

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	6687	25	<b>0.4</b>
<b>NZX 50</b>	10839	16	<b>0.2</b>
<b>DJIA Futures</b>	26893	1	0.0
<b>S&amp;P 500 Futures</b>	2981	0	0.0
<b>NASDAQ Futures</b>	7787	-1	0.0

**Local Markets Commentary**

The Australian market commences Friday trade amid some disquiet relating to Middle East security plans, US-China trade deal progress and the status of UK-European Union proposals, ahead of material data anticipated out of China today and Monday.

**Locally** today, a swag of stocks, including KMD, trades **ex-dividend**. Please see pp3-4 for a detailed list.

**Regionally**, August **industrial profits** are expected out of **China 11.30am AEST**.

In overnight commodities trade, WTI **crude** settled slightly lower. Brent turned higher.

US **gold** futures (December) turned to record a small gain.

**Iron ore** (Nymex CFR China, 62% Fe) slipped US2c/t.

LME **copper** and **nickel** swung lower. **Aluminium** picked up the pace of its current decline.

The **\$A** was pushed lower, to ~US67.50c, after trading at ~US67.60c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	26891	-80	<b>-0.3</b>
<b>S&amp;P 500</b>	2978	-7	<b>-0.2</b>
<b>NASDAQ</b>	8031	-47	<b>-0.6</b>
<b>FTSE 100</b>	7351	61	<b>0.8</b>
<b>DAX 30</b>	12289	54	<b>0.4</b>
<b>Shanghai Comp</b>	2929	-26	<b>-0.9</b>

**Overseas Markets Commentary**

Choppy trade featured overnight across most major European and US equities markets.

The US gave details of its new contribution towards **Middle East** security operations, in particular in support of Saudi Arabia, these including an additional 200 military personnel, four radar systems and Patriot missiles.

**China** offered confirmation regarding increased US agricultural export purchases, amid other claims of US 'bullying' regarding new Iran-related sanctions announced by the US on Wednesday against five individuals from China and six Chinese enterprises.

US Department of Agriculture figures revealed overnight that 3375t of pork had been purchased by companies in China during 13 – 19 September.

**September quarter** - second last ASX trading session  
 Public holiday in Western Australia Monday

**Today's Stock Watch**
**GrainCorp Ltd (GNC)**

The Australian Competition and Consumer Commission (ACCC) has extended by two weeks its review of GNC's proposed sale of the assets of Australian bulk Liquid Terminals to ANZ Terminals.

The ACCC is now planning to announce a decision 31 October. Foreign Investment Review Board (FIRB) approval also remains outstanding.

**City Chic Collective (CCX)**

CCX has been nominated as the 'stalking horse bidder' for (bankrupt-declared) plus-size women's apparel specialist Avenue Stores' e-commerce assets at an early-October auction. The 'stalking horse' offer is \$US10M, which CCX expects to fund from cash and debt, if successful with its intended purchase. Completion is anticipated mid-October.

**Spark Infrastructure (SKI)**

SKI has appointed Gerard Dover as CFO, effective 8 October.

**Super Retail Group (SUL)**

SUL has appointed Justin Coss as interim general counsel and company secretary following the resignation of Peter Lim. Mr Coss was most recently legal counsel and company secretary for AUB Group (ASX: AUB). He will commence with SUL on Monday.

**Bailador Technology Investments (BTI)**

Writing down the company's Stackla investment to \$0, due to Stackla's ongoing blocked access to Facebook and Instagram. BTI estimated its \$12.6M Stackla investment was worth 7.7% of the company's pre-tax NTA at the end of August.

**Kathmandu Holdings (KMD)**

Trading ex-dividend (11.1c) today.

KMD has this morning confirmed Sandra McPhee is retiring from the KMD board today.

**Resources**
**Saracen Mineral Holdings (SAR) / Talisman Mining (TLM)**

SAR is planning to outlay \$A10M cash for TLM's WA Sinclair gold project, located immediately along strike from SAR's Bannockburn project.

TLM will receive a 2.0% net smelter royalty for Sinclair and also non-precious metals output from SAR's regional Waterloo tenement.

TLM says the initial Sinclair sale proceeds will boost cash resources to \$18M.

In the **UK**, the House of Commons determined nothing new, but there appeared plenty of opposition to another parliamentary recess from tonight through Wednesday next week, to accommodate attendance at the Conservative party conference.

Among a swag of overnight US **data** releases, a final June quarter GDP growth reading remained at 2.0% for the quarter, the same as the second estimate, and against 3.1% for the March quarter.

Consumer prices surprised on the upside, increasing 2.4% during the June quarter, against 0.4% during the March quarter.

Preliminary August wholesale inventories were reported 0.4% higher for the month following a 0.1% July rise.

