

## Markets

|                                      |             |           |             |
|--------------------------------------|-------------|-----------|-------------|
| <b>SFE 200 Futures</b> (9.30am AEST) | <b>6297</b> | <b>-3</b> | <b>-0.1</b> |
| <b>NZX 50</b>                        | 9247        | -10       | -0.1        |
| <b>DJIA Futures</b>                  | 26031       | 43        | 0.2         |
| <b>S&amp;P 500 Futures</b>           | 2908        | 6         | 0.2         |
| <b>NASDAQ Futures</b>                | 7678        | 16        | 0.2         |

## Local Markets Commentary

The Australian market commences today's trade as the Reserve Bank of Australia (**RBA**) convenes a monetary policy meeting, ahead of a public statement **2.30pm** AEST.

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

At **11.30am**, the Australian Bureau of Statistics (ABS) is expected to publish June quarter current account and net exports figures.

High-profile companies across several sectors trade **ex-dividend** today, also. *Please see p3 for details.*

A public holiday in the US meant there was no overnight US equities and limited US commodities trade.

In overnight commodities trade, Brent **crude** headed higher.

LME **gold** futures settled slightly lower.

**Iron ore** (China port, 62% Fe) turned lower.

LME **copper** and **nickel** settled slightly down.

**Aluminium** fell decisively.

The **\$A** traded lower, but within a relatively narrow range, after appreciating to US72.15c early yesterday evening.

## Overseas Markets

| INDEX                | CLOSE | +/-    | %       |
|----------------------|-------|--------|---------|
| <b>Dow Jones</b>     | 25964 | Public | Holiday |
| <b>S&amp;P 500</b>   | 2902  | Public | Holiday |
| <b>NASDAQ</b>        | 8110  | Public | Holiday |
| <b>FTSE 100</b>      | 7505  | 72     | 1.0     |
| <b>DAX 30</b>        | 12346 | -18    | -0.1    |
| <b>Shanghai Comp</b> | 2721  | -5     | -0.2    |

## Overseas Markets Commentary

Major European equities markets diverged overnight, the FTSE 100 appreciating on opening and soon heading yet higher, and the DAX trading lower from the upset ahead of notably choppy trade.

US equities did not trade due to a public holiday.

A range of currencies weakened against the \$US. These included the euro (0.11%), the British pound (0.8%), Turkey's lira (~2%) and Argentina's peso (~4%).

The British pound also fell again against the euro, by 0.8%, this mostly attributed to internal and external criticism of the government's proposals governing arrangements for separating from the European Union.

Among data releases, the **euro zone's** August

## Australia – RBA policy statement **2.30pm** AEST

**RBA** governor Philip Lowe speaks at an RBA board and business sector dinner in Perth, **7.30pm** AEST

## Today's Stock Watch

### Suncorp Group (SUN)

SUN is selling its Australian life insurance division to TAL Dai-ichi Life Australia, under a share sale arrangement, for ~\$725M.

Pending regulatory approvals, completion is anticipated by year's end.

### Zelda Pharmaceuticals (ZLD)

Germany-headquartered HAPA Medical is gaining first rights to distribute and/or manufacture ZLD medicinal cannabis products for the German market.

### Decmil Group (DCG)

\$86M design and construct contract secured with the Drysdale bypass project, Victoria.

Major work will commence before month's end.

### PharmAust Ltd (PAA)

Preliminary monepantel clinical trials in dogs diagnosed with cancer are expected to be completed within weeks, now that PAA has produced a monepantel tablet.

PAA is also planning human clinical trials.

### Bubs Australia (BUB)

Confirming CEO Nicholas Simms will step down, and will leave BUB at the end of October.

BUB founder and MD Kristy Carr is taking over as CEO.

## Resources

### Evolution Mining (EVN)

Today's investor day updated outlook and presentations lodged pre-trade. Heralding a high-grade find, named Dalwhinnie, within the NSW Cowal gold project. Anticipating minimum 700,000oz gold output each year through to FY 2021.

### Syrax Resources (SYR)

Conducting a fully-underwritten \$A94M, \$2.23-per-share institutional placement, and a \$A14M SPP, to support Balama graphite project development.

A book-build is expected to be completed today.

The SPP is scheduled for 11 September (Tuesday next week) – 2 October.

SYR is also due to publish interim financial results.

Trading halt called this morning.

SPP has traded at \$2.45 - \$2.73 the past five sessions.

### Canyon Resources (CAY)

Cameroon Minim bauxite Martap resource updated to 550Mt @ 45.5% Al<sub>2</sub>O<sub>3</sub> & 2.06% SiO<sub>2</sub>.

