

Markets

SFE 200 Futures (9.25am AEST)	5183	-11	-0.2
NZX 50	7229	-21	-0.3
DJIA Futures	18102	15	0.1
S&P 500 Futures	2131	2	0.1
NASDAQ Futures	4731	3	0.1

Local Markets Commentary

The Australian market commences today's trade on negative international equities and mixed commodities leads.

Overnight, **oil** turned and dropped. **Gold** settled lower again. LME **copper** settled virtually flat. **Iron ore** fell decisively, at ports and in spot trade.

The **\$A** dropped to ~US74.6c after climbing back to ~US75.30c yesterday evening.

Locally today, Westpac and the Melbourne Institute are due to publish a monthly consumer sentiment report 10.30am AEST.

An employment indicator is due this afternoon, ahead of August workforce statistics tomorrow.

Highly-traded and/or large-cap stocks turning **ex-dividend** include: **ABC, EQT, IVC, SVW** and **SWM**. Please see **p3** for a detailed list.

China's markets will be closed tomorrow and Friday for mid-Autumn festival public holidays.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18067	-258	-1.4
S&P 500	2127	-32	-1.5
NASDAQ	5155	-57	-1.1
FTSE 100	6666	-35	-0.5
DAX 30	10387	-45	-0.4
Shanghai Comp	3022	0	0.0

Overseas Markets Commentary

US equities markets turned, falling on opening last night, helping push vacillating major European indices lower.

Oil had also been pushed lower again, hurting energy sector stocks on both sides of the Atlantic.

The **UK's** August 0.6% CPI represented no change in the annual rate from July. 0.7% had been anticipated, due to increases in food prices and air fares.

Earlier, a **euro zone** ZEW economic sentiment index was reported to have improved 0.8 for the month, to 5.4. A 'current conditions' index fell 2.5 to 55.1 and economic expectations at a flat 0.5.

Germany's August CPI growth was confirmed at 0.4% year-on-year, in a final reading.

A **US** small business optimism index slipped 0.2 to 94.4, but a business conditions outlook component fell seven points.

The government reported a \$US107B August budget deficit, 66% higher than a year ago. Forecasters had anticipated \$US108B, however.

Tonight in the **US**, August import prices are due,

RBA – assistant governor (financial markets) Guy Debelle is scheduled to speak at a TradTech Fx Europe conference, London, 7.50pm AEST.

Today's Stock Watch

Superloop Ltd (SLC) / BigAir Group (BGL)

SLC is proposing to acquire BGL via a recommended scheme of arrangement, pending BGL shareholder and regulatory approvals. SLC is offering 0.371 of an SLC share for each BGL share and alternatively, 70c plus 0.118 of an SLC share for each BGL share. SLC is capping the cash outlay at \$95M.

In association with the proposal, SLC is taking on a \$75M revolving debt facility, and conducting a \$65M institutional placement at \$3.00 per share. Financial completion of the acquisition is expected by the end of the year. Presentation lodged this morning.

SLC traded at \$3.27 - \$3.40 yesterday, and BGL at 83c - 85.5c. SLC called a trading halt post-trade yesterday, in order to conduct the placement.

Iress Ltd (IRE)

Proposing to acquire South African market data specialist INET BFA for ~\$A14M. Details lodged this morning.

Air New Zealand (AIZ)

August passenger numbers grew 4.4% year-on-year to 1.175M. Revenue passenger kilometres rose 6.9% and capacity 8.4%. Load factors fell 1.2% to 82.1%. Comprehensive international and domestic statistics lodged this morning.

CYBG Plc (CYB)

Anticipating a steady net interest margin for FY 2017, and 12% - 13% CET1 ratio. Expecting mid-single digit annual loan growth by late FY 2019. Strategy update and other revised medium-term targets provided while hosting (overnight in London) a capital markets day for investors and analysts. Presentation, webcast and recording access details lodged post-trade yesterday.

Austal Ltd (ASB)

ASB has delivered a 70m catamaran to Caspian Marine Sevices, Azerbaijan. The vessel was built by ASB but designed by another firm.

