

Markets

SFE 200 Futures (9.30am AEST)	5661	29	0.5
NZX 50	7753	15	0.2
DJIA Futures	21882	8	0.0
S&P 500 Futures	2449	2	0.1
NASDAQ Futures	5878	8	0.1

Local Markets Commentary

The Australian market opens mid-week trade on mixed international leads, as domestic reporting season continues to deliver large-cap stock results and ex-dividend season warms.

In overnight commodities trade, US **gold** futures continued to settle higher and **WTI** crude lower. **Iron ore** (China port, 62% Fe) declined for a second consecutive session. LME **copper** and other key base metals rallied.

The **\$A** pulled back some after approaching ~US79.65c early yesterday evening.

Locally today, June quarter construction work done and July building approvals are due 11.30am AEST.

Companies trading ex-dividend today include **ILU**, **MIN**, **PTM** and **TLS**. Please see p3 for a detailed list.

Regionally, **Japan** releases July retail sales **9.50am** AEST, and later, more detailed trade statistics.

Corporate reports could swing **China's** markets today, as Agricultural Bank of China, China Construction Bank, China Industrial & Commercial Bank, Cosco Shipping Co and Hebei Iron & Steel Co are due to report interim results

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21865	57	0.3
S&P 500	2446	2	0.1
NASDAQ	6302	19	0.3
FTSE 100	7337	-64	-0.9
DAX 30	11946	-178	-1.5
Shanghai Comp	3365	3	0.1

Overseas Markets Commentary

Major European and US equities markets headed lower on or near opening overnight, but key US indices were ultimately pushed to positive settlements.

The US administration continued to assess hurricane and subsequent flooding damage in Texas and Louisiana, and the US president spoke of 'all options' under consideration in response to North Korea's decision to test a longer-range ballistic missile over northern Japan early yesterday.

In **US** data releases, a Case-Shiller June house price index calculated prices rose 5.8% against 5.7% during May.

The Conference Board's consumer confidence reading came in 2.9 points higher for the month, at a five-month high of 122.9.

Tonight in the US, a second reading of June quarter GDP growth and a private sector employment report

Second last trading day of the month, and hence, of major reporting season.

Today's Stock Watch

Boral Ltd (BLD)

16% higher, \$296.9M full-year NPAT. 1.8% higher, \$4.4B revenue. 12c, 50%-franked final dividend. 24.3c EPS. \$237.8M cash and equivalents.

Ramsay Health Care (RHC)

81.5c fully-franked final dividend, against 72c a year ago. 8.6% higher, \$488.9M full-year NPAT. 0.2% higher, \$8.7B income. \$1.89 NTA. \$2.349 EPS. \$419.5M cash and equivalents. Targeting 8% - 10% higher FY 2018 core EPS.

Mesoblast Ltd (MSB)

\$US76.8M full-year net loss, following a \$US4.1M loss a year ago. \$US2.4M revenue, against \$US42.5M. \$US45.8M cash.

Billabong International (BBG)

\$A77.1M full-year net loss. 8.9% lower, \$979.5M revenue. 59c NTA.

Gateway Lifestyle (GTY)

53.4% higher, \$59.7M full-year NPAT. 4.5% higher, \$118.9M revenue. 5.6c final dividend. \$1.48 NTA. Targeting 7% FY 2018 distribution growth. Webcast teleconference scheduled to commence 11am AEST.

Ainsworth Game Technology (AGI)

32% lower, \$37.9M full-year NPAT. 1% lower, \$282.1M revenue. 83c NTA. Comparatively strong 2H FY 2017. 1H FY 2018 trading update promised at the 28 November AGM.

Decmil Group (DCG)

51.3% lower, \$28.3M full-year net loss. 1.5% higher, \$306.0M revenue. Nil final dividend, against 2c a year ago. 78.33c NTA. \$16.9M cash.

GrainCorp Ltd (GNC)

Credit Suisse has re-rated GNC as outperform, from neutral.

Resources

Independence Group (IGO)

\$A17.0M full-year NPAT, following a \$58.8M net loss a year ago. 1% higher, \$421.9M revenue. 1c final dividend. \$2.95 NTA. 2.92c EPS. \$35.8M cash. Webcast teleconference scheduled to commence 10am AEST.

