

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	6067	-3	<b>-0.1</b>
<b>NZX 50</b>	11690	6	<b>0.1</b>
<b>DJIA Futures</b>	27670	-9	0.0
<b>S&amp;P 500 Futures</b>	3351	-2	-0.1
<b>NASDAQ Futures</b>	11069	-3	0.0

**Local Markets Commentary**

The Australian market commences today's trade after a turn higher overnight for most key commodities, but with China-US tensions simmering.

**Locally** today, NAB publishes its July **business conditions and outlook** report, **11.30am** AEST.

The Australian Bureau of Statistics (ABS) reports **Covid-19 impacts on jobs and wages** for the week ending 25 July, also at **11.30am**.

In addition, a weekly **consumer sentiment** reading is due pre-trade.

**AFI** and **ZEN** trade **ex-dividend** today. *Please see p3 for additional details.*

In overnight commodities trade, **oil** swung higher.

US **gold** futures (December) seasawed, to also settle with a new gain.

**Iron ore** (Nymex CFR China, 62% Fe) turned slightly higher, trading above \$US118.30/t.

LME **copper** and **Aluminium** swung higher and rallied. **Nickel** continued to fall.

The **\$A** rose a little above US71.60c, after trading at ~US71.55c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	27791	358	<b>1.3</b>
<b>S&amp;P 500</b>	3360	9	<b>0.3</b>
<b>NASDAQ</b>	10968	-43	<b>-0.4</b>
<b>FTSE 100</b>	6051	18	<b>0.3</b>
<b>DAX 30</b>	12688	13	<b>0.1</b>
<b>Shanghai Comp</b>	3379	25	<b>0.8</b>

**Overseas Markets Commentary**

Swings proved hardly less volatile than for most recent sessions during major European and US equities markets overnight.

Sentiment appeared mostly pushed and pulled by geopolitical relations and domestic considerations, with relatively few new economic indicator updates to scrutinise.

US markets in particular, reacted to the US president signing executive new Covid-19 – related support measures including select unemployment support and payroll tax relief.

**Today's Stock Watch**
**Sydney Airport (SYD)**

Webcast scheduled to commence **10.30am** AEST.

Trading halt called, ahead of a \$2B entitlement offer, in part to help cover debt maturities.

Meanwhile, SYD has this morning reported a \$51.8M interim net loss, following a \$797.1M net profit a year ago.

Revenue fell 35.9% to \$511.0M.

19.5c interim distribution up 0.5c.

The fully underwritten entitlement offer is priced at \$4.56 per share for both the retail and institutional components.

SYD has traded at \$5.15 - \$5.42 the past five trading sessions.

**Challenger Group (CGF)**

Nil final dividend, following 18c fully franked a year ago.

\$416.0M full year net loss against a \$307.8M net profit a year ago.

52.3% lower, \$1.133B revenue, against \$2.373B.

\$3,95 NTA, against \$4.98.

**Shopping Centres Australasia Property Group (SCP)**

22% lower, \$85.5M full year NPAT.

8.3% higher, \$292.4M revenue.

Previously-declared 5c final distribution.

\$2.22 NTA, against \$2.27.

**Charter Hall Social Infrastructure REIT (CQE)**

25.0% higher, \$85.9M full year NPAT.

9.5% higher, \$86.2M revenue. \$2.92 NTA, against \$2.96.

Teleconference scheduled to commence **11am** AEST.

**James Hardie Industries (JHX)**

89% lower, \$US9.4M June quarter (Q1 FY21) NPAT.

5% lower, \$US626.3M net sales

\$US1.59 NTA, against \$US1.29.

**Nuheara Ld (NUH)**

ISO 9001:2015 certification in hand, covering NUH smart hearing device R&D, product design, engineering, support, sales and marketing.

**The a2 Milk Company (A2M)**

A2M has appointed former HanesBrands international innerwear president David Bortolussi as MD and CEO, to take over from Geoffrey Babidge, effective early 2021.

**CIMIC Group (CIM)**

CIM's CPB Contractors has secured two new contracts worth a combined \$128M. Details lodged this morning.

**MoneyMe Ltd (MME)**

Launching the MoneyMe Plus point-of-sale (POS) payment system. In addition, \$500M worth of lending achieved.



Yesterday, **China** reported July producer prices and CPI updates roughly in line with expectations.

