

Markets

SFE 200 Futures (9.30am AEST)	7118	-98	-1.4
NZX 50	13063	-116	-0.9
DJIA Futures	33805	-34	-0.1
S&P 500 Futures	4343	-5	-0.1
NASDAQ Futures	14987	-22	-0.2

Local Markets Commentary

The Australian market opens today's trade with a key Reserve Bank of Australia (RBA) report due late morning, following a concerted overnight fall across major international equities markets and further iron ore price deterioration, and with China's markets remaining closed.

Other key commodities prices were also pushed lower overnight, but US equities futures have improved since US market close.

In overnight commodities trade, **oil** picked up the pace of Friday's decline.

US **gold** futures turned higher.

Iron ore (China port CFR, 62% fines) tumbled further.

LME **copper** and other primary base metals fell.

Locally today, the **RBA** publishes the minutes of its 7 September policy meeting 11.30am AEST.

The **\$A** appreciated to ~US72.50c after falling to ~US72.30c early yesterday evening.

China's and South Korea's markets will remain closed today. Markets in South Korea, and the Hong Kong Stock Exchange, will be closed tomorrow.

Japan's markets resume today, but will be closed Thursday.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33970	-614	-1.8
S&P 500	4358	-75	-1.7
NASDAQ	14714	-330	-2.2
FTSE 100	6904	-60	-0.9
DAX 30	15132	-358	-2.3
Shanghai Comp	3614	Public	Holiday

Overseas Markets Commentary

Major European, UK and US equities markets dropped on open overnight, sentiment appearing to improve slightly across key US indices in the last hour of trade.

Yesterday, commentary from the editor of a Chinese newspaper indicated giant property developer Evergrande may not be saved, but rather be allowed to fall into debt default, the potential investor-lender-supplier snowball impact resounding through international markets.

Today's Stock Watch
Kathmandu Holdings (KMD)

NZ3c final dividend (fully franked for shareholders in Australia), from no dividend a year ago.
 \$NZ63.07M full year NPAT from \$NZ8.13M. 15.1% higher, \$NZ992.79M revenue. NZ18c NTA from NZ13c. \$NZ37M net cash. A webcast briefing was scheduled for 8.30am AEST.

AusNet Services (AST) / APA Group (APA)

APA has presented AST with an indicative \$2.60-per-share takeover proposal, payable in cash and scrip. APA says it initially approached AST 1 September, proposing \$2.32 per share, and had since told AST it was preparing a revised plan. AST added 19.19% yesterday, settling at \$2.36 after disclosing an indicative \$2.50 cash-per-share takeover proposal from Brookfield Asset Management.

AST had traded at \$1.94 - \$2.01 last week.

Sigma Healthcare (SIG)

1c fully franked interim dividend from no dividend a year ago.
 \$1.3M interim net loss from a \$4.33M 1HFY20 net loss.
 5.5% higher, \$1.73B sales revenue. 35.6c NTA, against 36.4c.

Insurance Australia Group (IAG)

Chief risk officer David Watts has resigned.

Mr Watts plans to continue with IAG into early 2022.

Bank of Queensland (BOQ)

BOQ has appointed IAG chief risk officer David Watts as chief risk officer.

Mr Watts is a former chief risk officer of both National Australia Bank (ASX: NAB) and Westpac Banking Corporation (ASX: WBC).

In addition, BOQ has appointed current chief product officer Chris Screen as business banking executive, effective 1 October (Friday next week).

Mr Screen is taking over from Fiamma Morton who has resigned.

Atlas Arteria (ALX)

Paying a 15.5c interim distribution (to 30 June).

Resources
BlueScope Steel (BSL)

Today's investor day (#2) presentation lodged pre-trade.

Annual report also lodged this morning.

BSL dropped 5% during yesterday's initial investor day.

Energy
New Hope Corporation (NHC)

7c fully franked final dividend from no dividend a year ago.
 \$79.35M full year NPAT from a \$156.78M FY20 net loss.
 3% lower, \$1.048B revenue. \$2.006 NTA from \$1.978.



In recent weeks, Evergrande's debt has been estimated at up to \$US300B.

The \$US rose, supported by safe-haven demand, this impacting commodities trade.

Also overnight, strong warnings on US-China relations and climate change activity out of the commencement of the UN General Assembly also focused a spotlight on international economic risk.

Further, Morgan Stanley warned US equities markets risked dropping by up to 20%.

In scant overnight data releases, **Germany** reported a 1.5% increase in August producer prices following a 1.9% July climb and against forecasts for a new 0.9% rise.

Against August 2020, prices were 12% higher.

In the **US**, a national home builders' housing market index rose to 76 from 75 following expectations of a one-point fall to 74.

