

Markets

SFE 200 Futures (9.30am AEST)	5758	12	0.2
NZX 50	7855	2	0.0
DJIA Futures	21988	-23	-0.1
S&P 500 Futures	2463	-4	-0.2
NASDAQ Futures	5908	-16	-0.3

Local Markets Commentary

The Australian market commences today's trade with another barrage of large-cap results, ahead of key domestic data.

July employment statistics are due **11.30am** AEST.

Companies trading ex-dividend include **GUD**, **IFL** and **JHG** (former HGG). Please see p3 for a detailed list.

Overnight, major international equities indices headed higher in unison, but in varying magnitude.

In mixed overnight commodities trade, **oil** fell decisively. **Gold** and other precious metals turned to settle higher. LME **copper** and other key base metals rallied in unison. **Iron ore** (China port 62% Fe) continued lower, but futures headed higher.

The **\$A** was propelled to ~US79.30c after trading at ~US78.55c early yesterday evening.

Regionally today, **Japan** is expected to release July trade figures **9.50am** AEST.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	22025	26	0.2
S&P 500	2468	4	0.1
NASDAQ	6345	12	0.2
FTSE 100	7433	49	0.7
DAX 30	12264	87	0.7
Shanghai Comp	3246	-5	-0.2

Overseas Markets Commentary

Major European and US equities markets headed higher on or near opening overnight, but ultimate gains varied markedly.

There was plenty to mull.

In the **US**, July Federal Reserve policy meeting minutes indicated varying views on relative value in equities, the optimal timing of asset sales, inflation impacts and appropriate rate move timelines.

July housing starts and building permits fell 4.8% and 4.1% respectively for the month.

On the domestic political front, two presidential business advisory groups were disbanded following a slew of resignations.

This was seen by some as likely to further weaken expectations of the president being able to achieve legislation that would support major election promises.

Euro zone June quarter GDP grew 0.6% for the three months and 2.2% year-on-year, according to initial estimates.

June and initial July unemployment indicators

Australia – July employment figures **11.30am** AEST

Today's Stock Watch

Wesfarmers Ltd (WES)

\$2.8B full-year NPAT, following \$407M a year ago. 3.7% higher, \$68.4B revenue. \$1.20 fully-franked final dividend, against 95c. \$4.44 NTA. \$2.542 EPS. \$1.0B cash and equivalents.

QBE Insurance Group (QBE)

30% higher, \$US345M interim NPAT. 5% higher, \$US8.25B revenue. 22c, 30%-franked interim dividend, against 21c fully franked a year ago. Anticipating modest growth full-year written premiums and an ~3% investment return.

Webcast teleconference commencing 10.30am AEST. Access details lodged this morning.

Telstra Corporation (TLS)

32.7% lower, \$3.9B full-year NPAT. 4.9% lower \$28.2B income. 15.5c fully-franked final dividend. 41.9c NTA. Anticipating \$28.3B - \$30.2B FY 2018 income and \$10.7B - \$11.2B EBITDA.

Webcast briefing commencing 11am AEST. Capital management plan, including a new dividend policy, also lodged this morning.

Cochlear Ltd (COH)

18% higher, \$A223.6M full-year NPAT. 7% higher, \$1.2B sales revenue. \$1.40 fully-franked final dividend, up 20c. \$129.4M net debt, up \$11.5M.

Anticipating \$240M - \$250M FY 2018 NPAT.

Mirvac Group (MGR)

13% higher, \$1.2B full-year NPAT. 1% lower, \$3.0B revenue. 5.5c final distribution. 31.4c EPS.

ASX Ltd (ASX)

1.9% higher, \$434.1M full-year NPAT. 2.4% higher, \$764.1M operating revenue. 99.8c fully franked final dividend.

Webcast commencing 10am AEST.

Tatts Group (TTS)

5.7% lower, \$220.5M full-year NPAT. 8.4% lower, \$2.8B revenue. Flat, 8c fully-franked final dividend. 30 November AGM.

