

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	<b>6330</b>	<b>26</b>	<b>0.4</b>
<b>NZX 50</b>	9232	-80	-0.9
<b>DJIA Futures</b>	26012	24	0.1
<b>S&amp;P 500 Futures</b>	2907	5	0.2
<b>NASDAQ Futures</b>	7673	12	0.2

## Local Markets Commentary

The Australian market opens a new week and month's trade ahead of key domestic and regional data, amid a US public holiday weekend and following largely uninspiring overnight international commodities and equities trade.

In addition, over the weekend, a Communist Party journal in **China** conceded likely short-term economic pain from US trade hostilities but that the nation's economic growth trend was expected to remain intact.

Caixin is due to publish its August manufacturing PMI for **China 11.45am** AEST.

Also regionally today, a final August manufacturing PMI is due for **Japan**, at **10.30am** AEST.

Locally today, a swag of economic reports is due ahead of the Reserve Bank of Australia's (RBA) policy meeting tomorrow.

**Pre-trade**, AiG publishes its August **manufacturing PMI**.

Also pre-trade, August and weekly capital city residential **property prices** are due.

The Australian Bureau of Statistics (ABS) releases July **retail sales** and June quarter **business indicators** at **11.30am** AEST.

ANZ's monthly **job advertisements** report is also expected at 11.30am.

**Ex-dividend** season continues today also, featuring several high-profile stocks. *Details can be found on p3.*

In overnight Friday commodities trade, **oil** swung lower.

US **gold** futures turned and settled slightly higher.

**Iron ore** (China port, 62% Fe) continued to seesaw, recording a sessional gain.

LME **copper**, **nickel** and **aluminium** declined further.

The **\$A** tumbled below US71.95c after trading at US72.35c early Friday evening, and has dropped further this morning.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	25964	-22	<b>-0.1</b>
<b>S&amp;P 500</b>	2902	0.4	<b>0.0</b>
<b>NASDAQ</b>	8110	21	<b>0.3</b>
<b>FTSE 100</b>	7432	-84	<b>-1.1</b>
<b>DAX 30</b>	12364	-130	<b>-1.0</b>
<b>Shanghai Comp</b>	2725	-12	<b>-0.5</b>

## Overseas Markets Commentary

**Australia** – key economic reports **9.30am -11.30am** AEST

**China** – Caixin manufacturing **PMI 11.45am** AEST

## Today's Stock Watch

### Fisher & Paykel Healthcare (FPH) / ResMed Inc (RMD)

RMD has renewed a complaint against FPH, filing patent infringement allegations against FPH in the US International Trade Commission and a US district court.

FPH is consequently reduction forecast FY 2019 NPAT from \$NZ215M to \$NZ205M - \$NZ210, due to costs estimated for defence action.

### The a2 Milk Company (A2M)

New e-commerce regulations, approved in China on Friday, and due to effect operations from 1 January 2019, mean A2M expects to update strategy and guidance over coming months.

### Elders Ltd (ELD) / Investa Office Fund (IOF)

ELD will replace IOF on the S&P/ASX 200, effective 10 September (Monday next week).

IOF is being acquired by Blackstone Group affiliates.

### AuMake International (AU8)

Exclusive sales agreement in hand for AU8 products to be distributed via Anhui Tiantong Renhe Culture Communication Co media channels in China.

AU8 says it is talking with 'several other interested Chinese distributors'.

### Kogan.com Ltd (KGN)

Planning to offer home loans, under the brand Kogan Money, via Adelaide Bank and Pepper Group.

KGN intends to expand Kogan Money products and services following the home loans launch in FY 2019.

KGN fell 3.1% Friday, settling at \$6.95.

### Xref Ltd (XF1)

XF1 attracted 73 additional direct clients during July - August, these including Medibank, Sydney Airport, Regis Aged Care and the Essendon Football Club.

Sales grew 150% year-on-year to \$1.3M, and cash receipts rose 64%, to \$1.95M.

### Sky Space & Global (SAS)

Binding MoU secured with Caribbean ISP Foundation Busie Suriname.

### Freedom Foods Group (FNP)

Morgans has cancelled FNP reduce advice, in favour of hold. FNP presentation lodged this morning.

## Resources

### Northern Star Resources (NST)

Resuming trade having completed an over-subscribed, fully-underwritten, \$6.70-per-share \$A175M placement. NST last traded at \$6.96.

### Castillo Copper (CCZ)

Cangai copper project initial drilling has delivered significant-width, high-grade intersections, pointing to extensive massive sulphide mineralisation.

CCZ is also heralding 'significant zinc-silver credits'.

Details, including assays, lodged this morning.

Choppy, swinging trade featured across US equities markets overnight Friday at the commencement of a Monday public holiday weekend.

Major European markets dropped on opening and closed at session lows.

