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Market Opener

Monday 5 September 2016

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Please see disclaimer at end of document.

Markets

SFE 200 Futures (9.25am AEST)	**5383**	**35**	**0.7**
NZX 50	7430	4	0.1
DJIA Futures	18505	25	0.1
S&P 500 Futures	2180	2	0.1
NASDAQ Futures	4800	5	0.1

Local Markets Commentary

The Australian market commences a new week's trade amid a plethora of local data and some key regional figures.

Locally pre-trade, AiG releases its August services sector activity index.

Inflation, job advertisements, business indicators and vehicle sales reports are also due today, ahead of the Reserve Bank of Australia's (**RBA**) policy meeting tomorrow.

Stocks trading **ex-dividend** today include **PPT**, **SDA**, **SKI** and **SUL**. *Please see **pp3-4** for a detailed list.*

Also today, Caixin is due to release its final August services PMI estimate for **China 11.45am** AEST. **Japan** is expected to release an August services PMI 10.30am. The Bank of Japan's governor is due to speak publicly **12.30pm**.

In overnight Friday commodities trade, **oil** rallied and **gold** swung higher. LME **copper** settled slightly lower. **Iron ore** turned to recoup Thursday's losses.

The **$A** was pushed past US75.70c after trading at ~US75.45c early Friday evening.

Some caution could be noted in late-trade today, due to a public holiday in the US which will keep markets closed tonight.

The **G20** leaders' summit which commenced in China yesterday, is due to conclude later today.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	**18492**	73	**0.4**
S&P 500	2180	9	0.4
NASDAQ	5250	23	0.4
FTSE 100	6895	149	2.2
DAX 30	10684	150	1.4
Shanghai Comp	3067	4	**0.1**

Overseas Markets Commentary

Major European and US markets settled higher overnight Friday, some sentiment boosted by reduced expectations of a US rate rise by the end of the month.

The **US** August jobs report estimated 151,000 jobs were created, ~30,000 fewer than forecast, and that unemployment remained at 4.9%. The July jobs total was raised 20,000 and the July tally lowered 21,000.

Average hourly earnings were reported 0.1% higher.

In other US data releases, July factory orders rose 1.9% following a 1.8% drop in June.

US – markets will not trade **tonight**, due to a public holiday.

China – Caixin services PMI due **11.45am** AEST.

* Crowdfunder scheduled to list **11am** AEST – **CA8** *

Today's Stock Watch

James Hardie Industries (JHX)

$US35M accelerated buy-back commencing today, as part of the $US100M buy-back announced with JHX's full-year results. The partial buy-back is being managed by Goldman Sachs based on a $A21.37 per-share price. In addition, UBS has commenced JHX research with a buy recommendation and $25 price target. JHX traded on the ASX at $21.35 - $21.99 Friday.

QBE Insurance Group (QBE)

Investor presentation lodged this morning, highlighting interim performance.

Genworth Mortgage Insurance Australia (GMA)

GMA CFO Luke Oxenham has resigned as company secretary. GMA has appointed Prudence Milne to take over this role

Metcash Ltd (MTS)

SPP commencing today and scheduled to close 16 September.

Future Fibre Technologies (FFT)

$A900,000 worth of security (fibre optic) infrastructure contracts secured in Asia and the US.

DateTix Group (DTX)

Cash-flow profitability achieved in Hong Kong for the first time. Details lodged this morning.

CoAssets Ltd (* CA8)

Real estate-focused crowdfunding specialist scheduled to list 11am AEST following a $6.55M IPO at 40c per share.

Amcor Ltd (AMC)

Deutsche Bank is recommending AMC as a buy, cancelling a hold recommendation.

Super Retail Group (SUL)

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

Resources

Global Geoscience (GSC)

Historic, high-grade lithium, assays lodged this morning for the Rhyolite Ridge project, Nevada, USA. South Basin prospect resource estimate anticipated by the end of October. GSC has appreciated the past four trading sessions, settling Friday at 6.2c.

Energy

Woodside Petroleum (* WPL) / BHP Billiton (* BHP)

WPL is acquiring 50% of BHP's offshore WA Carnarvon Basin Scarborough region assets. Consideration comprises $US250M plus a FID-contingent $US150M.

