

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	<b>5661</b>	<b>20</b>	<b>0.4</b>
<b>NZX 50</b>	7920	7	0.1
<b>DJIA Futures</b>	22291	-7	0.0
<b>S&amp;P 500 Futures</b>	2503	-2	-0.1
<b>NASDAQ Futures</b>	5939	-3	-0.1

## Local Markets Commentary

The Australian market commences today's trade on positive overnight international equities sentiment but mixed commodities leads.

In commodities trade, US **gold** futures continued lower. **WTI crude** gained but **Brent** extended Tuesday's fall. LME **copper** turned higher and **iron ore** (China port, 62% Fe) lower.

The **\$A** has traded beyond US78.50c this morning after trading at ~US78.40c early yesterday evening. Locally today, a plethora of companies, including **CAB, JHC, MAQ, MMS** and **RSG**, trades **ex-dividend**. Please see p3 for a detailed list.

The ABS also publishes a monthly job vacancies report, 11.30am AEST.

Regionally this morning, the **Reserve Bank of New Zealand** (RBNZ) has kept the overnight rate at 1.75% and again wished for some \$NZ depreciation.

**China** is expected to release final June quarter current account figures today.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>22341</b>	56	<b>0.3</b>
<b>S&amp;P 500</b>	2507	10	0.4
<b>NASDAQ</b>	6453	73	1.2
<b>FTSE 100</b>	7314	28	0.4
<b>DAX 30</b>	12657	52	0.4
<b>Shanghai Comp</b>	3345	2	0.1

## Overseas Markets Commentary

Major European and US equities markets traded higher overnight on a mix of factors.

The financial and tech sectors were decidedly in favour in the US, the euro traded at five-week lows against the \$US, and British pound comparative weakness supported exporters.

In **US** data releases, August durable goods orders were reported 1.7% higher, buoyed by the aircraft sector.

Pending home sales fell 2.6% to the least count for any month this year. This was attributed, however, to a mix of summer holiday season, hurricanes and stymied supply.

Also in the **US**, plans for a new taxation regime, including slashing company rates by 15% to 20% and simplifying individual tax thresholds, were outlined, but the lowest individual rate was raised 2% to 12% and the highest lowered by 4.6% to 35%. No detail was offered on funding the changes.

Associated estimates for improved national economic growth boosted US-listed finance stocks.

**RBA** - deputy governor Guy Debelle is speaking at a Bank of England-hosted conference in London, **7pm AEST**

\* LIC ASX debut **11.30am AEST** - **VG1** \*

\* Minerals exploration listing **12.30pm AEST** - **OKR** \*

**September quarter** - second last trading day

**ASX** - normal trade Monday. Public holidays in NSW, Queensland, South Australia and the ACT.

Tomorrow (Friday) is a public holiday in Victoria.

## Today's Stock Watch

### Synlait Milk (SM1) / The a2M Milk Company (A2M) / Challenger Ltd (CGF)

Registration in hand for SM1 to continue exporting A2M infant formula to China. A2M holds 8.17% of SM1. CGF holds 6.63% of A2M.

### Neurotech International (NTI)

NTI appreciated 112.1% yesterday, closing at 35c. The firm had delivered three presentations to academic researchers at the three-day (UK) Cambridge International Conference on Mental Health, which concluded post-ASX trade Friday.

The presentations included results from tests conducted on NTI's device supporting relaxation and focus for children diagnosed with autism.

### VGI Partners Global Investments (\* VG1)

Listed investment company scheduled to list on the ASX **11.30am AEST** following a \$550M IPO at \$2.00 per share. HSBC Custody Nominees (Australia) 15.54%; National Nominees 2.88%.

## Resources

### De Grey Mining (DEG)

Pilbara gold project resources have grown 20% to 23.888Mt @ 1.6g/t Au, for 1.21Moz. The overall resource was boosted by new Toweranna, Mallina and leach pad estimates.

DEG's base metals resource remains unchanged at 3.47Mt @ 3.2% Zn, 1.3% Pb, 0.1% Cu, 0.8g/t Au and 110g/t Ag.

DEG appreciated 150% to close at 15c yesterday following an announcement of dozens of gold nuggets noted within the (WA) Pilbara gold project's E47/2720 permit.

### Okapi Resources (\* OKR)

Explorer scheduled to list **12.30pm AEST** following a \$5M IPO at 20c per share. Havelock Mining Investment holds 13.98%.

## Energy

### Beach Energy (BPT) / Origin Energy (ORG) / Seven Group Holdings (SVW)

BPT is outlaying \$1.585B for ORG's Lattice Energy. In association, BPT is conducting a \$301M 75c-per-share entitlement offer, with 22.73% BPT shareholder SVW taking its full share. BPT trading halt called while the institutional component completes today and tomorrow. The retail offer is scheduled for 5 - 16 October. BPT closed at 82.5c yesterday, 76c last Friday and 67c 31 August.

