

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	6764	95	1.4
<b>NZX 50</b>	10782	Public	Holiday
<b>DJIA Futures</b>	31352	229	0.7
<b>S&amp;P 500 Futures</b>	3798	34	0.9
<b>NASDAQ Futures</b>	11489	130	1.1

## Local Markets Commentary

The Australian market opens the last full week of September trade with an \$A appreciation to ~US64.00c pre-trade, and fresh comments from a Reserve Bank of Australia (RBA) assistant governor, ahead of international PMI updates tonight and the Australian Government's budget release tomorrow evening.

US equities markets recorded a rebound finish overnight Friday.

Since overnight Friday trade:

- China's president Xi Jinping has officially secured, as anticipated, a third five-year term as president;
- People's Bank of China governor Yi Gang, banking regulator Guo Shuqing and key economic advisor Liu He were revealed as no longer being members of the republic's Central Committee;
- Power blackouts have been reported across much of Ukraine following a series of targeted Russian strikes; and
- Rishi Sunak has firmed as favourite to win the selection process to be the UK's next PM. Former PM Boris Johnson has withdrawn from the contest.

**Locally** today, RBA assistant governor (financial markets) Christopher Kent has spoken at the Commonwealth Bank-sponsored Global Markets conference in Sydney, assuring a weaker trade-weighted \$A means a modest only inflation lift and that the central bank remains focused on economic data regarding interest rate magnitude and timing decisions.

The assistant governor also confirmed RBA board members expected rates would need to move higher.

Also this morning, S&P Global has released mixed October PMI estimates, ahead of the traditionally more influential AiG readings over the next few weeks. This morning's services PMI indicates a return to contraction mode.

In addition today, information and commentary regarding Australian Government proposed budget initiatives is expected to continue today.

**Regionally**, China is *tentatively* scheduled to report September quarter **GDP** growth, and September updates for international **trade**, **industrial production**, **fixed asset investment** and **retail sales**.

Meanwhile, initial October **PMI** estimates are due for **Japan**.

In overnight Friday commodities trade, both Brent and WTI **crude** gained.

US **gold** futures swung to settle above \$US1655/oz.

**Iron ore** (Nymex CFR China, 62% Fe) seesawed slightly higher.

## Today's Stock Watch

### Australia & New Zealand Banking Group (ANZ)

2H FY22 profit will be impacted by large and notable items which will produce a \$113M net post-tax charge, equivalent to ~0.02% level 2 CET1. Details lodged post-trade Friday.

ANZ is due to announce full year results Thursday.

### Bank of Queensland (BOQ)

Offering \$300M worth of convertible notes at \$100 each, in support of tier 1 capital.

### BetMakers Technology Group (BET)

Planning to acquire ABettorEdge which trades as Punting Form. Consideration includes an initial \$3M cash plus up to \$17M in earn-outs over three years.

## Resources

### Green Technology Metals (GT1) / Ardiden Ltd (ADV)

GT1 will purchase ADV's final 20% interest in the Ontario, Canada lithium assets for \$A16M cash upfront, plus a resource-dependent \$2.5M. ADV retains 5.14% of GT1.

### South32 Ltd (S32)

Alumina production fell 8% during the September quarter to 1.257Mt. Aluminium output rose 9% to 279,000t.

Payable copper production rose 12% to 19,000t.

Metallurgical coal output fell 8% to 1.27Mt.

Manganese production declined by 1% to 1.46Mt.

Additional statistics and FY23 guidance lodged this morning.

### OZ Minerals (OZL)

Produced 30,012t of copper and 56,334oz of gold in concentrate during the September quarter. \$US1.904/lb AISC. \$UA1.295 C1 cash costs.

FY23 output and costs guidance also lodged.

### Gascoyne Resources (GCY)

Declaring the WA Murchison region Dalgaranga gold project Never Never gold deposit as a major gold discovery following the receipt of 'outstanding' diamond drilling results. Assays from both diamond and RC drilling lodged pre-trade.

Updated Never Never resource anticipated by year's end.

### Dreadnought Resources (DRE)

Additional significant-width, high-grade intersections returned from RC drilling within the WA Gascoyne region Mangaroon project Yin rare earths discovery.