The republic also sanctioned two US senators following an official US visit to Taiwan over the weekend, and also several additional US politicians and organisation heads citing 'blatant intervention in Hong Kong affairs'.

In addition, Hong Kong police arrested several activists including an influential media owner.

Late US trade, **Lebanon's** government resigned in response to protests, and international calls for fundamental administrative reform, following last week's deadly port blast.

Meanwhile, leading US politicians sought meetings with top US officials following the US president's Covid-19 – related fiscal support executive orders signed over the weekend.

Also during US trade, last week's US Covid-19 deaths tally was reported lower for the first time in five weeks.

In sparse new overnight **data** releases, a **euro zone** Sentix investor sentiment index update encouraged, rising for a fourth consecutive reading, to -13.4 from -18.3, against forecasts of -15.2.

The expectations component slipped from 19.5 to 19.3, however.

In the **US**, a June job openings report estimated 5.889M opportunities following expectations of 4.9M, and against 5.371M for June.

**Tonight** in the **US**, July producer prices and a business optimism index are due.

LG Corp, Prudential, Seiko, Softbank, Sysco and XP are among companies scheduled to report earnings later today and tonight.

In overnight corporate news, Tencent Holdings' **Tencent Music Entertainment** revealed better-than-expected \$US995.53M June quarter revenue, up 17.5%, supported by a 52% jump in paying users (to 47.1M) during Covid-19 containment lockdowns.

Reports emerged in the meantime that **Twitter** was interested in purchasing **TikTok's** US operations.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>2039.7</b>	oz	11.70	<b>0.6</b>
<b>Silver (NY)</b> (Sep)	<b>29.261</b>	oz	1.72	<b>6.3</b>
<b>Gold (LON)</b> (7 Aug)	<b>2031</b>	oz		
<b>Platinum</b>	<b>982</b>	oz	22	<b>2.3</b>
<b>WTI Crude</b> (NYMEX Sep)	<b>41.94</b>	bbl	0.73	<b>1.8</b>
<b>Brent Crude</b> (ICE EUR Oct)	<b>44.99</b>	bbl	0.59	<b>1.3</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>118.34</b>	t	0.27	<b>0.2</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>6387</b>	t	139	<b>2.2</b>
<b>Nickel</b>	<b>14245</b>	t	-80	<b>-0.6</b>
<b>Aluminium</b>	<b>1779</b>	t	20	<b>1.1</b>
<b>Lead</b>	<b>1903</b>	t	-13	<b>-0.7</b>
<b>Zinc</b>	<b>2383</b>	t	-2	<b>-0.1</b>
<b>Tin</b>	<b>17716</b>	t	-34	<b>-0.2</b>

### Commodities Commentary

**Oil** – weekend comments from Saudi Aramco regarding some demand recovery, in particular for refined oil products, appeared to hold some sway over early overnight trade.

## Pre-Open Announcements

### PainChek Ltd (\* PCK)

Resuming from a trading halt having completed a \$10M, 11c-per-share placement in support of product and market expansion.

PCK traded at 11.5c – 14.5c the five trading sessions immediately prior to calling the halt.

### DUG Technology (\* DUG)

Scientific data analysis software and services specialist scheduled to list on the ASX 12.30pm AEST **tomorrow** following a \$34.775M IPO at \$1.35 per share.

~99.47M quoted shares.

### Resources

### Mako Gold (\* MKG)

Heralding high-grade, significant-width intersections delivered by RC drilling within the Côte d'Ivoire Napié project Tchaga prospect.

### Castillo Copper (CCZ)

Heralding observations from a site visit to the Big One Deposit at the Mt Oxide Pillar within the Mt Isa copper belt.

Details lodged, including previous exploration statistics and site visit photographs, lodged post-trade yesterday.

CCZ says it is fully funded to ramp exploration.

### Auteco Minerals (AUT)

Investor lunch presentation link lodged post-trade yesterday.

AUT will be presenting at the event which commences at 12.30pm AEST.