US trade relationships remained in focus, and economic data proved largely disappointing.

Canada-US trade negotiators failed to reach agreement for a trade deal between the US, Mexico and Canada.

The US announced it would continue talks over a 90-day period.

Earlier, the US had indicated it was not impressed with the European Union's (EU) offer to eliminate vehicle tariffs, and was prepared to implement additional import taxes on EU goods. This prompted retaliatory remarks from the head of the European Commission.

In new data releases, the **euro zone's** initial August CPI growth reading came in at 2.0% year-on-year, following 2.1% for July.

**Germany's** July retail sales fell 0.4% for the month, but were 0.8% higher year-on-year. In June, sales rose 0.9% for the month and 2.7% year-on-year.

A **UK** August house price index fell 0.5% for the month, after a 0.7% rise in July, but were 2% ahead year-on-year.

A consumer confidence index, as calculated by GfK, improved to -7 from -10.

In the **US**, the Chicago PMI fell to 63.6 from 65.5.

A University of Michigan final August consumer confidence reading was calculated at 96.2, from 95.3.

Manufacturing PMIs are due for the UK and euro zone **tonight**.

Bitcoin Group is due to report earnings.

In overnight Friday corporate news, **Coca-Cola** was revealed as the buyer of Costa coffee from **Whitbread**. Whitbread promised the expected £3.8B cash proceeds would be passed onto shareholders.

**US markets will remain closed tonight, due to a public holiday.**

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1207</b>	oz	2	0.1
<b>Silver (NY) (Sep)</b>	14.6	oz	-0.04	-0.3
<b>Gold (LON)</b>	1202	oz	5	0.4
<b>Platinum</b>	786	oz	-2	-0.3
<b>WTI Crude (Oct)</b>	<b>69.8</b>	bbl	-0.45	-0.6
<b>Brent Crude (Nov)</b>	<b>77.4</b>	bbl	-0.35	-0.5
<b>Iron Ore</b> (CHN port 62%)	66.3	t	0.4	0.7
<b>Copper</b> (LME, 3mth, PM)	<b>5975</b>	t	-91	-1.5
<b>Nickel</b>	12800	t	-485	-3.7
<b>Aluminium</b>	2125	t	-7	-0.3
<b>Lead</b>	2078	t	6	0.3
<b>Zinc</b>	2457	t	-11	-0.4
<b>Tin</b>	18990	t	-205	-1.1
<b>CBT Wheat (Sep)</b>	<b>5.46</b>	bshl	0.11	2.0

### Commodities Commentary

**Oil** – traded lower earlier, amid a focus on international trade aggression, and plenty of industry commentary, including output figures and

## Pre-Open Announcements

### Bubs Australia (\* BUB)

\$64.60M full year net loss, following a \$5.06M net loss a year ago. 330.1% higher, \$16.97M revenue.

Results include a \$48.23M Nulac Foods goodwill impairment. \$38.64M cash and equivalents.

### Fluence Corporation (\* FLC)

\$52.99M interim net loss. \$32.775M revenue. 9c NTA, against 11c at the end of 2017.

### Buddy Platform (\* BUD)

25% lower, \$12.797M full year NPAT. 198% higher, \$2.08M income.

### Sky City Entertainment (SKC)

Director Brent Harman is intending to retired from the SK board at the October AGM. Mr Harman was appointed an SKC director in 2008.

## Resources

### Panoramic Resources (PAN)

\$A48.8M full year net loss, following a \$4.2M net loss a year ago. 85.9% lower, \$1.26M revenue. 17c NTA, against 26c. \$18.3M cash and equivalents.

## Energy

### Aspire Mining (AKM)

\$A2.1M worth of pre-commitments in hand in association with a capital raising announced last week.

The plan includes a 2.1c-per-share placement, the minimum for which AKM has subsequently raised from \$1.7M to \$2.1M.

AKM traded at 2.1c – 2.6c Wednesday through Friday last week, settling at 2.5c Friday.

### Vimy Resources (VMY)

98.5% uranium extraction achieved during metallurgical testing using ore from VMY's Angularli project, Northern Territory.

A scoping study is expected to be completed before year's end.

## Trading Halts

Company	Code	Resuming
Beacon Minerals	BCN	3 Sep
Connexion Media	CXZ	3 Sep
Frontier Diamonds	FDX	3 Sep
Goldfields Money	GMV	3 Sep
LatAm Autos	LAA	3 Sep
Magnis Resources	MNS	3 Sep
Harris Technologies	HT8	4 Sep
Keytone Dairy Corporation	KTD	4 Sep
Liontown Resources	LTR	4 Sep
ResApp Health	RAP	4 Sep
Transurban Group	TCL	5 Sep
Venus Metals	VMC	5 Sep

## Suspensions (select)

Company	Code	Since
Antilles Oil & Gas	AVDDD	24 Aug
Kresta Holdings	KRS	31 Aug
Raiden Resources	RDN	31 Aug

demand and price forecasts.

