

Markets

SFE 200 Futures (9.25am AEST)	5373	-44	-0.8
NZX 50	7243	-22	-0.3
DJIA Futures	18014	0	0.0
S&P 500 Futures	2140	0	0.0
NASDAQ Futures	4814	-1	-0.0

Local Markets Commentary

The Australian market will open on decidedly negative international equities leads, as the first of three US presidential candidate debates proceeds.

In overnight commodities trade, **oil** swung higher and US **gold** futures turned to settle with a small gain. **Copper** and **iron ore** pulled back slightly.

The **\$A** climbed above US76.35c after trading at ~US76.10c early yesterday evening.

Regionally today, **China** is expected to release August industrial profits **11.30am** AEST.

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

Ex-dividend season also continues. Please see pp3-4 for a detailed list.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18095	-167	-0.9
S&P 500	2146	-19	-0.9
NASDAQ	5257	-48	-0.9
FTSE 100	6818	-91	-1.3
DAX 30	10394	-233	-2.2
Shanghai Comp	2980	53	-1.8

Overseas Markets Commentary

Major European and US equities markets fell on opening overnight and never looked like recovering.

Financial stocks in particular suffered in Europe, in part due to speculation regarding the sufficiency or not of Deutsche Bank's capital reserves.

An IFO business survey for Germany revealed improved, better-than-anticipated results for all key indices - expectations, current conditions and business climate.

US August new home sales dropped 7.6% for the month, but were 20.6% higher, compared with a year ago.

A Texas region manufacturing index improved to -3.0 from -6.2.

European Central Bank (**ECB**) president Mario Draghi told a European Parliament economic and monetary affairs committee the region remained exposed to risk but had remained buoyant in the face of the UK vote to leave the European Union.

Tonight in the **US**, a house price index, initial September services PMI, regional manufacturing index and consumer confidence reading are due.

Nike and Markit are among companies due to report results.

RIU Resources Investor Roadshow

No cost for State One clients

Sydney - Today, Intercontinental Hotel

Melbourne - Thursday 29, September Grand Hyatt Hotel

[Click here for more information and registration](#) or visit
www.stateone.com.au.

China - August industrial profits expected **9.30am** AEST

Today's Stock Watch

Flight Centre (FLT)

Proposing to pay cash (undisclosed amount) for European online travel agency eDreams Odigeo. In association, FLT is also acquiring a proprietary online booking tool. Odigeo has been operating across Sweden, Denmark, Norway, Finland and Germany. FLT closed higher for a third consecutive session yesterday, settling at \$36.80.

Bapcor Ltd (BAP)

BAP (formerly Burson Group) has launched a \$NZ3.30-per-share bid for Hellaby Holdings.

In association, BAP is conducting a \$A165M fully-underwritten institutional placement plus a \$A20M SPP, each at \$5.85 per share.

The acquisition will also be funded from current cash and debt facilities, plus a new acquisition facility secured with ANZ.

BAP says it has secured acceptances totalling 30% of BAP shares.

Hellaby settled at \$NZ3.03 on the New Zealand Stock Exchange yesterday. BAP closed at \$6.16 yesterday and called a trading halt this morning, ahead of the placement. The SPP is scheduled for 3 - 19 October.

Pharmaxis Ltd (PXS)

Approval in hand to market the company's Bronchitol cystic fibrosis treatment in Russia.

Emeco Holdings (EHL)

EHL says it expected yesterday's announcement of a Standard & Poor's credit rating reduction to CC- from CCC-, due to the proposed recapitalisation and merger. EHL appreciated 37.7% to 7.3c yesterday, after resuming from a trading halt with the planned merger disclosure.

Resources

Rio Tinto (RIO)

Proposing to buy back up to another \$US3B worth of \$US bonds. Details lodged this morning.

Talga Resources (TLG)

Phase 2 commissioning of TLG's graphene pilot test facility in Germany has been successfully completed.

