

Markets

SFE 200 Futures (9.30am AEST)	6499	-22	-0.3
NZX 50	10881	7	0.1
DJIA Futures	26218	-50	-0.2
S&P 500 Futures	2916	-4	-0.2
NASDAQ Futures	7646	-14	-0.2

Local Markets Commentary

The Australian market commences a new week's trade following US-China trade relations tit-for-tat talk over the weekend, ahead of another batch of key international economic data releases from tomorrow through the end of the week, and with domestic corporate reporting season warming.

Over the weekend, a former chair of the **China** Development Bank, described relations as a 'financial war', and no longer just a trade dispute, due to last week's US determination that China was manipulating its currency in response to the latest US tariffs announcement.

Late last week, a researcher with the China Institutes of Contemporary International Relations publicly claimed the US-China relations were bolstering the risk of a US recession.

Locally today, a weekly capital city residential property price report is due pre-trade.

In addition, several high-profile stocks have reported earnings pre-trade.

Also today, the RBA publishes monthly credit and debit card transactions.

In overnight Friday commodities trade, **oil** extended Thursday's rally.

US **gold** futures (December) settled slightly lower.

Iron ore (Nymex CFR China, 62% Fe) fell below \$US93.70/t.

LME **copper** and most base metals, including **nickel**, turned variously lower.

The **\$A** slipped below US67.90c after trading at ~US68.10c early Friday evening.

Japan's markets are closed today due to a public holiday. Singapore's will remain closed (did not trade Friday).

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26287	-91	-0.3
S&P 500	2919	-19	-0.7
NASDAQ	7959	-80	-1.0
FTSE 100	7254	-32	-0.4
DAX 30	11694	-152	-1.3
Shanghai Comp	2775	-20	-0.7

Today's Stock Watch

Harvey Norman Holdings (HVN)

Selling The Byron at Byron Bay Resort for \$41.764M, pending a range of conditions including approvals.

JB Hi-Fi (JBH)

7.14% higher, \$249.8M full year NPAT. 3.53% higher, \$7.095B revenue. 51c fully franked final dividend. 4c NTA.

Anticipating FY20 sales to reach \$7.25B.

Ansell Ltd (ANN)

\$US113.1M full year NPAT (continuing operations), against \$US486.2M a year ago. \$US1.499B revenue, against \$US1.490B. US26c final dividend, up US1c. \$US397.5M cash and equivalents.

Select growth-supportive business environment, but deteriorating external market conditions.

Aurizon Holdings (AZJ)

15% lower, \$473M full year (continuing operations) NPAT. 7% lower, \$2.908B revenue. 12.4c, 70%-franked final dividend, against 13.1c. Planning an up to \$300M share buy-back.

Bendigo & Adelaide Bank (BEN)

13.3% lower, \$376.8M full year NPAT. 6.6% lower, \$415.7M cash earnings. 4.6% lower, \$1.57B income. Flat, 35c fully franked final dividend.

8.92% CET1, up 0.30%. AGM scheduled for 29 October.

GPT Group (GPT)

51.6% lower, \$352.6M interim NPAT. 31.8% lower, \$645.2M income.

13.11c interim distribution, previously declared. \$5.66 NTA.

Argo Investments (ARG)

33.7% higher, \$A292.67M full year NPAT. 31.5% higher, \$315.18M income. 17c fully franked final dividend, up 1c. \$8.42 NTA.

Resources

Northern Minerals (NTU)

Browns Range pilot plant project heavy rare earth carbonate off-take agreement secured with Thyssenkrupp Materials Trading, effective immediately, including all stockpiled and future production.

Energy

Cooper Energy (COE)

\$12.1M full year net loss, following a \$27M net profit a year ago. Results were impacted by \$25.4M worth of significant items.

58.7MMboe proved plus probable reserves (2P), against 52.4MMboe. 26.9MMboe contingent resources (2C), against 23.6MMboe. A webcast teleconference was scheduled to commence 9am AEST.

**Overseas Markets Commentary**

Major European and US equities markets chopped and swung overnight Friday, European indices settling at session lows following some dour data and growing political unrest in economically-vulnerable Italy.

Broad geopolitical issues were also not let lie, the US president suggesting US-China trade talks, tentatively scheduled for September, may not eventuate.

Meanwhile earlier, **UK** June quarter GDP was reported to have fallen by 0.2% for the three months, against a 0.5% March quarter increase.

Year-on-year, GDP was 1.2% higher.

The contraction represented the first three-month contraction since the December quarter 2012.

The British pound subsequently dropped.

A £1.779B June trade surplus was reported, following a £2.002B deficit for May. Imports were down 2.6%, at £53.63B.

June manufacturing production dropped 1.4% year-on-year, following a 0.2% May decline.

Overall industrial production came in 0.6% lower year-on-year.

Additional disappointing indicators came in for **Germany**, the nation's trade surplus tumbling to €16.8B from €20.6B during June.

Exports declined 0.1% seasonally adjusted after rising 1.3% in May. Imports increased by 0.5% after a 0.3% May fall.

In the meantime, **Italy's** deputy PM confirmed his view a snap election was needed to resolve tensions within the ruling coalition.

In the **US**, July producer prices came in 0.2% higher for the month, following a 0.1% June rise. Prices were 1.7% higher than for July 2018.

Tonight in the US, the July national budget statement is due.