A media outlet reported shipping and other figures indicated a 220,000bbl increase in OPEC output during August, to 32.79MMbbl/d.

Russia reported essentially flat, 11.21MMbbl/d August production.

In the US, the EIA confirmed domestic production had reached an average 10.7MMbbl/d in June, following 10.4MMbbl/d for May.

In addition, surveyed forecasters cut their 2018 Brent price prediction on average by US16c to \$US72.71/bbl.

Brent crude closed out August 4.3% higher, and WTI with a 1.5% gain.

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

**Gold** – overnight Friday trade was pushed and pulled by a relatively small \$US index appreciation, a focus on US trade talks with Canada and the potential implementation this week of further tariffs on imports from China, and end-of-month positioning.

This week, public appearances from several US Federal Reserve officials, influential domestic manufacturing and employment data could affect \$US trade, and hence gold sentiment.

**Base metals** – overnight Friday trade appeared to mostly imitate generally poor sentiment demonstrated in equities trade, notably influenced by international trade conflicts. Some of these conflicts, in particular, were seen to influence international markets for vehicle manufacturers, and hence materials supply demand.

Caixin reports its August PMI manufacturing PMI for **China** today.

China's official August manufacturing and services sector PMIs, revealed Friday, were estimated at 51.3 and 54.2 respectively, from 51.2 and 54.0 in July.

**Japan's** July industrial production, also reported Friday, slipped 0.1% for the month, following a 1.8% drop in June. Year-on-year, output came in 2.3% ahead.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7184	-0.0007	<b>-0.09</b>
<b>EUR – USD</b>	1.1593	-0.0003	<b>-0.03</b>

### Australian Data Today

AiG	PMI	Aug
ABS	Retail sales	Jul
ABS	Business profits & inventories	JunQ
ANZ	Job advertisements	Aug
CLgc	Cap city rsdntl prop prices	Aug
Clgc	Cap city rsdntl prop prices (wkly)	31Aug

### Overseas Data Today & Tonight

<b>China</b>	Caixin manufacturing PMI	Aug
<b>Japan</b>	Manufacturing PMI (final)	Aug
Japan	Capital spending	JunQ
<b>UK</b>	Manufacturing PMI	Aug

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ALU</b>	Today	<b>14</b>	0	0.96
<b>APX</b>	Today	<b>4</b>	100	0.46
<b>AUI</b>	Today	<b>19</b>	100	3.89
<b>BEN</b>	Today	<b>35</b>	100	6.04
<b>BVS</b>	Today	<b>4.5</b>	0	2.13
<b>DUI</b>	Today	<b>8.5</b>	100	3.42
<b>DWS</b>	Today	<b>5</b>	100	6.94
<b>EBG</b>	Today	<b>3.3</b>	100	5.55
<b>IRI</b>	Today	<b>3.5</b>	100	2.62
<b>NAC</b>	Today	<b>2.5</b>	100	5.22
<b>NSC</b>	Today	<b>3</b>	100	6.29
<b>PPE</b>	Today	<b>4</b>	100	1.91
<b>SLM</b>	Today	<b>2</b>	100	4.23
<b>SRV</b>	Today	<b>13</b>	25	6.27
<b>VLW</b>	Today	<b>10.5</b>	100	8.08
BGA	Tomorrow	5.5	100	1.40
BLD	Tomorrow	14	50	3.79
HSN	Tomorrow	4	100	1.67
NEC	Tomorrow	5	100	4.15
NVL	Tomorrow	3	100	1.26
OCL	Tomorrow	5	100	1.60
OSH	Tomorrow	2.72	0	1.09
PBP	Tomorrow	2	100	1.66
PFP	Tomorrow	6.4	100	2.11
QIP	Tomorrow	4.3	100	4.91
SBM	Tomorrow	8	100	3.05
SCO	Tomorrow	10	100	5.26
SKI	Tomorrow	1	0	6.51
WHC	Tomorrow	27	100	6.56
APO	Wed	7	100	2.91
BWX	Wed	4.2	100	1.73
EAI	Wed	1	100	0.96
EGI	Wed	1.5	100	2.76
EVT	Wed	31	100	3.42
IRE	Wed	16	60	3.27
IVC	Wed	17.5	100	3.49
MLD	Wed	3.5	100	5.06
MPL	Wed	7.2	100	4.18
ONT	Wed	12	100	3.75
PGF	Wed	1.8	100	2.75
QAN	Wed	10	100	2.64
REF	Wed	5.5	100	0.00
RHC	Wed	86.5	100	2.59
SDG	Wed	6	100	6.15
TWE	Wed	17	100	1.64

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<b>Germany</b>	Manufacturing PMI (final)	Aug
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