

**Markets**

|                                      |       |      |      |
|--------------------------------------|-------|------|------|
| <b>SFE 200 Futures</b> (9.30am AEDT) | 6703  | -61  | -0.9 |
| <b>NZX 50</b>                        | 11004 | -99  | -0.9 |
| <b>DJIA Futures</b>                  | 29153 | -200 | -0.7 |
| <b>S&amp;P 500 Futures</b>           | 3623  | -30  | -0.8 |
| <b>NASDAQ Futures</b>                | 11005 | -96  | -0.9 |

**Local Markets Commentary**

The Australian market opens a new week's trade with new key China data released over the weekend, and material domestic data due today, some reported pre-trade.

US equities markets fell decisively overnight Friday.

**Locally** today, the Australian Bureau of Statistics (ABS) is due to release a **business turnover** indicator report for August at 11.30am AEDT.

Pre-trade, the AiG has reported a contractionary **48.0** September **services PMI**, from an expansion-mode 53.3 for August and following forecasts for 52.9.

**Regionally** today, no major economic reports are scheduled for release.

Friday afternoon however, **China's** September **foreign exchange reserves** were reported at \$US3.09 trillion, following forecasts for \$3.04 trillion from \$3.055 trillion for August.

Following this, Caixin September **services PMI** for China, released Saturday, surprised on the downside.

The estimated, contraction-mode 49.3 represented a 5.7-point drop for the month. Forecasters had anticipated a 0.2-point decline to a remaining expansionary 54.8.

**Markets in Japan and South Korea are closed today due to public holidays.**

In overnight Friday commodities trade, **oil** traded sharply higher.

US **gold** futures closed below \$US1710/oz.

**Iron ore** (Nymex CFR China, 62% Fe) turned to settle slightly higher, above \$US95.5/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** were pushed lower in concert.

The **\$A** fell to ~US63.85c after trading at ~US64.00c early Friday evening.

**Overseas Markets**

| INDEX                | CLOSE | +/-    | %       |
|----------------------|-------|--------|---------|
| <b>Dow Jones</b>     | 29297 | -630   | -2.1    |
| <b>S&amp;P 500</b>   | 3640  | -105   | -2.8    |
| <b>NASDAQ</b>        | 10652 | -421   | -3.8    |
| <b>FTSE 100</b>      | 6991  | -6     | -0.1    |
| <b>DAX 30</b>        | 12273 | -198   | -1.6    |
| <b>Shanghai Comp</b> | 3024  | Public | Holiday |

**Today's Stock Watch**
**Tabcorp Holdings (TAH)**

Planning to outlay \$33M for 20% of Dabble Sports, pending regulatory approvals.

**NRW Holdings (NWH)**

NWH subsidiary Primero Group has secured a \$A60M operations and maintenance contract with Core Lithium (ASX: CXO) for the Northern Territory Finniss lithium project processing facility and associated infrastructure.

**Resources**
**Gold Road Resources (GOR)**

The GOR-Gold Fields JV Gruyere gold project produced 83,635oz during the September quarter, in line with expectations and against 85,676oz for the June quarter.

The highest average quarterly head grade was also achieved, 1.26g/t Au. GOR sold 39,524oz at \$A2380/oz.

\$91.4M cash and equivalents.

**GME Resources (GME)**

Non-binding MoU agreed with Stellantis regarding the potential supply of NiWest nickel-cobalt project battery-grade nickel and cobalt sulphate products to Stellantis.

**Galileo Mining (GAL)**

WA Norseman project Callisto multi-mineral discovery RC drilling has intersected nickel sulphide mineralisation up to 51m thick. Details lodged this morning. GAL setline at \$1.20 Friday after closing out the previous week at \$1.32.

**Magmatic Resources (MAG)**

Heralding copper-gold-molybdenum results, including extensive intervals, from diamond drilling within the central NSW Myall project Corvette prospect.

**Mineral Resources (MIN)**

30 June lithium resources and reserves update lodged post-trade Friday.

Site tour presentations lodged pre-trade. MIN commenced a three-day investor and analyst tour yesterday.

**IGO Ltd (IGO)**

IGO has appointed recent Gold Road Resources (ASX: GOR) executive director Justin Osborne as a non-executive director.

**Vital Metals (VML)**

Scrapping Kapiwa and Zeus projects acquisition plans due to unsatisfactory due diligence. Details lodged pre-trade.

