

Markets

SFE 200 Futures (9.30am AEST)	5711	-3	-0.1
NZX 50	7743	14	0.2
DJIA Futures	21941	37	0.2
S&P 500 Futures	2475	3	0.1
NASDAQ Futures	5934	44	0.8

Local Markets Commentary

Most key commodities prices have fallen ahead of Australian market trade mid-week trade, but major international equities markets settled higher overnight.

In commodities trade, **oil** swung lower and US **gold** futures higher. LME **copper** pulled back moderately. **Iron ore** (China port, 62% Fe) settled slightly lower, but remained above \$US73.5/t.

The **\$A** was pushed below US79.80c, after trading at US80.10c early yesterday evening, and has traded sub-US79.60c this morning.

In local data releases today, June building approvals are expected 11.30am AEST.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21964	73	0.3
S&P 500	2476	6	0.2
NASDAQ	6363	15	0.2
FTSE 100	7424	52	0.7
DAX 30	12251	133	1.1
Shanghai Comp	3293	20	0.6

Overseas Markets Commentary

Major European and US equities markets mostly opened higher overnight and ultimately settled in a chorus of gains, buoyed by some better-than-anticipated corporate results and outlooks, encouraging manufacturing data and record peak enthusiasm.

In the **US**, the ISM's July manufacturing activity index slipped 1.5 points, but to a nevertheless strong 56.3.

June personal income and spending disappointed, income remaining steady following a 0.4% rise in May, and spending rising 0.1%.

Personal consumption expenditure (PCE) rose 0.1% for the month and 1.5% year-on-year.

Construction sector spending fell 1.3% against expectations of a 0.5% increase.

Overall July vehicle sales dropped 6.1% from a year earlier.

Earlier in the **UK**, the July manufacturing PMI was estimated 0.9 of a point higher for the month, at an encouraging 55.1. The British pound subsequently traded against the \$US at a 10-month peak.

Euro zone 0.6% June quarter GDP growth pushed the annual rate to 2.1%. March quarter GDP was revised 0.1% lower to a 0.5% improvement.

The region's final July manufacturing PMI was calculated at 56.6, 0.8 lower than for June, but as

* Gold project developer listing **midday** AEST – **NUS** *

Today's Stock Watch

CYBG Plc (CYB)

12.4% CET1 as at 30 June, against 12.5% as at 31 March. Reporting 5.8% annual mortgage growth for the nine months to 30 June, to £22.8B, and a record number of applications during the June quarter. Planning to publish full-year results 21 November.

Credit Suisse has re-rated CYB as outperform.

BWP Trust (↑ BWP)

28% lower, \$223.8M full-year NPAT. 2% higher, \$152.5M revenue. 8.88c final distribution, against 8.5c a year ago. \$2.74 NTA.

Wesfarmers' (ASX: WES) Bunnings still intends to vacate up to seven BWP-owned properties in favour of ex-Masters locations, but the timing remains unclear, impacting any definitive FY 2018 outlook.

Genworth Mortgage Insurance Australia (↑ GMA)

Full-year outlook warning. 34.7% lower, \$38.7M interim NPAT. 20.3% lower, \$294.5M revenue. 12c fully-franked interim dividend, plus a 2c special dividend. \$3.87 NTA. 17.4c EPS, against 23.3c a year ago. \$39.4M cash and equivalents. \$100M on-market buy-back commencing 21 August.

ResMed Inc (RMD)

Scheduled to report full-year results.

Resources

Rio Tinto (RIO)

Interim results anticipated later today.

Saracen Mineral Holdings (SAR)

Reserves have grown 40% for the year to 30 June, to a record 2.1Moz (33.6Mt @ 2.0g/t Au).

Resources are estimated 7% higher for the year, at 9.1Moz (153.2Mt @ 1.8g/t Au plus 689,000t@ 2.1% Ni). Details lodged this morning.