## Energy

### Viva Energy Group (VEA)

September quarter sales volumes tallied 3650.5ML, representing 19.7% year-on-year growth. The Geelong refining margin increased by 136.4% to \$US13/bbl.

Refining intake rose 6.4% to 10.0MMbbl of oil.



LME (3mth evening) **copper** closed with a further gain. **Nickel** turned lower. **Aluminium** also turned but settled just slightly down.

The **\$A** was propelled to ~US63.80c after trading at ~US62.50c - ~US62.80c early Friday evening.

*Markets in New Zealand and Singapore are closed today, due to public holidays.*

### Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	31083	749	2.5
<b>S&amp;P 500</b>	3753	87	2.4
<b>NASDAQ</b>	10860	245	2.3
<b>FTSE 100</b>	6970	26	0.4
<b>DAX 30</b>	12731	-37	-0.3
<b>Shanghai Comp</b>	3039	4	0.1

### Overseas Markets Commentary

A media article helped turn cautious overnight Friday openings for US equities markets into strong positive settlements, also supporting key European and UK indices from session lows.

The article cited **US Federal Reserve** policy makers advocating caution with post-November interest rates, in favour of even pausing any moves higher to assess economic growth impacts of the past year's policy.

This pushed the \$US lower, supporting select major currencies.

The British pound slid however, interest in the currency suffering another bruising just one day after a relatively rare rally, the new damage attributed to sobering debt data released just as the prospect of another effective governmental hiatus during a second PM selection process since the UK Autumn sank in.

In other currency moves, earlier Friday the **People's Bank of China** had set the mid-point guidance rate for the yuan against the \$US higher than it had Thursday, and state-owned banks were reported to have sold US dollars on the domestic foreign exchange market.

Despite this, the yuan traded at its weakest against the \$US since January 2008.

Also Friday, Bank of Japan governor Haruhiko Kuroda assured the central bank was carefully watching currency activity and the impacts of currency moves.

UK public sector net borrowing tallied £19.25B in September, this following £8.58B reported for August.

Nonetheless, this did not deter several high-profile UK parliamentarians nominating themselves as contenders for conservative party selection to be the UK's next prime minister.

In other political leadership developments overnight Friday, Italy's Giorgia Meloni was confirmed for a swearing in on Saturday as the nation's new PM, viewed as the most right wing government leader more than seven decades.

Among overnight Friday **data** releases, a -27.6 **euro zone** initial October consumer confidence reading, as estimated by the European Commission, represented a 1.2-point improvement on the final September reading. Forecasters had anticipated a further decline to 29.3.

## Pre-Open Announcements

### Veem Ltd (\* VEE)

\$1.7M order in hand from BAE Systems Australia for two propeller blades and a hub, under a demonstrator program in association with the Hunter class frigate program.

### H&G High Conviction (\* HCF)

LIC scheduled to list on the ASX 10.30am AEDT **tomorrow**, following a \$5.2M IPO at 98.29c per share. ~22.1M quoted shares.

## Resources

### Ramelius Resources (\* RMS)

RMS has appointed Sihayo Gold (ASX: SIH) and Xanadu Mines (ASX: XAM) executive chair Colin Moorhead as a non-executive director, effective 1 December.

Mr Moorhead is also a non-executive director of Aeris Resources (ASX: AIS) and Coda Minerals (COD).

### Castillo Copper (\* CCZ)

NSW Broken Hill project Fence Gossan prospect assays keenly anticipated following positive observations and interpretations bolstering cobalt, copper-gold and rare earth mineralisation expectations.

Details and commentary lodged his morning.

### Asra Minerals (\* ASR)

WA Mt Stirling project Yttria prospect drilling results highlight significant rare earths mineralisation and also cobalt and scandium potential.

### Kingfisher Mining (KFM)

Heralding rock chip results from within the WA Gascoyne region Mick Well rare earths project.

Assays lodged pre-trade.

Additional results anticipated late November.

### Ioneer Ltd (INR)

\$US97M cash and equivalents, 52% held in \$US, at 30 September.