**Energy**
**Strike Energy (STX)**

WA Perth Basin EP495 Ocean Hill gas field 2C contingent resources independently certified at ~300PJ.



## Overseas Markets Commentary

Meandering trade across major European and UK equities markets turned decidedly negative overnight Friday on the release of US employment statistics.

US equities markets dropped on opening with sentiment never looking like recovering through to session close.

The US September workforce figures raised fears US interest rates would continue higher for longer.

The number of jobs created came in lower than forecast, at 263,000 against 290,000, and notably lower than August's 315,000.

However, the unemployment rate fell by 0.2% to 3.5% and average hourly earnings were up 0.3% for the month, placing these 5.0% higher than for September 2021.

In addition overnight Friday, another US Federal Reserve regional president promoted higher rate rises, even ceding this could be to the extent employment prospects could be hurt.

Among overnight Friday data releases, **Germany's** August import prices were revealed to have appreciated 4.3% for the month, against expectations of a 1.9% climb following a 1.4% July increase.

Against August 2021, prices were up 32.7%.

August industrial production fell 0.8% for the month against a flat result for July. Forecasters had anticipated output to pull back by 1.0%.

Retail sales dropped 1.3% for the month, but a 2.6% decline had been expected following 0.7% July growth.

Against August 2021, sales were down 4.3%.

In the **UK**, the Halifax house price index suggested residential property prices had slipped by 0.1% during September, surprising on the downside after predictions for a 1.0% increase.

Against September 2021, house prices were up 9.9%.

The BBA calculated the mean mortgage rate for September at 5.1%, the highest rate since 2008, from 4.89% for August. Forecasters had anticipated 5.4% for September.

In the meantime, **Russia** reported 0.1% inflation growth for September, following 0.5% deflation for August and predictions of a 0.4% September fall.

On an annualised basis, September inflation was running at 13.7%.

September foreign exchange reserves were estimated at \$US540.7B from \$US565.7B.

In the **US**, additional September employment statistics included a 62.3% participation rate, down 0.1% for the month, against expectations the 62.4% rate would remain.

Wholesale inventories grew 1.3% during September, in line with predictions, following a 0.6% August increase.

September credit change was reported at \$US32.24B from \$US23.81B, against forecasts for \$US21B.

**Tonight** in the US, no new major data releases are scheduled for release due to the Columbus Day Federal holiday.

In overnight Friday and weekend corporate news, **Credit Suisse** revealed it would buy back up to ~\$US3B worth of debt and sell a key hospitality asset, namely the Savoy, Zurich.

## Pre-Open Announcements

### Estia Health (\* EHE)

CFO Steve Lemlin is planning to retire from his EHE role, but will remain with EHE until he has handed over responsibilities to a successor.

EHE expects to appoint a new CFO by year's end.

### Sky Network Television (\* SKT)

A new rights deal negotiated with World Rugby includes exclusive rights to the Rugby world Cup for seven years.

As part of the overall new arrangements, World Rugby is purchasing RugbyPass.

### Chorus Ltd (CNU)

Reporting an additional 21,000 fibre connections for the September quarter, taking the tally to 980,000.

### Summerset Group Holdings (SNZ)

219 sales recorded for the September quarter, 10% more than for the September quarter 2021.

January – September sales climbed to 730 against 744 for January – September 2021.

### QANTM Intellectual Property (QIP)

QIP has appointed recent Orica Ltd (ASX: ORA) general counsel corporate and M&A head Krista Stewart as company secretary.

Former QIP company secretary Nick Ward resigned, effective Friday.

### Electro Optic Systems (EOS) / Washington H Soul Pattinson & Co (SOL)

EOS major shareholder and finance provider SOL has further extended the maturity date of a \$35M term facility, by five days to 12 October.

### Spacetalk Ltd (SPA)

SPA has terminated MD and CEO Mark Fortunatow's employment contract, with the 12 months' notice period to be served out of the office.

SPA has appointed SPA non-executive director Saurabh Jain as acting CEO.

Mr Fortunatow has been with SPA for 21 years.

## Resources

### Avira Resources (\* AVW)

Proposing to acquire the Puolalaki nickel-copper-cobalt project in Sweden.

