	oz	0.2	1.2
Gold (LON)	1279	oz	17	1.3
Platinum	915	oz	1	0.1
WTI Crude (Nov)	49.6	bbl	0.3	0.6
Brent Crude (Nov)	55.8	bbl	0.2	0.3
Iron Ore (CHN port 62%)	62.7	t	0.5	0.7
Copper	6666	t	-0.5	-0.0
Nickel	11015	t	415	3.9
Aluminium	2174	t	21	1.0
Lead	2512	t	-21	-0.8
Zinc	3233	t	-2	-0.1
Tin	20770	t	220	1.1
CBT Wheat (Dec)	4.36	bshl	-0.07	-1.7

Commodities Commentary

Oil – a government agency estimated ~85% of Gulf of Mexico oil production activity remained impacted by Hurricane Nate Monday.

Meanwhile, Saudi Arabia was reported to be attempting to reduce exports.

Gold – price gains were mostly attributed to increased safe-haven buying, a weaker \$US and some short-covering ahead of key data releases this week.

Columbus Day in the US also meant lighter trade volumes.

Base metals – nickel and aluminium notably rallied amid a \$US pullback, but prices were also supported by the return of Chinese traders, tighter inventories, some interpretations of **China's** September foreign reserves, reported late yesterday, and a composite PMI, published earlier in the day.

Caixin's final 50.6 September services PMI for China, released yesterday, represented the lowest such reading in 22 months.

The 51.4 composite reading was supported by manufacturing activity and hence represented just a three-month low.

September trade data, due later this week, is now in focus.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7756	-0.0001	-0.02

Pre-Open Announcements

Praemium Ltd (* PPS)

\$6.6B FUA as at 30 September following a record \$749M worth of inflows during the September quarter, \$587M for Australia. Additional detail lodged this morning.

Hub24 Ltd (* HUB)

\$6.1B FUA following \$535M worth of net inflows during the September quarter. HUB reported \$5.5B worth of FUA for 30 June.

MMJ Phytotech (MMJ)

Strategic update lodged this morning, including the rational for a proposed name change to MMJ Capital. Shareholders will vote on the name change at the company's November AGM.

PharmAust Ltd (* PAA)

US patent secured for PAA's lead drug Monepantel, covering non-cancer uses, including as a treatment for neurodegenerative diseases, diabetes and age-related conditions.

MCP Master Income Trust (* MXT)

Completed a successful ASX listing yesterday following a \$516.18M IPO at \$2.00 per unit. Opened at \$2.01 and traded at \$2.00 - \$2.07 before settling at \$2.05. 519,500 securities were traded across 97 transactions.

Resources

Meteoric Resources (MEI)

In response to an ASX price and volume query MEI is offering a media article and conference presentation as possible reasons the company's stock lifted from 4.3c at close-of-trade 2 October to yesterday's 7.3c settlement and 7.7c intra-session high. MEI was one of three lithium sector stocks queried for price gains yesterday.

Troy Resources (* TRY)

Full mining has resumed at TRY's Karouni project Smarts Stage 3. TRY is chasing improved grades via remediation work.

Merlin Diamonds (MED)

Targeting \$3.47M in a two-for-five rights issue at 0.5c per share. MED has traded at 0.6c – 0.7c over the past five trading sessions.

Energy

Norwest Energy (* NWE) / Triangle (Global) Energy (TEG) / Whitebark Energy (WBE)

The initial oil assays anticipated last week for the WA TP/15 Xanadu-1 well have been delayed by a laboratory backlog.

NWE 25% and operator; TEG 30%; WBE 15%.

Cooper Energy (COE)

Investor update lodged this morning.

Trading Halts

Company	Code	Resuming
Ausgold Ltd	AUC	10 Oct
Latin Resources	LRS	10 Oct
Nzuri Copper	NZC	10 Oct
Avita Medical	AVH	11 Oct
Kyckr Ltd	KYK	11 Oct
Musgrave Minerals	MGV	11 Oct
Novatti Group	NOV	11 Oct



EUR – USD 1.1742 -0.0007 -0.06

Australian Data Today

ANZ/RyMgn	Consumer sentiment	8 Oct
NAB	Business survey	Sep

US Data Tonight

NFIB small business optimism	Sep
IBD/TIPP economic optimism	Oct

Other Overseas Data Today & Tonight

China	New lending	Sep
Japan	Current account	Aug
Japan	Eco watchers survey (4pm AEDST)	Sep
UK	Trade balance	Aug
UK	Industrial production	Aug
UK	Construction output	Aug
Germany	Trade balance	Aug

Need More Information?

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Plukka Ltd	PKA	11 Oct
Skydive the Beach	SKB	11 Oct
WorleyParsons Ltd	WOR	11 Oct
Caeneus Minerals	CAD	12 Oct
Incremental Oil & Gas	IOG	12 Oct

Suspensions (selected)

Company	Code	Since
Arrowhead Resources	AR1	9 Oct
Cudoco Ltd	CDU	28 Sep
Emmerson Resources	ERM	9 Oct
Kinetiko Energy	KKO	5 Oct
Lantern Hotel Group	LTN	2 Oct
Manalto Ltd	MTL	18 Sep
Veriluma Ltd	VRI	20 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
REH	Today	71	100	2.27
UOS	Today	0.5	0	4.84
BSA	Tomorrow	0.5	10	1.47
GOW	Tomorrow	6	100	3.64
MFF	Thu	1	100	1.01
NUF	Thu	8	0	1.55
ASG	16 Oct	4.6	100	1.92
NCC	16 Oct	3.5	100	4.81
NZM	16 Oct	3.21	0	10.71
TPM	16 Oct	2	100	2.01

Reports & Events

(selected scheduled)

When	Company	Report/Event
Tomorrow	BLX	AGM
	BSL	AGM
	ERA	Sep Q
Thu	BOQ	Full year
	MFG	AGM
	TCL	AGM; Sep
	WHC	Sep Q
16 Oct	EVN	Sep Q
	OZL	Sep Q
17 Oct	CGF	Sep Q
	COH	AGM
	ORA	AGM
	RIO	Sep Q
	SBM	Sep Q
	TLS	AGM
18 Oct	AZJ	AGM; Sep Q
	BHP	Sep Q
	BXB	AGM
	CSL	AGM
	ORG	AGM
	SSM	AGM
	TRS	AGM
	TWE	AGM