JB Hi-Fi (JBH)

Morgans has placed JBH on its 'add' list, cancelling a previous hold recommendation. JBH remains in a trading halt following the announcement of its proposed The Good Guys acquisition and associated capital raising.

Myer Holdings (MYR)

Full-year results anticipated tomorrow.

Resources

Alacer Gold Corporation (AQG)

Turkey Gediktepe project maiden resource estimated at 400,000oz of gold, 8Moz of silver, 315Mlb of copper and 780Mlb of zinc. AQG 50%. Technical report also lodged this morning.

Dakota Minerals (DKO)

Preliminary metallurgical test work using WA Pilbara Lynas Find ore has produced a 6.56% Li₂O spodumene concentrate. DKO says a maiden project resource is 'imminent'.

together with weekly mortgage applications.

Across the Atlantic, European Commission president Jean-Claude Juncker is due to deliver a State of the Union speech to the European parliament.

Hermes International and Alliance Pharma are due to report earnings and hence offer insights into two select sectors.

Overnight, **Apple** appreciated with the Bank of England including the company in its corporate bonds purchase program, coupled with reports of good demand for the latest phone offerings.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1324	oz	-2	-0.1
Silver (NY) (Dec)	19.0	oz	-0.0	-0.1
Gold (LON)	1325	oz	-6	-0.5
Platinum	1032	oz	-20	-1.9
WTI Crude (Oct)	44.9	bbl	-1.4	-3.0
Iron Ore (Tianjin)	56.1	t	-1.4	-2.5
Copper (LME)	4650	t	2	0.0
Nickel	9860	t	-220	-2.2
Aluminium	1565	t	-3	-0.2
Lead	1893	t	11	0.6
Zinc	2234	t	-28	-1.2
Tin	19050	t	0	0.0
CBT Wheat (Dec)	4.01	bshl	-0.08	-2.0

Commodities Commentary

Oil – prices swung lower again on the International Energy Agency's (IEA) monthly oil report, which included our comments and a reduced forecast for 2016 crude demand. A \$US appreciation also detracted from trade.

The IEA lowered its previous daily 2016 demand prediction 100,000bbl to 1.3MMbbl. The Paris-based group publishes an annual global report tonight.

This will be followed by weekly US petroleum inventories as calculated by the EIA (government agency).

Post-US settlement, an API report indicated US crude inventories had grown last week.

Brent crude settled overnight above \$US45/bbl, but 2.5% lower for the sessions, at \$US47.10/bbl.

Gold – early safe-haven demand was thwarted by a stronger \$US, more attractive treasury yields and generally weak sentiment. Swings ultimately resulted in a slightly lower settlement, but futures had earlier reached \$US1330.5/oz.

Base metals – pushed and pulled by \$US strength and some positive data out of **China**. *Copper* was also supported by lower reported LME inventories.

China's August industrial production, retail sales and fixed assets investment figures, reported yesterday, each exceeded forecasts.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7465	0.0002	0.03
EUR – USD	1.1217	-0.0002	-0.02

Australian Data Today

Wstpc/MInst	Consumer sentiment	Sep
DoEmplyt	Employment indicator	Sep

Pre-Open Announcements

HotCopper Holdings (* HOT)

ASX online forum provider scheduled to list 11am AEST tomorrow following an ~\$12M IPO at 20c per share. Owners hold at least 40%.

Platinum Asset Management (* PTM)

Proposing to buy-back up to 58.7M shares on-market over 12 months, using cash flow.

Strategic Elements (* SOR)

SOR's Australian Advanced Materials has agreed to join the ~50-strong PrintoCent consortium operating from a pilot factory for printed electronics in Finland. The consortium includes BASF, Merck, Nokia and Corning.

Manalto Ltd (* MTL)

MTL's Soshir application is now available from Plesk, which claims 8M customers and several partners including GoDaddy, Strato and 1&1. MTL recouped 15% yesterday, trading at 0.6c.

