

Markets

SFE 200 Futures (9.30am AEST)	6438	-11	-0.2
NZX 50	10848	62	0.6
DJIA Futures	25932	-8	0.0
S&P 500 Futures	2880	-1	0.0
NASDAQ Futures	7556	3	0.0

Local Markets Commentary

The Australian market commences today's trade with new data from China in hand, ahead of further influential data expected early afternoon, Rio Tinto (ASX: **RIO**) trading ex-dividend, and several other major domestic corporate stocks reporting earnings.

China is expected to release July trade figures 1pm AEST.

Yesterday evening, China reported \$US3.104 trillion worth of **foreign exchange reserves** as at 31 July, against \$US3.119 trillion at the end of June.

Locally today, Reserve Bank of Australia (**RBA**) assistant governor (financial system) Michele Bullock has spoken on *Financial Stability Through the Lens of Business* at a CCI breakfast event in Toowoomba this morning.

In overnight commodities trade, **oil** resumed sliding mode.

US **gold** futures (December) continued to appreciate, settling beyond \$US1519.50/oz. **Silver** surged.

Iron ore (Nymex CFR China, 62% Fe) tumbled further.

LME **copper** extended Tuesday's gain. **Nickel** picked up the pace from Tuesday, recording a rally-mode rise.

The **\$A** appreciated to ~US67.61c after trading at ~US67.30c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26007	-22	-0.1
S&P 500	2884	2	0.1
NASDAQ	7863	30	0.4
FTSE 100	7199	27	0.4
DAX 30	11650	82	0.7
Shanghai Comp	2769	-9	-0.3

Overseas Markets Commentary

Overnight trade across major European and US equities markets largely demonstrated heightened caution ahead of influential economic indicators to come out of Asia, the euro zone, UK and US from today through tomorrow night.

Some market analysts also reported select overnight bargain-hunting however, although in early trade (prices of) government bonds featured in any rallying.

China – July trade balance – 1pm AEST
Today's Stock Watch
Insurance Australia Group (IAG)

16.6% higher, \$1.076B full year NPAT.

7.6% higher, \$17.658B revenue.

20c, 70%-franked final dividend.

AMP Ltd (AMP)

\$2.29B interim net loss, against a \$115M net profit a year ago.

121% higher, \$15.895B revenue.

4c, 90%-franked final dividend. \$1.15 NTA.

Results included \$2.35B worth of impairments.

Strategy details outlined this morning, including a \$650M fully underwritten (\$1.50/share) institutional placement, plus a SPP (16 August – 5 September).

Results and capital raising presentations lodged this morning, plus a new CEO remuneration package.

AMP has called a trading halt for today's book-build.

Transurban Ltd (TCL)

TCL is resuming from a trading halt having completed an oversubscribed fully underwritten \$14.70-per-security \$500M institutional placement in support of the \$468M acquisition of the balance 34.62% of the M5 West.

Today is also the first chance for ASX investors to react to TCL's full year accounts, lodged pre-trade yesterday.

TCL traded at \$15.20 - \$16.06 during the five trading sessions prior to calling the trading halt.

Mirvac Group (MGR)

6% lower, \$1.109B full year NPAT. 1% lower, \$2.778B revenue.

6.3c final distribution.

Navigator Global Investments (NGI)

306% higher, \$US26.843M NPAT. 28% higher, \$114.867M revenue. US9c final dividend. US40.63c NTA.

Jatenergy Ltd (JAT)

Planning to outlay \$12M cash plus \$2M worth of JAT shares to acquire 70% of Australian Natural Milk Association (ANMA), which holds approval to export infant dairy formula to China.

Additional details lodged this morning.

Energy
AGL Energy (AGL)

42.8% lower, \$905M full year NPAT. 3.4% higher, \$13.246B revenue. 64c, 80%-franked final dividend.

In addition, AGL plans to outlay up to \$650M on a 5% buy-back. 19 September AGM documents also lodged this morning.

Further, Infratil (ASX: IFT) is proposing to sell its 80%-held Perth Energy to AGL for ~\$A55M cash. Details lodged this morning.



Investors were faced with a series of developments underscoring disquiet at global economic growth prospects.

The Association of China Rare Earth Industry described the US stance regarding trade relations as bullying behaviour, indicating it was prepared to retaliate by restricting supply to the US of rare earths critical in manufacturing all manner of products including component parts of military and general electronics equipment.

For his part, the US president repeated the US would be better off pushing for a favourable deal with China after years of allegedly suffering trade abuse from China.

