

Markets

SFE 200 Futures (9.25am AEST)	5394	-12	-0.2
NZX 50	7413	-10	-0.1
DJIA Futures	18399	4	0.0
S&P 500 Futures	2168	0	0.0
NASDAQ Futures	4779	2	0.0

Local Markets Commentary

The Australian market commences Friday's trade on mixed international equities and commodities leads, ahead of a key jobs report and Monday public holiday weekend in the US.

In overnight commodities trade, **oil** dropped further. **Gold** swung higher and **iron ore** lower. LME **copper** turned modestly higher.

The **\$A** appreciated further after trading at US75.40c yesterday evening.

Locally today, **FMG** and **SHV** are among stocks trading **ex-dividend**. Please see **p3** for a detailed list.

Meanwhile, **China** is preparing to host the **G20** leaders' forum Sunday and Monday in Hangzhou.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18419	18	0.1
S&P 500	2171	-0.1	-0.0
NASDAQ	5227	14	0.3
FTSE 100	6746	-36	-0.5
DAX 30	10534	-58	-0.6
Shanghai Comp	3063	-22	-0.7

Overseas Markets Commentary

Major European and US markets swung intra-session overnight, largely on wavering US data which further confused rate rise timing speculation and continuing lower oil prices.

ISM's August US manufacturing index surprised, dropping 3.2 to a contraction-mode 49.4.

Markit's usually less-influential final August manufacturing PMI came in 0.9 lower for the month, at 52.

Weekly new unemployment claims rose 2000, and the four-week moving average declined 1000, each to 263,000.

A job cuts report calculated 32,188 planned layoffs during August, against 45,346 in July.

Euro zone final August PMI readings were unsurprising but the **UK's** 53.3, against July's 48.2 and forecasts for ongoing contraction proved cheery.

Tonight in the US, August employment statistics are keenly anticipated. July trade figures, factory orders and ISM's New York region business activity index are also due.

Sovereign rating updates are expected for several nations including Greece, Ireland, Finland, Sweden, Portugal and Belgium.

Overnight, major vehicle manufacturers mostly reported declining August sales. **Ford's** dropped 8.4% on a 25% plunge in passenger vehicle sales.

S&P S&P/ASX Indices Re-balance

Effective from close of trade 16 September ...

S&P/ASX200

Out: ASB, CVO, MSB, PRG, SHV, VRL

In: GXY, IFN, NXT, ORE, RSG, WEB

S&P/ ASX300

Out: 1PG, 3PL, BBG, BNO, CLH, DCG, MRM, NZM, PAC, PRT, RKN, SGH, SMX, WLD

In: AVN, BBN, CL1, DCN, DRM, EML, EQT, FNP, GXY, MNS, NTC, SIV, SSM, VTG, WTC

S&P/ASX All Australian 200

Out: KAR, LNG

In: GXY, RSG

Today's Stock Watch

Amcor Ltd (AMC)

Proposing to acquire North American-headquartered Sonoco Products Company for \$US280M, pending US regulatory approvals.

Aurizon Holdings (AZJ)

Andrew Harding has been appointed AZJ CEO, effective 1 December. Mr Harding most recently headed Rio Tinto's (ASX: RIO) iron ore division. Current AZJ CEO Lance Hockridge is stepping down. Mr Hockridge has been AZJ MD and CEO since AZJ's 2010 IPO.

Gateway Lifestyle

Outlaying \$10.25M for the Rockhampton North Retirement Resort.

Crown Resorts (CWN)

Wynn Resorts reported Macau gaming revenue grew 1.1% during August, to \$US2.4B.

CYBG Plc (CYB)

Macquarie has re-rated CYBG as neutral, from outperform.

Resources

Alumina Ltd (AWC) / Alcoa Inc (AAI)

Settling and terminating litigation regarding the planned AWAC (60% AAI / 40% AWC) JV separation from AAI. Amended JV plans lodged this morning.

BHP Billiton (BHP)

Traded ex-dividend on the FTSE 100 overnight, slipping 1.5%.

First Graphite (FGR)

Optimisation underway following commissioning of a 250L commercial graphene production facility.

Encounter Resources (ENR)

Antofagasta has opted not to continue Lookout Rocks copper project sole exploration funding. ENR resumes 100% ownership and is on the lookout for a new partner.

Energy

Range Resources (RRS)

Up to \$US53M demanded from an RRS JV regarding a Colombia exploration licences dispute. Details lodged this morning.

GM's fell 5.2%, and **Toyota's** 5.0%, but **Fiat Chrysler's** rose 3% in spite of a 13% passenger vehicle fall.

US markets will be closed Monday due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1317	oz	6	0.4
Silver (NY) (Sep)	18.9	oz	0.2	1.3
Gold (LON)	1310	oz	0.25	0.0
Platinum	1045	oz	-5	-0.5
WTI Crude (Oct)	43.2	bbl	-1.5	-3.5
Iron Ore (Tianjin)	58.4	t	-0.6	-1.0
Copper (LME)	4630	t	13	0.3
Nickel	9910	t	115	1.5
Aluminium	1615	t	1	0.1
Lead	1930	t	52	1.3
Zinc	2338	t	28	1.2
Tin	19125	t	275	1.5
CBT Wheat (Sep)	3.67	bshl	0.06	1.5

Commodities Commentary

Oil – a reminder of weak **US** manufacturing activity helped push prices yet lower overnight, despite a softer \$US. In addition, **Russia** reportedly said it would not co-operate with any output adjustments that might be suggested by OPEC next month. A weekly US drill rig count is due tonight.