Sandfire Resources (SFR)

62% higher, \$A77.5M full-year NPAT. 10% higher, \$532.5M revenue. 13c fully-franked final dividend. \$2.80 NTA. 49.16c EPS. Webcast teleconference midday AEST.

Energy

Caltex Australia (CTX)

UBS has cancelled its CTX buy recommendation, in favour of a neutral rating.

Santos Ltd (STO)

Three-year gas location swap agreement finalised to enable a minimum of 18PJ to be delivered each year to the southern Australian domestic gas market. STO will receive gas at Wallumbilla, Queensland and supply, from January 2018, equivalent quantities to the domestic market.

are due, together with weekly mortgage applications.

In overnight corporate news, defence and aircraft equipment specialist **United Technologies** was pushed higher on the DJIA, at least in part due to a report it was negotiating a \$20B agreement to purchase **Rockwell Collins**.

Select retails stocks did not fare so well.

Nike suffered a 2% decline from a research ratings downgrade, but fellow footwear specialist **Finish Line** stumbled ~20%.

Best Buy raised its revenue outlook and exceeded June quarter expectations, but nonetheless was pushed 12% lower.

Earlier, **Renault** and **Nissan** said they would join **Dongfeng** (due to report interim results today) in manufacturing electric vehicles in China.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1319	oz	4	0.3
Silver (NY) (Sep)	17.5	oz	-0.1	-0.4
Gold (LON)	1319	oz	33	2.6
Platinum	994	oz	7	0.7
WTI Crude (Oct)	46.4	bbl	-0.1	-0.3
Brent Crude (Aug)	52.0	bbl	0.1	0.2
Iron Ore (CHN port 62%)	76.4	t	-0.7	-1.0
Copper	6792	t	126	1.9
Nickel	11710	t	225	2.0
Aluminium	2095	t	25	1.2
Lead	2378	t	53	2.3
Zinc	3110	t	47	1.5
Tin	20350	t	25	0.1
CBT Wheat (Sep)	4.03	bshl	0.03	0.7

Commodities Commentary

Oil – overnight, ~20% of US refining capacity was estimated to be cut and 10% of crude output, pushing US petrol (gasoline) futures 4.15% higher, to two-year peaks. \$US weakness contained crude falls, however.

Storms, historic rainfall and flooding continue in parts of Texas and Louisiana.

A weekly US petroleum inventories report is due tonight from US government agency EIA.

Gold – traded at 11-month highs (\$US1330/oz) in the US as the \$US continued to weaken, in particular against the euro, yen and Swiss franc.

Some \$US recovery, plus select return to equities risk, pulled prices back from session highs, however.

Base metals – the LME traded for the first time this week, on a much weaker \$US than at Friday's close, and falling LME and Shanghai Futures Exchange (-8.2% in a week) copper inventories.

China's industrial profits, reported on the weekend, rose 16.5%, and Japan's employment figures, released yesterday, were considered encouraging.

Meanwhile, Freeport McMoRan and the **Indonesian** government agreed for the government to acquire 51% of the Grasberg copper-gold operation, following months of regulatory production and export uncertainty and industrial unrest.

Pre-Open Announcements

Dotz Nano (* DTZ)

Planning to develop grapheme-embedded cathodes for lithium ion batteries under a research (and optional licence) agreement secured with Nanyang Technological University, Singapore.

Metcash Ltd (* MTS)

AGM today.

Donaco International (* DNA)

60.6% lower, \$30.99M full-year NPAT. 4.8% lower, \$136.4M revenue. 0.5c final dividend. Planning to pay 10% - 30% of NPAT in dividends on a half-yearly basis. 1.67c NTA. 3.73c EPS.

On-market share buy-back planned to commence in October.

Auckland International Airport (AIA)

International passenger numbers increased 8.3% during July, and domestic passengers 8.8%, for an overall 8.5% increase. Details lodged this morning.

Redflow Ltd (RFX)

\$12.9M full-year net loss. 14% higher, \$1.4M revenue. 11% higher, \$2.2M other income.

Nick Scali (* NCK)

Proposing to purchase the company's Auburn, Sydney store for \$22M. Shareholders will consider the proposal at the 26 October AGM.