Liquefied Natural Gas (LNG)

Chairman Richard Beresford is stepping down in favour of fellow LNG non-executive director Paul Cavicchi. Mr Beresford is remaining on the LNG board. In addition, LNG development manager Andrew Gould is also taking on the role of joint company secretary, replacing David Gardner.

July trade figures produced an 11.6% lower, $US39.5B deficit, against expectations of $US41.3B - $US42.7B.

The ISM NY business conditions index disappointed, dropping 13.2 to 47.5.

In the **euro zone**, July producer prices rose 0.1% for the month, coming in 2.8% lower for the year.

A **UK** construction PMI appeared to please, improving 3.3 to 49.2.

Services PMIs are due for major Asian and European economies today and tonight.

US markets will **not trade tonight** due to a public holiday.

Commodities

COMMODITY	CLOSE	$US/	+/-	%
Gold (NY) (Dec)	**1327**	oz	10	0.7
Silver (NY) (Dec)	19.3	oz	0.4	2.5
Gold (LON)	1325	oz	15	1.2
Platinum	**1062**	oz	17	1.6
WTI Crude (Oct)	**44.4**	bbl	1.3	**3.0**
Iron Ore (Tianjin)	**59.0**	t	0.6	1.0
Copper (LME)	**4627**	t	-3	-0.1
Nickel	10060	t	150	1.5
Aluminium	1594	t	-21	-1.3
Lead	1943	t	13	0.7
Zinc	2364	t	26	1.1
Tin	19325	t	175	0.9
CBT Wheat (Sep)	**3.73**	bshl	0.05	1.4

Commodities Commentary

Oil – benefited from a $US fall following the US jobs report, but did not settle at session highs, the $US gaining some ground.

Russia's president reportedly ventured OPEC could agree to a production cap later this month while allowing Iran to be the exception.

A weekly US drill rig count revealed one more oil rig in operation.

Brent crude settled at $US46.83/bbl, 6% lower for the week, and 3% higher for the session.

Gold – the $US dropped overnight Friday on the US August employment report, which revealed fewer jobs than forecast were created.

US data releases are expected to be more keenly anticipated than usual this week and through to the 20 – 21 September Federal Reserve policy meeting.

Base metals – general sentiment largely supported by a turn lower for the $US on the release of August US jobs figures.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7565	-0.0002	-0.03
EUR – USD	1.1157	0.0000	0.00

Australian Data Today

AiG	PSI	Aug
TD Securities/MI	Inflation gauge	Aug
ANZ	Job advertisements	Aug
ABS	Business indicators	Jun Q
VFACTS	Vehicle sales	Aug

Pre-Open Announcements

Redflow Ltd (RFX)

Executive RFX chairman Simon Hackett has been appointed acting CEO, on the resignation of Stuart Smith, following RFX's battery manufacturing outsourcing. RFX director Richard Aird has been appointed as COO, and also company secretary. Former company secretary Stuart Smith has resigned.

MSM Corporation International (MSM)

Hong Kong investor presentation lodged this morning. MSM is the re-incarnated Minerals Corporation.

Empired Ltd (EPD)

Appointed to provide the New Zealand Department of Internal Affairs with an enterprise content management system service. EPD will employ its cloud-based 'Cohesion' services with the department

Actinogen Medical (ACW)

$2.78M R&D tax rebate in hand.

Resources

Orinoco Gold (OGX)

Brazil Cascavel gold project production is underway, using 15g/t – 17g/t Au ore feed into the plant which will now take in development as well as production material.

Alacer Gold Corporation (AQG)

Presentation lodged this morning, highlighting interim results.

Troy Resources (TRY)

Proposing to appoint an additional non-executive director. In addition, planning management changes in Guyana. Details lodged this morning.

Sipa Resources (* SRI)

Maiden aircore/RC drilling within the WA Paterson North project Obelisk copper-gold prospect is indicating an extensive mineralised system. Details lodged this morning.

Metal Bank (MBK)

Queensland Triumph gold project New Constitution RC drilling has returned: 10m @ 26.9g/t Au, 165g/t Ag & 6.0% Zn from 51m, including 7m @ 36.3g/t Au, 220g/t Ag and 7.0% Zn.