Treasury Wine Estates (TWE)

55.3% higher, \$269.1M full-year NPAT. 8.1% higher, \$2.4B sales revenue. 13c, 50%-franked final dividend. \$354.8M net debt, up \$10.2M. \$300M on-market share buy-back. AGM 18 October. Webcast teleconference commencing 10.30am AEST.

Access details lodged this morning.

Resources

Evolution Mining (EVN)

Record \$217.6M full-year NPAT, following a \$24.3M net loss a year ago. 11% higher, \$1.48B revenue. 3c fully-franked final dividend. \$1.25 NTA. 13.23c EPS.

Streamed teleconference commencing 11am AEST.

Energy

Whitehaven Coal (WHC)

\$405.4M full-year NPAT, against \$20.5M a year ago. 52.3% higher, \$1.8B revenue. 20c distribution, pending shareholder approval. \$3.1871c NTA. 25 October AGM.

encouraged in the **UK**.

Tonight in the US, weekly new unemployment claims are due, together with July industrial production, a regional manufacturing index and a Conference Board leading index report.

In the euro zone, European Central Bank (**ECB**) policy meeting minutes will be closely analysed, together with the release of CPI and trade updates.

Companies scheduled to report earnings later today and tonight include: Alibaba, Gap, Walmart and Wynn Macau.

In overnight corporate news, **AP Moeller Maersk** benefited from a positive shipping freight outlook, despite some hefty quarterly charges.

In the US retail sector, **Target Corp** and Urban Outfitters were each pushed higher on well-received outlooks and/or quarterly results that exceeded expectations.

Cisco Systems reported post-US trade, falling on a revenue warning. This could impact some of tonight's tech trade.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1284	oz	4	0.3
Silver (NY) (Sep)	17.1	oz	0.4	2.4
Gold (LON)	1273	oz	2	0.2
Platinum	976	oz	16	1.7
WTI Crude (Sep)	46.8	bbl	-0.8	-1.6
Brent Crude (Aug)	50.3	bbl	-0.5	-1.0
Iron Ore (CHN port 62%)	73.0	t	-0.7	-1.0
Copper	6532	t	153	2.4
Nickel	10760	t	410	4.0
Aluminium	2094	t	45	2.2
Lead	2517	t	136	5.7
Zinc	3119	t	160	5.4
Tin	20025	t	-75	-0.4
CBT Wheat (Sep)	4.19	bshl	-0.11	-2.4

Commodities Commentary

Oil – A US weekly petroleum inventories report from the EIA (government agency) revealed a notable 8.9MMbbl drop in stored crude, but also increasing daily domestic production beyond 9.5MMbbl.

This week's \$US appreciation also stymied any positive sentiment, prices reaching new three-week lows.

Gold – prices continued to head lower early in line with a higher \$US index, but swung to settle higher for the session.

The turn was attributed mostly to US Federal Reserve policy meeting minutes which revealed no consensus on rate rise timing of asset purchase trimming. Some analysts credited bargain-hunting for part of the lift.

Base metals – *aluminium* rallied for a second consecutive session, favouring further gains this week for ASX-listed **ABX** and **AWC**. *Copper* swung higher, despite lower oil prices.

Supply and outlook debates continued amid: China's familiar moves to curb winter pollution; renewed efforts, including higher trading fees, to better regulate futures trade; and new international commentary on the nation's debt.

Pre-Open Announcements

Breville Group (↓ BRG)

7.3% higher, \$53.8M full-year NPAT. 5.1% higher, \$605.7M sales revenue. 15c fully-franked final dividend. \$1.226 NTA.

IRESS Ltd (* IRE)

10% lower, \$29.5M interim NPAT. 9% higher, \$211.8M revenue. 16c, 60%-franked interim dividend. 17.4c EPS. \$20.65M cash and equivalents.

Viva Energy REIT (* VVR)

In the trust's initial interim reporting period, VVR has lodged a \$43.1M NPAT and \$78.8M revenue. Holding \$2.275B worth of assets. \$2.07 NTA.

Adelaide Brighton (* ABC)

10.9% lower, \$68.7M interim NPAT. 4.7% higher, \$718.4M revenue. \$407.4M net debt, up \$62M. Anticipating \$188M - \$198M full-year underlying NPAT.

