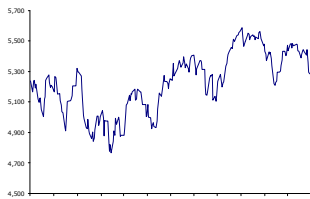


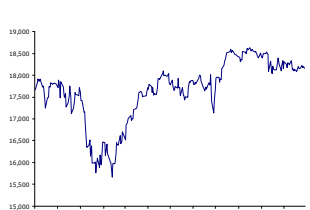
STATE ONE SPINNAKER

30 October 2016
Issue 344

12 month XJO chart



12 month Dow Jones chart



State One Research Products

Spinnaker Free Weekly
Market Opener Free Daily

Daily Resources [Clients Only](#)
Overview

For more research visit:
www.stateone.com.au/research

State One Stockbroking Ltd

Head Office
Level 14, State One House
172 St George's Terrace
Perth WA 6000
Perth Tel: (+61 8) 9288 3388
Sydney Tel: (+61 2) 9024 9105
Email: broker@stateone.com.au
Web: www.stateone.com.au

Global Wrap – 30 October 2016

World Markets	30/10/2016	23/10/2016	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	5284	5430	-2.7%	-3.1%	0.4%
Dow Jones	18161	18146	0.1%	-0.7%	3.8%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	2126	2141	-0.7%	-1.5%	3.6%
FTSE 100	6996	7020	-0.3%	-0.5%	9.7%
DAX30	10696	10711	-0.1%	1.0%	-1.3%
Shanghai Composite	3104	3128	-0.8%	3.3%	-7.9%
Nikkei 225	17446	17234	1.2%	3.2%	-5.4%
Hang Seng	22955	23374	-1.8%	-3.5%	0.5%
Currency					
AUD/USD	0.7599	0.7612	-0.2%	-0.4%	6.5%
Commodities					
Oil (\$/bbl)	48.6	50.5	-3.6%	-3.8%	4.9%
Gas (\$/gal)	3.3	3.5	-5.9%	7.9%	32.3%
Iron Ore (\$/t)	53.9	53.9	0.0%	6.9%	7.8%
Copper (\$/t)	4787	4637	3.2%	0.2%	-9.2%
Lead (\$/t)	2048	2014	1.7%	-0.6%	18.0%
Zinc (\$/t)	2340	2249	4.0%	-1.3%	36.4%
Aluminium (\$/t)	1702	1617	5.2%	2.3%	15.0%
Nickel (\$/t)	10340	9995	3.5%	3.7%	-0.6%
Tin (\$/t)	20875	20060	4.1%	4.7%	30.7%
Gold (\$/oz)	1276	1267	0.7%	0.6%	9.4%
Silver (\$/oz)	17.8	17.5	1.3%	-0.1%	12.1%
Platinum (\$/oz)	980	935	4.9%	-0.1%	-3.1%
Wheat (\$/t)	408.500	414.500	-1.4%	0.9%	-16.8%

Source: Iress

Global Wrap

US

A Federal Reserve policy meeting mid-week, monthly employment statistics Friday and the ultimate presidential poll Tuesday week, mean a mix of caution and jitters is likely to prevail this week.

September quarter GDP, released Friday, grew 2.9% annually, the best pace in two years.

This was an initial estimate, and two more revisions will follow, but based on data to hand, most forecasters had expected a 2.5% increase.

New home sales, Markit initial October services and composite PMIs, retail and wholesale inventories and a drop in the goods trade deficit had all supported expectations earlier in the week for a rate rise out of the 14 December policy meeting.

This in turn had helped propel 10-year US government bond yields to their highest in five months as a general bond sell-off continued. Friday's GDP pushed the \$US to a three-month peak against the yen and bond prices yet lower.

Thursday however, durable goods orders had come in below expectations and weekly new unemployment claims fell by just half the number forecast.

Key manufacturing data will be in hand, together with personal income and spending, before the Fed's decision this week (early Thursday AEDST).

In another vote for the US economy, the Mortgage Bankers Association said it expected new lending to rise 11% next year, to \$US1.1 trillion, the first time beyond \$US1 trillion since 2007.

Perhaps this will depend, as will many forecasts, on the 8 November presidential poll.

Europe

The Bank of England (BoE) is also due to convene a policy meeting this week.