Marmota Ltd (↓ MEU)

Outstanding, near-surface Aurora Tank project Goshawk prospect gold intersections lodged this morning. Resuming from a trading halt having last traded at 1.7c.

Nusantara Resources (* NUS)

Indonesian-focused gold project developer scheduled to list **midday** AEST following a \$16.2M IPO at 42c per share. Martin Pyle chairman. Lion Selection holds 32.17%; JP Morgan Nominees Australia 9.52%; Macquarie Bank 5.12%.

Energy

Yancoal Australia (* YAL) / Rio Tinto (RIO)

YAL is chasing \$US2.5B to support the proposed \$US2.69B acquisition of RIO's Coal & Allied.

The fundraising includes a \$US2.35B US10c-per-share entitlement offer, underwritten to \$US2.3B.

YAL says it has also secured commitments for a \$US150M placement at US10c per share, and that Yanzhou is proposing to convert subordinated capital notes.

The entitlement offer is scheduled for 10 – 25 August.

YAL (ASX) is resuming from suspension; last traded at 39c.

with UK and US readings, remaining robust.

Tonight in the US, a private sector employment report, ISM's New York July activity index and weekly mortgage applications are due.

AIG, BAE Systems, Marubeni, Mazda, Mitsubishi, Mondelez, Sojitz and Standard Chartered and Tesla are among companies scheduled to report earnings today or tonight.

In overnight corporate news, **BP** reported a return to June quarter profit, buoyed by 21% higher revenue, in turn supported by increased production.

In the US auto sales sector, **Ford** reported a year-on-year 7.4% drop in July sales but **General Motors** sales slumped 15.4%. **Fiat Chrysler's** slid 10.7%.

Toyota claimed a 3.6% rise.

Post-US trade, **Apple's** quarterly revenue came in better than anticipated, boosted in part by a 22% rise in sales for the services division to \$US7.3B.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1273	oz	6	0.5
Silver (NY) (Sep)	16.7	oz	-0.1	-0.5
Gold (LON)	1268	oz		
Platinum	943	oz	4	0.4
WTI Crude (Sep)	49.2	bbl	-1.0	-2.0
Brent Crude (Aug)	51.8	bbl	-0.9	-1.8
Iron Ore (CHN port 62%)	73.6	t	-0.1	-0.2
Copper	6345	t	-24	-0.4
Nickel	10290	t	75	0.7
Aluminium	1907	t	-11	-0.6
Lead	2338	t	4	0.2
Zinc	2780	t	-15	-0.5
Tin	20525	t	-125	-0.6
CBT Wheat (Sep)	4.61	bshl	-0.13	-2.9

Commodities Commentary

Oil – swung lower in comparatively large-volume US trade.

Reuters reported a 90,000bbl rise in daily **OPEC** July production, based on a survey conducted Monday.

The EIA (US government agency) weekly petroleum inventories report is due tonight.

In the meantime, Royal Dutch Shell has revealed a European refinery closed by a weekend fire may not resume normal operations until late August.

Gold – a batch of sub-expectation US economic indicators translated into a yet softer \$US, boosting gold trade interest. Prices turned from early falls to reach ~seven-week highs.

The monthly US jobs report, due Friday, will be in focus tonight, with the release of private sector job market statistics.

Base metals – oil's fall impacted *copper* trade, as the two are often traded in tandem.

Manufacturing PMIs, published yesterday and overnight, generally encouraged, but other US data releases largely disappointed.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7958	-0.0011	-0.13
EUR – USD	1.1804	0.0002	0.02

Pre-Open Announcements

Webjet Ltd (* WEB)

Trading halt called this morning, ahead of a 'material acquisition' and associated capital raising announcement.

APN Outdoor Group (APO)

Advertising contract with Sydney Buses renewed for five years.

TV2U International (TV2)

LoI secured with Brazil's Visiontec, for the provision of TV@ OTT services to Visiontec android-based set top boxes. Visiontec may provide technical and sales support from an existing call centre. TV2 says Visiontec has been manufacturing television products for 27 years.

