

Markets

SFE 200 Futures (9.25am AEST)	5406	-9	-0.2
NZX 50	7084	-49	-0.7
DJIA Futures	18039	-20	-0.1
S&P 500 Futures	2127	1	0.0
NASDAQ Futures	4795	-9	-0.2

Local Markets Commentary

The Australian market opens a new week's trade on lacklustre US equities leads and lower prices for key commodities.

Over the weekend, **China** announced 17B yuan worth of support under a debt-for-equity policy announced last weekend. 5B yuan is going to Yunnan **Tin Group** and 12B yuan to Wuhan **Iron & Steel Group**.

In overnight Friday commodities trade, US **gold** futures and **oil** turned modestly lower. **Copper** continued to fall. **Iron ore** continued moderately higher.

The **\$A** gained a little after approaching US76.0c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18138	39	0.2
S&P 500	2133	0.4	0.0
NASDAQ	5214	1	0.0
FTSE 100	7014	36	0.5
DAX 30	10580	166	1.6
Shanghai Comp	3064	2	0.1

Overseas Markets Commentary

Major European equities markets rallied from outset overnight Friday, while choppy trade featured across US indices. Major financial stocks began to report earnings in the US and central bank heads on both sides of the Atlantic spoke publicly on inflation and policy.

Amid a flurry of data releases, a €18.4B **euro zone** August trade surplus contrasted with €25.3B for July but exceeded expectations by more than €3.

In the **UK**, August construction output rose 0.2% following a 1.5% fall in July.

US September retail sales were reported 0.6% higher, following a 0.2% pullback in August.

Producer prices rose 0.3% for the month and 0.7% year-on-year.

The preliminary University of Michigan October consumer sentiment estimate came in at 87.9, against forecasts of 91.9.

In an address at an economics conference, **Federal Reserve** chair Janet Yellen recommended more research into what influences inflation expectations, including monetary policy.

Ms Yellen also proffered more aggressive policies were needed in recessionary times. US sovereign bond yields appreciated, but gold hardly moved.

In the meantime, **Bank of England** governor Mark

Today's Stock Watch

Aurizon Holdings (AZJ)

Hauled 51.2Mt of coal during the September quarter, down 3% from a year ago. NSW haulage increase 6% and Queensland business fell 5%. Iron ore volumes dropped 14% to 5.4Mt.

Macmahon Holdings (MAH)

MAH surface mining GM Michael Finnegan has been appointed CEO, due to the resignation of Sybrandt van Dyk, effective mid-November. Mr van Dyk is acquiring a holding in a de-watering business with which he has also accepted an employment offer.

MMA Offshore (MRM)

Revising FY 2017 operating EBITDA to \$20M - \$25M and moving some vessels from West Africa to the Middle East and South East Asia. In addition, MRM 1H earnings will be adversely impacted by a barge sale.

Crown Resorts (CWN)

Several employees detained in China since late last week.

Resources

Evolution Mining (EVN) / Newcrest Mining (NCM)

EVN produced 205,307oz of gold during the September quarter, at a \$A1060/z AISC and \$A753/oz C1 cash cost. Sold 205,858oz at \$A1708/oz. Also sold 253,410oz of silver at \$A26/oz.

Meanwhile, EVN proposes to acquire NCM's Marsden copper-gold project, NSW, for an initial \$3M plus \$7M on any decision to mine.

Saracen Mineral Holdings (SAR) / AngloGold Ashanti (AGG) / Nexus Minerals (NXM)

AGG is proposing to acquire up to 70% of SAR's Carosue Dam North Butcher Well and Lake Carey tenements over six years, via a \$A25M spend. Further, during the farm-in, AGG will manage the JV.

In the meantime, NXM has lodged RC drilling results for the SAR-NXM Pinnacles JV, WA eastern goldfields.

OceanaGold Corporation (OGC)

The World Bank International Centre for Settlement of Investment Disputes (ICSID) has ruled OGC must pay the Government of El Salvador \$US8M in legal fees and costs. OGC says it inherited the dispute arbitration process on the acquisition of Pacific Rim Mining in November 2013, and is reviewing its El Salvador options.

Pioneer Resources (PIO)

Pioneer Dome lithium project drilling results lodged this morning. In addition, 10,000 samples are awaiting analysis.

Energy

Whitehaven Coal (WHC)

86% higher (on the September quarter), \$US130/t December quarter semi soft coking coal price achieved. Produced 36% more ROM coal, totalling 4.1Mt and 18% more saleable product (3.9Mt). Sold 3.8Mt, 8% more than a year ago.

Paladin Energy (PDN) / Senex Energy (SXY)

September quarter operational statistics anticipated.

Carney spoke publicly about the tension between inflation targets and economic growth accommodation. Dr Carney's overall remarks, including on currency and feeling comfortable with inflation that could exceed usual targets, also pushed UK government bond yields higher.

Tonight in the **US**, September industrial production and a New York region manufacturing index are due.

Bank of America, Netflix, Hasbro and IBM are among companies due to report results and/or provide trading updates.

Overnight Friday, a 7.6% profit drop for **JPMorgan Chase** pleased, as it was better-than-anticipated and accompanied by corporate and investment banking record revenues.

Citigroup's profit did not fall as much as expected either, supported by bond trade, which reportedly grew 35%.