September quarter activities report lodged this morning.

### Focus Minerals (FML)

Planning to resume production at the WA goldfields Coolgardie gold project next year.

Details lodged this morning.

### Shree Minerals (SHH)

WA Dundas project Program of Works approval in hand.

Chasing lithium and gold. Plans lodged pre-trade.

### Alchemy Resources (ALY)

Three-week, 33-hole RC drilling program underway, targeting lithium within the WA goldfields Karonie lithium-gold project.

### Tombola Gold (TBA)

TBA non-executive director Samuel Kennedy has resigned



In the **UK**, in addition to government debt figures, September retail sales fell 1.4% for the month, against forecasts for a much slighter 0.3% decline following August's 1.7% drop.

Against September 2021, sales were down 6.9%.

Earlier Friday (AEDT), the GfK October consumer sentiment reading for the UK was reported at -47 from -49 for September, defying forecasts for a further decline to -53.

Also earlier Friday, Japan reported 3% annualised inflation for September following a 0.3% increase for the month, against respective forecasts for 3.2% and 0.4%.

In the **US**, the September budget statement included a \$US430B deficit, against expectations of a \$230B shortfall following the August \$US220B deficit.

**Tonight** in the US, the Chicago Fed September national activity index and preliminary October S&P Global PMIs are due.

Elsewhere, initial October PMI estimates are also due for the UK and euro zone.

Companies listed to report earnings include: China Molybdenum, HSBC Holdings, Kia Corp, Koninklijke Philips and Nidec Corp.

In overnight and weekend corporate news, **American Express** revealed it had boosted provisions to cover potential defaults amid a slowing US economy.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold</b> (COMEX 100 Dec)	1656.3	oz	19.50	1.2
<b>Silver</b> (COMEX 5000 Dec)	19.07	oz	0.38	2.0
<b>Platinum</b>	931	oz	18	2.0
<b>WTI Crude</b> (NYMEX Dec)	85.05	bbbl	0.54	0.6
<b>Brent Crude</b> (ICE EUR Dec)	93.50	bbbl	1.12	1.2
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	94.86	t	0.10	0.1
<b>Copper</b> (LME 3mth Evening)	7633	t	64	0.9
<b>Nickel</b>	21954	t	-244	-1.1
<b>Aluminium</b>	2208	t	-3	-0.1
<b>Lead</b>	1896	t	-84	-4.2
<b>Zinc</b>	2933	t	-34	-1.2
<b>Tin</b>	18497	t	-864	-4.5
<b>Coal</b> (ICE-GC Newcastle; IRESS)	391.95		0.95	0.2
<b>Wheat</b> (CBT Dec; IRESS)	848		-1.25	-0.2

### Commodities Commentary

**Oil** – early overnight Friday price falls (by greater than \$US1/bbl) were attributed to slowing international economic growth commentary.

The \$US fell intra-session, however, this attributed to a media report claiming US Federal Reserve policy makers were ready to pause interest rate rises after November, if needed.

Some price moves were also attributed to new WTI December contract positioning ahead of the weekend.

A US weekly petroleum drill rig report published overnight Friday included two additional operational oil rigs.

**Gold** – overnight Friday price gains were largely attributed to a media article which quoted US Federal Reserve officials as promoting caution regarding rate increases past November (policy

from the TBA board.

Former Young Australia Mines MD and previous Norske Hydro Oceania region global alumina and smelter growth head Trevor Coombe has been appointed as a TBA director.

Mr Coombe is a former TBA director and will now also be TBA's acting COO.

### Energy

#### Norwest Energy (\* NWE)

\$21M cash at 30 September.

September quarter activities report, highlighting planned late-year North Erregulla Deep-1 and Lockyer-2 drilling, lodged this morning.

#### Omega Oil & Gas (\* OMA)

Oil producer and gas explorer scheduled to list on the ASX midday AEDT **tomorrow**, following a \$15.07M IPO at 20c per share.

~128.39M quoted shares.