An initial 0.5% September quarter UK GDP growth estimate, released Thursday, lowered expectations of a possible rate cut this week. June quarter growth came in at 0.7%, but a much larger slowdown, to 0.3%, had been anticipated for the September quarter.

An updated inflation report is also due from the BoE Thursday, and some are anticipating forecasts to be revised higher, given the pound depreciation, oil price gains and some better-than-anticipated economic indicators.

This past week, a report that the UK central bank was seeking greater detail on UK financial institutions' exposures to European banks, in particular in Italy and Germany, was not surprising.

This week, Italy's Monte dei Paschi di Siena was again temporarily suspended from market trade, after its share price plunged 23%, immediately following a 26.5% jump.

The rally was an initial reaction to plans to reduce the bank's workforce by 10%, write down bad debt and raise €5B.

A €1.3B provision for bad loans in the September quarter pushed the bank to a €1.15B net loss for the three months, following a €255.8M profit a year earlier.

In addition, Spain's Banco Santander reported that trade in its largest market, the UK, had suffered during the September quarter, income falling 11% from a year ago, in part on reduced corporate business.

In the meantime, BoE governor Mark Carney told a parliamentary committee that any tightening of monetary policy ought not be anticipated in the near future, as bond yields approached eight-year peaks.

For this part, European Central Bank (ECB) president Mario Draghi emphasised this past week that the ECB's policies, including negative rates, were necessary and had been effective to a point. His remarks were interpreted also as suggesting the bond purchase program would be extended past March 2017.

In addition, the bank published a lending report showing growth in loans to both businesses and households during September.

Also during the past week, an initial October euro zone manufacturing PMI was estimated by Markit at 53.3 and the services sector activity index at 53.3, representing 0.7 and 1.2-point respective improvements over the past month.

Meanwhile, Spain announced unemployment had fallen below 20%, to 18.9% during the September quarter, the lowest rate since the December quarter 2009. Nonetheless, Greece is the only European Union nation with a higher unemployment rate.

The ECB's next policy meeting is scheduled for 8 December.

Japan

The Bank of Japan's policy meeting this coming week is not expected to deliver any change, given governor Haruhiko Kuroda this week claimed no targets or government bond holdings needed to be altered. Further, the governor implored the government to implement supportive structural change.

September CPI figures, published Friday, revealed a seventh consecutive monthly fall.

Year-on-year, core CPI fell 0.5%.

In addition, household spending was reported 2.1% lower than a year ago.

September trade figures were no less dour.

Exports have fallen for each month of the past year, this time dropping 6.9% year-on-year in value, to ¥5.97 trillion (~\$US57.5B). Imports plunged 16.3%.

This produced a ¥498B (~\$US4.8B) trade surplus, against a trade deficit in August.

A preliminary October manufacturing PMI encouraged however, estimated at 51.7, up 1.3 for the month, and the highest reading in nine months. Moreover, the new export orders component rose two points to 53.1.

Final PMI readings, industrial production and construction figures, due this week, are sure to add to policy debate, even past the BoJ's post-policy meeting statement Tuesday.

Corporate reporting season is in full swing and this past week both Nintendo and Canon were among well-known brand names bemoaning the impact of a strong yen.

South Korea, another key Australian trading partner, reported 0.7% September quarter GDP growth this week, after 0.8% for the June quarter. The annual rate came in at 2.7%.

China

China is set not to prove the main focus this coming week, but manufacturing PMIs are due Tuesday, from both the NBS and Caixin. Caixin will also release an initial services PMI ahead of final figures Thursday. Any and all could influence markets.

China's September industrial profits, released this past Thursday, provided a jolt, 7.7% growth contrasting with August's 19.5% rise.

Profits slowed across most of the 41 sectors surveyed, but steel, electronics and electricity producers were singled out the most by commentators.

This again turned the spotlight on debt levels and their impact across China's economic restructuring, amid reports regulators have been ordered to more closely monitor lending for property purchases.

Meanwhile, the People's Bank of China fixed the yuan at a new six-year low against the \$US.

The ruling Communist Party also deemed president Xi Jinping 'core' leader at a four-day plenary session this week.

Australia

Reserve Bank of Australia (RBA) board members have plenty to consider at Tuesday's (Melbourne Cup day) policy meeting.

The September quarter CPI, published this past Wednesday, provided an interesting mix of moves.

Supermarket competition proved more evident than anticipated with overall prices up 1.7%, but fresh fruit and vegetables jumping 11.6% (19.5% fruit; 5.9% vegetables). This was mostly attributed to flooding in key growing areas.

