

Markets

SFE 200 Futures (9.30am AEST)	6615	34	0.5
NZX 50	11055	132	1.2
DJIA Futures	26838	63	0.2
S&P 500 Futures	2975	4	0.1
NASDAQ Futures	7876	17	0.2

Local Markets Commentary

The Australian market commences a new week's trade following several international developments since last week's Australian trade, including a reported verbal trade pact between the US and China Friday, and with China trade figures due today and inflation data tomorrow, and.

The US-China interim trade accord is said to include the pushing back of additional US import tariffs on goods from China, initially scheduled to commence tomorrow tonight.

In other geopolitical developments, China's president Xi Jinping has issued a public warning against moves for Hong Kong autonomy.

Separately, the US is reported to be withdrawing up to 1000 military from across northern Syria more rapidly than anticipated.

Broader Middle East tensions have continued to simmer with a reported missile attack on an Iranian oil tanker in the Red Sea, off the coast of Saudi Arabia.

In the meantime, Japan is suffering a further weather-related community, business and economic hit, this time from typhoon Hagibis.

Among today's regional data releases, **China** is expected to release September **trade** statistics **1.30pm** AEDT.

Locally today, the Reserve Bank of Australia (RBA) publishes a monthly report on debit and credit card transactions.

BXB and **TPM** are among stocks trading ex-dividend today. *Please see p4 for a detailed list.*

In overnight Friday commodities trade, **oil** picked up the pace of Thursday's rally.

US **gold** futures (December) extended Thursday's decline.

Iron ore (Nymex CFR China, 62% Fe) settled slightly lower.

LME **copper** turned to settle a few cents/tonne down. **Nickel** continued to gain. **Aluminium** fell.

The **\$A** ultimately changed little after trading at ~US67.95c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26817	320	1.2
S&P 500	2970	32	1.1
NASDAQ	8057	106	1.3
FTSE 100	7247	61	0.8

China – September trade balance – 1.30pm AEDT

 * Property group listing **1pm** AEDT – **HMC** *

Today's Stock Watch
Fisher & Paykel Healthcare (FPH)

US regulators have approved sales of the F&P Vitera obstructive sleep apnoea treatment mask.

In association, FPH is raising expected FY 2020 (to March 31) operating revenue to \$NZ1.19B, from \$NZ1.17B, and NPAT to \$NZ255M - \$NZ265M, from \$NZ245M - \$NZ255M.

Sky New Zealand (👉 SKT)

Five-year agreement secured with the rugby unions of Argentina, Australia, New Zealand and South Africa to broadcast SANZAAR rugby in NZ, commencing 2021.

In association, New Zealand Rugby (NZR) will subscribe for 5% (~21.8M shares) of SKT.

Execution of the agreement requires SKT shareholder approval. Shareholders will vote Thursday this week, at the SKT AGM.

Telix Pharmaceuticals (TLX)

GE Healthcare and TLX have integrated GE's GA production data with the TLX591-CDx package for prostate cancer imaging and have presented data to regulators ahead as potential marketing authorisation in the EU and US.

Creso Pharma (CPH)

Anticipating \$2M full year 2019 neutraceutical product sales revenue, after reaching \$A1.136M for January – September.

Resources
Apollo Consolidated (AOP) / Independence Group (IGO)

IGO is planning a farm-in to AOP's Kimberley WA Apollo nickel-copper project.

Details lodged this morning.

Energy
Santos Ltd (STO)

Proposing to outlay an initial \$US1.39B for ConocoPhillips' northern Australia interests (Barossa, Bayu-Undan, Darwin LNG and Poseidon), plus a potential \$75M Barossa FID-contingent payment.

In addition, Barossa partner SK E&S has signed a LoI to acquire 25% in Bayu-Undan and Darwin LNG.

Darwin LNG JV partners are also considering potential Barossa equity positions.

Paladin Energy (PDN)

Langer Heinrich pre-feasibility study outcomes lodged this morning.



DAX 30	12512	347	2.9
Shanghai Comp	2974	26	0.9

Overseas Markets Commentary

US equities markets jumped on opening overnight Friday, buoyed by claims of verbal US-China accord during trade talks in Washington.

Major European equities indices mostly trended higher from early trade.

In overnight Friday data releases, **Germany's** September CPI growth was confirmed in a final reading as flat for the month and 1.2% higher year-on-year.

In the **US** data releases, September import prices rose 0.2% for the month and were 1.6% lower year-on-year.

Export prices fell 0.2% for the month and also were 1.6% lower than a year earlier.

A University of Michigan preliminary October consumer confidence reading rose to 96 from 93.2 for September.

Tonight in the **US**, no data releases are due, due to Columbus Day. Tomorrow night, key corporate reports are due.

Meanwhile, the International Monetary Fund (IMF) commences its annual meeting week, during which new forecasts will be revealed.