### Trading Halts

Company	Code	Resuming
Delorean Corporation	DEL	24 Oct
Findi Ltd	FND	24 Oct
Galan Lithium	GLN	24 Oct
NeuRizer Ltd	NRZ	24 Oct
Adveritas Ltd	AV1	25 Oct
Askari Metals	AS2	25 Oct
Emperor Energy	EMP	25 Oct
Ikwezi Mining	IKW	25 Oct
Monger Gold	MMG	25 Oct
NT Minerals	NTM	25 Oct
PolarX Ltd	PXX	25 Oct
Coda Minerals	COD	26 Oct

### Suspensions (selected)

Company	Code	Since
1 <sup>st</sup> Group	1ST	12 Oct
C29 Metals	C29	20 Oct
Candy Club Holdings	CLB	11 Oct
Duke Exploration	DEX	19 Oct
Medibank Private	MPL	21 Oct
Protean Energy	POW	11 Oct
Seafarms Group	SFG	30 Sep

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>NHC</b>	Today	56	100	3.23
CLV	Tomorrow	1	100	0.84



meeting next week), and pointing to the central bank tradition of considering and prioritising economic indicators when making decisions.

Release of the article pushed the \$US lower, favouring trade completed in other currencies.

**Base metals** – overnight Friday LME trade was impacted early by \$US strength against currencies such as China's yuan, and broad weakening economic growth commentary.

**China's September quarter GDP growth, and September updates for industrial production, fixed asset investment and retail sales, were scheduled for release Tuesday last week. However, these, together with September trade statistics, listed for publication Friday the previous week, have been tentatively rescheduled for today, now that the National Congress has concluded.**

### Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6380	0.0115	1.84
EUR – USD	0.9859	-0.0002	-0.02

### Australian Data Today

S&P Global	PMIs	Oct
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### US Data Tonight

Chicago Fed national activity index	Sep
S&P Global PMIs (prelim)	Oct

### Other Overseas Data Today & Tonight

<b>China</b>	GDP	SepQ
China	Trade balance	Sep
China	Fixed asset investment	Jan-Sep
China	Industrial production	Sep
China	Retail sales	Sep
<b>Japan</b>	PMIs (prelim)	Oct
<b>UK</b>	PMIs (prelim)	Oct
<b>Germany</b>	PMIs (prelim)	Oct
<b>Euro zone</b>	PMIs (prelim)	Oct

### Need More Information?

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MMS	Wed	74	100	2.58
ACF	Thu	1.5	60	4.48
BOQ	Thu	24	100	5.86
GNP	Thu	1.8	100	0.00
GCI	Fri	1.22	0	5.38
TCF	Fri	3	0	6.64
ASG	31 Oct	9	100	6.90

## Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	ARG	AGM
	CVN	Sep Q
	INR	Sep Q
	NWE	Sep Q
	OZL	Sep Q
	S32	Sep Q
	VEA	Sep Q
Tomorrow	AD8	AGM
	CCP	AGM
	MHJ	AGM
	MIN	Sep Q
	PWR	AGM
	REG	AGM
	RIO	China Baowu Steel EGM
Wed	BGA	AGM
	CNU	AGM
	CUV	AGM
	CDA	AGM
	DXS	AGM
	FBU	AGM
	IGO	Sep Q
	ILU	Sep Q
	NSR	AGM
	NTD	AGM
	PPC	AGM
	RBL	AGM
	SBM	AGM
	TAH	AGM
	URW	Sep Q
	WHC	AGM
WOW	AGM	
Thu	ANZ	Full year
	APM	AGM
	BBT	Sep Q
	CGF	AGM
	CTD	AGM



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	DTL	AGM
	EBO	AGM
	FWD	AGM
	FMG	Sep Q
	GOR	Sep Q
	GUD	AGM
	JBH	AGM
	JHG	Sep Q (7pm; w/cast 11pm)
	LYC	Sep Q
	MTO	AGM
	NCM	Sep Q
	PNI	AGM
	REH	AGM
	RRL	Sep Q
	RWC	AGM
	S32	AGM
	SUL	AGM
	WES	AGM
<b>Fri (28 Oct)</b>	ARB	AGM
	CAR	AGM
	GWA	AGM
	MQG	Interim
	MMS	AGM
	PNV	AGM
	SKC	AGM