

Markets

SFE 200 Futures (9.30am AEST)	6454	-46	-0.7
NZX 50	10654	-150	-1.4
DJIA Futures	25913	-18	-0.1
S&P 500 Futures	2898	0	0.0
NASDAQ Futures	7670	2	0.0

Local Markets Commentary

The Australian market opens mid-week trade with another swag of domestic earnings reports, and negative overnight international equities sentiment, ahead of policy meeting minutes from the US Federal Reserve tonight.

Locally today, the monthly Westpac **leading index** report is due 11.30am AEST.

The Department of Employment also publishes its monthly skilled vacancies index.

Companies trading **ex-dividend** today include **AGL**, **SGR** and **TAH**.
Please see pp4-5 for a detailed list.

In overnight commodities trade, **oil** continued higher, but WTI crude only slightly and Brent also at a slower pace than the previous two sessions.

US **gold** futures (December) swung modestly higher.

Iron ore (Nymex CFR China, 62% Fe) recorded another moderate fall, approaching \$US94.00/t.

LME **copper** turned lower. **Nickel** and **aluminium** continued so.

The **\$A** changed little after trading at ~US67.75c early yesterday evening.

Meanwhile, the US Federal Reserve Kansas City division is preparing to host international central bankers, plus finance, business and political leaders at the Jackson Hole, Wyoming annual conference, focusing on economic policy, from tomorrow night.

G7 leaders are preparing to meet in France over the weekend.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25962	-173	-0.7
S&P 500	2901	-23	-0.8
NASDAQ	7949	-54	-0.7
FTSE 100	7125	-65	-0.9
DAX 30	11651	-64	-0.6
Shanghai Comp	2880	-3	-0.1

Overseas Markets Commentary

Major European and US equities markets swung lower overnight, largely chopped their way through their respective sessions, and settled at or new session lows.

Today's Stock Watch

Seven Group Holdings (SVW)

46.15% lower, \$217.3M full year NPAT. 27.31% higher, \$4.084B revenue. 21c fully franked final dividend.
 \$4.05 NTA, against \$2.46 a year ago.

Brambles Ltd (BXB)

18% lower, \$US454.1M (actual FX) continuing operations full year NPAT. 3% higher, \$US4.595B revenue.
 Flat, 14.5c 30%-franked final dividend.

Crown Resorts (CWN)

28.1% lower, \$401.8M full year NPAT. 5.0% lower, \$2.93B revenue. 30c, 25%-franked final dividend, against 30c, 60%-franked a year ago. \$5.34 NTA, against \$5.26.

Fletcher Building (FBU)

\$NZ164M full year (continuing operations) NPAT, against a \$NZ190M loss a year earlier. 1% higher, \$NZ8.31B revenue.
 NZ15c final dividend. \$NZ325M net debt, against \$NZ1.3B.

WorleyParsons Ltd (WOR)

144.2% higher, \$151.9M full year NPAT. 43.2% higher, \$6.92B revenue. Flat, 15c final dividend. \$11.57 NTA, against \$8.08.
 Meanwhile, WOR has secured a FPSO life extension contract with Vår Energi for the Jotun A vessel.

Stockland (SGP)

69.6% lower, \$311M full year NPAT. 0.2% lower, \$2.77B revenue. 14.1c final distribution. \$4.04 NTA, against \$4.18.

APA Group (APA)

8.8% higher, \$288.10M full year NPAT. 2.7% higher, \$2.45B revenue. 25.5c, 2.66c-franked final distribution.

The A2 Milk Company (A2M)

47.0% higher, \$NZ287.74M full year NPAT. 41.4% higher, \$NZ1.304B revenue. Nil final dividend. \$NZ1.04 NTA.

Domino's Pizza Enterprises (DMP)

4.6% lower, \$115.9M full year NPAT. 24.4% higher, \$1.44B revenue. 52.8c fully franked final dividend.

Bapcor Ltd (BAP)

14.8% higher, \$96.98M continuing operations NPAT.
 4.8% higher, \$1.297B revenue.
 9.5c fully franked final dividend, up 2.5c.

Resources

Iluka Resources (ILU)

5c fully franked final dividend, down 50%.
 8.8% higher, \$137.2M interim NPAT.
 10.1% lower, \$545.6M mineral sands revenue.
 \$141.5M net debt, against \$2M net cash six months earlier. A teleconference was scheduled to commence 9am AEST.



This, on disappointing economic indicators, amid pessimism surrounding an orderly separation of the UK from the European Union, and ahead of key reports and events from tonight through the weekend.

Italy's PM had also earlier resigned after accusing the leader of a government coalition partner of irresponsible behaviour. This underscored views of the nation's fragility and the region's economic risks.

The **European Union** reportedly once again alleged the **UK** was not offering viable alternatives in relation to conditions proposed for the UK-EU separation, in particular for the border 'backstop' plan for EU member Ireland.