August pending home sales rose 1.6% for the month and were 2.5% higher year-on-year, against a 2.5% drop from the end of June to 31 July.

The Kansas City Fed manufacturing index encouraged, coming in at 11 following -2 for August.

Weekly new unemployment claims rose by 3000.

Earlier, GfK's October consumer confidence reading for **Germany** was reported at 9.9, up 0.2 for the month.

**Tonight** in the **US**, August personal income and spending, a University of Michigan final September consumer sentiment reading, and August durable goods orders are due.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1515.2</b>	oz	2.9	<b>0.2</b>
<b>Silver (NY) (Dec)</b>	17.912	oz	-0.161	<b>-0.9</b>
<b>Gold (LON)</b>	1506	oz	-22	<b>-1.5</b>
<b>Platinum</b>	928	oz	3	<b>0.3</b>
<b>WTI Crude (Nov)</b>	<b>56.41</b>	bbl	-0.08	<b>-0.1</b>
<b>Brent Crude (Nov)</b>	<b>62.74</b>	bbl	0.35	<b>0.6</b>
<b>Iron Ore (NYMEX,CHN,62%)</b>	92.95	t	-0.02	<b>-0.0</b>
<b>Copper (LME,3mth,PM)</b>	<b>5721</b>	t	-67	<b>-1.2</b>
<b>Nickel</b>	17240	t	-85	<b>-0.5</b>
<b>Aluminium</b>	1739	t	-17	<b>-1.0</b>
<b>Lead</b>	2090	t	-15	<b>-0.7</b>
<b>Zinc</b>	2294	t	7	<b>0.3</b>
<b>Tin</b>	16400	t	-175	<b>-1.1</b>

### Commodities Commentary

**Oil** – prices swung overnight on production speculation, Middle East security commentary and select data releases.

In the meantime, reports emerged **US** sanctions on two COSCO tanker subsidiaries, announced Wednesday, had forced China's Sinopec trading division Unipet to source other tankers for four oil cargoes from the Middle East.

A weekly US petroleum drill rig count is due tonight.

**Gold** – overnight gold gains were mostly attributed to ebbing equities sentiment and some safe-haven interest amid conjecture and disquiet regarding US-China trade deal progress, new Middle East security plans and the UK's plans to separate from the European Union.

Among overnight data releases, a final June quarter GDP reading for the US was reported as the same as the second estimate, at

## Pre-Open Announcements

### Virgin Australia Holdings (VAH)

Kevin Xing will take over as Nanshan Group's representative on the VAH board from today, taking over from Lan Xiang.

### Sydney Airport (\* SYD)

Sydney Airport Trust 1 (SAT1) responsible entity The Trust Company (Sydney Airport) board appointment and committee changes lodged this morning.

### Yowie Group (\* YOW)

Impairment testing, undertaken when YOW's market capitalisation fell below net assets, has determined an additional impairment totalling \$US500,000.

### Partners Group Global Income Fund (PGG)

Managed investment scheme completed a successful ASX listing yesterday, following a \$550M IPO at \$2.00 per unit.

Opened at \$2.05 and traded at \$2.04 - \$2.06 before settling at \$2.06.

5.35M units were traded across 524 transactions.

275M quoted securities.

## Resources

### De Grey Mining (\* DEG)

Heralding WA Pilbara Mallina deposit drilling which has indicated additional gold-bearing zones.

Details lodged this morning.

### Alacer Gold Corporation (AQQ)

Turkey Çöpler gold project diamond drilling has delivered some high-grade and/or significant-width intersections.

Assays lodged this morning.

### Blackham Resources (\* BLK)

Resources estimated at 93Mt @ 2.1g/t Au, for 6.4Moz of gold.

57% of resources qualify for measured and indicated status.

Reserves are calculated at 25Mt @ 1.7g/t Au, for 1.4Moz of gold.

Additional resources and reserves updates anticipated by year's end.

### Infinity Lithium (INF)

The strategic importance of INF's San Jose lithium project was recognised by the European Commission (EC) at a European Battery Alliance meeting in Brussels overnight Wednesday.

Details lodged this morning.

### Andromeda Metals (ADN)

Conference presentation lodged post-trade yesterday.

## Energy

### Renegen Ltd (\* RLT)

71.35% - 91.35% loss-per-share anticipated for the year ending 31 August.

RLT is largely attributing this to the costs of conducting an IPO



2.0% year-on-year growth.

The ICE \$US traded ~0.15% higher.

**Base metals** – caution reported during LME trade, ahead of key overnight data and influential figures to come from China today and Monday.

In metals-specific news, *alumina* refineries in Luliang, northern China have been forced to cut output by 50%.

Meanwhile, Marubeni reported aluminium stockpiles at three ports in Japan had grown by 5.6% during August.