### Volt Resources (VLT)

An environmental approval is in hand for the Bunyu graphite project, Tanzania. Mining licences are pending.

### Kalium Lakes (KLL)

The Beyondie SOP project Measured and indicated resource has grown 150%.

Overall project resources are now estimated at 18.67Mt @ 5585mg/L SOP.

manufacturing PMI was reported at 54.6, from 55.1 in July. While strong, the reading represented an ~two-year low.

**Germany's** manufacturing PMI influenced the decline, finalised at 55.9, from 56.9 for July, and 56.1 in the initial August estimate.

A **UK** August manufacturing PMI fell one point for the month to 52.8. This was mostly attributed to a fall in the export orders component.

**Tonight** in the US, ISM's influential manufacturing index is due for August, together with Markit's final alternative reading, a construction spending update and August vehicle sales.

The Federal Reserve's Chicago president is also expected to speak publicly on normalising policy.

Companies due to report earnings or provide updates include Ryanair and marketing major WPP.

In overnight corporate news, WPP confirmed a long-term employee, the group's interim COO, as CEO.

## Commodities

| COMMODITY                      | CLOSE        | \$US/ | +/-            | %    |
|--------------------------------|--------------|-------|----------------|------|
| <b>Gold (NY) (Dec)</b>         | <b>1207</b>  | oz    | Public Holiday |      |
| <b>Silver (NY) (Sep)</b>       | 14.6         | oz    | Public Holiday |      |
| <b>Gold (LON)</b>              | 1200         | oz    | -2             | -0.2 |
| <b>Platinum</b>                | 787          | oz    | Public Holiday |      |
| <b>WTI Crude (Oct)</b>         | <b>69.8</b>  | bbl   | Public Holiday |      |
| <b>Brent Crude (Nov)</b>       | <b>78.15</b> | bbl   | 0.7            | 0.7  |
| <b>Iron Ore</b> (CHN port 62%) | 66.05        | t     | -0.3           | -0.4 |
| <b>Copper</b> (LME,3mth,PM)    | <b>5967</b>  | t     | -8             | -0.1 |
| <b>Nickel</b>                  | 12790        | t     | -10            | -0.1 |
| <b>Aluminium</b>               | 2097         | t     | -28            | -1.3 |
| <b>Lead</b>                    | 2120         | t     | 42             | 2.0  |
| <b>Zinc</b>                    | 2463         | t     | 6              | 0.2  |
| <b>Tin</b>                     | 18840        | t     | -150           | -0.8 |
| <b>CBT Wheat (Sep)</b>         | <b>5.46</b>  | bshl  | Public Holiday |      |

## Commodities Commentary

**Oil** – US Nymex trade, significantly limited due to the US public holiday, traded as high as \$US70/bbl intra-session overnight.

Brent crude trade volumes were lower than normal, but there was plenty to consider ahead of sessional gain.

Meanwhile, **India** was reported, like China, to be importing oil from **Iran** using Iranian tankers, due to shipping companies' inability to obtain insurance.

Reports also emerged that National Iranian Oil Co was planning for a daily 1.5MMbbl of exports this month, against 2.3MMbbl/d in June.

In **Saudi Arabia**, a missile reported to be aimed at a Saudi Aramco facility was intercepted.

ExxonMobil reported that its **Nigeria** crude output was under threat due to a blockade from former employees.

A hurricane approaching the northern end of the **Gulf of Mexico** in the meantime has prompted Anadarko Petroleum to shut down two oil platforms. Onshore refineries operated by several companies were also reported to be securing facilities.

In market commentary, Algeria claimed international crude **supply and demand** were in balance. A monitoring committee formed to advise on the OPEC-led output agreement, is next scheduled to meet 23 September, in Algiers.

**Gold** – in limited overnight Comex trade, December

## Pre-Open Announcements

### Pacific Current Group (PAC)

Hosting a teleconference 11am AEST.

Access details lodged post-trade yesterday.

### Mirvac Group (MGR)

Outlaying \$122M for a 10,200sq m operational office building leased by the Australian Federal Police in La Trobe Street, Melbourne.

MGR plans to redevelop the site to include a new 40,000sq m office building.

## Resources

### Breaker Resources (\* BRB)

Significant-width, high-grade intersections lodged this morning following additional drilling within the WA Lake Roe gold project Bombora deposit.

Areas of known mineralisation have been extended and new zones identified.

A resource upgrade is underway.

Drilling continues with three-four rigs operational.

### Metals X (\* MLX)

MLX has appointed a new director and three general managers. Experienced mining sector GM and COO Damien Marantelli has been appointed as an MLX non-executive director, effective yesterday.