Elsewhere, the **euro zone** reports August industrial production and the European Union (EU) and UK continue to negotiate plans for the UK's EU departure, scheduled for 31 October.

Both sides have been targeting some resolution by the end of an EU summit scheduled for Thursday and Friday this week.

US equities and commodities markets are scheduled for regular trade during tonight's Columbus Day commemorations. Bond markets will not trade, however. Canada's markets will be closed due to a Thanksgiving holiday.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1488.7	oz	-12.2	-0.8
Silver (NY) (Dec)	17.544	oz	0.058	-0.3
Gold (LON)	1479	oz	-16	-1.1
Platinum	894	oz	-3	-0.3
WTI Crude (Nov)	54.70	bbl	1.15	2.2
Brent Crude (Dec)	60.51	bbl	1.41	2.4
Iron Ore (NYMEX,CHN,62%)	92.86	t	-0.15	-0.2
Copper (LME,3mth,PM)	5772	t	-3	-0.1
Nickel	17700	t	105	0.6
Aluminium	1724	t	-27	-1.5
Lead	2180	t	25	1.2
Zinc	2400	t	28	1.2
Tin	16480	t	30	0.2

Commodities Commentary

Oil – prices moved higher in early overnight Friday trade.

Reports of an explosion, on an Iranian tanker travelling through the Red Sea, and positive reports including possible concessions

Pre-Open Announcements

Home Consortium (* HMC)

Stapled securities comprising one share each of HCL (Home Consortium) and HCDL (Home Consortium Developments) will commence ASX trade **1pm** AEDT under the code HMC, following the issue of the stapled securities at \$3.35 each.

Trade will commence on a conditional and deferred settlement basis.

Normal (T+2) trade is expected to commence Friday (18 October). ~197.81M quoted stapled securities.

McMillan Shakespeare (* MMS)

MMS has completed the company's \$80M off-market share buy-back, with the market price determined at \$15.9742, and the buy-back price (14% discount) \$13.74.

MMS traded at \$15.31 - \$16.46 last week.

Villa World (* VLW)

VLW shareholders have approved the scheme of arrangement by which AVID Property Group Australia proposes to acquire VLW.

In addition, VLW has declared a 31c fully franked special dividend to be paid 28 October.

VLW expects to cease ASX trade from the close of trade Wednesday (16 October).

Thorn Group (* TGA)

Chairman David Foster is retiring from the TGA board 23 October.

TGA has appointed former Resimac Ltd CEO and executive chairman, and current Resimac Group director, Warren McLeland as interim chair.

In addition, TGA has appointed A2B (formerly Cabcharge Australia) chairman Paul Oneile as an independent non-executive director.

These developments are in addition to the previously flagged retirements of three TGA directors.

Boston Global Food Company (BFC)

BFX has achieved a \$2.6M pre-tax profit on the \$7.5M independent sale of South Australian southern zone and northern zone rock lobster licences and quotas.

Details lodged this morning.

WAM Active (WAA) / Keybridge Capital (KBC)

WAA is intending to launch a 6.9c cash-per-share off-market takeover bid for 100% of KBC.

KBC trade is suspended, but the company last traded at 7.1c.

Ramsay Health Care (RHC) / Integrated Research (IRI) / Freedom Foods (FNP)

Annual reports lodged since Friday's ASX trade.

Kalina Power (KPO)

Company secretary Alwyn Davey has resigned, effective today, in favour of another role.



from both sides during US-China trade talks in Washington, combined to push WTI prices to two-week peaks.

Iran alleged the tanker was attacked by missiles launched from **Saudi Arabia's** port of Jeddah.

In addition, the **International Energy Agency's** (IEA) monthly report, published overnight Friday, included an oil oversupply prediction for 2020, despite reducing demand forecasts for both this year and next by ~100,000bbl/d.

The IEA's new expectations include daily demand to grow by 1MMbbl for 2019 and 1.2MMbbl in 2020, due to economic slowdowns across several international regions.

A weekly US petroleum drill rig report, released overnight Friday, included the number of operational oil rigs had grown by two, to 712, representing the first increase in eight weeks.

Brent crude finished the week 3.7% higher. WTI posted a 3.6% gain.

Gold – Positive US-China trade talk commentary and hence a further equities rally detracted from overnight Friday gold interest.

Comex futures fell the most in a week (1.6%) since the northern Spring.

This week's trade influences will include sentiment swings as another US corporate earnings season begins, but continue to include US-China relations, UK-European Union UK separation negotiations, material economic indicator releases and Middle East developments.

Base metals – prices swung overnight Friday, *copper* reportedly reaching two-week peaks

Zinc benefited from a November-February forced shutdown for the Skorpion operation in Namibia, owner Vedanta Resources citing 'technical' issues.

Aluminium suffered on inventories data and ongoing reduced demand forecasts.

China's September trade figures, due today, are expected to influence at least some of tonight's trade.