Utilities prices appreciated 2.5% (electricity 5.4%) and housing 1.0%. House contents and services also appreciated 1.1%.

For the quarter, CPI grew 0.7%, and year-on-year 1.3%.

Core CPI rose 0.3% and 1.5% respectively.

3.5% higher September quarter export prices (goods only; services not included) were reported Thursday. Combined with a 1.0% fall in import prices, these were considered insufficient to guarantee any significant change in national accounting figures or September quarter GDP.

However, it is likely the RBA will comment on expectations, if not trends, given the 4.5% difference in terms of trade, following the June quarter's 2.5%.

Despite the boost from coal, some base metals, gold, iron ore and meat (11% higher for the quarter), the export price index nonetheless remains 5.4% lower than a year ago.

The RBA's post-meeting statement is expected to also contain reference to the ABS's September employment report, which surprised on several accounts last week.

The housing market will not be left out. This past week, new home sales were reported to have risen 2.7% in September, despite a 0.8% fall in apartment sales, following a 6.1% overall increase for August.

Friday this coming week, the RBA will also release a quarterly monetary policy statement.

Other key releases during the coming week include September trade balance, manufacturing and service sector activity indices, retail sales, building approvals, house prices and a business expectations report.

This past week, trading updates and earnings came in rather varied.

National Australia Bank reported a drop in full-year profit, but cash profit grew.

Macquarie reported a profit slip for the half-year, and Wesfarmers and Woolworths mixed September quarter sales figures.

This coming week, it's the ANZ's turn to reveal full-year figures and early the following week, Westpac. In the meantime, ANZ has revealed some second-half charges.

September quarter reporting comes to a close, but AGM season continues through the next few weeks, promising plenty more updates.

Ultimately, Australian market trade remains beholden to international events.

Commodities

Oil prices fell below \$US50/bbl this week, trading at three-week lows after early-week reaching eight-month peaks.

OPEC's plan to introduce some type of production constraint appeared in disarray, with the list of key producer nations publicly promoting requests for exemption swelling to include Iran, Iraq, Libya, Nigeria and Venezuela.

A 553,000bbl weekly decline in US crude inventories, as calculated by the EIA (government agency) appeared all but dismissed, due to increased stockpiles in key east and gulf coast centres.

Moreover, the American Petroleum Institute weekly report, published the previous day, had estimated a 4.8MMbbl rise in stockpiled crude.

For traders relying on data, the week proved none too easy, as Genscape calculated stores at the Cushing, Oklahoma centre had fallen by 650,000bbl.

In other reports this past week, China was estimated to have imported 18% more crude in September than a year ago, 37% more petrol and 44% more diesel.

Speculative trade within China also came into focus, with the Zhengzhou Commodity Exchange reportedly increasing thermal coal intraday trading fees by 100%.

One million January futures contracts were traded Thursday, in an apparent response, prices dropping five per cent.

Norway's regulators in the meantime reported a small radioactive leak from a research facility.

Iron ore (China port, 62% Fe) prices appreciated to almost six-month highs, beyond \$US62.50/t, but after 13 consecutive sessions free of pullbacks, and ever-louder lack-of-fundamentals warnings, slipped a little come Thursday.

Higher coal prices mean steel producers are looking to use less coal, and this means they require better grades of iron ore.

More supply is due to come online, due to development and ramp-up plans by Rio Tinto (Silvergrass project), Vale (S11D) and Hancock Prospecting (Roy Hill) alone. Rio has lowered its 2016 shipping forecasts however, and Vale its 2017 output prediction.

China's September iron ore imports in the meantime were reported to have risen 8% from a year ago, to 93Mt. For January – September, imports rose 9.1% to 762.6Mt.

Vale delivered a surprise this week, in the form of a 27% profit improvement during the September quarter.

In corporate international steel sector news, Tata group notably replaced chairman Cyrus Mistry with Ratan Tata, sparking a tit-for-tat spat. The 78-year-old Mr Tata had stepped down from this position when he turned 75, and has reportedly been reinstated on an interim basis.

Tata Steel's Port Talbot facility in the UK had survived a sales process earlier this year, and initial concerns were the board change could spawn a rethink.

Baoshan Iron & Steel surprised, with a September quarter profit, which represented a turnaround from a year ago.

Comex *gold* futures changed little early-week, holding relatively well, even on a \$US buoyed by some positive economic reports.