Earlier, the **Reserve Bank of India** had earlier lowered the bank's overnight cash rate from 5.75% to 5.40%, after yesterday morning's **Reserve Bank of New Zealand's** larger-than-anticipated 0.5% cut to 1.0%. The **Bank of Thailand** cut its one-day repurchase rate, unexpectedly, by 0.25% to 1.50%.

Further, **Chile** reported a \$US29M July trade deficit, impacted by falling copper exports. Total exports fell 4.6% year-on-year.

Among relevantly scant overnight data releases, **Germany's** June industrial production dropped 1.5% lower for the month following a 0.1% May increase.

In the **US**, June consumer credit came in at \$US14.6B from \$US17.79B.

Weekly mortgage applications jumped 5.3% on lower 30-year mortgage rates (4.01%, from 4.08%), refinancing rising 12% for the week, and 116% year-on-year.

Tonight in the US, June wholesale inventories and weekly new unemployment claims are due.

Elsewhere, the **European Central Bank's** economic bulletin will attract close attention, coupled with euro zone industrial production.

Companies scheduled to report earnings later today and tonight include: Activision Blizzard, Adidas, AngloGold Ashanti, Aviva, CBS, Inpex, Keurig Dr Pepper, Kraft Heinz, Merck, News Corporation, Symantec, ThyssenKrupp, Uber, Unilever, Vale, Viacom and Worldpay.

Stocks trading ex-dividend on the FTSE 100 include AstraZeneca, BP, BT Group, Diageo and GlaxoSmithKline.

In overnight corporate news, **Marathon Oil** reported a 50% rise in quarterly profit, boosted by (US) shale production.

Walt Disney impacted DJIA sentiment, falling ~5% on disappointing figures released post-Tuesday US trade.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1519.6	oz	35.4	2.4
Silver (NY) (Sep)	17.196	oz	0.751	4.6
Gold (LON)	1506	oz	41	2.8
Platinum	862	oz	12	1.4
WTI Crude (Sep)	51.09	bbl	-2.54	-4.7
Brent Crude (Oct)	56.23	bbl	-2.71	-4.6
Iron Ore (CHN port 62%)	96.56	t	-2.95	-3.1
Copper (LME,3mth,PM)	5729	t	33	0.6
Nickel	15325	t	380	2.5
Aluminium	1757	t	-7	-0.4
Lead	2016	t	26	1.3

Pre-Open Announcements

Lendlease Group (** LLC)

Preparing to defend a second class action. Details lodged this morning.

Animoca Brands (📈 AB1)

Resuming trade with plans to acquire digital goods collectibles company Quidd.

Consideration comprises an initial \$US5M worth of AB1 shares, plus up to \$US3M worth of further performance-based share payments.

AB1 last traded at 20c.

Elixinol Global (📈 EXL)

EXL subsidiary Elixinol Llc has secured a manufacturing and supply agreement with Altmed Pets Llc, which trades as Pet Releaf.

The agreement is for an initial 18 months, during which time Pet Releaf will purchase a minimum \$US18M worth of EXL products. In addition, Pet Releaf is paying a total \$US1.8M deposit over three equal payments during the initial term.

Alliance Aviation Services (** AQZ)

25.5% higher, \$22.735M full year NPAT.

11.9% higher, \$277.115M revenue.

8.8c fully franked final dividend. \$1.34 NTA.

\$60M debt, down \$5.2M. \$50.4M net debt.

Nick Scali (** NCK)

2.8% higher, \$42.1M full year NPAT.

6.9% higher, \$268.0M sales revenue.

20c fully franked final dividend, down 4c (~16.6%).

Uncertain retail/consumer sentiment outlook.

A teleconference is scheduled to commence 10.30am AEST.

Telix Pharmaceuticals (** TLX)

TLX and partner GenesisCare have received regulatory and ethics approvals enabling the commencement of the Phase II clinical trial assessing enzalutamide use in the treatment of metastatic prostate cancer.

Explanatory presentation lodged this morning.

TLX recouped 3.68% yesterday, settling at \$1.41.

Credible Labs (* CRD)

Interim report lodged this morning.

Rural Funds Group (* RFF)

Refuting several adverse claims made in a document released by Bonitas Research Llc.

Details lodged post-trade yesterday.

RFF is resuming from a trading halt, having dropped 42.1% to \$1.36 immediately before calling the halt.

A webinar was scheduled to commence 9am AEST.

The webinar has been recorded.



Zinc	2272	t	-35	-1.5
Tin	16780	t	-230	-1.4
CBT Wheat (Jul)	4.85	bshl	0.01	0.2

Commodities Commentary

Oil – Brent and WTI crude each settled in technical bear territory overnight.

