

Markets

SFE 200 Futures (9.30am AEDT)	6627	-18	-0.3
NZX 50	10867	-6	-0.1
DJIA Futures	29310	49	0.2
S&P 500 Futures	3595	6	0.2
NASDAQ Futures	10855	14	0.1

Local Markets Commentary

The Australian market commences today's trade with key domestic and regional economic reports due this morning and the \$A trading at ~US62.75c ahead of influential data out of the US tonight.

US equities markets settled slightly lower overnight.

Locally today, the Melbourne Institute is scheduled to publish its October **inflation expectations** report at **11am** AEDT.

At 11.30am, the Australian Bureau of Statistics (ABS) releases a **jobs and wages** report for the week ending 17 September.

At the same time, the Reserve Bank of Australia (RBA) is due to publish **lending to business** figures.

Regionally today, **Japan** is due to reveal September **producer prices** and **bank lending** this morning.

In overnight commodities trade, **oil** settled lower for a third consecutive session.

US **gold** futures seesawed lower, closing beneath \$US1680/oz.

Iron ore (Nymex CFR China, 62% Fe) extended Tuesday's decline, trading below \$US96.2/t.

LME (3mth evening) **copper** was reported ~0.5% lower and **nickel** ~1.5% higher. **Aluminium** was reportedly propelled ~7% higher intra-session before closing with an ~3.0% gain.

Last night's LME final price updates were unavailable from IRESS at time of publication. These are expected to be available from IRESS at 10.30am AEDT.

The **\$A** rose to ~US62.75c after trading at US62.60c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	29211	-28	-0.1
S&P 500	3577	-12	-0.3
NASDAQ	10417	-9	-0.1
FTSE 100	6826	-59	-0.9
DAX 30	12172	-48	-0.4
Shanghai Comp	3026	46	1.5

Overseas Markets Commentary

Choppy trade again featured across most major European, UK and US equities markets overnight.

Inflation, recession, interest rate, government debt and

*** Rare earths & manganese exploration listing – noon AEDT – BUS ***

Today's Stock Watch
Aurizon Holdings (AZJ)

AGM today.

Netwealth Ltd (NWL)

\$58.1B FUA at 30 September, up 4.4% for the quarter. FUM rose 3.2% to \$13.5B.

nib Holdings (NHF)

Expected to resume from a trading halt, anytime from today, announcing the completion of a \$135M fully underwritten institutional placement via a book-build for which the floor price was set at \$6.90. NHF also plans to conduct a \$15M SPP, 19 October – 7 November.

NHF is seeking funds to acquire NDIS plan management companies, the first such being Maple Plan.

In addition, when announcing the trading halt, NHF reported 6.5% higher, year-on-year September quarter revenue.

NPAT came in at \$41.6M against \$45.5M.

NHF traded at \$7.37 - \$7.58 the five trading sessions immediately prior to calling the halt.

Resources
Bubalus Resources (* BUS)

Manganese and rare earths explorer scheduled to list on the ASX **midday** AEDT, following a \$5M IPO at 20c per share.

~27.05M quoted shares.

One manganese and two rare earths projects in the Northern Territory and one rare earths project in Western Australia.

Alec Pismiris executive chairman.

Strandline Resources (STA)

WA Cockburn mineral sands project wet concentration facility commissioning underway.

Austral Resources (AR1)

Mt Kelly project Lady Colleen copper prospect step-out drilling has delivered high-grade and significant width intersections.

Assays lodged pre-trade.

Askari Metals (AS2)

NSW Springdale project reconnaissance is indicating high-grade gold, significant rare earths potential and encouraging base metals potential.

Alumina Ltd (AWC)

The US administration was reported overnight to be considering restricting aluminium imports from Russia as part of a new potential set of sanctions.

This pushed overnight aluminium prices sharply higher.



geopolitical disquiet persisted, highlighted by new reports and data releases.

Government debt costs increased in the UK, a five-year gilt (treasury bond) offer notably but unsurprisingly delivering a 4.800% yield from 1.518%.

The yields for 10- and 20-year bonds were reported briefly at their highest since 2002.

The Bank of England vowed last month to support prices (and hence lower yields) until 14 October by purchasing up to £65B worth of government bonds. Yesterday, the central bank was reported to have purchased £10B worth since then.

US Federal Reserve September policy meeting minutes revealed some concern at not doing enough to tame inflation and seemingly increased preparedness to push rates higher at the expense of economic growth.