In the meantime, **Saudi Arabia** commenced a \$US12.5B bond offer.

**Tonight** in the US, a third and final June quarter GDP reading is anticipated.

Weekly new unemployment claims and August wholesale inventories are also due, together with a regional manufacturing index.

In London, the **Bank of England** hosts a central bank independence conference, at which governor Mark Carney will speak, together with other central bankers, including from Australia.

The conference concludes tomorrow night.

In overnight corporate news, US chip manufacturer **Micron Technology** forecast \$US6.1B - \$US6.5B revenue for the coming quarter after reporting past quarter profit that exceeded expectations. The stock traded 8.5% higher, boosting overall tech sector sentiment.

**Nike's** results, reported post-US trade, pushed the stock ~2% lower and appeared to impede overall DJIA progress.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1288</b>	oz	-14	-1.1
<b>Silver (NY) (Sep)</b>	16.8	oz	-0.1	-0.6
<b>Gold (LON)</b>	1283	oz	-18	-1.4
<b>Platinum</b>	918	oz	-4	-0.4
<b>WTI Crude (Nov)</b>	<b>52.1</b>	bbbl	0.3	0.5
<b>Brent Crude (Nov)</b>	<b>57.9</b>	bbbl	-0.5	-0.9
<b>Iron Ore</b> (CHN port 62%)	<b>64.2</b>	t	-0.8	-1.2
<b>Copper</b>	<b>6437</b>	t	24	0.4
<b>Nickel</b>	10240	t	-240	-2.3
<b>Aluminium</b>	2132	t	6	0.3
<b>Lead</b>	2462	t	-26	-1.1
<b>Zinc</b>	3105	t	-11	-0.4
<b>Tin</b>	20700	t	-10	-0.1
<b>CBT Wheat (Dec)</b>	<b>4.62</b>	bshl	0.08	1.8

### Commodities Commentary

**Oil** – trade diverged markedly overnight, some continuing to cite price competition. Others claimed US stockpiles as the major influence, but this is not distinct from competition.

A comparatively strong **\$US** would also have swung some trade considerations.

A US weekly petroleum **inventories** report estimated crude stocks had fallen by 1.8MMbbl. This, against expectations of a 3.4MMbbl increase, helped push overnight WTI crude prices higher.

US production rose to a daily 9.55MMbbl.

Refining processing rates were estimated at 88.6%, up 5.4% for the week.

**Gold** – \$US strength (index at five-week peaks) continued to damage gold trade overnight, prices falling to four-week lows.

A third **US June quarter GDP** growth reading tonight is viewed as one possible trade influence.

Comments out of a Bank of England-hosted conference at which several **central bankers** will speak, will also be carefully analysed with the potential to influence currencies trade.

**Base metals** – pushed and pulled overnight by a continuing stronger \$US, data and likely production scenarios.

**China's** 24% higher year-on-year August industrial profits, reported yesterday, contrasted with July's

## Pre-Open Announcements

### Z Energy (ZEL)

Today's investor day presentation lodged pre-trade.

### Restaurant Brands New Zealand (RBD)

New Zealand-headquartered food retail chain manager completed its ASX listing yesterday. As an ASX foreign exempt listing no RBD IPO was required. ~122.8M shares on issue.

## Resources

### Alumina Ltd (AWC)

Bahrain conference presentation lodged post-trade yesterday. AWC presented overnight.

### Anson Resources (\* ASN)

Drilling permit expected within 40 days for ASN's Utah, US lithium brine project.

ASN settled at 3.4c yesterday, after closing out last week at 2.3c.

### European Cobalt (\* EUC)

Fully-funded October-start exploration plans lodged this morning for the Dobsina cobalt-nickel-copper project, Slovakia. EUC closed at 15c yesterday after closing out August at 7.6c.

### PepinNini Minerals (PNN)

Technical director and exploration manager Phil Clifford is resigning these positions as of 1 October. Mr Clifford intends to remain with PNN as a non-executive director, however.

## Energy

### ADX Energy (\* ADX) / Riedel Resources (RIE)

ADX has sold its RIE holding for a gross \$1.32M. RIE appreciated 16.2% yesterday, settling at 4.3c and trading as high as 4.5c intra-session.

### Tap Oil (\* TAP)

TAP is debt-free, having paid out a borrowing base facility with BNP Paribas and Siam Commercial Bank via a \$US3.4M payment.

TAP secured the initial \$US90M facility in April 2014 for Manora oil field development.