Further, officials lambasted the UK PM's proposals, labelling some information as 'misleading' and 'incorrect'.

Other business and broader community debate centred on plans for general EU-UK border movement following the UK PM's comments the previous day.

Meanwhile, US banking regulators reportedly approved some easing of trading rules for large financial institutions.

In overnight data releases, the **euro zone's** July construction output was reported 1% higher year-on-year, against a 1.7% June increase.

In the **UK**, the August CBI industrial trends orders reading improved from -34 to -13.

In the **US**, a Philadelphia region services activity index tumbled from 21.4 to 7.5.

Tonight in the US, the Federal Reserve's July policy meeting minutes are keenly anticipated. July existing home sales and weekly mortgage applications are also due.

Companies scheduled to report earnings later today and tonight include Analog Devices, Barnes & Noble, Lowe's and Target.

In overnight corporate news, US home improvement retailer **Home Depot** warned on full year revenue, citing consumer sentiment in the wake of import taxes on goods from China. However, the company pleased with figures from the most recent quarter's trade and appreciated ~4.5%.

Department store **Kohl's** was pushed more than 5% lower however, following disappointing trade.

Construction company **Toll Brothers** has reported falls in both profit and revenue.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1515.7	oz	4.10	0.3
Silver (NY) (Sep)	17.148	oz	0.208	1.2
Gold (LON)	1497	oz		
Platinum	847	oz	-3	-0.4
WTI Crude (Sep)	56.34	bbl	0.13	0.2
Brent Crude (Oct)	60.03	bbl	0.29	0.5
Iron Ore (CHN port 62%)	94.02	t	-0.34	-0.4
Copper (LME,3mth,PM)	5716	t	-56	-1.0
Nickel	15845	t	-80	-0.5
Aluminium	1782	t	-10	-0.6
Lead	2063	t	7	0.3
Zinc	2230	t	-28	-1.2
Tin	16475	t	20	0.1

Pre-Open Announcements

Spark New Zealand (* SPK)

12.1% higher, \$NZ409.0M full year NPAT.

Flat, \$NZ3.53B revenue.

NZ11c final and NZ1.5c special dividends, each ~29%-franked.

NZ26c NTA.

McMillan Shakespeare (* MMS)

26.6% higher, \$63.67M full year NPAT. 0.8% higher, \$549.68M revenue. Flat, 40c fully franked final dividend. \$2.18 NTA,

against \$2.01. Planning to buy back up to \$80M worth of shares, off-market. A webcast presentation was scheduled to commence 9am AEST.

carsales.com Ltd (* CAR)

53.8% lower, \$A85.27M full year NPAT. 10.78% higher, \$417.49M revenue. 25c fully franked final dividend, up 1.3c.

WiseTech Holdings (* WTC)

32.65% higher, \$54.12M full year NPAT.

57.16% higher, \$348.27M revenue.

1.95c fully franked final dividend.

Emeco Holdings (* EHL)

198.2% higher, \$A34.0M full year NPAT.

21.9% higher, \$464.5M revenue.

Nil final dividend. 58c NTA, against 48c a year ago.

Nearmap Ltd (* NEA)

\$14.93M full year net loss.

45% higher, \$77.64M revenue. 11.74c NTA.

Steadfast Group (* SDF)

Trading halt called this morning.

5.3c fully franked final dividend.

Service Stream (* SSM)

21.3% higher, \$49.86M full year NPAT.

34.6% higher, \$852.18M revenue.

5.5c fully franked final dividend.

\$10.5M net cash.

Corporate Travel Management (* CTD)

12% higher, \$86.24M full year NPAT. 21% higher, \$449.48M revenue. 22c, 50%-franked final dividend, up 1c. 79c NTA.

Megaport Ltd (* MP1)

\$33.55M full year net loss, against a \$24.46M loss a year ago.

78% higher, \$35.06M revenue.

WAM Capital (* WAM)

88.4% drop in full year NPAT to \$14.53M.

86.3% lower, \$25.79M revenue.

7.75c fully franked final dividend. \$1.87 NTA.

IOOF Holdings (* IFL)



Commodities Commentary

Oil – China set its new lending reference rate a little lower yesterday, following on from changes announced over the weekend, and Germany's government offered it would be prepared to take on more debt to counter any recession, rather than arbitrarily keep the national budget balanced, both developments offering support to ultimate overnight oil trade.

Meanwhile, the US administration estimated US sanctions against oil trade from Iran had taken a daily 2.7MMbbl off-market.

Most overnight sector-specific speculation appeared to focus on US stockpiles, however.

A weekly US petroleum inventories report is due tonight from government agency the EIA. Post-overnight trade, the American Petroleum Institute released its weekly report, estimating a 3.5MMbbl crude draw.

The WTI September futures contract expired on settlement overnight, October futures closing at \$US56.13/bbl after slipping US1c/bbl for the session.

Gold – prices turned higher overnight, as safe-haven buying returned, equities interest again waning.