Gold – futures rallied on the surprisingly low ISM US manufacturing index, and some short-covering. New two-month lows were recorded in early trade, but prices were pushed as high as \$US1318.60/oz.

Base metals – a turn lower for the \$US, plus an official 50.4 August manufacturing PMI for China, helped support overnight sentiment.

Zinc traded at 15-month peaks.

LME *copper* stockpiles were reported 50% higher for the past three weeks.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7552	0.0001	0.01
EUR – USD	1.1194	-0.0001	-0.01

US Data Tonight

Workforce (incl jobs, unemployment wages)	Aug
ISM New York	Jul
Trade balance	Jul
Factory orders	Jul

Other Overseas Data Today & Tonight

Japan	Consumer confidence	Aug
UK	Construction PMI	Aug

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Pre-Open Announcements

Computershare Ltd (* CPU)

CPU is presenting in the UK and US this month. Presentation lodged this morning.

IMF Bentham (IMF)

A US Federal Court has ruled in favour of an IMF client. IMF anticipates ~\$2.8M revenue and ~\$1M pre-tax profit.

ShareRoot Ltd (SRO)

Chairman James Allchurch has resigned from the SRO (former Monto Minerals) board, in favour of resources sector interests, effective yesterday.

Resources

Lynas Corporation (* LYC)

LYC's Malaysia advanced materials facility has secured a full operating stage licence renewal, for three years through to September 2018.

Elemental Minerals (ELM)

\$US50M, 20c-per-share placement agreed with three strategic investors. Two of the investors have also secured conditional off-take rights to 40% of production from ELM's Kola potash (sylvinitite) project, Republic of Congo. In addition, ELM is proposing a name change to Kore Potash. Resuming from a trading halt having last traded at 16c.

Brockman Resources (BCK)

Proposing to focus on iron ore and to impair (~\$HK200M) the company's copper project in Yunan province, China.

Energy

Oil Search (OSH)

August drilling report lodged post-trade yesterday. Trading ex-dividend (~1.32c) Tuesday.

Trading Halts

Company	Code	Resuming
Malabar Coal	MBC	2 Sep
Henry Morgan	HML	5 Sep
Hillgrove Resources	HGO	5 Sep
Imdex Ltd	IMD	5 Sep
MCS Services	MSG	5 Sep
Mount Ridley Mines	MRD	5 Sep
Reproductive Health Services	RHS	5 Sep
Stonewall Resources	SWJ	5 Sep

Suspensions (selected)

Company	Code	Since
ATC Alloys	ATA	2 Sep
Australia China Holdings	AAK	25 Aug
Diploma Group	DGX	1 Sep
Excalibur Mining Corporation	EXM	15 Aug
G8 Communications	G8C	10 Aug
India Resources	IRL	19 Aug
Interim Resources	IRC	31 Aug
McAleese Ltd	MCS	29 Aug
New Guinea Energy	NGE	12 Aug
Topbetta Holdings	TBH	18 Aug
TV2U International	TV2	31 Aug

**Ex-Dividends**

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AFG	Today	5.4	100	6.51
CVC	Today	5	100	6.17
CYC	Today	0.5	46	0.91
FAN	Today	22	100	4.58
FMG	Today	12	100	3.06
IFM	Today	1	100	3.96
KSL	Today	~3.39	0	5.70
MLD	Today	4.5	100	4.83
MNF	Today	3.5	100	1.61
PBP	Today	1.5	100	3.13
REG	Today	5.94	100	3.36
SHV	Today	25	100	6.66
SIV	Today	25	100	4.02
TNK	Today	4	100	4.96
ACK	Mon	1	100	4.00
BWX	Mon	4.8	100	1.04
CEN	Mon	~12.92	0	4.48
EGI	Mon	1	100	2.02
HSN	Mon	4	100	1.34
ISD	Mon	4.43	100	2.11
ISU	Mon	1.5	100	1.72
MGC	Mon	3.91	100	5.51
NEC	Mon	4	100	12.00
PHI	Mon	2	100	0.25
PPT	Mon	130	100	5.22
SDA	Mon	3.2	100	1.79
SKI	Mon	7.25	0	5.24
SUL	Mon	21.5	100	3.77
VIT	Mon	2.96	0	2.25
WPP	Mon	2.1	100	5.02
AMC	Tue	28.62	0	3.46
AWN	Tue	0.3	0	1.03
BEN	Tue	34	100	6.18
BKL	Tue	210	100	3.39
BST	Tue	1.5	100	2.50
IAG	Tue	13	100	4.66
MPL	Tue	6	100	4.01
MVF	Tue	4.5	100	3.68
OCL	Tue	4	100	2.11
OSH	Tue	~1.32	0	1.01
PAC	Tue	5	100	5.88
PEA	Tue	1.5	100	4.03
RHC	Tue	72	100	1.42
SRV	Tue	11	50	2.80
SST	Tue	~24.22	0	2.15
TOX	Tue	4.5	100	3.61

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