Earlier yesterday, the **Bank of Korea** raised its key interest rate by 0.5% to 3.0%, as anticipated by forecasters.

Overnight, **European Central Bank** (ECB) president Christine Lagarde maintained the euro zone economy was not in recession but would slow further and promoted further interest rate increases to curb inflation.

Also overnight, European Union (EU) energy ministers met again to discuss energy security and supply, and to prepare a set of proposals to put to the European Commission (EC) for consideration next week.

Poland meanwhile revealed it had detected a leak on a Polish section of the Druzhba pipeline which delivers Russian oil to central Europe, including Germany, and assessed this as the result of accidental damage.

In overnight data releases, the **UK's GDP** surprised on the downside, contracting by 0.3% during August, following July's 0.1% growth and expectations for the same growth rate for August.

GDP also averaged a 0.3% decline for June – August 2022.

Against 31 August 2021, GDP was up 2.0%.

The September NIESR GDP tracker estimate indicated a further 0.3% decline for the month.

In the meantime the UK's August **trade deficit** was reported at £7.08B, against predictions for an £8.4B shortfall. The July trade deficit had been recorded at £5.445B.

August **industrial production** was calculated 1.8% lower for the month and down 5.2% against August 2021.

Manufacturing output fell 1.6% and 6.7% respectively.

August industrial production for the **euro zone** surprised on the upside, estimated 1.5% higher for the month and 2.5% higher year-on-year.

In the **US**, September producer prices appreciated 0.4%, defying forecasts for a flat result following a 0.2% August decline.

Against September 2021, prices were up 8.5%.

Weekly mortgage applications fell 2% after tumbling 14.2% the previous week.

Mean average 30-year mortgage rates rose to 6.81% from 6.75% the previous week, the new average not seen since 2016.

Meanwhile, a 10-year US note auction delivered a 3.930% yield from 3.330%.

Pre-Open Announcements

Unibail Rodamco Westfield (URW)

Launching Westfield Rise as a one-stop agency for brands and media buyers for URW centres in Europe.

URW has appointed URW employee Candice Mayer-Gillet as Westfield Rise MD. Ms Mayer-Gillet boasts experience in URW operating management, retail media and leasing.

Tissue Repair (TRP)

Results from a phase two clinical trial which used TR987 for laser skin resurfacing will be published in the Dermatologic Surgery journal.

TR987 contains TRP's (patented) Glucoprime, which TRP is also using in a TRP-branded product, TR Pro, set for commercial launch in Australia in early 2023.

Trial statistics lodged post-trade yesterday.

Resources

Ragusa Minerals (RAS)

Maiden Northern Territory lithium project drilling program underway.

Buxton Resources (BUX) / IGO Ltd (IGO)

BUX is reporting Narryer project JV partner IGO interpretation of airborne EM surveying has indicated multiple high-priority anomalies.

IGO is proposing to earn 51%.

Orion Minerals (ORN)

ORN will trial electrolysis water treatment while dewatering the underground mine at the Prieska copper zinc project, South Africa.

ORN and Free Radicals Process Design are targeting the recovery of agricultural quality water, containing agricultural nutrients and other products for the chemical and other industries.

Additional information lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
Culpeo Minerals	CPO	13 Oct
Cygnus Gold	CY5	13 Oct
Valor Resources	VAL	13 Oct
Australian Potash	APC	14 Oct
Botanix Pharmaceuticals	BOT	14 Oct
Larvotto Resources	LRV	14 Oct
Mako Gold	MKG	14 Oct
nib Holdings	NHF	14 Oct



A 10-year bond auction hosted by Germany had earlier produced a 2.33% yield from 1.87%.

Earlier yesterday, a 30-year government bond auction in Japan resulted in a 1.480% yield from 1.235%.

Tonight in the US, a September CPI reading is keenly anticipated, together with weekly new unemployment claims.

In addition, the US conducts a 30-year bond auction.

Elsewhere, Germany releases a final September CPI growth estimate.

Stocks scheduled to report earnings include BlackRock, Delta Air Lines, Domino's Pizza, Infosys, Taiwan Semiconductor Manufacturing and Walgreens Boots Alliance.