Resources

Blackham Resources (* BLK)

Wiluna gold project expansion PFS statistics lodged this morning for a proposed annual 200,000oz operation.

Dacian Gold (DCN)

Heralding RC drilling results from the WA Mount Morgans gold project Maxwells and Allanson prospects. Details lodged this morning.

Kin Mining (* KIN)

WA Leonora gold project resources have topped 1Moz, with 75% qualifying for indicated status. DFS results expected by 30 September.

Regis Resources (* RRL)

Credit Suisse has re-rated RRL as neutral, from underperform.

Energy

Liquefied Natural Gas (* LNG)

\$29.7M full-year net loss, following a \$114.2M loss a year ago. 36% lower, \$367,000 revenue. 11c NTA. \$40.3M cash and equivalents.

Trading Halts

Company	Code	Resuming
De Grey Mining	DEG	30 Aug
Empire Oil & Gas	EGO	30 Aug
iBuyNew Group	IBN	30 Aug
IVE Group	IGL	30 Aug
Murray River Organics Group	MRG	30 Aug
Ausdrill Ltd	ASL	31 Aug
3D Resources	DDD	31 Aug
Cooper Energy	COE	31 Aug

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7952	0.0000	0.00
EUR – USD	1.1970	-0.0004	-0.03

Australian Data Today

ABS	Construction work done	Jun Q
ABS	Building approvals	Jul

US Data Tonight

GDP (2 nd reading of three)	Jun Q
ADP private payrolls	Jul
MBA mortgage applications	25 Aug

Other Overseas Data Today & Tonight

Japan	Retail sales	Jul
Japan	Trade (detailed)	Jul
UK	BoE consumer credit	Jul
UK	Mortgage approvals	Jul
Germany	CPI (prelim)	Aug
Euro zone	Consumer confidence	Aug
Euro zone	Economic sentiment	Aug

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Impact Minerals	IPT	31 Aug
Impression Healthcare	IHL	31 Aug
Kresta Holdings	KRS	31 Aug
Lithium Australia	LIT	31 Aug
Range International	RAN	31 Aug

Suspensions (selected)

Company	Code	Since
BBX Minerals	BBX	23 Aug
Capital Mining	CMY	14 Aug
Cougar Metals	CGM	29 Aug
Eastern Goldfields	EGS	16 Aug
LWP Technologies	LWP	14 Aug
NMG Corporation	NMG	28 Aug
Northern Mining	NMI	1 Aug
ZipTel Ltd	ZIP	11 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AOD	Today	0.31	0	8.57
AUI	Today	18.5	100	3.98
BAP	Today	7.5	100	2.27
CEN	Today	~13.91	0	4.71
DUI	Today	8	100	3.77
HIT	Today	3	100	8.22
IBC	Today	0.75	100	5.46
ILU	Today	6	100	0.62
MIN	Today	33	100	3.65
PRT	Today	1.7	100	7.56
PTM	Today	15	100	4.92
REF	Today	1	100	11.11
SND	Today	1	100	3.33
TLS	Today	15.5	100	8.07
8EC	Tomorrow	2	100	3.23
APX	Tomorrow	3	100	1.35
CIN	Tomorrow	68	100	3.65
IDX	Tomorrow	4	100	4.38
JIN	Tomorrow	5	100	2.93
LHC	Tomorrow	7.5	100	5.54
MRN	Tomorrow	4	100	6.09
MVP	Tomorrow	2	100	0.78
NVT	Tomorrow	10.1	100	4.25
PRY	Tomorrow	5.8	100	3.07
SFC	Tomorrow	14	100	3.44
SHJ	Tomorrow	2	100	3.51
SKC	Tomorrow	~9.29	0	4.77
TWE	Tomorrow	13	50	1.84
VRS	Tomorrow	0.5	100	2.94
WLL	Tomorrow	13.5	100	4.96

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	BBG	Full-year
	BLD	Full-year
	DCG	Full-year
	GTY	Full-year
	IGO	Full-year



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	MTS	AGM
	RHC	Full-year
	SFR	Full-year
Tomorrow	AAD	Full-year
	CKF	Full-year
	EHL	Full-year
	HVN	Full-year
	MQA	Interim
	NXT	Full-year
	ORE	Full-year
	WEB	Full-year