### Trading Halts

Company	Code	Resuming
Alchemy Resources	ALY	11 Aug
Engage:BDR Ltd	EN1	11 Aug
Harris Technology Group	HT8	11 Aug
Regeneus Ltd	RGS	11 Aug
Sheffield Resources	SFX	11 Aug
Altura Mining	AJM	12 Aug
Argent Minerals	ARD	12 Aug
Contango Income Generator	CIE	12 Aug
Golden Deeps	GED	12 Aug
Imdex Ltd	IMD	12 Aug
Lodestar Minerals	LSR	12 Aug
Rightcrowd Ltd	RCW	12 Aug
Vmoto Ltd	VMT	12 Aug
Macarthur Minerals	MIO	13 Aug
Cirralto Ltd	CRO	14 Aug



The company's CEO followed up overnight with confirmation of plans to lift capacity from 12MMbbl/d to 13MMbbl/d during 2021. New US Covid-19 economic support optimism was also viewed as one supportive influence on overnight price moves.

**Gold** – further overnight gains were in part attributed to additional safe-haven demand, in turn put down to new sanctions relating to positions on Taiwan and Hong Kong.

Material international economic indicators, due from mid-week, and any developments ahead of the planned 15 August (Saturday this week) US-China trade talks, are expected to influence at least some gold trade through to the end of the week.

**Base metals** – overnight trade varied, influenced by inventories, US-China tat-for-tat sanctions, international economic recovery uncertainty and new data out of China.

**China's July producer prices**, reported yesterday, came in 2.4% lower than for July 2019, in line with expectations.

The national CPI rose 0.6% for the month, representing 2.7% growth over 12 months, pushed higher by appreciating food prices. Meanwhile, LME copper inventories were estimated at ~60% lower than mid-May levels.

China's July industrial production, fixed asset investment and retail sales updates are anticipated Friday.

#### Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7149	0.0000	0.01
EUR – USD	1.1739	0.0003	0.02

#### Australian Data Today

ANZ/RoyMgn	Consumer sentiment	9 Aug
NAB	Business survey	Jul
ABS	Covid-19 jobs and wages impacts	25 Jul

#### US Data Tonight

NFIB small business optimism	Jul
PPI	Jul

#### Other Overseas Data Today & Tonight

<b>Japan</b>	Bank lending	Jul
Japan	Eco watchers survey (3pm AEST)	Jul
<b>UK</b>	Unemployment claims	Jul
UK	Average earnings	Jun
UK	ILO unemployment rate	Jun
<b>Germany</b>	ZEW economic sentiment; conditions	Aug
<b>Euro zone</b>	ZEW economic sentiment	Aug

#### Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

Lithium Australia	LIT	14 Aug
Sydney Airport	SYD	14 Aug
Horizon Minerals	HRZ	17 Aug
West Wits Mining	WWI	17 Aug

#### Suspensions (select)

Company	Code	Since
Acacia Coal	AJC	22 Jul
Aurora Minerals	ARM	21 Jul
eSense-Lab Ltd	ESE	27 Jul
Factor Therapeutics	FTT	17 Jul
Global Oil & Gas	GLV	7 Aug
Heron Resources	HRR	4 Aug
Nanoveu Ltd	NVU	7 Aug
Ragnar Metals	RAG	7 Aug
STEMify Ltd	SF1	6 Aug
Stone Resources Australia	SHK	28 Jul
Syntonic Ltd	SYT	4 Aug

#### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AFI	Today	14	100	1.54
ZEN	Today	14	100	0.00
GUD	Thu	12	100	4.86
MLT	Thu	8.5	100	2.08
PL8	Fri	0.4	100	5.54

#### Reports & Events

(selected)

When	Company	Report/Event
<b>Today</b>	CGF	Full year
	CQE	Full year (tele 11am)
	JHX	Jun Q (1Q FY21) (9am AEST)
	RKN	Interim
	SCP	Full year
	SYD	Interim (w/cast 10.30am)
<b>Tomorrow</b>	BFG	Full year
	CBA	Full year
	CPU	Full year
	DOW	Full year
	MFG	Full year
	SEK	Full year
	TCL	Full year
<b>Thu</b>	AGL	Full year (9am & tele +Q&A 10.45am)
	AMP	Interim
	ARF	Full year



**Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice**

This market opener and its contents always remain the property of State One Stockbroking Ltd (“State One”) and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

	BRG	Full year (tele 9am)
	CQR	Full year
	EVN	Full year
	GMG	Full year
	IAP	AGM (5pm)
	QBE	Interim (w/cast 9.30am)
	TLS	Full year
	TWE	Full year
	WPL	Interim
	XRO	AGM
<b>Fri</b>	3PL	Full year (tele 10.30am)
	BBN	Full year (tele 9.15am)
	ILU	Interim
	NAB	Q3 trading update
	NCM	Full year