Meanwhile, US residential property developer Lennar reported strong home demand and hence revenue, but warned of supply constraints.

Tonight in the US, the **Federal Reserve** commences a two-day meeting from which outcomes will be announced early Thursday AEST. A set of new outlooks and rates forecasts is also due from the Fed.

Among data releases, August building permits and housing starts are due.

Also tonight, the US conducts a 20-year bond offering.

Companies scheduled to provide earnings or trading updates include Adobe, AutoZone, FedEx, Oracle Corp Japan and TUI.

Commodities.

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1763.8	oz	12.40	0.7
Silver (NY) (Dec)	22.20	oz	-0.14	-0.6
Gold (LON)	1756	oz		
Platinum	905	oz	-29	-3.2
WTI Crude (NYMEX Oct)	70.29	bbbl	-1.68	-2.3
Brent Crude (ICE EUR Nov)	73.92	bbbl	-1.42	-1.9
Iron Ore (Qingdao) (CHN;62% <i>f</i>)	92.98	t	-8.97	-9.6
Iron Ore (Nymex)	117.01	t	-5.99	-4.9
Copper (LME Ind)	9032	t	-282	-3.0
Nickel	18985	t	-381	-2.0
Aluminium	2862	t	-25	-0.9
Lead	2151	t	-31	-1.4
Zinc	3016	t	-73	-2.4
Tin	33820	t	-445	-1.3

Commodities Commentary

Oil – overnight trade was impacted by general risk-off sentiment and an associated stronger \$US.

On the flip side, Royal Dutch Shell revealed one US Gulf operation would remain offline for Hurricane Ida repairs through the remainder of the year.

In addition, a leak on a Shell-operated platform offshore Malaysia, reported last week, is expected to reduce production through November.

Pre-Open Announcements

Clover Corporation (* CLV)

0.5c fully franked final dividend from 2.5c a year ago.

52.1% lower, \$5.99M full year NPAT.

31.5% lower, \$60.505M revenue.

33.98c NTA from 33.18c.

Vonex Ltd (* VN8)

Heralding a jump in retail customer revenue following the acquisition of MNF Group's direct business.

The VN8 active PBX users tally has grown 90% for the year to date to 80,000.

The number of customers billed has risen 540% to 19,800.

BNK Banking Corporation (* BBC)

Strategic review underway.

RPMGlobal Holdings (* RUL)

Proposing to acquire Perth, WA-headquartered Blueprint Environmental Strategies.

Consideration is expected to comprise \$A2M cash plus \$A1M worth of RUL shares (at \$1.886 each), and an ~\$500,000 working capital adjustment.

Cash components will come from existing RUL cash reserves.

RUL has traded at \$1.83 - \$1.99 over the past five trading sessions.

Steadfast Group (* SDF)

SDF raised \$53.1M in the recent \$4.51-per-share SPP, which was initially targeting \$20M.

SDF has traded at \$4.75 - \$4.90 over the past five trading sessions.

Transurban Group (TCL)

TCL remains in a trading halt in association with the plan by the Sydney Transport Partners (STP) JV, of which TCL holds 50%, to outlay \$1.1B to acquire the balance 49% of the WestConnex road network project from the NSW Government.

TCL is conducting a \$3.97B fully underwritten \$13.00-per-security entitlement offer, also to support future growth.

In addition to subscribing for its full entitlement in the offer, STP partner AustralianSuper is subscribing for \$250M worth of TCL securities, also at \$13.00 each.

TCL traded at \$13.745 - \$14.215 last week.

X2M Connect (* X2M)

Utilities-focused Internet of Things specialist scheduled to list on the ASX 11am AEST tomorrow, following an \$8M IPO at 25c per share.

70.69M quoted shares.

Resources

Vango Mining (* VAN)

WA Marymia gold project Skyhawk RC drilling has delivered near-surface high-grade gold.



Gold – some safe-haven support came into play overnight, but this appeared constrained due to caution surrounding monetary policy speculation.

A two-day US Federal Reserve policy meeting underway tonight will deliver outcomes early Thursday morning AEST. A set of new forecasts and interest rate projections is most keenly anticipated.

Bank of England policy meeting outcomes and statements will follow overnight Thursday.

Reserve Bank of Australia 7 September policy meeting minutes, due today, could swing some currency trade.

The Bank of Japan also holds a policy meeting this week, from which outcomes will be known early afternoon AEST tomorrow.

In addition, the People's Bank of China is scheduled to announce monthly prime loan rates late morning AEST tomorrow.

Base metals – overnight base metals trading volumes were relatively light with markets in China, Japan and South Korea closed for public holidays yesterday.

This exacerbated the impact on base metals trade of general risk-off sentiment demonstrated across most markets, in response to the prospect of China's major property developer Evergrande not being rescued from debt default.