Tonight's US Federal Reserve July policy meeting minutes could swing post-settlement trade.

Key central banker speeches from the Federal Reserve's annual conference at Jackson Hole from tomorrow night, are expected to influence late-week sentiment.

In particular, US Fed chair Jerome Powell will speak on *Challenges for Monetary Policy* overnight Friday.

Base metals – sentiment was pushed and pulled overnight by stimulus expectations, international demand concerns and stockpiles data.

In sector-specific news, China's Xinfu Group was reported to have suspended output from at least one *aluminium* production line following an explosion at a 500,000tpa facility in Zinjiang. This follows concerns at supply from at least one other plant in China following a recent typhoon and associated flooding.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6776	-0.0002	-0.03
EUR – USD	1.1099	-0.0003	-0.02

Australian Data Today

Westpac/MInst	Leading index	Jul
DeptoEmplymnt	Skilled vacancies index	Jul

US Data Tonight

Fed Reserve policy meeting minutes	Jul
Existing home sales	Jul
MBA mortgage applications	16 Aug

An independent reviewer has determined IFL has satisfied the 145 actionable items within the licence conditions imposed by the Australian Prudential Regulation Authority (APRA).

In addition, IFL has appointed former KPMG audit partner Michelle Somerville as an independent non-executive director.

As previously flagged, former Munich Re Australasia chief risk officer Lindsay Smartt has been appointed as an independent non-executive director on the IOOF APRA regulated entity boards.

Ms Somerville is also a director of GPT Group (ASX: GPT).

Resources

Mt Gibson Iron (* MGX)

35% higher, \$A133.4M full year NPAT.

9% higher, \$289.5M revenue.

4c fully franked final dividend.

54.3c NTA, against 45.3c a year ago.

Reports & Events

(selected)

When	Company	Report/Event
Today	A2M	Full year
	ACR	Full year
	AMC	Full year
	APA	Full year
	BAP	Full year
	BXB	Full year
	CAR	Full year
	CTD	Full year
	CWN	Full year
	DMP	AGM
	EML	Full year
	EHL	Full year
	ILU	Interim
	MMS	Full year
	NEA	Full year
	SBM	Full year
	SDF	Full year
SPK	Full year	
SGP	Full year	
TRS	Full year	
WTC	Full year	
WOR	Full year	
YAL	Full year	
Tomorrow	AIZ	Full year
	DOW	Full year
	IFT	AGM
	IRI	Full year
	MIN	Full year

**Other Overseas Data Today & Tonight**

UK	Public sector finances	Jul
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SCG	Interim
STO	Interim
SXL	Full year
VOC	Full year

Trading Halts

Company	Code	Resuming
Australian Vanadium	AVL	21 Aug
BPH Energy	BPH	21 Aug
Cazaly Resources	CAZ	21 Aug
Central Petroleum	CTP	21 Aug
Cullen Resources	CUL	21 Aug
Longtable Group	LON	21 Aug
MGC Pharmaceuticals	MXC	21 Aug
Resources & Energy Group	REZ	21 Aug
Rox Resources	RXL	21 Aug
Tanga Resources	TRL	21 Aug
Technology Metals Australia	TMT	21 Aug
Uniti Wireless	UWL	21 Aug
BlackEarth Minerals	BEM	22 Aug
Broken Hill Prospecting	BPL	22 Aug
Echo Resources	EAR	22 Aug
Fenix Resources	FEX	22 Aug
Golden Mile Resources	G88	22 Aug
Kleos Space	KSS	22 Aug
Tassal Group	TGR	22 Aug

Suspensions *(select)*

Company	Code	Since
Alita Resources	A40	14 Aug
Athena Resources	AHN	14 Aug
AuStar Gold	AUL	31 Jul
CFOAM Ltd	CFO	6 Aug
Freedom Oil & Gas	FDM	8 Aug
Golden Cross Resources	GCR	19 Aug
Gooroo Investments	GOO	1 Aug
Heron Resources	HRR	16 Aug
Homestay Care	HSC	20 Aug
Marquee Resources	MQR	20 Aug
Mobecom Ltd	MBM	29 Jul
Redbank Copper	RCP	7 Aug
South Pacific Resources	SPB	2 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AGL	Today	64	80	6.13
BFG	Today	3.5	100	4.36
SGR	Today	10	100	5.93

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TAH	Today	11	100	2.47
DHG	Tomorrow	4	100	0.61
HGH	Tomorrow	6.5	0	2.10
JBH	Tomorrow	51	100	4.17
KOV	Tomorrow	13	100	4.19
NCM	Tomorrow	21.38	100	0.73
QBE	Tomorrow	25	60	4.06
ARG	Fri	17	100	3.83
CRN	Fri	11.51	100	7.98
IFM	Fri	2.15	0	1.69
LLC	Fri	30	0	2.98
SUL	Fri	28.5	100	5.00