While risk scenarios and festival season in India would normally be seen to produce stronger moves higher, the \$US did provide an upside constraint.

This coming week, given the potential for both caution and relief, updates on physical demand and holdings in funds and gold-backed trusts could exaggerate moves.

In the meantime, Macquarie calculated China's September gold imports had fallen 25% year-on-year, but improved 58% from August, totalling 118t.

Another report put China's September imports from Hong Kong at 86.8t, from 41.9t in August.

For the year-to-date, Capital Economics has calculated 9% higher China gold imports.

Most LME *base metals* trade was impacted at some stage by \$US strength through the week.

However, as with the previous week, there was plenty to produce varying results in any one session.

Copper benefited from Chile's Antofagasta predicting its 2016 copper production would come in at the lower end of previous guidance, but suffered from Codelco reducing 2017 prices to customers in Europe.

In addition, LME warehoused copper was reported 12% lower than ~four weeks ago.

The International Copper Study Group changed its predictions, forecasting an overall 2016 balance against the 55,000t deficit estimated in March. For 2017, the group anticipates a 163,000t surplus, a significant shift from the 20,000t excess previously estimated.

Zinc prices benefited from China's refined zinc imports, which were estimated 14% higher year-on-year for January – September, at 350,000t.

Tin traded at almost two-year highs on a drop in LME inventories.

No, Halloween is not yet past, but in other festive-related commodities news, UK growers of (real, live) Christmas trees have been cheering the inflated (due to the British pound depreciation) prices for trees from traditional markets such as Denmark.

Even Downing Street is promoting the green shoots of hope within the home-grown industry, again having agreed to take receipt of a 6m specimen for the Christmas season.


The other six – eight million UK-grown trees will hopefully go to good homes too.

Economic Calendar 31/10/2016 – 4/11/2016

Monday October 31 2016		Actual	Previous	Consensus	Forecast	
06:00 PM	EA GDP Growth Rate QoQ Flash Q3		0.3%	0.3%	0.2%	
06:00 PM	EA GDP Growth Rate YoY Flash Q3		1.6%	1.6%	1.4%	
Tuesday November 01 2016		Actual	Previous	Consensus	Forecast	
09:00 AM	CN NBS Manufacturing PMI OCT		50.4	50.4	50.5	
09:45 AM	CN Caixin Manufacturing PMI OCT		50.1	50.2	50.1	
11:00 AM	JP BoJ Interest Rate Decision		-0.1%		-0.1%	
11:00 AM	JP BoJ Press Conference					
11:30 AM	AU RBA Interest Rate Decision		1.5%	1.5%	1.5%	
10:00 PM	US ISM Manufacturing PMI OCT		51.5	51.7	52.8	
Wednesday November 02 2016		Actual	Previous	Consensus	Forecast	
01:00 PM	JP Consumer Confidence OCT		43		42.89	
01:00 PM	JP BoJ Quarterly Outlook Report					
04:55 PM	DE Unemployment Change OCT		1K	-1K	-2K	
04:55 PM	DE Unemployment Rate OCT		6.1%	6.1%	6.1%	
05:00 PM	EA ECB Non-Monetary Policy Meeting					
08:15 PM	US Adp Employment Change OCT		154K	168K	169K	
Thursday November 03 2016		Actual	Previous	Consensus	Forecast	
02:00 AM	US Fed Interest Rate Decision		0.5%	0.5%	0.5%	
08:30 AM	AU Balance of Trade SEP		A\$-2.01B	A\$-1.7B	A\$-2.2B	
02:45 PM	CH Consumer Confidence Q4		-15		-11	
06:00 PM	EA Unemployment Rate SEP		10.1%	10%	10%	
08:00 PM	GB MPC Meeting Minutes					
08:00 PM	GB BoE Interest Rate Decision		0.25%	0.25%	0.25%	
08:00 PM	GB BoE Quantitative Easing		£435B	£435B	£435B	
08:00 PM	GB BoE MPC Vote Cut		0/9	1/9	0/9	
08:00 PM	GB BoE Inflation Report					
10:00 PM	US ISM Non-Manufacturing PMI OCT		57.1	56	55.3	
Friday November 04 2016		Actual	Previous	Consensus	Forecast	
08:30 AM	AU Statement on Monetary Policy					
08:30 PM	CA Balance of Trade SEP		C\$-1.94B	C\$-1.7B	C\$-3.7B	
08:30 PM	CA Employment Change OCT		67.2K	-10K	-10K	
08:30 PM	CA Unemployment Rate OCT		7%	7%	6.9%	
08:30 PM	US Balance of Trade SEP		\$-40.73B	\$-39B	\$-40B	
08:30 PM	US Non Farm Payrolls OCT		156K	175K	180K	
08:30 PM	US Unemployment Rate OCT		5%	4.9%	5%	
10:00 PM	CA Ivey PMI s.a OCT		58.4		56.32	

