

Markets

SFE 200 Futures (9.30am AEST)	6724	-6	-0.1
NZX 50	10878	4	0.0
DJIA Futures	27067	104	0.4
S&P 500 Futures	3009	12	0.4
NASDAQ Futures	7891	40	0.5

Local Markets Commentary

The Australian market opens today's trade following a cocktail of overnight releases and speeches underscoring international economic growth concerns, ahead of anticipated speeches from the Reserve Bank of Australia governor this evening and the Bank of Japan governor later today, and the official commencement of the week-long UN general assembly in New York tonight.

Locally today, a weekly consumer sentiment reading is due pre-trade.

CAR and **REX** are among companies trading ex-dividend. *Please see p4 for a detailed list.*

This evening, **RBA** governor Philip Lowe is due to deliver an address entitled *An Economic Update* at an Armidale, NSW Business Chamber dinner.

This presentation is particularly anticipated, given the RBA's next policy meeting is scheduled for Tuesday next week (1 October), and with the release last week of the minutes from the 3 September policy meeting still fresh in mind.

Regionally, a public speech from **Bank of Japan** governor Haruhiko Kuroda is scheduled for **3.35pm** AEST.

This address is also keenly awaited, given expectations that some policy easing could be appropriate next month, and with the previous policy meeting minutes listed for release tomorrow.

In overnight commodities trade, **oil** swung higher.

US **gold** futures (December) rallied.

Iron ore (Nymex CFR China, 62% Fe) turned to record a slight gain.

LME **copper** turned higher and **nickel** lower. **Aluminium** continued to decline.

The **\$A** appreciated beyond US67.70c after trading at ~US67.65c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26950	15	0.1
S&P 500	2992	-0.3	-0.0
NASDAQ	8112	-5	-0.1
FTSE 100	7326	-19	-0.3
DAX 30	12342	-126	-1.0
Shanghai Comp	2977	-29	-1.0

Australia – RBA governor Philip Lowe is scheduled to deliver *An Economic Update* at the Armidale Business Chamber, **8.05pm** AEST

Today's Stock Watch

Air New Zealand (AIZ)

Contracts effectively secured for the previously-flagged purchase of eight Boeing 787-10 Dreamliner craft, hosting GENx-1B engines.

Initial delivery is anticipated late 2022 and the final delivery in 2027.

AIZ plans to sign the GE contracts following anticipated shareholder approval at the company's AGM tomorrow.

Arq Group (ARQ)

Expecting \$16.8M - \$19.3M underlying 2H 2019 EBITDA, against previous guidance of \$27.0M - \$30.5M.

In addition, ARQ has appointed Macquarie Capital to conduct a strategic review, following approaches from third parties in relation to both the enterprise division and SMB division.

In association, CEO Martin Mercer will leave ARQ following a transition period.

Mr Mercer has resigned, effective immediately, from the ARQ board. Infoready (now part of ARQ) founder and MD Tristan Sternson has been appointed interim CEO.

ARQ is a resuming from a trading halt, having last traded at 54c.

Fletcher Building (FBU)

FBU has appointed former GWA Group (ASX: GWA) MD and CEO Peter Crowley as an independent non-executive director, effective 1 October (Tuesday next week).

Tony Carter is retiring as an FBU director at the 28 November AGM. Mr Carter has been an FBU director for nine years.

Fluence Corporation (FLC)

Agreements secured that will make FLC the preferred wastewater treatment equipment supplier for Liaoning Huahong New Energy Co.

In addition, FLC still anticipated up to \$US20M Q4 revenue from an Ivory Coast desalination project despite financial close now expected by 31 December, rather than 30 September.

ASX Ltd (ASX)

Today's AGM MD and CEO speeches and presentation materials lodged pre-trade.

Osteopore Ltd (OSX)

3D bioresorbable implant producer completed a stellar ASX listing yesterday, following a \$5.25M IPO at 20c per share.

Opened at 63c and traded as high as 80c before settling at 60c. 6.339M shares changed hands across 1547 transactions.

49.816M quoted shares.



Overseas Markets Commentary

Major European and US equities markets declined early overnight, as several reports, speeches and data releases highlighted international economic growth risk. Key US indices trade indicated improved risk sentiment by settlement, however.

European Central Bank president Mario Draghi told the European parliament's economic and monetary affairs committee that no near-term regional economic rebound was apparent.

In this context, Mr Draghi again urged governments to use spending to support growth and not rely mostly on central bank stimulus.

In the meantime, the European Systemic Risk board, of which Mr Draghi is chair, issued five European nations with residential property warnings and delivered recommendations, regarding remedial action, to six others.

US officials maintained high-level face-to-face **US-China** trade talks remained on the agenda, but no confirmation came from China, following last week's lower level talks in Washington.

