

Markets

SFE 200 Futures (9.30am AEST)	6737	-2	-0.0
NZX 50	11607	27	0.2
DJIA Futures	30948	26	0.1
S&P 500 Futures	3892	2	0.0
NASDAQ Futures	11923	-11	-0.1

Local Markets Commentary

The Australian market commences a new week's trade with Monday – Wednesday trade to be followed by a public holiday (and hence no trade) Thursday, and normal trade scheduled to resume Friday.

In addition, the S&P/ASX quarterly indices rebalance becomes effective prior to opening trade which also begins with new comments in hand from the Reserve Bank of Australia (RBA).

Meanwhile, the UK is observing a public holiday for the funeral of Queen Elizabeth II.

US equities markets fell further overnight Friday.

Since overnight Friday trade, a severe typhoon has crossed the south-west coast of Japan and south-east Taiwan has suffered a deadly earthquake.

In the meantime, Russia has reportedly broadened attacks on civilian infrastructure in Ukraine.

Locally today, RBA domestic markets head Jonathan Kearns has delivered the keynote address to a property forum pre-trade, maintaining higher rates could lower residential property prices by ~15% over two years, hence advantaging potential homebuyers.

Mr Kearns pointed out building costs, income growth and migration, together with other factors, also influenced residential property prices.

Stocks trading ex-dividend today include QUB and SSM. Please see pp3-4 for a detailed ex-dividends list.

Regionally today, no major economic indicators are due for release.

Japan's markets are closed due to a public holiday.

In overnight Friday commodities trade, Brent **crude** rose to settle above \$US91.20/bbl but WTI closed essentially flat.

US **gold** futures swung higher to settle above \$US1680/oz.

Iron ore (Nymex CFR China, 62% Fe) fell below \$US99.50/t.

LME (3mth evening) **copper** and **nickel** turned variously higher, nickel by more than 4.5%. **Aluminium** seesawed lower.

The **\$A** appreciated to ~US67.15c after trading at ~US66.75c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30822	-139	-0.5
S&P 500	3873	-28	-0.7

Today's Stock Watch
Link Administration Holdings (LNK)

Conditional revised \$3.81 cash-per-share proposal in hand from Dye & Durham, based on Dye & Durham FCA concerns. LNK is not recommending the new proposal.

PolyNovo Ltd (PNV)

Resuming from a trading halt with US FDA in hand for NovoSorb MTX, a soft tissue regeneration product designed to be used in the treatment of complex wounds.

Resources
Demetallica Ltd (DRM) / AIC Mines (A1M)

A1M intends to make a one-for-1.5 off-market offer for DRM, valuing DRM shares at ~33.7c each and DRM at ~\$36M.

DRM traded at 19c – 21c last week.

Aeris Resources (AIS)

NSW Tritton project Murrawombie deposit underground exploration drilling has delivered high-grade copper intersections from beneath the current resource.

Lake Resources (LKE)

Argentina Kachi lithium project demonstration plant commissioning underway. Wet commissioning is expected to commence by week's end.

Sarytogan Graphite (SGA)

Central Kazakhstan Sarytogan graphite deposit diamond drilling has delivered several significant-width, high-grade intersections. Assays lodged this morning.

Gold Mountain (GMN)

HoA secured with Mars Mines for a 60-day exclusive option to acquire up to 75% of four lithium-prospective licences in north-east Brazil. Pending shareholder approval, GMN will acquire an initial 20% of the 285sq km area covered by the licences.

GMN has paid Mars \$A30,000 cash and 30M GMN shares in order to secure the option. Pending due diligence and the shareholder go-ahead, consideration for the initial 20% will comprise 95M GMN shares and 125M GMN options, exercisable at 1.2c each within 12 months of issue. Additional details, including project features, lodged this morning.

Energy
Origin Energy (ORG)

Planning to divest upstream exploration interests, commencing with the Beetaloo Basin holdings, these for \$60M upfront plus a 5.5% royalty

ORG also holds a Beetaloo Basin gas sales agreement

Anticipating an initial \$70M - \$90M post-tax Beetaloo sale loss



NASDAQ	11448	-104	-0.9
FTSE 100	7237	-45	-0.6
DAX 30	12741	-215	-1.7
Shanghai Comp	3126	-74	-2.3

Overseas Markets Commentary

Major European, UK and US equities markets fell on opening again overnight Friday, sentiment subsequently improving during some trade but moves higher proving insufficient to produce any positive settlements.

Economic data out of the euro zone and UK highlighted inflation concerns and the impact of cost-of-living pressures, the British pound in particular suffering from retail sector indications.

Further, guidance withdrawal comments out of **FedEx Corp** late-Thursday included a claim the global economy had appeared to the company to have slowed significantly towards the end of August and that it was anticipating a pick-up in the pace of this slowing during the November quarter.

In addition, overnight Friday, **European Central Bank** vice president Luis de Guindos promoted the need for higher interest rates, offering any regional economic slowdown would likely prove insufficient to ease inflation.