Source: www.tradingeconomics.com

Economic Calendar 7/11/2016 – 11/11/2016

Monday November 07 2016		Actual	Previous	Consensus Forecast	
12:00 PM	ID GDP Growth Rate QoQ Q3		4.02%	3.6%	
12:00 PM	ID GDP Growth Rate YoY Q3		5.18%	5.0%	
01:00 PM	ID Business Confidence Q3		110.24	104.0	
Tuesday November 08 2016		Actual	Previous	Consensus Forecast	
08:30 AM	AU NAB Business Confidence OCT		6	5	
10:00 AM	CN Balance of Trade OCT		\$41.99B	\$48.9B	
10:00 AM	CN Exports YoY OCT		-10.0%		
10:00 AM	CN Imports YoY OCT		-1.9%		
03:00 PM	DE Balance of Trade SEP		€20.0B	€ 20.5B	
 US Presidential Elections					
Wednesday November 09 2016		Actual	Previous	Consensus Forecast	
07:30 AM	AU Westpac Consumer Confidence Index NOV		102.4	102.50	
07:30 AM	AU Westpac Consumer Confidence Change NOV		1.1%		
09:30 AM	CN Inflation Rate YoY OCT		1.9%	1.8%	
05:30 PM	GB Balance of Trade SEP		£-4.7B	£ -1.7B	
Friday November 11 2016		Actual	Previous	Consensus Forecast	
11:00 PM	US Michigan Consumer Sentiment Prel NOV		87.2	90.3	
Saturday November 12 2016		Actual	Previous	Consensus Forecast	
08:30 AM	AU Employment Change OCT		-9.8K	-4K	

Source: www.tradingeconomics.com

All Ords Top 10 Week Ending 28 October 2016

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
ACX	Aconex Limited	10.5	AAD	Ardent Leisure Group	-22.1
OZL	OZ Minerals	8.0	BGA	Bega Cheese Ltd	-22.1
IFN	Infigen Energy	7.7	APN	APN News & Media	-15.0
FMG	Fortescue Metals Grp	7.6	RSG	Resolute Mining	-11.8
RIO	Rio Tinto Limited	5.5	AMP	AMP Limited	-11.5
CTD	Corp Travel Limited	5.3	AAC	Australian Agricult.	-11.0
IPL	Incitec Pivot	4.2	BAL	Bellamy'S Australia	-10.5
FBU	Fletcher Building	3.8	SYR	Syrah Resources	-10.1
GMA	Genworth Mortgage	3.4	CCP	Credit Corp Group	-9.6
SKC	Skycity Ent Grp Ltd	3.1	QAN	Qantas Airways	-9.5

Source: IRESS

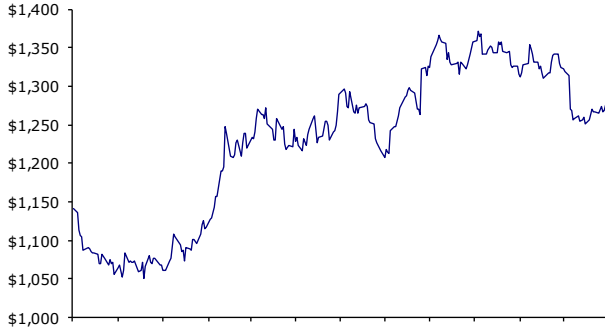
S & P Indices Week Ending 28 October 2016