South32 Ltd (S32)

South Africa Mamatwan manganese project site tour presentation lodged post-trade yesterday.

DGR Global (DGR)

DGR's SolGold investment (207.4M shares) was worth \$A55M as at the overnight London Stock Exchange close.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1344	oz	2	0.2
Silver (NY) (Dec)	19.5	oz	-0.3	-1.4
Gold (LON)	1341	oz	2	0.1
Platinum	1039	oz	-15	-1.4
WTI Crude (Nov)	45.9	bbl	1.45	3.3
Iron Ore (Tianjin)	56.4	t	-0.1	-0.2
Copper (LME)	4841	t	-14	-0.3
Nickel	10530	t	-130	-1.2
Aluminium	1661	t	24	1.5
Lead	1948	t	28	1.5
Zinc	2289	t	13	0.6
Tin	19725	t	80	0.4
CBT Wheat (Dec)	3.97	bshl	-0.08	-2.0

Commodities Commentary

Oil – a Genscape weekly report estimated a 276,000bbl draw on Cushing, Oklahoma stocks for the week to 23 September.

In addition, the \$US weakened and the United Arab Emirates (UAE) again declared it favoured a crude production cap.

The International Energy Forum commenced in Algiers. OPEC members are expected to announce by the forum close (Wednesday) any outcomes of informal meetings called to discuss market stability. Brent crude settled 3.2% lower, at \$US47.35/bbl.

Gold – supported by a softer \$US and improved oil sentiment. Some caution was noted ahead of a presidential candidate debate scheduled for the evening (this morning AEST).

Base metals – copper notably settled lower, despite oil price gains and a weaker \$US. Nickel fell reportedly on some profit-taking amid louder talk of longer-term lacklustre demand.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7635	-0.0001	-0.02
EUR – USD	1.1251	-0.0002	-0.02

Australian Data Today

ANZ/RoyMgn	Consumer sentiment	25 Sep
------------	--------------------	--------

US Data Tonight

S&P CoreLogic (Case-Shiller) house prices	Jul
Markit PMI services (preliminary)	Sep
Richmond Fed manufacturing	Sep
Conf Board consumer confidence	Sep

Other Overseas Data Today & Tonight

China	Industrial profits	Aug
Japan	BoJ policy meeting minutes	Jul
UK	GfK consumer confidence	Sep

Pre-Open Announcements
Surfstitch Group (SRF)

CFO and company secretary Karen Birner has resigned, effective within three months.

Range International (RAN)

Aiming for 10 recycled plastic pellets production lines, eight to be installed in 2017 at the proposed East Java manufacturing facility. Details lodged this morning.

Resources
Manas Resources (MSR)

MSR has extended the due diligence period for the planned \$US10M cash sale of the company's Kyrgyz assets until 10 October. The extension has been granted to would-be buyer Guizhou Geological & Mineral Resources Development Company, in part due to China's early-October National Day holidays. MSR expects the sale to settle by 30 November.

White Cliff Minerals (WCN)

WCN settled at 0.9c yesterday, after closing at 0.6c Thursday last week. This morning, WCN is heralding drilling results from the Aucu gold project, Kyrgyz Republic. WCN says gold has been visible during drilling in addition to outcropping.

Platypus Minerals (PLP)

Pre-feasibility underway for a commercial L-Max plant for lithium carbonate production.

Inca Minerals (ICG)

High-grade sampling assays lodged this morning for the Riqueza zinc-silver-lead project, Peru.

Torian Resources (TNR)

Zuleika gold JV preliminary RAB drilling results lodged this morning.

Hammer Metals (HMX)

Updating the Kalman resource to 20Mt @ 1.8% Cu eq, at 0.61% Cu, 0.34g/t Au, 0.14% Mo & 3.7g/t Re. HMX says the Kalman deposit remains open along strike and down plunge.

Vimy Resources (VMY)

EPA approval in hand to commence WA Mulga Rock project preliminary work.