Wells Fargo also reported lower profit, together with virtually flat revenue.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1256	oz	-2	-0.2
Silver (NY) (Dec)	17.4	oz	-0.0	-0.2
Gold (LON)	1252	oz	-9	-0.7
Platinum	933	oz	-1	-0.1
WTI Crude (Dec)	50.4	bbl	-0.09	-0.2
Brent Crude	52.0	bbl	-0.08	-0.2
Iron Ore (Tianjin)	56.8	t	0.2	0.4
Copper (LME)	4675	t	-37	-0.8
Nickel	10485	t	55	0.5
Aluminium	1675	t	-17	-1.0
Lead	1998	t	3	0.1
Zinc	2258	t	18	0.8
Tin	19450	t	-35	-0.2
CBT Wheat (Dec)	4.21	bshl	0.05	1.2

Commodities Commentary

Oil – traded lower overnight Friday, partly in response to a stronger \$US and weekly US petroleum drill rig count, which revealed four more oil rigs were operations.

Gold – a rising \$US in conjunction with some positive US data, offered no support for gold.

Base metals – \$US strength hampered some overnight Friday trade, *copper* prices pushed to one-month lows.

China's CPI and PPI, which each surprised on the upside, supported some gains.

In addition, regulatory commentary out of the Philippines again prompted some to bet on tighter *nickel* supply.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7618	-0.0004	-0.05
EUR – USD	1.0969	-0.0001	-0.01

US Data Tonight

Industrial production	Sep
New York (Empire State) manufacturing	Oct

Pre-Open Announcements

Duet Group (DUE)

DUE's United Energy has secured a \$250M bank debt facility, mostly in support of network growth in response to customer demand

Broo Ltd (* BEE)

Premium Australian beer brewer completed a successful ASX listing Friday following an ~\$10.5M IPO at 20c per share. Opened at 24c and traded at 21.5c – 28c, closing on 28c. 548,648 shares changed across 55 trades.

Resources

Northern Minerals (* NTU)

Foreign Investment Review Board (FIRB) approval in hand for Shandong Taizhong Energy's Huatai Mining to invest up to \$30M in NTU, in support of Browns Range project development. Huatai advanced \$3M in August and another \$9M is anticipate by the end of next week.

Capital Mining (* CMY)

Positive reconnaissance field work completed within CMY's three WA Gascoyne region lithium projects. Details lodged this morning.

Millennium Minerals (* MOY)

Latest Nullagine gold project drilling results and September quarter report lodged this morning. MOY produced 20,018oz of gold during the quarter, at a \$A1249/0z AISC. \$24.2M cash on hand. Nil debt.

Galaxy Resources (* GXY)

Southern WA Mt Cattlin lithium and tantalum project commissioning and construction update lodged this morning.

Gold Road Resources (GOR)

Heralding Alaric deposit extensional resource drilling results. Details lodged this morning.

S2 Resources (S2R)

\$24.6M cash as at 30 September. September quarter operational report lodged this morning.

Alacer Gold Corporation (AQG)

Teleconference and webcast scheduled for 27 October (AEDST, Thursday next week), following the release of September quarter results. Access details lodged this morning.

Trading Halts

Company	Code	Resuming
Acacia Coal	AJC	17 Oct
Marindi Metals	MZN	18 Oct
Nkwe Platinum	NKP	18 Oct
Paradigm Biopharmaceuticals	PAR	18 Oct
Paringa Resources	PNL	18 Oct
Rox Resources	RXL	18 Oct
Tikforce Ltd	TKF	18 Oct
Wangle Technologies	WGL	18 Oct

**Other Overseas Data Today & Tonight**

China	Foreign direct investment	Sep
Japan	Industrial production (rev)	Aug
Japan	Department store sales	Sep
UK	Rightmove house prices	Oct
Euro zone	CPI (final)	Sep

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Suspensions (selected)

Company	Code	Since
Cleveland Mining Company	CDG	3 Oct
Cudoco Ltd	CDU	30 Sep
De Grey Mining	DEG	14 Oct
Drake Resources	DRK	23 Sep
Freshtel Holdings	FRE	6 Oct
Kabuni Ltd	KBU	14 Oct
Orinoco Gold	OGX	12 Oct
Target Energy	TEX	13 Oct
Unilife Corporation	UNS	30 Sep
Wolf Minerals	WLF	30 Sep
Zamia Metals	ZGM	3 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
NHC	Today	2	100	1.99
NST	Today	3	100	1.79
OTW	Today	1	100	0.36
PRO	Today	2	0	3.92
TPM	Today	7.5	100	1.87
WAA	Today	2.5	100	4.16
WAM	Today	7.25	100	6.04
WAX	Today	4.25	100	5.14
BWR	Tomorrow	4	0	7.98
CCP	Tomorrow	27	100	2.66
CDM	Tomorrow	4	100	7.06
FGG	Tomorrow	1	100	0.93
HOM	Tomorrow	2	100	8.08
NCC	Wed	3.5	100	4.87
AVG	Thu	1.5	100	2.73
BWF	Thu	1.8	100	5.22
BYI	Thu	5	10	8.33
MCP	Thu	2	100	7.48
1AL	Fri	3.5	0	10.53
SNC	Fri	3	100	5.41

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	EVN	Sep Q
	PDN	Sep Q
	SAR	Sep Q
	SXY	Sep Q
	WHC	Sep Q
Tomorrow	AZJ	AGM; Sep Q
	CGF	Sep Q
	COH	AGM
Wed	ANN	AGM
	BAL	AGM
	ORG	AGM
	SBM	Sep Q
	SSM	AGM
	TRS	AGM
Thu	AIA	AGM
	AMC	AGM



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Fri

BXB	Sep Q
CIM	Sep Q
CWN	AGM
EVN	Sep Q
FMG	Sep Q
IOF	AGM
LLC	AGM
RIO	Sep Q
S32	Sep Q
SPO	AGM
SXL	AGM
SYD	Sep stats
WPL	Sep Q
BAP	AGM
EVT	AGM
HSO	AGM
IAG	AGM
JHC	AGM
MQA	Sep Q
OZL	Sep Q
QAN	AGM
RSG	Sep Q
SKC	AGM
STO	Sep Q