S&P Indices	30/10/2016	23/10/2016	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	8245	8600	-4.1%	-3.8%	-8.9%
S&P 200 Materials	9108	9137	-0.3%	0.4%	11.0%
S&P 200 Industrials	4953	5175	-4.3%	-4.0%	4.2%
S&P 200 Consumer Disc.	2063	2137	-3.5%	-7.5%	12.5%
S&P 200 Consumer Staples	8651	9296	-6.9%	-4.7%	-1.3%
S&P 200 Healthcare	19724	20707	-4.7%	-9.0%	9.1%
S&P 200 Financials	5940	6052	-1.8%	-1.2%	-2.3%
S&P 200 Info Technology	780	796	-2.0%	-7.2%	8.5%
S&P 200 Telecommunicatic	1767	1802	-2.0%	-4.1%	-10.6%
S&P 200 Utilities	6990	7124	-1.9%	-2.1%	3.9%
S&P 200 Property Trusts	1296	1348	-3.8%	-6.7%	2.3%
S&P 200 Financials ex PT	6625	6750	-1.8%	-1.2%	-4.8%

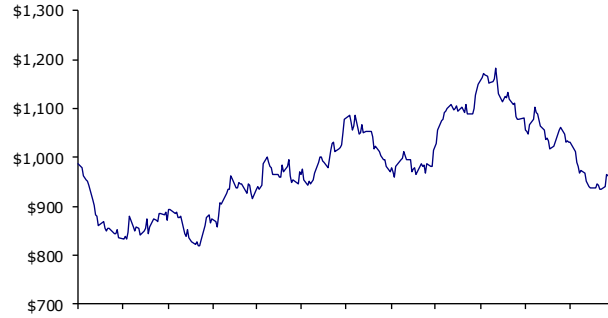
Source: IRESS

1 Year Commodity Price Charts

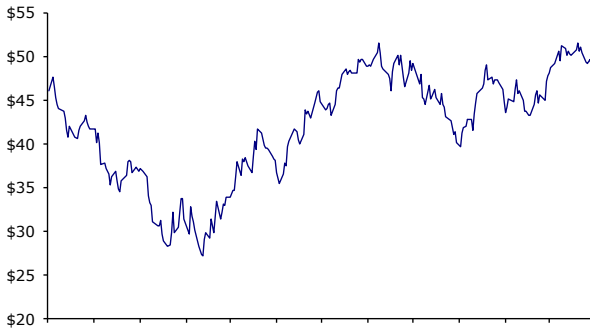
1 Year Gold



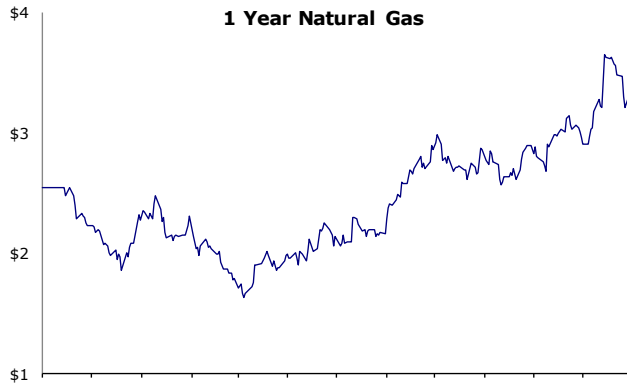
1 Year Platinum



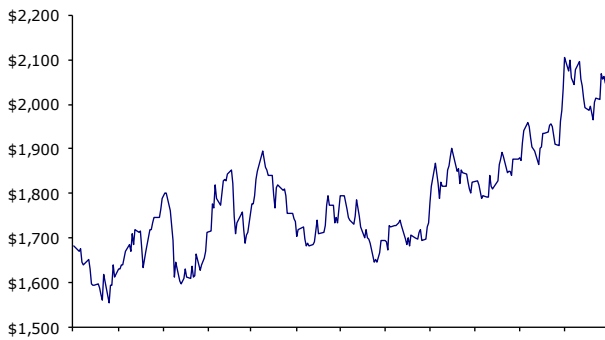
1 Year Oil



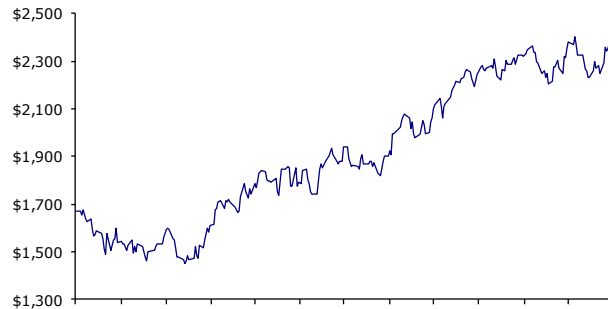
1 Year Natural Gas



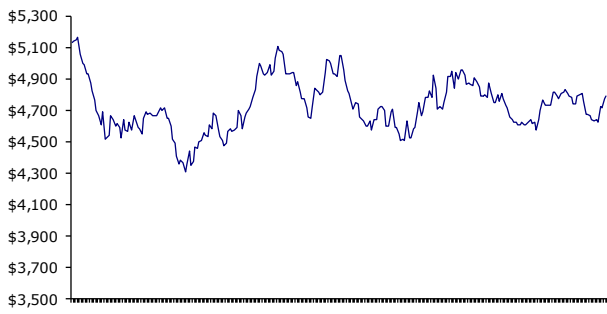
1 Year Lead



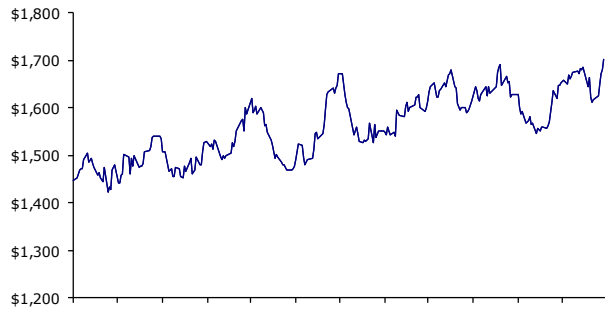
1 Year Zinc



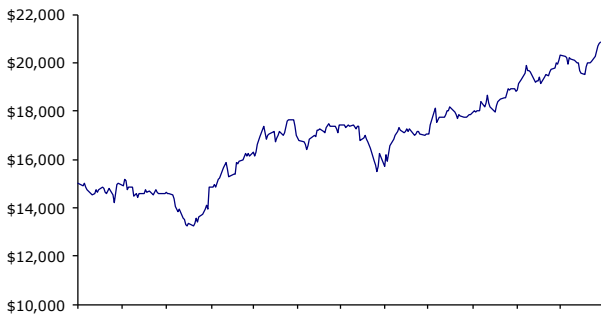
1 Year Copper



1 Year Aluminium

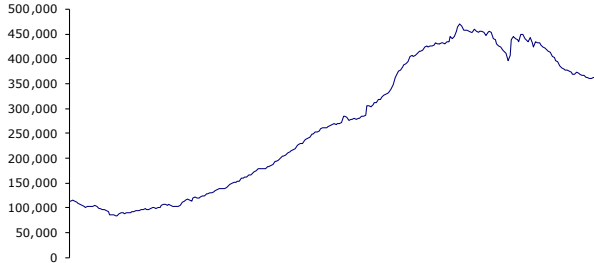


1 Year Tin

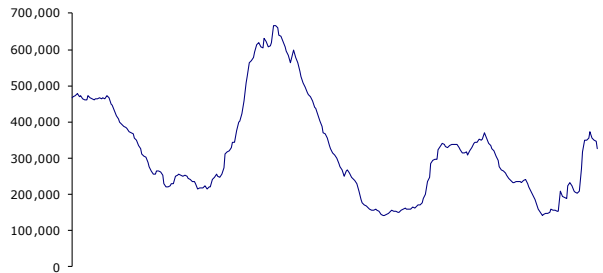


5 Year Metals Stockpiles

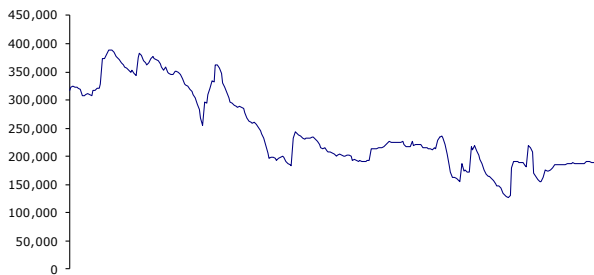
Nickel LME Stockpiles - 5 Year



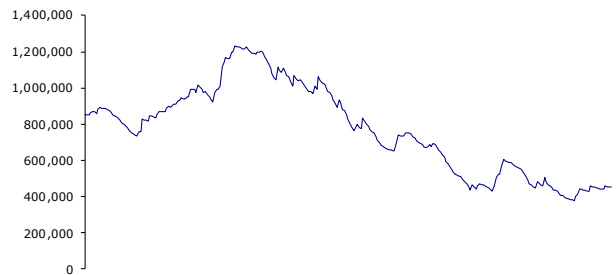
Copper LME Stockpiles - 5 Year



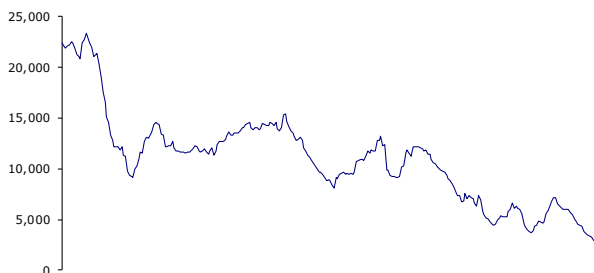
Lead LME Stockpiles - 5 Year



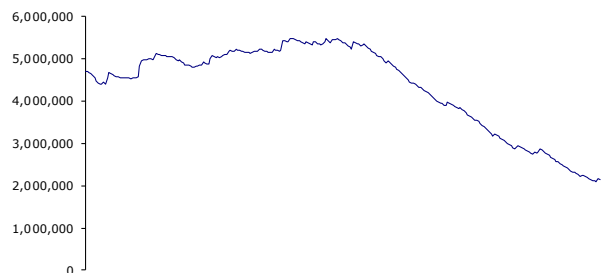
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year



Peter Curtis
Head of Institutional Sales
Phone: +61 2 9024 9106