Continuing relative \$US strength also detracted from base metals interest.

Lighter-than-usual trade volumes, and potential volatility, are anticipated over at least the first half of this week, due to public holidays across several key trading nations.

Markets in **China** and **South Korea** will remain closed today, due to public holidays. South Korea's will also be closed tomorrow, together with the Hong Kong Stock Exchange. Japan's markets resume trade today, but will be closed again Thursday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7256	0.0015	0.20
EUR – USD	1.1727	0.0010	0.09

Australian Data Today

RBA	Monetary policy meeting minutes	7 Sep
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US Data Tonight

Building permits	Aug
Housing starts	Aug

Other Overseas Data Today & Tonight

UK	CBI industrial trends	Sep
UK	Public sector net borrowing	Aug

Need More Information?

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Assays lodged this morning.

Castle Minerals (* CDT)

Heralding concentrate grades achieved in preliminary test work using graphite from CTD's Kambale project, Ghana.

Hannans Ltd (HNR) / Neometals Ltd (NMT)

In response to an ASX price query, HNR has nominated a recent MoU to recycle lithium-ion batteries, using technology held by HNR's largest shareholder NMT, as the major factor in increasing trade interest.

Trade volumes jumped from the initial 9 September announcement.

After adding 42.8% to the HNR price that day, and 53.85% Tuesday last week, HNR appreciated 68.18% yesterday, last trading at 3.7c before being forced into a trading halt.

HNR closed out August at 0.7c.

Trade resumes this morning.

Pan Asia Metals (PAM)

PAM has closed its \$2M SPP early, after receiving \$4.5M worth of subscriptions.

Pearl Gull Iron (PLG)

Offshore WA Cockatoo Island iron ore explorer and project developer completed its ASX listing yesterday, following a \$4M IPO at 20c per share (plus free attaching option).

Opened at 20c and traded as low as 16.5c before settling at 17.5c.

3.135M shares changed hands across 144 transactions.

~53.89M quoted shares.

Cockatoo Iron NL holds 43.24%.

Widgie Nickel (* WIN) / Neometals Ltd (NMT)

WA-focused nickel explorer and project developer, and NMT spin-off, WIN is scheduled to list on the ASX 11.30am AEST **tomorrow**, following a \$24M IPO at 20c per share. 250M quoted shares.

Energy

Allegiance Coal (* AHQ)

Production and sales guidance update lodged pre-trade.

Central Petroleum (* CTP)

Full year results and business update lodged in presentation format this morning.

FAR Ltd (* FAR)

Investor presentation lodged pre-trade.

Trading Halts

Company	Code	Resuming
Noronex Ltd	NRX	21 Sep
TerraCom Ltd	TER	21 Sep
Arcadia Minerals	AM7	22 Sep
Blue Energy	BLU	22 Sep



GWR Group	GWR	22 Sep
Healthia Ltd	HLA	22 Sep
Hillgrove Resources	HGO	22 Sep
Kogi Iron	KFE	22 Sep
Lake Resources	LKE	22 Sep
Norwest Energy	NWE	22 Sep
Sipa Resources	SRI	22 Sep
Miramar Resource	M2R	23 Sep
Transurban Group	TCL	23 Sep

Suspensions *(selected)*

Company	Code	Since
A-Cap Energy	ACB	17 Sep
Comet Resources	CRL	20 Sep
Fe Ltd	FEL	17 Sep
Troy Resources	TRY	1 Sep
Zeus Resources	ZEU	6 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
KPG	Today	0.80	100	1.62
MLT	Today	37	100	1.98
QUB	Today	3.5	100	0.76
ABC	Tomorrow	5.5	100	3.53
COG	Tomorrow	6	100	1.93
EGG	Tomorrow	4.4	100	3.51
RYD	Tomorrow	4	100	1.69
APE	Thu	28.4	100	1.58
CAF	Thu	1	100	3.70
CAJ	Thu	0.5	100	2.63
CCV	Thu	1	100	3.85
COH	Thu	140	0	0.49
CUP	Thu	1.5	100	2.79
EMB	Thu	20	100	0.00
GNE	Thu	8.21	0	2.35
LAU	Thu	0.5	0	4.53
LYL	Thu	15	100	3.19
MYE	Thu	2.25	100	4.92
NWH	Thu	5	100	4.82
SHJ	Thu	3.25	0	1.64
SWK	Thu	1	100	2.73
VLS	Thu	2.75	100	3.50
BFL	Fri	12.92	0	0.00



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Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	CTP	Full year
	CLV	Full year
	KMD	Full year
	NHC	Full year
	SIG	Interim
Tomorrow	AGL	AGM
Thu	BKW	Full year
	SOL	Full year
	SUN	AGM