Earlier Friday, **Reserve Bank of Australia** (RBA) governor Philip Lowe told a parliamentary committee domestic interest rates needed to go higher yet, but not to the point of causing economic damage, and that the pace of this year's increases would not likely be required to be maintained.

The governor however, expressed concern of the impact on Australia of potential US economic recession.

Also Friday, China reported a batch of material August economic indicators, these mostly exceeding expectations.

In overnight Friday data releases, the **euro zone's** finalised July CPI represented 0.5% inflation for the month and confirmed, as anticipated, a record 9.1% annualised rate.

August new domestic vehicle registrations were reported 4.4% higher than a year earlier.

July registrations were also released at the same time, these down 10.4% against July 2021.

In the **UK**, August retail sales undershot expectations, dropping 1.6% for the month. Sale had risen 0.4% in July and economists had predicted a decline, but only by ~0.4%.

Further, against August 2021, sales were down 5.4%.

Meanwhile, the **Bank of Russia** announced a sixth consecutive interest rate cut, this time by 0.5% to 7.5%.

The central bank forecast annual domestic inflation at 11% - 13% for 2022 and 5% - 7% for 2023.

In the **US**, the University of Michigan's preliminary September consumer sentiment estimate represented a 1.3-point improvement to 59.5 against expectations of a slighter increase to 58.6.

Tonight in the US, a home builders' housing market index is due.

UK markets, including the London Metals Exchange (LME), will remain closed tonight due to a public holiday.

Pre-Open Announcements

Synlait Milk (SM1)

Heralding an electrode boiler upgrade and the conversion of another boiler to use biomass, rather than coal, each boiler adjustment intended to reduce SM1 carbon emissions.

Contact Energy (CEN)

Planning a 5.5-year green bonds offer.

Additional details lodged this morning and a further announcement anticipated 27 September (Tuesday next week).

Southern Cross Electrical Engineering (SXE)

Road show presentation lodged this morning.

Bapcor Ltd (BAP)

Non-executive BAP director Jenny Macdonald is planning to retire from the BAP board at the conclusion of the 19 October AGM.

Paragon Care (PGC)

PGC has appointed recent Sigma Healthcare (ASX: SIG) interim CFO Josephine De Martino to take over as CFO, due to current CFO Stephen Munday's plans to finish with PGC at the end of the year.

Ms De Martino commences with PGC 3 October.

Dough Ltd (DOU)

~248.17M DOU shares are due to be released from escrow 6 October.

Resources

Pacgold Ltd (* PGO)

Heralding north-east Queensland Alice River gold project step-out drilling results, which have determined continuity and delivered some 'bonanza'-grade intersections.

Mineralisation remains open at depth.

Step-out and definition drilling is continuing.

Assays lodged this morning with further pending.

Tempus Resources (TMR)

Elizabeth gold project drilling has delivered additional high-grade and some 'bonanza'-grade intersections.

Assays lodged this morning.

Octava Minerals (* OCT)

Multi-mineral explorer completed a successful ASX listing Friday, following a \$6M IPO at 20c per share.

Opened at 27c and traded at 24.5c – 28c before settling at 25.5c.

~6.1M shares changed hands across 465 transactions.

~37.16M quoted shares.

OCT's early focus is the WA east Pilbara lithium-prospective Talga project.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1683.5	oz	6.20	0.4
Silver (NY) (Dec)	19.38	oz	0.11	0.6
Platinum	906	oz	1	0.1
WTI Crude (NYMEX Oct)	85.11	bbl	0.01	0.0
Brent Crude (ICE EUR Nov)	91.35	bbl	0.51	0.6
Iron Ore (NYMEX CHN port;62%Fe)	99.26	t	-1.13	-1.1
Copper (LME 3mth Evening)	7750	t	31	0.4
Nickel	24256	t	1121	4.8
Aluminium	2277	t	-30	-1.3
Lead	1888	t	-28	-1.5
Zinc	3153	t	-33	-1.0
Tin	21137	t	337	1.6

Commodities Commentary

Oil – overnight Friday trade was influenced by an oil spill at the 1.8MMbbl/d Basra terminal in Iraq, material data out of China earlier Friday, and widespread interest rate, recession and inflation commentary.

Further, Germany revealed it had temporarily assumed control, under a trusteeship of industry regulator the Federal Network Agency, of Rosneft Deutschland and RN Refining and Marketing, two Rosneft subsidiaries held under JV.

Germany's government maintained 12% of the nation's oil refining capacity was tied up in the two subsidiaries, and that it was seeking to secure oil supply for the refinery from outside of Russia.

One refinery, Schwedt, while only the fourth-largest in Germany, was reported to be responsible for 90% of Germany's fuel supply. Shell also holds 37.5% of this refinery.

A US petroleum drill rig report, published overnight Friday, included an operational oil rig tally which rose by eight to 599. The number of gas rigs in operation fell by four, however.