## Trading Halts

Company	Code	Resuming
Global Geoscience	GSC	28 Sep
Magnum Gas & Power	MPE	28 Sep
Sayona Mining	SYA	28 Sep
Silver Mines	SVL	28 Sep
Xanadu Mines	XAM	28 Sep
Minotaur Exploration	MEP	29 Sep
Beach Energy	BPT	2 Oct

## Suspensions (selected)

Company	Code	Since
AnaeCo Ltd	ANQ	31 Aug
Brierty Ltd	BYL	8 Sep
Connected IO	CIO	26 Sep
Eve Investments	EVE	27 Sep
iCandy Interactive	ICI	25 Sep
Intrepid Mines	IAU	18 Sep
Manalto Ltd	MTL	18 Sep



16.5% growth.

Meanwhile, a third of China's iron ore mining licences was said to be under threat on environmental grounds heading into winter.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7851	0.0003	<b>0.03</b>
<b>EUR – USD</b>	1.1745	0.0000	0.00

### Australian Data Today

ABS	Job vacancies	Aug
ABS	Finance & Wealth	Jun Q

### US Data Tonight

Initial jobless claims	23 Sep
GDP (3 <sup>rd</sup> and final)	Jun Q
Wholesale inventories	Aug
Kansas City Fed manufacturing	Sep

### Other Overseas Data Today & Tonight

<b>China</b>	Current account (final)	Jun Q
<b>Germany</b>	CPI (prelim)	Sep
Germany	GfK consumer confidence	Oct
<b>Euro zone</b>	Consumer confidence (final)	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).

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Petrel Energy	PRL	26 Sep
SMS Management & Technology	SMX	8 Sep
Veriluma Ltd	VRI	20 Sep

### Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>ABW</b>	Today	<b>0.69</b>	0	7.48
<b>AIB</b>	Today	<b>1.24</b>	0	11.70
<b>AOD</b>	Today	<b>0.31</b>	100	8.29
<b>AOF</b>	Today	<b>3.9</b>	0	6.55
<b>APW</b>	Today	<b>~1.17</b>	0	3.46
<b>ARF</b>	Today	<b>3.2</b>	0	5.46
<b>AUP</b>	Today	<b>9.32</b>	0	9.04
<b>AVN</b>	Today	<b>4.05</b>	0	6.90
<b>AYF</b>	Today	<b>8.75</b>	45.87	5.60
<b>BWF</b>	Today	<b>1.8</b>	100	4.04
<b>CAB</b>	Today	<b>10</b>	100	10.44
<b>CIP</b>	Today	<b>4.85</b>	0	7.92
<b>CLW</b>	Today	<b>6.5</b>	0	5.30
<b>CMA</b>	Today	<b>~4.53</b>	0	7.31
<b>CMW</b>	Today	<b>~2.09</b>	0	8.69
<b>CRR</b>	Today	<b>3.25</b>	0	1.13
<b>EBO</b>	Today	<b>~26.85</b>	95.77	3.25
<b>EOL</b>	Today	<b>1</b>	0	1.67
<b>FET</b>	Today	<b>~3.78</b>	0	5.21
<b>GBT</b>	Today	<b>2.5</b>	100	3.35
<b>GCM</b>	Today	<b>~0.94</b>	0	4.50
<b>GDF</b>	Today	<b>2.25</b>	0	8.02
<b>GNE</b>	Today	<b>7.51</b>	0	6.58
<b>IDR</b>	Today	<b>4.1</b>	0	8.01
<b>JHC</b>	Today	<b>5.75</b>	70	6.25
<b>LGD</b>	Today	<b>0.6</b>	100	6.32
<b>LYL</b>	Today	<b>9</b>	100	4.00
<b>MAQ</b>	Today	<b>25</b>	100	3.46
<b>MEZ</b>	Today	<b>~9.73</b>	0	4.39
<b>MGX</b>	Today	<b>2</b>	100	5.13
<b>MMS</b>	Today	<b>35</b>	100	4.52
<b>RFF</b>	Today	<b>~2.51</b>	0	4.41
<b>RFP</b>	Today	<b>~2.51</b>	100	0.00
<b>RSG</b>	Today	<b>2</b>	0	1.89
<b>TGP</b>	Today	<b>0.75</b>	0	5.86
<b>TOT</b>	Today	<b>2.25</b>	0	6.93
CII	Tomorrow	7	100	5.78
IPC	Tomorrow	6.25	100	5.84
LCE	Tomorrow	~1.38	100	3.93

### Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>AIZ</b>	AGM
	<b>ZEL</b>	Investor Day
<b>Tomorrow</b>	ORL	Full-year
	RRS	Full-year