

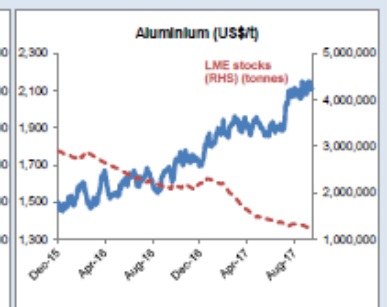
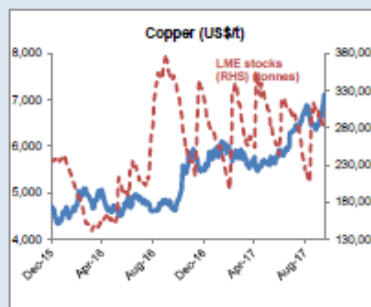
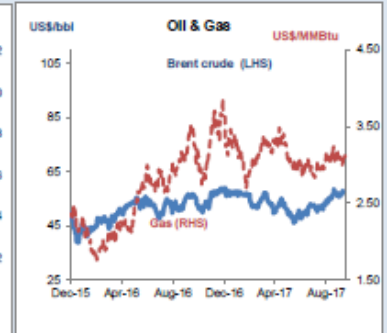


Daily Resources Overview

Tuesday 17 October 2017

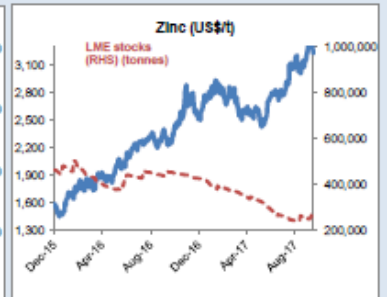
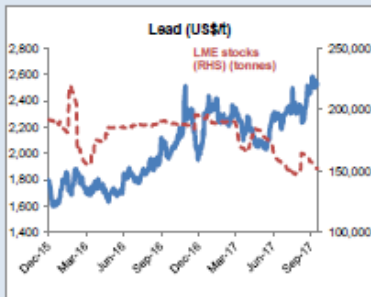
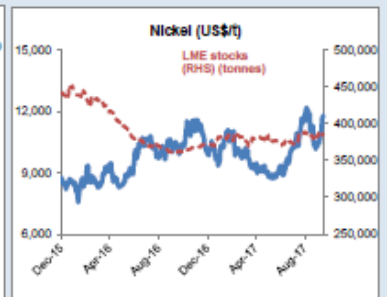
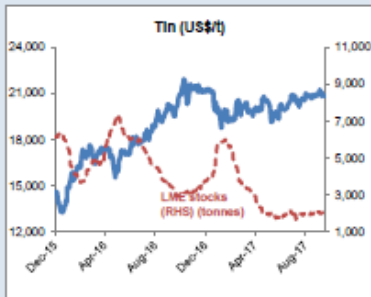
Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
Precious Metals (COMEX)					
Gold (US\$/oz)	1293.71	-0.6	-1.5	4.1	13.7
Silver (US\$/oz)	17.23	-0.9	-2.0	-1.4	8.2
Platinum (US\$/oz)	930.80	-1.5	-4.0	-0.7	3.0
Industrial Metals (LME)					
Copper (US\$/t)	7122.00	3.8	10.2	53.0	29.0
Aluminium (US\$/t)	2110.00	0.0	2.6	26.2	23.8
Lead (US\$/t)	2527.00	0.3	8.4	27.4	26.4
Zinc (US\$/t)	3228.00	-2.0	6.1	43.7	26.2
Tin (US\$/t)	20600.00	0.0	0.3	5.9	-2.5
Nickel (US\$/t)	11805.50	1.7	7.2	13.0	18.5
Bulks					
Iron Ore (US\$/t)	62.94	0.7	-12.7	9.9	-20.2
Coking Coal (US\$/t)	181.50	-0.1	-12.5	-19.8	-19.7
Thermal Coal (US\$/t)	94.85	-3.1	-3.4	13.3	0.4
Energy					
Brent Crude (US\$/bbl)	58	1.3	4.5	4.0	-1.4
Natural Gas (US\$/MMBtu)	3.10	-1.4	-0.7	-10.6	-15.5
Uranium (US\$/lb)	20.50	-0.5	-1.0	-7.0	0.2
Softs					
Wheat (US\$/bu)	437	-0.7	-2.8	-11.9	-6.1
Sugar (US\$/lb)	14	-1.6	-6.5	-31.4	-23.7
Corn (US\$/bu)	351	-0.6	-1.2	-10.4	-7.8
Soy (US\$/bu)	991	-0.9	2.3	2.3	0.2
Cotton (US\$/lb)	68	-1.6	-3.7	-4.3	-4.4
Other					
CRB Comdty Index	430	0.2	0.1	7.7	1.7