99 Wuxian (NNW)

August update lodged this morning, highlighting new business partners for iBenefit.

Resources

West African Resources (WAF)

High-grade assays lodged this morning following RC drilling within the Burkina Faso Tanlouka gold project M1 prospect.

Xanadu Mines (XAM)

Conference presentation lodged this morning. XAM has closed higher the past two sessions, settling at 19c yesterday.

Egan Street Resources (EGA)

Gold explorer completed a successful ASX listing yesterday following a \$6M IPO at 20c per share. Opened at 25c and traded as high as 32c before settling at 30c. ~1.2M shares changed hands across 55 trades.

Beadell Resources (BDR)

Presentation lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
Black Rock Mining	BKT	14 Sep
Explaurum Ltd	EXU	14 Sep
Vector Resources	VEC	14 Sep
Eden Energy	EDE	15 Sep
Tasman Resources	TAS	15 Sep
JB Hi-Fi	JBH	16 Sep
Superloop Ltd	SLC	16 Sep

Suspensions (selected)

Company	Code	Since
ATC Alloys	ATA	2 Sep
Australia China Holdings	AAK	25 Aug
Diploma Group	DGX	1 Sep
Dragon Energy	DLE	12 Sep
Excalibur Mining Corporation	EXM	15 Aug
HJB Corporation	HJB	8 Sep

**US Data Tonight**

MBA mortgage applications	9 Sep
Import prices	Aug

Other Overseas Data Today & Tonight

Japan	Industrial production (final)	Jul
UK	ILO unemployment	Jul
UK	Average earnings	Jul
UK	Jobless claims	Aug
Euro zone	Industrial production	Jul

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India Resources	IRL	19 Aug
KBL Mining	KBL	9 Sep
Krakatoa Resources	KTA	8 Sep
Oakajee Corporation	OKJ	12 Sep
Realm Resources	RRP	13 Sep
WHL Energy	WHN	13 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
ABC	Today	12.5	100	3.66
AGF	Today	~55.11	0	92.38
AMA	Today	1.7	100	2.01
CDA	Today	4	100	4.29
EQT	Today	34	100	3.81
GCS	Today	1	100	2.22
IVC	Today	17	100	2.98
LAU	Today	1.1	100	4.54
LOV	Today	2	100	2.90
PAF	Today	2.5	100	2.69
PNI	Today	1.9	100	1.74
SHM	Today	3	100	7.20
SIQ	Today	9.8	100	2.54
SNL	Today	5	100	4.19
SSM	Today	1.5	100	2.41
SVW	Today	20	100	5.08
SWM	Today	4	100	10.32
ADA	Tomorrow	1.75	0	1.08
AHG	Tomorrow	13	100	4.97
APE	Tomorrow	13	100	3.06
AYS	Tomorrow	5.3	0	3.95
BRG	Tomorrow	14	70	3.54
CGR	Tomorrow	0.5	100	3.85
CIW	Tomorrow	3	100	9.02
CVW	Tomorrow	2.5	100	2.45
CYA	Tomorrow	1.6	100	4.12
DTL	Tomorrow	5.5	100	5.16
EMB	Tomorrow	27	100	4.56
FLT	Tomorrow	92	100	4.07
GZL	Tomorrow	7	100	4.86
LMW	Tomorrow	3.25	100	6.62
PGC	Tomorrow	1.4	100	2.72
PGR	Tomorrow	2.6	100	7.22
PSI	Tomorrow	2.5	100	1.85
PSQ	Tomorrow	3.5	100	2.38
RWH	Tomorrow	2.5	100	4.20
RXP	Tomorrow	2	100	3.70
S32	Tomorrow	~1.31	0	0.62
SEK	Tomorrow	19	100	2.65
SRG	Tomorrow	4	100	4.48
VRT	Tomorrow	15	100	3.68
VTG	Tomorrow	8.21	100	2.73
XRF	Tomorrow	0.3	100	2.94
PNW	Fri	1.05	100	10.43
SXE	Fri	1.35	100	5.19