In the **UK**, the Supreme Court announced it would deliver its decision on the five-week suspension of parliament at 10.30am British time Tuesday (this evening AEST).

Meanwhile, a United Nations (UN) climate change summit headed the official commencement of the UN general assembly in New York tonight.

In overnight **data** releases, the preliminary September manufacturing PMI reading for the **euro zone** was reported at 45.6, the lowest reading in six years 11 months, following 47 for August.

The services sector activity index was estimated 1.5 points lower than for August, at 52.0.

For **Germany**, the manufacturing PMI fell to an even more decidedly contractionary 41.4, from 43.5.

The nation's services sector activity index dropped 2.3 points, to 52.5, the first decline for this index in 6.5 years.

Subsequently, the euro traded more than 0.2% lower against the \$US.

In the **US**, the Chicago Fed national activity index improved to 0.1 from a revised -0.41.

Markit preliminary US September PMIs came in at 50.9 for the services sector, from 50.7, and 51.0 for manufacturing, from 50.3 in August.

The services index employment component reportedly pulled back for the first time in 9.5 years.

Tonight in the **US**, the Richmond Fed manufacturing index, a consumer confidence reading and two July house price indices are due.

A \$US40B two-year note auction is also scheduled.

Elsewhere, the **UK** Supreme Court's decision this evening, after hearing arguments last week regarding the lawfulness or otherwise of the five-week suspension of parliament, is expected to produce further political angst. Currently, parliament is set to resume 14 October.

Companies scheduled to report earnings or provide updates tonight include Blackberry (pre-US trade) and Nike (post-US trade).

Pre-Open Announcements

Helloworld Travel (** HLO)

Planning to acquire TravelEdge for \$28M.
Funding will come from a new bank facility.

Wattle Health Australia (* WHA)

In response to an ASX price query, WHA has noted a recent Chinese takeover offer for Bellamy's (ASX: BAL), a fall in WHA's price when a substantial shareholder sold down its holding, and the company's plans to acquire Blend & Pack pending successful negotiations to secure a debt funding facility.

WHA attracted ASX regulatory attention following a 13.92% gain Thursday last week, which preceded a 21.11% rise Friday and a 30.28% jump yesterday, with each day's trade volumes also appreciating.

WHA settled at 71c yesterday after trading as high as 75c intra-session and closing out August at 39c.

Chorus Ltd (CNU)

Supporting the nomination of recent Optus executive Sue Bailey as an independent non-executive director.

Founding CNU director Anne Urlwin is planning to stand down at the CNU AGM, when Ms Bailey will face an election vote.

Tower Ltd (TWR)

New Zealand's TWR is planning to outlay \$NZ13M to acquire Youi NZ's insurance portfolio.

In association, including a change in licence conditions, TWR is conducting a \$NZ47.2M one-for-four entitlement offer at NZ56c/A54c per share.

TWR last traded on the ASX Wednesday last week, at 71.5c.

SUDA Pharmaceuticals (SUD)

MD and CEO Stephen Carter has resigned, effective yesterday, after ~nine years with the company.

SUD chairman Paul Hopper has subsequently been appointed executive chairman.

Mr Hopper's remuneration will be boosted from \$80,000 to \$150,000.

Resources

Arafura Resources (** ARU)

Additional MoU secured, this one with Baotou Tianhe Magnetics Technology Co, to potentially supply up to 900tpa of NdPr oxide from ARU's Nolans NdPr project, Northern Territory.

Alkane Resources (* ALK)

NSW Tomingley, Peak Hill and Dubbo project resources and reserves, as at 30 June 2019, lodged post-trade yesterday.

Golden Rim Resources (* GMR)

GMR has issued an additional 13.4M shares at 1.4c each to Pella Group's Westward Investments, raising a pre-costs \$187,750.

Pella sought to restore its GMR holding to 7.37% following the rights issue in which Pella subscribed for full entitlements.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1531.5	oz	16.4	1.1
Silver (NY) (Dec)	18.711	oz	0.862	4.8
Gold (LON)	1502	oz		
Platinum	956	oz	12	1.3
WTI Crude (Nov)	58.64	bbl	0.55	1.0
Brent Crude (Nov)	64.77	bbl	0.49	0.8
Iron Ore (NYMEX,CHN,62%)	93.49	t	0.11	0.1
Copper (LME,3mth,PM)	5797	t	39	0.7
Nickel	17305	t	-95	-0.6
Aluminium	1785	t	-5	-0.3
Lead	2078	t	-36	-1.7
Zinc	2323	t	28	1.2
Tin	16530	t	-170	-1.0

Commodities Commentary

Oil – reports **Saudi Arabia** had achieved 75% output restoration following the mid-September attacks on key oil operations lifted prices early, despite other ongoing talk that full restoration would likely take months rather than weeks.