NRW Holdings (* NWH)

33% higher, \$28.5M full-year NPAT. 28.6% higher, \$370.3M revenue. \$42.3M cash.

Service Stream (* SSM)

42% higher, \$28.4M full-year NPAT. 14.3% higher, \$501.8M revenue. 3c fully-franked final dividend. 15.78c NTA. 7.62c EPS. \$50.9M cash and equivalents. Webcast briefing was scheduled to commence 9am AEST.

Decmil Group (* DCG)

\$13M accommodation civil works contract secured with BHP Billiton's (ASX: BHP) South Flank project.

Pyrolyx Ag (PLX)

Industrial waste transformation specialist completed its ASX listing yesterday following a targeted \$35M IPO at \$1.47 per share/CDI. Opened at \$1.50, slipped to \$1.465 and settled on par. 88,033 shares changed hands across 15 trades. Trading commenced on a deferred settlement basis.

Resources

BC Iron (BCI)

\$5.7M full-year NPAT, following an \$82.7M net loss a year ago. 63% higher, \$64.0M revenue. 27c NTA. \$36.4M cash and equivalents.

Energy

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

ERA has negotiated a revised sales and marketing agreement with RIO Uranium, effective 1 January 2017. Details lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
Structural Monitoring Systems	SMN	17 Aug
Tanga Resources	TRL	17 Aug
Orion Minerals	ORN	18 Aug
Argosy Minerals	AGY	18 Aug
Great Western Exploration	GTE	18 Aug
GR Engineering	GNG	18 Aug
iCollege Ltd	ICT	18 Aug
IKEGPS Group	IKE	18 Aug

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7926	0.0000	0.00
EUR – USD	1.1772	0.0005	0.04

Australian Data Today

ABS	Employment	Jul
RBA	Reserves; forex transactions	Jul

US Data Tonight

Initial jobless claims	12 Aug
Industrial production	Jul
Philadelphia Fed manufacturing index	Aug
Conf Board leading index	Jul

Other Overseas Data Today & Tonight

Japan	Trade balance	Jul
UK	Retail sales	Jul
Euro zone	ECB policy meeting minutes	Jul
Euro zone	CPI (final)	Jul
Euro zone	Trade balance	Jul

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Kingsgate Consolidated KCN 18 Aug

Suspensions (selected)

Company	Code	Since
Azonto Petroleum	APY	21 Jul
BKM Management	BKM	28 Jul
Capital Mining	CMY	14 Aug
Eastern Goldfields	EGS	16 Aug
LWP Technologies	LWP	14 Aug
Manalto Ltd	MTL	28 Jul
Molopo Energy	MPO	27 Jul
Northern Mining	NMI	1 Aug
Surefire Resources	SRN	1 Aug
ZipTel Ltd	ZIP	11 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
FRI	Today	3	100	7.19
FSI	Today	3.75	100	4.53
GUD	Today	25	100	3.76
IPL	Today	27	100	4.65
JHG	Today	~40.39	0	4.43
ANN	Tomorrow	~30.22	0	2.62
CL1	Tomorrow	2	100	1.70
DDR	Tomorrow	4	100	6.47
OML	Tomorrow	4.5	100	3.30
DMP	Mon	44.9	50	2.10
BFG	Tue	2	100	8.58
REA	Tue	51	100	1.35

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	ABC	Full-year
	ASX	Full-year
	EVN	Full-year
	IPH	Full-year
	IRE	Full-year
	MGR	Full-year
	QBE	Interim
	TTS	Full-year
	TLS	Full-year
	TWE	Full-year
	WES	Full-year
	WHC	Full-year
	Tomorrow	ABP
KGN		Full-year
LNK		Full-year
PRY		Full-year
SPK		Full-year
SYD		July
Mon	APN	Interim
	BPT	Full-year
	BSL	Full-year
	BXB	Full-year
	CDD	Full-year



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FMG	Full-year
GMG	Full-year
GOZ	Full-year
GWA	Full-year
IMD	Full-year
NHF	Full-year