

Markets

SFE 200 Futures (9.30am AEST)	5766	-2	-0.0
NZX 50	8073	5	0.1
DJIA Futures	22789	-9	0.0
S&P 500 Futures	2548	-2	-0.1
NASDAQ Futures	6072	-3	0.0

Local Markets Commentary

The Australian market commences Friday trade ahead of influential data out of China today and the US tonight, and following select supportive overnight key commodities trade.

China is expected to release September trade figures **1.30pm** AEDST.

In overnight commodities trade, US **gold** futures turned higher, but **oil** lower. LME **copper** continued to gain, and **nickel** and **aluminium** also rallied. **Iron ore** (China port, 62% Fe) swung higher after falling the past two sessions.

The **\$A** depreciated to ~US78.20c after rising to US78.30c early yesterday evening.

Locally today, the Reserve Bank of Australia (**RBA**) publishes its bi-annual Financial Stability Review **11.30am** AEDST.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	22841	-32	-0.1
S&P 500	2551	-4	-0.2
NASDAQ	6592	-12	-0.2
FTSE 100	7556	22	0.3
DAX 30	12983	12	0.1
Shanghai Comp	3386	-2	-0.1

Overseas Markets Commentary

Major European and US equities markets mostly opened lower overnight and again chopped and swung amid mixed corporate results and a plethora of commentary from central bank officials.

The US administration promoted equities markets benefits of promised tax changes, bemoaned the amount of support needed by States, signed away some of the previous administration's healthcare reforms and withdrew from the UN's educational and cultural agency UNESCO.

Meanwhile, the euro traded at its highest against the \$US in two weeks, and talk increased of the European Union's likely refusal to progress UK separation talks ahead of a breakthrough on what the UK must pay.

European Central Bank (**ECB**) president Mario Draghi in the meantime claimed negative interest rates had been effective and had not impacted general bank profits.

Further the central bank's asset purchases were likely to remain substantial until inflation improved sustainably.

Among data releases, **euro zone** August industrial production was reported 1.4% higher for the month,

China - September trade figures expected **1.30pm** AEDST

RBA - financial stability review due **11.30am** AEDST

Today's Stock Watch

Sky Entertainment Group (↓ SKC)

Outlaying \$47M for NPT Ltd's (NZX: NPT holding in the 17-level AA Centre, Albert St Auckland. Settlement is anticipated in July 2018.

Department 13 International (D13)

D13 has sold two Mesmer v1.5 units to Phoenix Group, for use by two prisons in Latin America. The locations and price remain confidential, but D13 says the prices are consistent with expectations to sell units for up to \$US400,000 each.

Chorus Ltd (CNU)

September quarter fixed line connections fell 20,000 to 1.582M. Total broadband connections fell 2000 to 1.184M. Average household broadband usage grew to 162GB from 155GB in June.

EQT Holdings (EQT)

Proposing to acquire 60% of London-headquartered Treasury Capital. Founding Treasury Capital management will retain the balance.

TPI Enterprises (TPE)

Buyer specification achieved in the production of 'narcotic raw material' (NRM) during toll processing in Melbourne using an initial batch of customer-supplied straw. Consequently, TPE will take delivery of another 1400t of straw for processing between now and March 2018.

Medibio Ltd (↑ MEB)

Resuming from a trading halt having completed a \$13.9M oversubscribed institutional placement at 36c per share. MEB last traded at 40.5c.

Neuren Pharmaceuticals (↓ NEU)

US Phase 3 trial to go ahead for NEU's proposed Rett syndrome treatment trofinetide.

Programmed Maintenance Services (PRG)

Trading ex-dividend (16c) Monday.

Resources

Gascoyne Resources (GCY)

WA Gascoyne region Glenburgh gold project drilling has returned significant-width and grade assays. Details lodged this morning

Energy

Aspire Mining (AKM)

MoU secured with China Gezhouba Group for the completion of bankable feasibility for the Erdenet - Ovoot rail link by 31 March 2018.

following a 0.3% rise in July and forecasts of a 0.6% gain.

US weekly new unemployment claims fell by 15,000 and the four-week average by 9500.

September producer prices rose 0.4% for the month, following a 0.2% gain in August.

Tonight in the US, September CPI growth is keenly anticipated, as are retail sales.

In other releases, the University of Michigan reveals its preliminary October consumer confidence reading, an August business inventories update is expected and Treasury publishes its September budget statement.

Companies scheduled to report earnings include Bank of America, PNC Financial Services Group and Wells Fargo.

In overnight corporate news, **HSBC** announced its next CEO, the current HSBC retail banking and wealth head, who will take over in February.

The UK-headquartered/Asia-focused bank also traded ex-dividend on the FTSE100, together with major supermarket chain Tesco.

JPMorgan Chase's September quarter figures disappointed with a 21% drop in trading revenue, even while improving earnings beyond expectations.

Citigroup reported a fall in corporate and trading revenue.

Both stocks fell, as did **AT&T**, which reported a fall in subscriber numbers.

General Motors announced the planned closure of a Detroit facility due to slow sales for some vehicles.