In overnight corporate news, reports the US administration was considering restricting aluminium imports from Russia pushed **Alcoa Corp** higher.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1677.5	oz	-8.5	-0.5
Silver (NY) (Dec)	18.94	oz	-0.55	-2.9
Platinum	882	oz	-4	-0.5
WTI Crude (NYMEX Nov)	87.27	bbbl	-2.08	-2.3
Brent Crude (ICE EUR Dec)	92.45	bbbl	-1.84	-2.0
Iron Ore (NYMEX CHN port;62%Fe)	96.13	t	-0.84	-0.9
Copper (LME 3mth Evening) (Oct 11)	7587	t		
Nickel	22087	t		
Aluminium	2236	t		
Lead	2013	t		
Zinc	2925	t		
Tin	20250	t		

Commodities Commentary

Oil – lowered oil demand forecasts, broad recession commentary and \$US strength pushed prices yet lower overnight.

OPEC's monthly oil market report, published overnight, included a 460,000bbbl/d lower international demand growth forecast for 2022, this now set at 2.64MMbbbl/d.

For its part, the US energy department cut its anticipated 2023 global demand growth from 2.0% to 1.5%.

In the meantime, Poland assessed a leak in an oil pipeline delivering Russian oil to central Europe as 'accidental damage'.

The International Energy Agency (IEA) is scheduled to release its monthly report tonight.

In addition tonight, a weekly US petroleum inventories report is due from government agency the EIA.

Overnight, post-US trade, the American Petroleum Institute (API) published a report which included an estimated 7.1MMbbbl rise for US crude stocks last week.

Gold – US producer prices rose by more than anticipated during September, further raising expectations of additional significant US rate hikes, as foreshadowed in the September Fed Reserve policy meeting minutes, also released overnight.

This pushed the \$US index higher, detracting from overnight gold interest.

Suspensions (selected)

Company	Code	Since
1 st Group	1ST	12 Oct
99 Loyalty	99L	10 Oct
Candy Club Holdings	CLB	11 Oct
Cann Global	CGB	23 Sep
Protean Energy	POW	11 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 (%)
CGO	Today	1	100	4.05
D2O	Today	3.3	100	3.80
KAT	Today	0.5	100	1.85
TI1	Today	0.28	0	0.00
HVN	Tomorrow	17.5	100	8.50
LSX	Tomorrow	1.5	0	0.00
CDM	Mon	4	100	6.97
CDO	Mon	7.5	100	3.06
FGX	Mon	3.25	100	5.15
WAA	Mon	3	100	7.14
WAM	Mon	7.75	100	8.27
WMA	Mon	2	100	1.84
KSC	Tue	5	100	3.83
SNC	Fri (21 Oct)	2.75	100	7.53

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	AZJ	AGM
	CHL	Sep Q (tele 9am)
	DJW	AGM
	MIR	AGM
	NWL	Sep Q
Tomorrow	PRN	AGM
Mon	FGR	AGM
	SGP	AGM
Tue	BXB	AGM
	COH	AGM
	EDV	AGM
	IEL	AGM
	RIO	Sep Q
	TWE	AGM



Base metals – \$US strength, caution ahead of a batch of influential data anticipated out of China tomorrow and heightened expectations of further US rate increases impacted early overnight sentiment.

Separately, reports the US was considering restricting *aluminium* imports from Russia pushed aluminium sharply higher intra-session.

Transportation alternatives reportedly under consideration by miners in Chile, in a bid to constrain theft, reportedly turned *copper* prices lower.

China is due to release September trade figures tomorrow, together with September producer prices and the September CPI estimate.

In addition, the five-yearly National Congress of the Chinese Communist Party is due to commence Sunday. The congress is scheduled to continue for almost a week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6275	0.0010	0.16
EUR – USD	0.9708	-0.0007	-0.08

Australian Data Today

Melbourne Institute	Inflation expectations	Oct
ABS	Payroll jobs & wages	17 Sep
RBA	Lending to business	Aug

US Data Tonight

CPI	Sep
Initial jobless claims	8 Oct

Other Overseas Data Today & Tonight

Japan	Producer prices	Sep
Japan	Bank lending	Sep
UK	BoE credit conditions survey	Sep
Germany	CPI (final)	Sep

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

Wed (19 Oct)	ACL	AGM
	APA	AGM
	BAP	AGM
	BHP	Sep Q
	MP1	Sep Q
	MYS	AGM
	NST	Sep Q
	ORG	AGM
	SSM	AGM
	TRS	AGM

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