Global resource share price movement

Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	-2.6	-6.1	3.5	1.6
Newmont	Gold	-1.6	0.4	11.0	11.5
Goldcorp	Gold	-2.5	-1.4	-8.7	-4.0
Anglo Platinum	Platinum	1.5	5.9	8.8	38.8
Anglo American	Diversified	0.5	14.5	46.8	27.3
BHP Billiton PLC	Diversified	1.4	2.6	20.4	7.5
Rio Tinto PLC	Diversified	0.8	7.7	43.2	17.7
Teck Resources	Diversified	0.7	12.2	16.9	7.3
Glencore	Diversified	1.5	11.0	70.4	40.2
Vale	Iron Ore	0.7	-4.6	85.2	31.1
Fortescue	Iron Ore	1.0	-11.0	-1.4	-18.1
South32	Diversified	0.3	4.2	30.1	17.8
China Shenhua	Coal	0.0	2.2	46.7	55.9
Freeport McMoRan	Copper	3.5	10.0	58.1	15.8
Antofagasta	Copper	1.9	11.0	98.8	53.2
Alcoa	Aluminium	1.1	8.0	144.4	71.8
Chinalco	Aluminium	2.6	8.4	149.0	125.6
Rusal	Aluminium	0.9	-3.7	112.4	67.7
Norilsk Nickel	Nickel	2.8	14.6	23.1	12.3
Timah PT	Tin	-0.6	-4.6	3.8	-22.8
Boliden	Zinc	1.4	8.6	44.3	25.5
Cameco	Uranium	-0.1	-7.3	8.3	-18.6
Arcelor Mittal	Steel	0.0	9.7	44.5	17.0

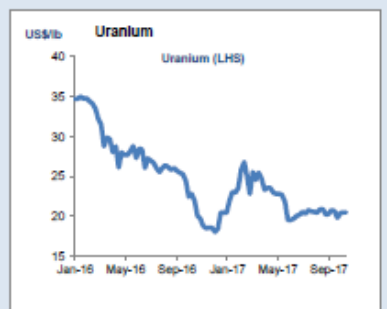
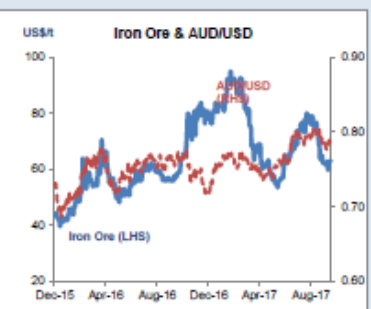


Commodity currency exchange rates (note: red = weakness against US\$)

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.79	0.0	-1.3	2.9	8.9
USD/ZAR	13.31	0.0	-0.1	6.3	3.2
USD/BRL	3.17	-0.7	-1.0	1.1	2.7
USD/CAD	1.25	0.0	-1.8	4.9	7.4
USD/RUB	57.30	0.0	1.4	10.2	7.4
USD/CNY	6.59	-0.2	-0.2	2.2	5.4

LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	285,025	0.4	-6.3	-18.3	-11.5
Aluminium	1,218,950	-0.9	-7.2	-41.7	-44.7
Lead	151,975	-0.1	-6.8	-19.9	-22.0
Zinc	2,719,900	0.4	3.1	-40.4	-38.4
Tin	209,000	0.0	6.9	-37.0	-44.2
Nickel	385,788	0.1	0.4	7.0	3.9



PRECIOUS METALS COMMENTARY

Gold and silver prices ended the U.S. day session weaker and near their daily lows on some normal profit-taking by the shorter-term futures traders. Both markets pushed to three-week highs in earlier trading Monday. Safe-haven demand continues to trickle into gold and silver despite no new, major developments on the geopolitical front. The near-term technical postures for gold and silver suggest still more sideways-to-higher price action for at least the near term.