### Classic Minerals (CLZ)

Initial Gekko pilot plant test-work statistics lodged this morning, including an average 6.06g/t from the first portion of a Kat Gap bulk sample.

### Essential Metals (ESS)

Pioneer Dome lithium project update webinar scheduled for midday AEDT Thursday.



For its part, **Advanced Micro Devices** warned September quarter revenue could come in \$US1B short of previous forecasts.

**FedEx** was reported to be anticipating fewer than usual e-commerce deliveries during the late-year holiday season.

*The US commemorates Columbus Day tonight. Equities and commodities markets will trade normal hours, but bond markets will be closed, due to the day being declared a Federal holiday.*

### Commodities

| COMMODITY                              | CLOSE  | \$US/ | +/-   | %    |
|--|--------|-------|-------|------|
| <b>Gold (NY)</b> (Dec)                 | 1709.3 | oz    | -11.5 | -0.7 |
| <b>Silver (NY)</b> (Dec)               | 20.26  | oz    | -0.40 | -2.0 |
| <b>Platinum</b>                        | 914    | oz    | -6    | -0.7 |
| <b>WTI Crude</b> (NYMEX Nov)           | 92.64  | bbbl  | 4.19  | 3.7  |
| <b>Brent Crude</b> (ICE EUR Dec)       | 97.92  | bbbl  | 3.50  | 3.7  |
| <b>Iron Ore</b> (NYMEX CHN port;62%Fe) | 95.62  | t     | 0.16  | 0.2  |
| <b>Copper</b> (LME 3mth Evening)       | 7450   | t     | -150  | -2.0 |
| <b>Nickel</b>                          | 22507  | t     | -296  | -1.3 |
| <b>Aluminium</b>                       | 2303   | t     | -50   | -2.1 |
| <b>Lead</b>                            | 2069   | t     | 11    | 0.5  |
| <b>Zinc</b>                            | 2985   | t     | -131  | -4.2 |
| <b>Tin</b>                             | 19395  | t     | -740  | -3.7 |

### Commodities Commentary

**Oil** – overnight Friday trade appeared mostly influenced by lower oil supply, mostly from the OPEC+ decision overnight Wednesday to cut supply from 1 November.

In other developments, Russia's president decreed the Sakhalin-1 oil and gas project come under Russian control.

Former operator and 30% stake holder Exxon Mobil had been trying to exit the project, but had declared in August that Russia's activities had impeded its attempts to safely exit interests in Russia.

The project's output had fallen from 220,000bbbl/d before Russia's conflict with Ukraine, to 10,000bbbl/d.

In the US, a further sale of the 180MMbbbl strategic petroleum reserves announced for sale earlier this year, took the total sold to date to 165MMbbbl.

A weekly US petroleum drill rig report, released overnight Friday, included two fewer operational oil rigs, bringing the tally to 602 against 433 a year earlier.

**Gold** – overnight Friday trade was ultimately influenced by remaining \$US strength on the release of monthly US employment statistics which pointed to higher interest rates for longer and relative economic resilience.

A US inflation update due this week is likely to produce further rates versus economic wellbeing debate.

This in addition to the release of US Federal Reserve policy meeting minutes, although little surprise is expected following public comments from several officials, including the chair, over recent weeks.

An IMF update this week, flagged to contain downgraded economic growth forecasts, is likely to influence some currency, and hence gold, trade.

**Base metals** – the prospect of higher interest rates for some time in the US, associated \$US strength and new data for China,

ESS traded at 41.5c – 53c last week, settling at 52c Friday after revealing positive metallurgical testing results.

### Lepidico Ltd (LPD)

Set-off shares issued to Acuity Capital have delivered \$A600,000 post-costs.

### Energy

#### Beach Energy (BPT)

Directors Colin Beckett and Robert Jager are planning to retire from the BPT board at the 16 November AGM.

#### 88 Energy (88E)

Investor update lodged in presentation format this morning.

#### Terra Uranium (T92)

CFO Vesna Crnjak has resigned from T92 office functions provider Automic Group, in favour of other opportunities.