Energy

Berkeley Energia (BKY)

Heralding high-grade assays returned from drilling beneath the Salamanca uranium project Zona 7 deposit. Details lodged this morning.

88 Energy (88E)

Onshore Alaska Icewine #2 well design finalised. In addition, processing and interpretation of 2D seismic is continuing.

Trading Halts

Company	Code	Resuming
Henry Morgan	HML	5 Sep
Hillgrove Resources	HGO	5 Sep
Imdex Ltd	IMD	5 Sep
MCS Services	MSG	5 Sep
Reproductive Health Services	RHS	5 Sep
Stonewall Resources	SWJ	5 Sep
Cynata Therapeutics	CYP	6 Sep
DigitalX Ltd	DCC	6 Sep
KBL Mining	KBL	6 Sep
Kidman Resources	KDR	6 Sep

Overseas Data Today & Tonight

China	Caixin PMI services	Aug
Japan	PMI services	Aug
Japan	Workforce (provisional)	Jul
UK	PMI services	Aug
UK	Official reserves	Aug
Germany	PMI services (final)	Aug
Euro zone	PMI services (final)	Aug
Euro zone	Sentix investor confidence	Sep
Euro zone	Retail sales	Jul

Need More Information?

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Plukka Ltd	PKA	6 Sep
Tikforce Ltd	TKF	6 Sep
Aura Energy	AEE	7 Sep

Suspensions (selected)

Company	Code	Since
ATC Alloys	ATA	2 Sep
Australia China Holdings	AAK	25 Aug
Diploma Group	DGX	1 Sep
Excalibur Mining Corporation	EXM	15 Aug
G8 Communications	G8C	10 Aug
India Resources	IRL	19 Aug
Interim Resources	IRC	31 Aug
McAleese Ltd	MCS	29 Aug
Mount Ridley Mines	MRD	5 Sep
New Guinea Energy	NGE	12 Aug
Topbetta Holdings	TBH	18 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
ACK	Today	**1**	100	4.00
BWX	Today	**4.8**	100	1.05
CEN	Today	**~12.92**	0	4.48
EGI	Today	**1**	100	2.04
HSN	Today	**4**	100	1.32
ISD	Today	**4.43**	100	2.07
ISU	Today	**1.5**	100	1.64
MGC	Today	**3.91**	100	5.45
NEC	Today	**4**	100	12.06
PHI	Today	**2**	100	0.25
PPT	Today	**130**	100	5.30
SDA	Today	**3.2**	100	1.78
SKI	Today	**7.25**	0	5.30
SUL	Today	**21.5**	100	3.85
VIT	Today	**2.96**	0	2.24
WPP	Today	**2.1**	100	5.02
AMC	Tomorrow	28.62	0	3.49
AWN	Tomorrow	0.3	0	1.03
BEN	Tomorrow	34	100	6.28
BKL	Tomorrow	210	100	3.42
BST	Tomorrow	1.5	100	2.48
DDR	Tomorrow	3.85	100	7.79
IAG	Tomorrow	13	100	4.68
MPL	Tomorrow	6	100	4.06
MVF	Tomorrow	4.5	100	3.68
OCL	Tomorrow	4	100	2.13
OSH	Tomorrow	~1.32	0	1.00
PAC	Tomorrow	5	100	5.85
PEA	Tomorrow	1.5	100	4.03
RHC	Tomorrow	72	100	1.46
SRV	Tomorrow	11	50	2.81
SST	Tomorrow	~24.22	0	2.15
TOX	Tomorrow	4.5	100	3.64
AHY	Wed	4	50	6.92
APO	Wed	6.5	100	3.45
BFC	Wed	0.6	0	1.41
BXB	Wed	14.5	25	2.39
COH	Wed	120	100	1.66
CTE	Wed	0.5	0	4.55
CTX	Wed	50	100	3.53

EVT	Wed	31	100	3.40
IEL	Wed	5.5	35	1.21
IGO	Wed	2	100	0.53
MHJ	Wed	2.5	100	1.47
PGF	Wed	1.5	100	3.45
PPG	Wed	1.5	100	5.50
QAN	Wed	7	100	2.15
SDG	Wed	5	100	4.85
SPO	Wed	5	30	8.17