In association, MLX executive GM projects and planning Stephen Robinson is stepping down as an MLX director.

In addition, MLX has appointed experienced minerals sector MD, COO and non-executive director Campbell Baird as executive GM mining and technical.

MLX has appointed Simon Rigby, another experienced minerals sector MD and non-executive director, as executive GM geology and business development.

Further, Russell Cole has been appointed MLX's GM Nifty Copper operations.

MLX closed out August at 52.5c after settling at 71c at the end of July.

### Poseidon Nickel (POS)

Road show presentation lodged post-trade yesterday.

### Focus Minerals (FML)

Mourning the death of director Peter Hepburn-Brown.

## Energy

### Pancontinental Oil & Gas (\* PCL)

Offshore Namibia PEL 37 Cormorant-1 well drill rig ready to commence drilling overnight or today, qualifying PCL for a \$US5.5M cash payment from Africa Energy Corp.

Tallow Oil 35% and operator; PCL 20% (66.7% owner of Pancontinental Namibia, in which Africa Energy Corp has a 33.3% interest; Pancontinental Namibia holds 30% of PEL37); ONGC Videsh 30%; Paragon Oil & Gas 5%.

## Trading Halts

| Company                | Code | Resuming |
|------------------------|------|----------|
| Liontown Resources     | LTR  | 4 Sep    |
| 3D Oil                 | TDO  | 5 Sep    |
| Emmerson Resources     | ERM  | 5 Sep    |
| Fremont Petroleum Corp | FPL  | 5 Sep    |
| Frontier Resources     | FNT  | 5 Sep    |



futures rose US30c, or 0.02%. LME gold settled slightly lower.

Currency moves limited other gold trade, the British pound falling 0.8% against both the \$US and the euro. The euro traded 0.1% lower against the \$US. Turkey's lira fell ~2% and Argentine's peso ~4%.

**Base metals** – currency moves and PMI figures toyed with overnight trade.

Caixin's 50.6 August manufacturing PMI for **China**, reported yesterday, represented a 0.2-point fall for the month. Caixin's China services sector activity index is due tomorrow.

Manufacturing PMIs for the **euro zone** and **UK**, reported overnight, disappointed against the past several months, even though the headline euro zone figures in particular remained relatively strong.

**Japan's** August manufacturing PMI, also released yesterday, was estimated at 52.5, after 52.3 for July. As with **South Korea** and the UK, the export orders component fell.

### Exchange Rates

| CURRENCIES       | LAST   | +/-     | %            |
|------------------|--------|---------|--------------|
| <b>AUD – USD</b> | 0.7209 | -0.0005 | <b>-0.06</b> |
| <b>EUR – USD</b> | 1.1616 | -0.0001 | <b>-0.01</b> |

### Australian Data Today

|           |                    |       |
|-----------|--------------------|-------|
| RBA       | Policy statement   | Sep   |
| ANZ/RyMgn | Consumer sentiment | 2 Sep |
| ABS       | Current account    | JunQ  |
| ABS       | Net exports        | JunQ  |

### US Data Tonight

|                              |     |
|------------------------------|-----|
| ISM manufacturing            | Aug |
| Markit manufacturing (final) | Aug |
| Construction spending        | Jul |
| Motor vehicle sales          | Aug |

### Other Overseas Data Today & Tonight

|                  |                  |     |
|------------------|------------------|-----|
| <b>UK</b>        | Construction PMI | Aug |
| <b>Euro zone</b> | Producer prices  | Jul |

### Need More Information?

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|                       |     |       |
|-----------------------|-----|-------|
| IndiOre Ltd           | IOR | 5 Sep |
| Silver Heritage Group | SVH | 5 Sep |
| Transurban Group      | TCL | 5 Sep |
| Venus Metals          | VMC | 5 Sep |
| Syrah Resources       | SYR | 6 Sep |

### Suspensions (select)

| Company            | Code  | Since  |
|--------------------|-------|--------|
| Antilles Oil & Gas | AVDDD | 24 Aug |
| Frontier Diamonds  | FDX   | 3 Sep  |
| Goldfields Money   | GMY   | 3 Sep  |
| Magnis Resources   | MNS   | 3 Sep  |
| Raiden Resources   | RDN   | 31 Aug |