Weaker-than-anticipated euro zone **PMI** readings constrained ultimate gains.

Swinging trade was also attributed in part to the resumption of full operations at terminals and through a pipeline to the **US** Gulf coast.

Meanwhile, a \$US9B gas project-related claim against **Nigeria's** government, being heard in London, again prompted the promotion by Nigeria's attorney general and central bank governor of national rights to billions of dollars' worth of oil price-related payments from major companies.

For its part, the **United Arab Emirates'** (UAE) central bank published a 2.4% UAE 2019 GDP growth late-weekend, in part boosted by 5% oil sector growth, against a 2.8% sector boost last year.

Gold – geopolitical risk and global growth fears supported overnight gold interest.

Geopolitical events and a mix of key data releases are expected to continue to toy with gold sentiment through the week.

Base metals – disappointing euro zone PMI readings appeared just one influence on swinging overnight trade.

Buying ahead of China's week of Autumn festival holidays, public speeches from central bank heads, geopolitical scenarios and the approach of the end of the September quarter are expected to produce vacillating trade throughout this week.

Japan's preliminary September manufacturing PMI is expected today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6774	0.0002	0.03
EUR – USD	1.0992	-0.0001	-0.01

Kingston Resources (KSN)

Heralding high-grade mineralisation determined by drilling within the WA Livingstone gold project.

Energy**Strike Energy (* STX) / Warrego Energy (* WGO)**

Perth Basin West Erregulla-2 completion achieved, with production flow testing expected to commence the early October and to last for two weeks. STX operator and 50%; WGO 50%.

Trading Halts

Company	Code	Resuming
Blina Minerals	BDI	24 Sep
Dampier Gold	DAU	24 Sep
European Cobalt	EUC	24 Sep
GR Engineering Services	GNG	24 Sep
Latrobe Magnesium	LMG	24 Sep
Torian Resources	TRN	24 Sep
Family Zone Cyber Safety	FZO	25 Sep
Hexagon Resources	HXG	25 Sep
HotCopper Holdings	HOT	25 Sep
Kibaran Resources	KNL	25 Sep
Krakatoa Resources	KTA	25 Sep
Metals Australia	MLS	25 Sep
Smiles Inclusive	SIL	25 Sep
Stavely Minerals	SVY	25 Sep
Superloop Ltd	SLC	25 Sep
Surefire Resources	SRN	25 Sep
White Rock Minerals	WRM	25 Sep
Terrain Minerals	TMX	26 Sep
Toro Energy	TOE	26 Sep

Suspensions (select)

Company	Code	Since
Creso Pharma	CPH	18 Sep
G Medical Innovations Holdings	GMV	10 Sep
iBuyNew Group	IBN	9 Sep
Kollakorn Corporation	KKL	2 Sep
Latin Resources	LRSDA	9 Sep
Okapi Resources	OKR	10 Sep
Oventus Medical	OVN	23 Sep
Stonehorse Energy	SHE	18 Sep
Syntonic Ltd	SYT	10 Sep
Transcendence Technologies	TTL	24 Sep
Vietnam Industrial Investments	VII	16 Sep

**Australian Data Today**

ANZ/RoyMorgan	Consumer sentiment	22 Sep
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US Data Tonight

Richmond Fed manufacturing		Sep
Conference Board consumer confidence		Sep
FHFA house prices		Jul
Case-Shiller house price index		Jul

Other Overseas Data Today & Tonight

Japan	PMIs (prelim)	Sep
Japan	Leading economic index	Jul
UK	CBI industrial trends - orders	Sep
UK	Public sector finances	Aug
Germany	Ifo business climate	Sep

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CAJ	Today	0.5	100	3.91
CAR	Today	25	100	2.79
GDG	Today	1	0	3.03
REX	Today	8	100	8.03
VLS	Today	1.5	100	5.29
APE	Tomorrow	14	100	1.66
AYK	Tomorrow	114	43	6.33
AYZ	Tomorrow	119	76	4.68
CWP	Tomorrow	13.5	100	5.08
GDF	Tomorrow	2.25	0	6.12
SXE	Tomorrow	3	100	0.00
WPP	Tomorrow	2.3	100	11.15
A2B	Thu	4	100	5.33
ALX	Thu	15	0	1.90
BWX	Thu	2.7	100	0.00
CUP	Thu	1	100	2.12
EBO	Thu	31.05	95.77	2.55
HUO	Thu	3	50	0.64
JHC	Thu	3.35	50	5.57
LYL	Thu	15	100	5.91
MYE	Thu	4	100	0.00
NEC	Thu	5	100	2.52
PFG	Thu	0.2	100	8.13
QRI	Thu	0.95	0	2.87
VEA	Thu	2.1	100	2.41