Astra Japan Property (AJA)

Resuming from a trading halt with a delisting proposition in association with an acquisition proposal by Blackstone. Details lodged post-trade yesterday. AJA last traded at \$6.35.

Ozforex Group (OFX)

AGM today.

Commonwealth Bank of Australia (CBA)

Planning to publish full-year results 9 August (Tuesday next week) and to host a webcast briefing that day, commencing 11am AEST.

ResApp Health (RAP)

Suspended trade requested ahead of an announcement regarding the SMARTCOUGH-C study.

Evans & Partners Global Disruption Fund (* EGD)

Completed a successful ASX listing yesterday following a \$167.2M IPO at \$1.60 per unit. Opened on par and was pushed to \$1.69 before settling at \$1.68. 75,740 units were traded across 13 transactions.

Spectur Ltd (* SP3)

Completed a stellar ASX listing yesterday following a \$4.5M IPO at 20c per share. Opened at 45c and traded at 40c – 50c before settling at 45c. 1.3M shares changed hands across 149 transactions.

Resources

Alacer Gold Corporation (* AQG)

Hosted a webcast teleconference at 7am AEST following the release of June quarter statistics. \$US23M net profit. \$US202M cash. \$US130M debt. Produced 25,113oz of attributable gold, at a \$US909/oz AISC. Discussion and analysis report also lodged this morning, together with webcast teleconference access details.

Pilbara Minerals (PLS)

\$21.8M worth of SPP applications received. PLS will allocate shares worth a total ~\$15M.

Syrah Resources (* SYR)

Macquarie has re-rated SYR as neutral, from outperform.

Energy

Senex Energy (SXY)

July drilling report lodged this morning.

Trading Halts

Company	Code	Resuming
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Australian Data Today

ABS	Building approvals	Jun
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US Data Tonight

ADP private employment	Jul
ISM New York	Jul
MBA mortgage applications	28 Jul

Other Overseas Data Today & Tonight

Japan	Consumer confidence	Jul
UK	Construction PMI	Jul
Euro zone	Producer prices	Jun

Need More Information?

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American Patriot Oil & Gas	AOW	2 Aug
European Cobalt	EUC	2 Aug
Family Zone Cyber Safety	FZO	2 Aug
LiveTiles Ltd	LVT	2 Aug
WestStar Industrial	WSI	2 Aug
Ardiden Ltd	ADV	3 Aug
IODM Ltd	IOD	3 Aug
RXP Services	RXP	3 Aug
Xref Ltd	XF1	3 Aug
Webjet Ltd	WEB	4 Aug

Suspensions *(selected)*

Company	Code	Since
Azonto Petroleum	APY	21 Jul
Baralaba Coal Company	BCL	10 Jul
BKM Management	BKM	28 Jul
Clancy Exploration	CLY	13 Jul
Magnum Gas & Power	MPE	12 Jul
Manalto Ltd	MTL	28 Jul
Molopo Energy	MPO	27 Jul
MSM Corporation International	MSM	12 Jul
Northern Mining	NMI	1 Aug
Premiere Eastern Energy	PEZ	11 Jul
Realm Resources	RRP	14 Jul
ResApp Health	RAP	2 Aug
Surefire Resources	SRN	1 Aug
Wattle Health Australia	WHA	27 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
GEG	Tomorrow	5.67	10	0.86
BKI	Fri	3.7	100	4.29
DJW	Fri	10	100	5.22
AMH	Mon	3.5	100	3.78
OZG	Mon	0.25	100	3.13
WIC	Mon	3	100	6.06
AFI	Tue	14	100	3.93

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	BWP	Full-year
	GMA	Interim
	OFX	AGM
	RMD	Full-year
	RIO	Interim
Tomorrow	DOW	Full-year
	SUN	Full-year
Fri	CWN	Full-year
	TAH	Full-year
Tue	CBA	Full-year
	IFL	Full-year
	JHX	AGM; Jun Q
	SCP	Full-year
	TCL	Full-year