Reports Monday said Iraqi troops have taken control of key oil installations that were controlled by the Kurds. This news somewhat supported the crude oil market but did not have a significant impact on other markets. **Nymex crude** prices are trading around \$52.00 a barrel on Monday. The other key “outside market” on Monday saw the **U.S. dollar index** slightly higher in a quiet session. China this week starts its twice-a-decade Party Congress meetings, in which major economic and cultural planning initiatives are laid out for the next five years. Traders and investors will keep a close watch for any pronouncements coming out of those meetings

Palladium prices early Monday topped \$1,000 an ounce for the first time since 2001 in a market that is in backwardation, which is seen as a sign of tight supplies, traders and analysts said. Commodities brokerage SP Angel said palladium has been boosted by “robust” demand for catalytic converters in gasoline-powered engines. The price of the metal last month fetched more than platinum – used in catalysts for diesel-powered motor vehicles – for the first time in 16 years. SP Angel cited market expectations for a continuing supply deficit in palladium, along with rising demand. “Not only does demand from the automotive industry appear robust, speculative financial investors are also remaining loyal to palladium,” said Commerzbank. Palladium traded as high as \$1,100 an ounce back in 2001, when Russian-supply issues boosted prices. Source: Kitco

10 Year Palladium London Fix PM Daily with 60 and 200-day moving averages



10 Year Gold London Fix PM Daily with 60 and 200-day moving averages



AUSTRALIA MARKET COMMENTARY

Futures are pointing to a positive open for local shares. Oil and copper were higher and Wall Street lifted, with the Dow approaching 23,000 points, on banks and Apple. ASX futures were up 11 points. The Australian dollar slipped 0.5 per cent.

The benchmark S&P/ASX 200 index advanced 33 points or 0.6 per cent to 5847, while the All Ordinaries index rose 32 points, 0.6 per cent, to 5917. Monday's gains extended a winning streak that started the Friday before last. The ASX 200 has spent more than 100 sessions trapped between 5650 and 5850, but the benchmark measure pushed above that upper limit on Monday before settling slightly below.

BHP added 2.2 per cent, while Rio Tinto climbed 3.4 per cent and Fortescue shares 1 per cent. Outside the majors, gold miner Evolution advanced 1.8 per cent after telling the market it lifted production and cut costs in the September quarter. OZ Minerals rose 1.5 per cent after revealing it would wait before striking deals for its two copper mines.



BHP DAILY CHART (Source: Thomson Reuters)

US MARKET COMMENTARY

Netflix posted a 30 per cent jump in revenue to \$2.99bn in its third quarter, beating analysts' forecasts and providing a further boost to a stock price that was already trading at record highs. Net income jumped 150 per cent year-on-year to \$130m, as it posted a larger-than-expected net 5.3m increase in global subscribers to 109.3m. That was higher than the about 4.5m increase that analysts had forecast, according to FactSet data. Netflix saw its shares rise by as much as 3.6 per cent in after-hours trading.

Having clocked intraday highs earlier on Monday, all three major US indices held on to their gains and closed at record levels. The S&P 500 ended the day 0.2 per cent higher at 2,557.64 — led by a 0.8 per cent gain in the telecoms sector — which rebounded following last week's slide driven by news of AT&T's video subscriber loss — and a 0.6 per cent rise in financials.

The Dow Jones Industrial Average climbed 0.4 per cent to 22,956.96, while the Nasdaq Composite rose 0.3 per cent to 6,624.00. Elsewhere, the yield on the US 10-year Treasury, which moves inversely to price, rose 2.7 basis points to 2.300 per cent. Meanwhile the dollar index, a gauge of the buck against a basket of peers, rose 0.2 per cent to 93.29.



NETFLIX Daily Chart (Source - Thomson Reuters)

General Advice Warning

The contents of this document have been prepared without taking account of your objectives, financial situation or needs. 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 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 Stockbroking Ltd or any officer, agent or employee of State One Stockbroking Ltd. 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.

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. State One Stockbroking Ltd has also received a commission on the preparation of this research note. The Research Analyst who prepared this report hereby certifies that the views expressed in this research document accurately reflect the analyst's personal views about the company and its financial products. The research analyst has not been and will not be receiving direct or indirect compensation for expressing the specific recommendations or views in this report. This research at all times remains the property of State One Stockbroking Ltd. And as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from the Executive Director of State One Stockbroking Ltd.

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

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

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

Thomas Tan
Equities Advisor
Phone: +61 2 9024 9131
ttan@stateone.com.au

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

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

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

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

Dawn Chia
Business Development Manager
Phone: +61 8 9288 3336
Dawn.Chia@stateone.com.au

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

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

Disclosure: State One Stockbroking Ltd ABN 95 092 989 083 is holder of AFS Licence Number 247100 and an ASX and Chi-X Market Participant. State One Stockbroking Ltd and/or its associated entities, directors, authorised representatives, employees and associated persons of State One 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. Further, State One Stockbroking Ltd and/or its affiliated companies may have acted as manager or co-manager of a public offering of any such securities or may have provided corporate finance to the companies referred to in the report. Whilst State One Stockbroking Ltd and its related companies 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 Stockbroking Ltd or any related company. Nor do they accept any liability or responsibility arising in any way (including negligence) for errors in, or omissions from, this document or advice.