### Trading Halts

| Company                | Code | Resuming |
|------------------------|------|----------|
| 99 Loyalty             | 99L  | 10 Oct   |
| Actinogen Medical      | ACW  | 10 Oct   |
| State Gas              | GAS  | 10 Oct   |
| Alchemy Resources      | ALY  | 11 Oct   |
| Duratec Ltd            | DUR  | 11 Oct   |
| BPH Energy             | BPH  | 11 Oct   |
| Kingsland Minerals     | KNG  | 11 Oct   |
| Metgasco Ltd           | MEL  | 11 Oct   |
| Nagambie Resources     | NAG  | 11 Oct   |
| NickelX Ltd            | NKL  | 11 Oct   |
| Prescient Therapeutics | PTX  | 11 Oct   |
| Woomera Mining         | WML  | 11 Oct   |

### Suspensions (selected)

| Company            | Code | Since  |
|--------------------|------|--------|
| Cann Global        | CGB  | 23 Sep |
| Echo IQ            | EIQ  | 7 Oct  |
| Kinetiko Energy    | KKO  | 4 Oct  |
| Larvotto Resources | LRV  | 7 Oct  |
| Seafarms Group     | SFG  | 30 Sep |
| Toro Energy        | TOE  | 28 Sep |
| Yandal Resources   | YRL  | 29 Sep |

### Ex-Dividends

| Code | Ex-Div   | Div (c) | Franking (%) | Yield (%) |
|------|----------|---------|--------------|-----------|
| REH  | Tomorrow | 15      | 100          | 1.29      |
| TRA  | Tomorrow | 4.36    | 85           | 6.33      |
| FGG  | Wed      | 3.5     | 100          | 5.17      |
| GOW  | Wed      | 4       | 100          | 2.11      |
| HZN  | Wed      | 1.65    | 0            | 0.00      |



translated into reportedly cautious early overnight Friday trade through to decided price falls for most metals by the close of LME trade.

*Lead* was once again supported by supply concerns during the usual northern hemisphere winter demand.

Friday afternoon, China had reported September foreign exchange reserves, these falling for the month, but not by as much as anticipated.

Caixin's China September services PMI, released over the weekend, undershot expectations however, the sector estimated to have fallen into contraction mode (49.3) from the decidedly expansion-mode August reading (55.0).

Hence tonight's trade could also be in part influenced by economic growth perceptions for China.

### Exchange Rates

| CURRENCIES | LAST   | +/-     | %     |
|------------|--------|---------|-------|
| AUD – USD  | 0.6384 |         |       |
| EUR – USD  | 0.9732 | -0.0009 | -0.09 |

### Australian Data Today

|     |   |     |
|-----|---|-----|
| AiG | Services PMI                              | Sep |
| ABS | Business turnover indicator               | Aug |
| RBA | Official reserve assets (monthly; 4.30pm) | Sep |

### Overseas Data Today & Tonight

|                  |                            |     |
|------------------|----------------------------|-----|
| <b>Euro zone</b> | Sentix investor confidence | Oct |
|------------------|----------------------------|-----|

### Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

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|     |     |      |     |      |
|-----|-----|------|-----|------|
| RLL | Wed | 2    | 100 | 0.00 |
| WGB | Wed | 5.5  | 100 | 5.60 |
| CGO | Thu | 1    | 100 | 4.17 |
| D20 | Thu | 3.3  | 100 | 3.77 |
| KAT | Thu | 0.5  | 100 | 1.85 |
| TI1 | Thu | 0.28 | 0   | 0.00 |
| HVN | Fri | 17.5 | 100 | 8.41 |
| LSX | Fri | 1.5  | 0   | 0.00 |

## Reports & Events

(selected; all times AEDT)

| When            | Company    | Report/Event   |
|-----------------|------------|----------------|
| <b>Today</b>    | <b>CAI</b> | Sep Q          |
|                 | <b>CNU</b> | Sep Q          |
|                 | <b>GOR</b> | Sep Q (prelim) |
|                 | <b>SNZ</b> | Sep Q          |
| <b>Tomorrow</b> | AQZ        | AGM            |
|                 | BTI        | AGM            |
|                 | ERA        | Sep Q          |
|                 | HLO        | AGM            |
|                 | TLS        | AGM            |
| <b>Wed</b>      | BOQ        | Full year      |
|                 | CBA        | AGM            |
|                 | CSL        | AGM            |
|                 | HMD        | AGM            |
| <b>Thu</b>      | AZJ        | AGM            |
|                 | DJW        | AGM            |
|                 | MIR        | AGM            |
| <b>Fri</b>      | PRN        | AGM            |