Customs figures revealed China had doubled its year-on-year August refined nickel imports, boosting these by 35.3% during the month. Nickel ore imported from Indonesia increased 26.5% against the August 2018 tally.

China's August **industrial profits** are anticipated **today**, and official September **PMIs Monday**.

Expect some positioning tonight, ahead of a week-long (1 – 7 October) stretch of China Autumn festival holidays.

In addition, Monday's trade will be the last for the September quarter.

#### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6751	0.0004	<b>0.05</b>
<b>EUR – USD</b>	1.0920	0.0000	0.00

#### US Data Tonight

Personal income & spending	Aug
Durable goods orders	Aug
Uni of Michigan consumer sentiment (final)	Sep

#### Other Overseas Data Today & Tonight

<b>China</b>	Industrial profits	Aug
<b>UK</b>	GfK consumer confidence	Sep
<b>Germany</b>	Import prices	Aug
<b>Euro zone</b>	Business confidence	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](mailto:advice@stateone.com.au)

and listing on the ASX, in addition to the end of a \$US40M loan agreement over the past six months.

#### Trading Halts

Company	Code	Resuming
Calix Ltd	CXL	27 Sep
Canyon Resources	CAY	27 Sep
Corum Group	COO	27 Sep
De.mem Ltd	DEM	27 Sep
Smiles Inclusive	SIL	27 Sep
Andromeda Metals	ADN	30 Sep
Bigtincan Holdings	BTH	30 Sep
Buxton Resources	BUX	30 Sep
Devex Resources	DEV	30 Sep
EVE Investments	EVE	30 Sep
Exore Resources	ERX	30 Sep
Inca Minerals	ICG	30 Sep
Investec Australia Property Fund	IAP	30 Sep
Lion Energy	LIO	30 Sep
New World Cobalt	NWC	30 Sep

#### Suspensions (select)

Company	Code	Since
Ark Mines	AHK	25 Sep
Creso Pharma	CPH	18 Sep
Dampier Gold	DAU	24 Sep
European Cobalt	EUC	24 Sep
G Medical Innovations Holdings	GMV	10 Sep
GR Engineering Services	GNG	24 Sep
Hexagon Resources	HXG	25 Sep
iBuyNew Group	IBN	9 Sep
Kollakorn Corporation	KKL	2 Sep
Latin Resources	LRS	9 Sep
Red Mountain Mining	RMX	26 Sep
Stonehorse Energy	SHE	18 Sep
Syntonic Ltd	SYT	10 Sep
Thred Ltd	THD	26 Sep
Torian Resources	TNR	24 Sep
Transcendence Technologies	TTL	24 Sep
White Rock Minerals	WRM	25 Sep

#### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ADI</b>	Today	<b>4.38</b>	0	5.78
<b>APW</b>	Today	<b>0.54</b>	0	1.72
<b>AQR</b>	Today	<b>5.45</b>	0	6.15
<b>ARF</b>	Today	<b>3.58</b>	0	4.70
<b>AVN</b>	Today	<b>4.22</b>	0	6.03
<b>AYF</b>	Today	<b>8</b>	51.27	5.63

**Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice**

This market opener and its contents always 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.

<b>BSA</b>	Today	<b>0.5</b>	100	1.18
<b>CIP</b>	Today	<b>4.67</b>	0	5.59
<b>CLF</b>	Today	<b>1.5</b>	100	3.94
<b>CLW</b>	Today	<b>7</b>	0	4.56
<b>CMA</b>	Today	<b>4.45</b>	0	5.69
<b>CMW</b>	Today	<b>1.88</b>	0	5.70
<b>CQE</b>	Today	<b>4.17</b>	0	4.38
<b>GCI</b>	Today	<b>0.76</b>	0	4.87
<b>GCM</b>	Today	<b>1.25</b>	0	4.39
<b>KLA</b>	Today	<b>5</b>	0	0.20
<b>KMD</b>	Today	<b>11.1</b>	100	4.75
<b>MEZ</b>	Today	<b>11.88</b>	0	2.54
<b>PCI</b>	Today	<b>0.39</b>	0	0.76
<b>RDC</b>	Today	<b>2.2</b>	0	4.73
<b>RFF</b>	Today	<b>2.71</b>	0	5.99
<b>TGP</b>	Today	<b>1</b>	0	1.72
<b>TOT</b>	Today	<b>2.25</b>	0	10.00
BGP	Mon	7.9	0	5.49
BRL	Mon	0.26	0	0.00
CII	Mon	1.5	100	4.50
EGH	Mon	1	0	0.00
GVF	Mon	2.9	100	5.94
IMD	Mon	1.4	100	0.56
MOT	Mon	3.57	0	0.98
MXT	Mon	0.79	0	5.49
SMR	Mon	8	100	3.53