A weekly US petroleum inventories report, published overnight by government agency the EIA, included a 2.385MMbbl rise in stored crude against expectations of another draw, and an industry estimate the previous day of a 3.4MMbbl fall.

Petrol stocks rose by 4.437MMbbl.

Net crude imports increased by a daily 1.914MMbbl.

Gold – central bank rate cuts in India, New Zealand and Thailand yesterday underscored international economic growth slowdown forebodings.

Comex *silver* futures rallied the most in a single session in three years.

The European Central Bank's economic bulletin, plus euro zone industrial production due tonight, will perhaps garner greater attention than usual, ahead of a plethora of influential growth indicators tomorrow and tomorrow night.

Base metals – pushed and pulled overnight by global growth fears, inventories, production reports and the wait for key economic data from today through tomorrow night.

In production news, *Chile's* Codelco reported a 12.1% year-on-year drop in interim *copper* output to 769,400t. BHP's Chile Escondida copper production also fell ~12% during this time, to 569,900t. Output at the Anglo American-Glencore Collahuasi JV, Chile declined 2.8% to 254,700t.

China's July trade figures, due today, will influence tonight's sentiment.

China is due to report and producer prices and CPI tomorrow.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6762	0.0002	0.03
EUR – USD	1.1203	0.0004	0.04

US Data Tonight

Wholesale inventories	Jun
Initial jobless claims	3 Aug

Other Overseas Data Today & Tonight

China	Trade balance	Jul
Japan	Bank lending	Jul
Japan	Eco watchers survey	Jul
Euro zone	ECB economic bulletin	Jul
Euro zone	Industrial production	Jun

Cirrus Networks Holdings (CNW)

Three-year, \$5M Cisco SmartNET maintenance and support contract secured with the ACT government.

Platinum Asset Management (PTM)

\$25.15B FUM as at 31 July, against \$24.77B at the end of June.

Resources

Altura Mining (* AJM)

Ningbo Shanshan has completed its \$A22.4M, 11.2c-per-share investment in AJM and now holds 19.4% of the company.

AJM has traded at 9.2c – 11.5c over the past five trading sessions.

Ironbark Zinc (* IBG)

Glencore claim against IBG dismissed by an arbitration tribunal.

Details lodged this morning.

IBG is resuming from a trading halt having last traded at 1.6c.

Energy

Energy Resources of Australia (* ERA) / Rio Tinto (RIO)

Non-executive director Zara Fisher has resigned, effective yesterday.

In association, ERA has appointed RIO GM financial planning and analysis Justin Carey as a non-executive director, effective yesterday.

RIO holds 68.39% of ERA.

Reports & Events

(selected)

When	Company	Report/Event
Today	AGL	Full year
	AMP	Interim
	IAG	Full year
	NCK	Full year
	NGI	Full year
	MGR	Full year
Tomorrow	BBN	Full year
	NWS	Full year (o/night Thu US)
	REA	Full year

Trading Halts

Company	Code	Resuming
Freedom Oil & Gas	FDM	8 Aug
Impression Healthcare	IHL	8 Aug
BPH Energy	BPH	9 Aug
KalNorth Gold Mines	KGM	9 Aug
MEC Resources	MMR	9 Aug
Stanmore Coal	SMR	9 Aug
AMP Ltd	AMP	12 Aug
Woomera Mining	WML	12 Aug

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Suspensions *(select)*

Company	Code	Since
AuStar Gold	AUL	31 Jul
CFOAM Ltd	CFO	6 Aug
Gooroo Investments	GOO	1 Aug
High Grade Metals	HGM	18 Jul
Keybridge Capital	KBC	16 Jul
Mobecom Ltd	MBM	29 Jul
Redbank Copper	RCP	7 Aug
South Pacific Resources	SPB	2 Aug
Sun Resources	SUR	7 Aug
West Wits Mining	WWI	26 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MLT	Today	10.4	100	4.02
RIO	Today	307.58	100	4.71
BKI	Fri	4.7	100	4.35
JHG	Fri	52.55	0	7.01
OCA	Fri	2.12	0	3.79
OZG	Fri	0.25	100	1.56
WIC	Fri	3	100	2.84
GMA	Tue (13 Aug)	30.9	29.13	5.30
CBA	Wed	231	100	tbc
RMD	Wed	3.92	0	0.77
GUD	Thu (15 Aug)	31	100	5.76
PL8	Thu	0.5	100	5.02