### Ex-Dividends

| Code       | Ex-Div   | Div (c)     | Franking (%) | Yield (%) |
|------------|----------|-------------|--------------|-----------|
| <b>BGA</b> | Today    | <b>5.5</b>  | 100          | 1.43      |
| <b>BLD</b> | Today    | <b>14</b>   | 50           | 3.72      |
| <b>HSN</b> | Today    | <b>4</b>    | 100          | 1.69      |
| <b>NEC</b> | Today    | <b>5</b>    | 100          | 4.13      |
| <b>NVL</b> | Today    | <b>3</b>    | 100          | 1.26      |
| <b>OCL</b> | Today    | <b>5</b>    | 100          | 1.72      |
| <b>OSH</b> | Today    | <b>2.72</b> | 0            | 1.09      |
| <b>PBP</b> | Today    | <b>2</b>    | 100          | 1.64      |
| <b>PFP</b> | Today    | <b>6.4</b>  | 100          | 2.11      |
| <b>QIP</b> | Today    | <b>4.3</b>  | 100          | 4.91      |
| <b>SBM</b> | Today    | <b>8</b>    | 100          | 2.96      |
| <b>SCO</b> | Today    | <b>10</b>   | 100          | 5.26      |
| <b>SKI</b> | Today    | <b>1</b>    | 0            | 6.51      |
| <b>WHC</b> | Today    | <b>27</b>   | 100          | 6.45      |
| APO        | Tomorrow | 7           | 100          | 2.90      |
| BWX        | Tomorrow | 4.2         | 100          | 1.71      |
| EAI        | Tomorrow | 1           | 100          | 0.96      |
| EGI        | Tomorrow | 1.5         | 100          | 2.75      |
| EVT        | Tomorrow | 31          | 100          | 3.42      |
| HOT        | Tomorrow | 0.5         | 100          | 5.00      |
| IRE        | Tomorrow | 16          | 60           | 3.26      |
| IVC        | Tomorrow | 17.5        | 100          | 3.49      |
| MLD        | Tomorrow | 3.5         | 100          | 5.02      |
| MPL        | Tomorrow | 7.2         | 100          | 4.21      |
| ONT        | Tomorrow | 12          | 100          | 3.90      |
| PGF        | Tomorrow | 1.8         | 100          | 2.71      |
| QAN        | Tomorrow | 10          | 100          | 2.65      |
| REF        | Tomorrow | 5.5         | 100          | 0.00      |
| RHC        | Tomorrow | 86.5        | 100          | 2.56      |
| SDG        | Tomorrow | 6           | 100          | 6.18      |
| TWE        | Tomorrow | 17          | 100          | 1.61      |
| AEF        | Thu      | 235         | 100          | 2.48      |
| AIZ        | Thu      | 10.02       | 0            | 6.61      |
| ARA        | Thu      | 1           | 60           | 2.94      |
| ARQ        | Thu      | 3.5         | 100          | 5.07      |
| ASX        | Thu      | 109.1       | 100          | 3.20      |
| BHP        | Thu      | 85.6        | 100          | 4.73      |
| BLX        | Thu      | 2.5         | 100          | 3.24      |
| CIE        | Thu      | 1.8         | 50           | 6.95      |
| CTD        | Thu      | 21          | 50           | 1.09      |
| CYA        | Thu      | 2           | 100          | 4.09      |
| EGN        | Thu      | 1           | 100          | 1.74      |
| EHE        | Thu      | 8           | 100          | 5.10      |
| FXL        | Thu      | 3.85        | 100          | 3.53      |
| GLB        | Thu      | 6           | 0            | 5.00      |

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|     |     |       |       |       |
|-----|-----|-------|-------|-------|
| GTN | Thu | 11    | 100   | 5.50  |
| HSO | Thu | 3.5   | 0     | 3.07  |
| IEL | Thu | 6.5   | 60    | 1.40  |
| KME | Thu | 2     | 100   | 4.41  |
| LIC | Thu | 2.5   | 100   | 0.75  |
| MVF | Thu | 2.6   | 100   | 4.96  |
| MWY | Thu | 9     | 100   | 5.63  |
| NHF | Thu | 11    | 100   | 3.06  |
| NST | Thu | 5     | 100   | 1.17  |
| PAC | Thu | 22    | 100   | 3.19  |
| PME | Thu | 3.5   | 100   | 0.55  |
| PWH | Thu | 6.2   | 100   | 2.24  |
| RDH | Thu | 2     | 100   | 1.09  |
| SDI | Thu | 1.4   | 100   | 4.10  |
| SEC | Thu | 4     | 100   | 2.05  |
| SHJ | Thu | 2.25  | 40.85 | 3.61  |
| SKT | Thu | 6.86  | 0     | 6.83  |
| TGG | Thu | 8     | 100   | 2.98  |
| TME | Thu | 29.68 | 0     | 3.72  |
| VEE | Thu | 0.26  | 100   | 1.12  |
| YAL | Thu | 0.3   | 0     | 2.46  |
| ZIM | Thu | 60.39 | 0     | 10.07 |