Companies scheduled to report earnings later today and tonight include: Barrick Gold, Kumho Tire, Sysco Corp and Tencent Music Entertainment.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1508.5	oz	-1.0	-0.1
Silver (NY) (Sep)	16.931	oz	-0.005	-0.1
Gold (LON)	1496	oz		
Platinum	858	oz	-5	-0.6
WTI Crude (Sep)	54.50	bbl	1.96	3.7
Brent Crude (Oct)	58.53	bbl	1.15	2.0
Iron Ore (CHN port 62%)	93.61	t	-3.76	-4.0
Copper (LME,3mth,PM)	5769	t	-17	-0.3
Nickel	15640	t	-170	-1.1
Aluminium	1776	t	-0.1	-0.0
Lead	2061	t	-9	-0.4
Zinc	2238	t	-69	-3.0
Tin	16870	t	15	0.1
CBT Wheat (Jul)	5.02	bshl	0.02	0.4

Pre-Open Announcements**Fonterra Shareholders' Fund (F FSF)**

Fonterra Co-op has declared nil final dividend, and confirmed an expected \$590M - \$675M full year net loss. Additional information lodged this morning.

Praemium Ltd (PPS)**

56.8% higher, \$2.69M full year NPAT. 4.7% higher, \$44.18M revenue. 6.3c NTA.

IMF Bentham (* IMF)

\$US21.6M additional income anticipated from the settlement of a 2017 US litigation matter. Details lodged this morning.

Australian Finance Group (* AFG)

Proposing to merge with Connective Group's mortgage aggregation business.

Teleconference scheduled to commence 1pm AEST. Access details lodged this morning.

Integrated Payment Technologies (* IP1)

IP1 has appointed IP1 customer experience head Dean Martin as CEO, effective immediately.

Mr Martin succeeds Robin Beauchamp, who stepped down from the CEO position in February, to focus on his chief technology officer role.

Eden Innovations (EDE)

Targeting \$8M in a 5c-per-share SPP scheduled for 12 – 30 August.

EDE traded at 4.7c – 5.6c last week.

Energy**Strike Energy (** STX) / Warrego Energy (** WGO)**

Additional log interpretation has raised the WA Perth Basin West Erregulla-2 net find to 10.2m.

STX operator and 50%; WGO 50%.

Reports & Events

(selected)

When	Company	Report/Event
Today	A2M	Full year
	ANN	Full year
	ARG	Full year
	AZJ	Full year
	BEN	Full year
	CQR	Full year
	COH	Full year
	GPT	Interim
	ISU	Full year
	JBH	Full year

**Commodities Commentary**

Oil – prices were pushed and pulled again on Friday, the International Energy Agency (IEA) forecasting 2019 demand would grow by 1.1Mm bbl/d, 100,000 bbl/d fewer than the agency's previous forecast.

The IEA also reduced its 2020 demand growth forecast, by a daily 50,000 bbl, to 1.3MM bbl/d.

Among media reports, Saudi Arabia was said late Thursday to be planning to restrict September daily exports to fewer than 7MM bbl.

Ultimately, Brent crude settled ~5% lower for the week and WTI down 2%.

A weekly US petroleum drill rig count included another drop in the oil rig tally, this time by six, to 764.

Gold – key data out of China, the euro zone and US this week will again keep international economic growth prospects at the forefront of most trade.

Overnight Friday, Comex gold futures ultimately weakened despite reduced equities risk sentiment.

Base metals – data from China, the UK and eurozone appeared the main dampening influences on overnight Friday LME trade, but copper also received support from supply considerations.

China's July CPI published Friday, rose 0.4% for the month, following 0.1% deflation in June. Year-on-year, CPI growth is at 2.8%.

July producer prices fell 0.3% year-on-year, after coming in flat for June.

Additional trade figures for China included 90Mt of *iron ore* imports, up 21% year-on-year.

Japan's June quarter GDP, also released Friday, grew 0.4% for the three months, following a 0.7% March quarter rise. Year-on-year, GDP is 1.8% higher.

In production news, Rio Tinto revealed on Friday that a long-planned new JV *copper* operation in the US was a step closer, following some regulatory progress.

The Arizona project initially represented a new and significant copper find (40-year mine life and 40billion-lb production predicted) but has been at least six years in the planning, ahead of planned development by Rio (55%) and BHP Billiton (45%).

Meanwhile, a key port operator in Peru claimed the most recent community protests at four copper operations had significantly disrupted supply deliveries to the sites and held up copper concentrate exports. \$US400M worth of exports were said to be impacted.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6779	-0.0006	-0.08
EUR – USD	1.1204	0.0006	0.05

Australian Data Today

CoreLogic Capital city home prices 9 Aug

	PPS YAL	Full year Interim
Tomorrow	BOL	Full year
	CGF	Full year
	MFG	Full year
	OFX	AGM

Trading Halts

Company	Code	Resuming
Woomera Mining	WML	12 Aug
Australian Pacific Coal	AQC	13 Aug
First Au	FAU	13 Aug
Metasearch Ltd	MSE	13 Aug
Meteoric Resources	MEI	13 Aug

Suspensions (select)

Company	Code	Since
AuStar Gold	AUL	31 Jul
CFOAM Ltd	CFO	6 Aug
Freedom Oil & Gas	FDM	8 Aug
Gooroo Investments	GOO	1 Aug
MEC Resources	MMR	9 Aug
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 (%)
FSI	Tomorrow	4.25	100	4.48
GMA	Tomorrow	30.9	29.13	5.17
MRN	Tomorrow	2	100	4.01
AYK	Wed	88	41	2.10
AYZ	Wed	89	74	2.70
CBA	Wed	231	100	5.43
NGI	Wed	13.4	0	6.47
RMD	Wed	3.92	0	0.76
SCG	Wed	11.3	0	5.54
SUN	Wed	44	100	4.78
GUD	Thu	31	100	5.77
PL8	Thu	0.5	100	5.22



RBA Card transactions Jul

US Data Tonight

Treasury budget Jul

Other Overseas Data Today & Tonight

China Vehicle sales (4.30pm AEST) Jul

Need More Information?

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