Dragon Energy (DLE)

DLE has exercised an option to acquire the WA Wiluna region Tabac cobalt-gold project. Planning to commence drilling in December.

Energy
Range Resources (RRS)

Trinidad waterflooding (recovery method) update lodged this morning.

Trading Halts

Company	Code	Resuming
Anson Resources	ASN	27 Sep
Minotaur Exploration	MEP	27 Sep
Cover-More Group	CVO	28 Sep
IRESS Ltd	IRE	28 Sep
MMJ Phytotech	MMJ	28 Sep
RungePincockMinarco Ltd	RUL	28 Sep
Updater Inc	UPD	28 Sep
White Rock Minerals	WRM	28 Sep

**Need More Information?**

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

Bapcor Ltd BAP 29 Sep

Suspensions (selected)

Company	Code	Since
ATC Alloys	ATA	2 Sep
Crusader Resources	CAS	26 Sep
Diploma Group	DGX	1 Sep
Drake Resources	DRK	23 Sep
HJB Corporation	HJB	8 Sep
KBL Mining	KBL	9 Sep
Krakatoa Resources	KTA	8 Sep
Oakajee Corporation	OKJ	12 Sep
Peninsula Mines	PSM	26 Sep
Realm Resources	RRP	13 Sep
Stargroup Ltd	STL	26 Sep
Windward Resources	WIN	20 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
CGC	Today	6	100	2.95
JHC	Today	5.75	100	5.42
NST	Today	4	100	1.51
SRX	Today	30	77.66	0.95
AIA	Tomorrow	~8.52	0	2.41
APD	Tomorrow	10.5	100	2.92
CLH	Tomorrow	3.9	100	6.34
LNK	Tomorrow	8	18.7	0.96
MXI	Tomorrow	1	100	5.00
MYR	Tomorrow	3	100	4.12
PFG	Tomorrow	0.4	100	5.93
SGF	Tomorrow	7.63	100	2.96
AJD	Thu	2.43	0	6.08
AOD	Thu	0.36	100	6.28
AOF	Thu	3.70	100	1.90
ARF	Thu	~2.93	0	5.49
AVN	Thu	3.88	0	5.77
AYF	Thu	8.75	37.37	6.25
BPA	Thu	6	0	2.71
CAB	Thu	10	100	5.45
CMA	Thu	~4.38	0	7.82
CTN	Thu	3.7	50	5.36
EBO	Thu	~27.63	95.77	2.69
FET	Thu	3.55	0	5.06
GBT	Thu	5.5	100	2.51
GCM	Thu	~0.98	0	0.96
GDF	Thu	2.35	0	8.71
GME	Thu	3.9	0	7.67
GNE	Thu	~7.60	0	6.86
IAB	Thu	1.7	100	1.24
ICS	Thu	3.5	0	3.44
IFL	Thu	26	100	6.02
LYL	Thu	4	100	1.88
MEZ	Thu	~9.92	0	4.35
MMS	Thu	34	100	5.14
PNC	Thu	6.2	100	5.36
PPC	Thu	2.75	100	4.52
RFF	Thu	2.41	0	5.45
RFP	Thu	~2.51	100	0.00
TGP	Thu	~1.63	0	6.82
TIX	Thu	5.4	0	7.81



Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This morning note and its contents at all times remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

TOF	Thu	4.25	0	7.56
TOT	Thu	1.9	0	5.47
TRS	Thu	19	100	4.07
TTC	Thu	1.7	0	7.64
WMC	Thu	~0.49	0	2.56
ABW	Fri	0.85	0	4.49
ACQ	Fri	1.5	100	1.43
AGI	Fri	0.3	100	4.39
AIB	Fri	1.53	0	8.53
AUB	Fri	11.38	0	8.21
BPS	Fri	5	100	4.35
EHE	Fri	2	100	7.38
IPC	Fri	5	100	6.67
LCE	Fri	1.25	100	4.24