September producer prices and CPI growth are anticipated tomorrow.

In the meantime, Antofagasta is facing industrial action at two copper operations in Chile.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6794	0.0005	0.07
EUR – USD	1.1033	0.0000	0.00

Australian Data Today

RBA	Card transactions	Sep
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Other Overseas Data Today & Tonight

China	Trade balance	Sep
Euro zone	Industrial production	Aug

KPO group controller Keshwaran Thurairasa will take on the additional role of company secretary.

KPO settled 30% higher Friday, at 3.9c, after trading as high as 4.1c intra-session.

Magellan High Conviction Trust (MHH)

Global equities investment trust completed its ASX listing Friday following an ~\$861.8M IPO at \$1.50 per unit.

Opened at \$1.495 and traded as high as \$1.52 before settling at \$1.50. ~574.5M quoted units.

Resources

Magmatic Resources (* MAG)

Scrapping plans to demerge the East Lachlan projects into Australian Gold and Copper, following regional success reported by Alkane Resources (ASX: ALK).

In association, MAG will no longer pursue the proposed acquisitions of three gold projects in WA.

In the short-term, MAG intends to focus on the Wellington North project, located 2km from ALK's Boda find.

Further, MAG and Japan Oils & Gas Metals National Corporation (JOGMEC) have agreed to discontinue a Parkes JV, in its third year, with MAG retaining full project ownership.

To terminate the proposed WA acquisitions, MAG will pay \$25,000 cash plus 1M MAG shares to North Iron Cap, pay Ashburton Metals Group \$25,000 cash, and pay Kokoda Exploration \$10,000 cash.

In addition, Andy Viner, who was recently appointed as a MAG director due to his WA gold project expertise, will resign from the MAG board.

A shareholder meeting scheduled for 15 October (tomorrow) has been pushed back to 22 October (Tuesday next week).

MAG appreciated 25% Friday, settling at 7.5c.

AusTin Mining (* ANW)

ANW will place the Granville tin mine on care and maintenance until additional plant equipment is installed and an appropriate mine fleet becomes available.

Additional decisions following the Granville strategic review lodged post-trade Friday.

Lithium Australia (* LIT)

Comprehensive update lodged this morning regarding rationalisation progress and plans following an operational review.

Eagle Mountain Mining (EM2)

EM2 has appointed Tim Mason CEO, effective 15 January.

Current MD and CEO Charles Bass will step down as CEO then, but remain EM2 MD during a transition period.

Energy

Carnarvon Petroleum (CVN)

September quarter report lodged this morning. ~\$133M cash as at 30 September.

**Need More Information?**

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Liquefied Natural Gas (* LNG)

LNG has agreed an amended MoU with Delta Offshore Energy, extending a term sheet until 1 July 2020.

Trading Halts

Company	Code	Resuming
Artemis Resources	ARV	14 Oct
Cellmid Ltd	CDY	14 Oct
EnviroSuite Ltd	EVS	14 Oct
New Standard Energy	NSE	14 Oct
Stavelly Minerals	SVY	14 Oct
APN Convenience Retail REIT	AQR	15 Oct
FinTech Chain	FTC	15 Oct
Meteoric Resources	MEI	15 Oct
Retail Food Group	RFG	15 Oct
Troy Resources	TRY	15 Oct

Suspensions (select)

Company	Code	Since
Ark Mines	AHK	25 Sep
ADX Energy	ADX	3 Oct
AuKing Mining	AKN	30 Sep
Cyprium Metals	CYM	10 Oct
European Cobalt	EUC	24 Sep
Family Insights Group	FAM	1 Oct
Force Commodities	4CE	7 Oct
iCandy Interactive	ICI	9 Oct
iSignthis Ltd	ISX	2 Oct
Peppermint Innovation	PIL	11 Oct
Thred Ltd	THD	26 Sep
Transcendence Technologies	TTL	24 Sep
Wattle Health Australia	WHA	2 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BXB	Today	17	0	2.50
PPK	Today	1	100	0.22
TPM	Today	2	100	0.58
TRA	Today	3.7	85	7.38
UOS	Today	0.5	0	3.14
CVF	Tomorrow	5	100	1.87
GNE	Wed	7.87	0	2.35
AVG	Thu	2	100	2.88
IMD	Thu	2	100	1.54
RIC	Thu	2.75	100	4.05
WAM	Thu	7.75	100	6.71
CDM	Fri	2	100	3.80



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Reports & Events

(selected)

When	Company	Report/Event
Tomorrow	ORA	AGM
	TLS	AGM
Wed	CBA	AGM
	ORG	AGM
	TWE	AGM
Thu	BHP Plc	AGM (LON)
	IMD	AGM
	ING	AGM
	NST	SepQ (9.30 tele)
	SGF	AGM
	SDF	AGM
Fri	SKC	AGM