Meanwhile, **Austria** is scheduled to hold parliamentary elections Sunday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1297	oz	7	0.6
Silver (NY) (Sep)	17.3	oz	0.1	0.8
Gold (LON)	1290	oz	1	0.1
Platinum	937	oz	6	0.6
WTI Crude (Nov)	50.6	bbl	-0.7	-1.4
Brent Crude (Nov)	56.3	bbl	-0.7	-1.2
Iron Ore (CHN port 62%)	60.1	t	0.4	0.7
Copper	6887	t	87	1.3
Nickel	11395	t	260	2.3
Aluminium	2147	t	17	0.8
Lead	2557	t	-8	-0.3
Zinc	3250	t	31	1.0
Tin	20740	t	-130	-0.6
CBT Wheat (Dec)	4.30	bshl	-0.03	-0.6

Commodities Commentary

Oil – for a second consecutive session, trader faced plenty of new figures and altered expectations.

The International Energy Agency's (IEA) monthly report contained a new crude demand forecast for 2018, with OPEC oil demand down daily 150,000bbl to 32.5MMbbl/d.

Overall demand would increase by 1.4MMbbl/d, the IEA predicted, against a 1.6MMbbl/d increase in demand during 2017.

The IEA is expecting US crude production to be up a daily 470,000bbl for 2017 and another 1.1MMbbl/d during 2018.

A US government agency (EIA) weekly petroleum inventories report estimated crude stocks had fallen by 2.7MMbbl, but that petrol supplies swelled

Pre-Open Announcements

Thred Ltd (* THD)

Update lodged this morning, including a fall in app downloads while making target audience changes, and the launching of two new websites next week.

Alexium International Group (AJX)

Conference presentation lodged this morning.

Resources

Mithril Resources (MTH) / Intermin Resources (IRC)

High-grade intersections reported from RC drilling below historic workings within the WA Kombi gold prospect.

MTH is earning 60% from IRC.

Trading Halts

Company	Code	Resuming
Argosy Minerals	AGY	13 Oct
Alloy Resources	AYR	16 Oct
ComOps Ltd	COM	16 Oct
Uranium Equities	UEQ	16 Oct
Zinc of Ireland	ZMI	16 Oct
Elixir Petroleum	EXR	17 Oct

Suspensions (selected)

Company	Code	Since
Arrowhead Resources	AR1	9 Oct
Caeneus Minerals	CAD	12 Oct
Cudoco Ltd	CDU	28 Sep
Estrella Resources	ESR	12 Oct
Kinetiko Energy	KKO	5 Oct
Lantern Hotel Group	LTN	2 Oct
Navarre Minerals	NML	12 Oct
Neurotech International	NTI	13 Oct
Nzuri Copper	NZC	10 Oct
SIV Asset Management	SAM	10 Oct
Veriluma Ltd	VRI	20 Sep
XPD Soccer Gear Group	XPD	11 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
ASG	Mon	4.6	100	1.92
NCC	Mon	3.5	100	4.83
NZM	Mon	3.21	0	10.52
PL8	Mon	0.45	100	0.41
PRG	Mon	16	100	2.33
TPM	Mon	2	100	1.99
FGG	Tue	1	100	0.90
FGX	Tue	2.2	100	3.74
WAA	Tue	2.75	100	4.70
WAM	Tue	7.5	100	6.05
WAX	Tue	4.5	100	5.56
KSC	Wed	2	100	1.98
1AL	Thu	3.5	0	6.19
AVG	Thu	1	100	2.33



2.5MMbbl.

Crude exports declined to a daily 1.27MMbbl, from 1.98MMbbl/d the previous week. Daily production came in at 9.48MMbbl, down 81,000bbl/d.

A weekly US petroleum rig count is due tonight.

Gold – an early softer \$US and waning equities sentiment supported overnight gold prices.

Base metals – generally positive sentiment prevailed amid a comparative \$US weakening (during LME trade), and as China's administrators and regulators ensured regularity in markets trade ahead of the five-yearly Communist Party Congress, scheduled to commence Wednesday next week.

China's trade figures, expected today, will influence some of tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7825	0.0001	0.01
EUR – USD	1.1835	-0.0001	-0.00

Australian Data Today

RBA	Financial stability review	Oct
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US Data Tonight

CPI	Sep
Retail sales	Sep
Uni of Michigan consumer confidence (1 st)	Oct
Treasury budget statement	Sep
Business inventories	Aug

Other Overseas Data Today & Tonight

China	Trade balance	Sep
Germany	CPI (final)	Sep

Need More Information?

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Reports & Events

(selected scheduled)

When	Company	Report/Event
Mon	EVN	Sep Q
	FPH	Investor Day
	OZL	Sep Q
	PRU	Sep Q
Tue	CGF	Sep Q
	COH	AGM
	GXY	Sep Q
	ORA	AGM
	RIO	Sep Q
	SBM	Sep Q
	TLS	AGM
	Wed	AZJ
BHP		Sep Q
BXB		AGM
CSL		AGM
ORG		AGM
SSM		AGM
TRS		AGM
TWE		AGM
Thu		BHP
	HSO	AGM
	ILU	Sep Q
	IMD	AGM
	LLC	Investor Day
	NST	Sep Q
	SFR	Sep Q
	STO	Sep Q
	SKT	AGM
	S32	Sep Q
WPL	Sep Q	
Fri (20 Oct)	ANN	AGM
	ARB	AGM
	BAP	AGM
	IAG	AGM
	MQA	Sep Q
	SKC	AGM
	SYD	AGM



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