gjohnson@stateone.com.au

Alan Hill
Executive Chairman
Phone: +61 8 9288 3388
ahill@stateone.com.au

Mark Sullivan
Institutional Dealer
Phone: +61 2 9024 9134
msullivan@stateone.com.au

Yitz Barber
Equities Advisor
Phone: +61 2 9024 9107
ybarber@stateone.com.au

Karen Tan
Equities Advisor
Phone: +61 8 9288 3303
ktan@stateone.com.au

David Zhang
Equities Advisor
Phone: +61 2 9024 9130
dzhang@stateone.com.au

Alexander Bax
Equities Advisor
Phone: +61 8 9288 3340
abax@stateone.com.au

Tammie Wong
Equities Advisor
Phone: +61 2 9024 9133
twong@stateone.com.au

Ric Heydon
Equities & Derivatives Advisor
Phone: +61 8 9288 3307
rheydon@stateone.com.au

Robert Chen
Equities Advisor
Phone: +61 2 9024 9132
rchen@stateone.com.au

Morris Levitzke
Equities Advisor
Phone: +61 8 9288 3315
mlevitzke@stateone.com.au

David Brennan
Senior Investment Analyst
Phone: +61 2 9024 9142
DBrennan@stateone.com.au

Graeme Johnson
Equities & Derivatives Advisor
Phone: +61 8 9288 3316
gjohnson@stateone.com.au

General Advice Warning

The contents of this document have been prepared by State One Stockbroking Ltd (ABN 95 092 989 083, Australian Financial Services Licence ("AFSL") 247100) from research provided by Morningstar Australasia Pty Ltd ABN 95 090 665 544; AFSL 240 892 ("Morningstar") without taking account of your objectives, financial situation or needs. To the extent that any of the content constitutes advice, it is general advice. 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.

Whilst State One Stockbroking Ltd and Morningstar believe the data and content 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 Stockbroking Ltd, Morningstar or any of their officers, agents or employees. Some material is copyright and published under licence from ASX Operations Pty Limited ACN 004 523 782 ("ASXO").

If applicable, you should obtain the Product Disclosure Statement relating to the relevant financial product mentioned in this document (which contains full details of the terms and conditions of the financial product) and consider it before making any decision about whether to acquire the financial product.

Please refer to the State One Stockbroking Ltd Financial Services Guide (FSG) at http://www.stateone.com.au/downloads/financial_services_guide.pdf and the Morningstar FSG at www.morningstar.com.au/fsg for more information.

Disclosure

The directors and associated persons of State One Stockbroking Ltd may have an 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. Morningstar, its officers, employees, consultants or its related bodies corporate may hold positions in any financial products included in this document and may buy or sell such securities or engage in other transactions involving such financial products. Morningstar declares that from time to time they may earn fees or other benefits from financial products mentioned in this document.

This research at all times remains the property of State One Stockbroking Ltd and Morningstar and is not for public circulation or reproduction whether in whole or in part and is not to be disclosed to any person other than the intended recipient, without obtaining prior written consent.

The information contained in this publication must be read in conjunction with Morningstar's Legal Notice contained in their Terms and Conditions which can be located at <http://www.morningstar.com.au/About/Terms>