By the end of Friday's trade, Brent crude and WTI were reported down ~20% for the September quarter-to-date.

In addition, Basra port oil exports were reported to be resuming and were expected to ramp gradually.

Gold – overnight Friday prices were ultimately supported by a 0.13% decline in 10-year US bond yields, a gap between the two-year and 10-year yields indicating heightened recession fears.

Prices swung however, on intra-session \$US and two-year bond yield moves.

Comments out of US Federal Reserve, Bank of England and Bank of Japan policy meetings are keenly anticipated this week, with some activity on interest rates again expected from the US Fed and Bank of England.

Base metals – overnight Friday base metals trade considerations included new data from China, continuing relative \$US strength and international recession warnings and Yangshan port prices reportedly indicating recent weaker demand for copper imports.

China's August fixed asset investment, industrial production, retail sales and residential property price updates, released Friday, mostly exceeded expectations. Property concerns continued, however.

Energy**Galilee Energy (* GLL)**

GLL has secured an MOU with APA Group (ASX: APA) to potentially supply Glenaras project gas via an APA pipeline to east coast Australia gas markets.

Blue Star Helium (* BNL)

Positive Colorado, US Serenity prospect Sammons 315310C drilling update lodged this morning. BNL 50%.

Trading Halts

Company	Code	Resuming
Atrum Coal	ATU	19 Sep
Charger Metals	CHR	19 Sep
Energy One	EOL	19 Sep
Hydrix Ltd	HYD	19 Sep
Inhalerx Ltd	IRX	19 Sep
Tamboran Resources	TBN	19 Sep
Caeneus Minerals	CAD	20 Sep
Nexus Minerals	NXM	20 Sep
Venture Minerals	VMS	20 Sep
Zenith Minerals	ZNC	20 Sep

Suspensions (selected)

Company	Code	Since
AusCann Group Holdings	AC8	1 Sep
BWX Ltd	BWX	29 Aug
Doriemus Plc	DOR	8 Sep
Invigor Group	IVO	25 Aug
Terramin Australia	TZN	14 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
EGG	Today	6.5	100	3.39
IPG	Today	3.7	100	0.00
QUB	Today	4	100	2.30
SSM	Today	1	100	0.00
BGP	Tomorrow	10.7	0	4.92
EZL	Tomorrow	20.27	100	6.98
HNG	Tomorrow	1	100	3.17
VSL	Tomorrow	32.63	87.62	3.40
ABC	Wed	5	100	6.16
AHX	Wed	0.4	100	3.15
ALX	Wed	20	0	5.11
CAJ	Wed	0.5	100	2.99
CCV	Wed	1	100	8.16
COG	Wed	4.8	100	5.28
COH	Wed	145	40	1.38



January – August fixed asset investment was calculated 5.8% higher than for the same period in 2021. Forecasters had anticipated a 5.5% increase.

Industrial production was reported 4.2% higher than for August 2021, against expectations for a 3.9% rise.

Retail sales rose 5.4% year-on-year, following forecasts for a 3.4% increase.

Residential property prices fell 1.3%.

The **London Metals Exchange (LME)** will remain closed tonight, due to a UK public holiday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6726	0.0014	0.20
EUR – USD	1.0021	0.0005	0.05

US Data Tonight

NAHB housing market index Sep

Other Overseas Data Today & Tonight

Euro zone Construction output Jul

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CUP	Wed	2	100	3.92
CWY	Wed	2.45	0	0.88
EMB	Wed	20	100	3.33
GNE	Wed	8.93	0	5.97
KPG	Wed	1.56	100	1.17
LAU	Wed	1.8	0	3.06
LYL	Wed	36	100	4.71
MAH	Wed	0.35	0	4.06
NWH	Wed	7	100	4.01
SHJ	Wed	3.5	0	4.69
BFL	Fri	11.72	0	10.76
LFS	Fri	7.85	100	5.73
VLS	Fri	2.75	100	3.36

S&P/ASX Indices Re-balance

The following changes become effective prior to the ASX open today ...

S&P/ASX 100

Out: TAH

In: SCP

S&P/ASX 200

Out: 360, AVZ, CCX, CUV, EML, JHG, PBH, ZIP

In: CMM, CQE, JLG, KAR, LOV, SIQ, SPK, SYA

S&P/ASX 300

Out: AMA, AVZ, BWX, DUB, FCL, FFX, NXL, PPK, RBL, RSG, SPL, SRX

In: 5EA, ACL, AGY, ARU, BOE, DYL, GRR, IHL, MCR, MGH, NEU, NMT, OFX, PXA, SWM, VNT

S&P/ASX All Technology

Out: ART, AMS, IRI, IOU, JAN, MMM, SZL, TNT

In: SYM

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	GDF	AGM
Wed	BKW	Full year
	SOL	Full year
Thu	AIZ	AGM
	MCY	AGM
Fri	SUN	AGM