

## Markets

<b>SFE 200 Futures</b> (9.25am AEST)	<b>5482</b>	<b>-6</b>	<b>-0.1</b>
<b>NZX 50</b>	7353	42	0.6
<b>DJIA Futures</b>	18536	12	0.1
<b>S&amp;P 500 Futures</b>	2178	1	0.1
<b>NASDAQ Futures</b>	4802	3	0.1

## Local Markets Commentary

The Australian market opens today amid another avalanche of corporate financial reports.

International equities leads are negative.

In overnight commodities trade, US **gold** futures climbed. **Oil** continued higher. **Iron ore** swung higher. **Copper** picked up the pace of latest gains.

The **\$A** slipped below US77.0c after the \$US picked up in late trade. The \$A had traded above ~US77.25c yesterday evening.

Locally today, a leading indicators report is due from Westpac and the Melbourne Institute (10.30am AEST), together with the ABS's June quarter wage price index (11.30am). A leading employment indicator is also due 2pm.

**CBA**, **DOW**, **MFG** and **RMD** trade **ex-dividend** today, also.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>18552</b>	-84	<b>-0.5</b>
<b>S&amp;P 500</b>	2178	-12	<b>-0.6</b>
<b>NASDAQ</b>	5227	-35	<b>-0.7</b>
<b>FTSE 100</b>	6894	-47	<b>-0.7</b>
<b>DAX 30</b>	10677	-63	<b>-0.6</b>
<b>Shanghai Comp</b>	3110	-15	<b>-0.5</b>

## Overseas Markets Commentary

Major European and US equities markets fell on opening, in stark opposition to the previous session, and with plenty for traders to digest.

**Germany's** ZEW economic sentiment index bounced 7.3 points to 0.5.

The **euro zone's** trade surplus rose to €29.2B in June, from €24.6B.

In the **UK**, 0.6% year-on-year July CPI growth was mostly attributed to price rises for fuel, alcohol and accommodation.

July producer prices rose 0.3% year-on-year, representing first annual gain in ~two years.

The reports pushed the British pound off five-week lows against the \$US and three-year lows against the euro.

**US** July CPI was estimated flat for the month. Excluding food and energy prices, the monthly increase came in at just 0.1%, and 2.2% for the year.

July industrial production was reported 0.7% higher for the month, following a 0.4% rise in June.

Housing starts increased 2.1%, the best monthly rate in a year, and 5.6% for the year. Building permits pulled back 0.1%.

## Today's Stock Watch

### Commonwealth Bank of Australia (CBA)

Trading ex-dividend (\$2.22) today.

### SAI Global (SAI)

Acquiring US-incorporated software risk management company Modulo Security for \$A6.86M.

### QBE Insurance Group (QBE)

46% lower, \$US265M interim NPAT. 1% lower, \$US7.9B revenue. A21c, 50%-franked interim dividend, up 1c. Teleconference and live webcast commencing 10.30am AEST. Access details lodged this morning.

### CSL Ltd (CSL)

10% lower, \$US1.2B full-year NPAT. \$US6.2B revenue, against \$US5.6B. Sales revenue 8.3% higher. US68c final dividend. \$US3.56 NTA. John Akehurst is retiring a a CSL director, effective 12 October (AGM). Tadataka 'Tachi' Yamada has been appointed as a director, effective 1 September.

### Primary Health Care (PRY)

41.4% lower, \$74.9M full-year NPAT. 3.6% higher, \$1.6M revenue. 6.4c, fully-franked final dividend, against 11c. 7.4c EPS. \$82.3M cash. \$816M net debt.

### Sonic Healthcare (SHL)

29.8% higher, \$451.4M full-year NPAT. 20.3% higher, \$5.1B revenue. 44c final dividend, up 3c. \$1.041 EPS. \$A876M underlying EBITDA. Anticipating 5% FY 2017 EBITDA growth (constant currency).

### Dexus Property Group (DXS)

\$1.3B full-year NPAT, against \$618.7M for FY 2015. 0.8% higher, \$865.5M revenue. 20.46c final distribution. \$7.53 NTA. \$1.306 EPS.

### Stockland (SGP)

1.6% lower, \$889M full-year NPAT. 10.1% higher, \$2.3B revenue. 12.3c final distribution. \$3.82 NTA.

### ARB Corporation (ARB)

7.6% higher, \$47.4M full-year NPAT. 8.4% higher, \$361.2M revenue. 17c fully-franked final dividend.

## Resources

### BHP Billiton (BHP)

\$US6.4B full-year net loss, against a \$US1.9B FY 2015 profit. 31% lower, \$US30.9B revenue. \$US7.2B write-down for US shale assets. \$US1.3B Samarco provision. \$US10.51 NTA. US14c fully-franked dividend, following US62c a year ago. \$US26.1B net debt. Appreciated ~1.5% in overnight international trade.

Meanwhile, Macquarie has reassessed BHP as neutral, from underperform.

### Mt Gibson Iron (MGX)

\$86.3M full-year NPAT, following a \$911.4M net loss for FY 2015. 25% lower, \$244.9M revenue. 35.9c NTA. \$400M cash, term deposits and liquid investments.

### Evolution Mining (EVN)

\$24.3M full-year net loss, against \$100.1M NPAT a year ago. Revenue doubled to \$1.3B. 1c final dividend. \$1.49 NTA.

In addition, two Federal Reserve officials indicated a September rate rise was possible, but the \$US traded at seven-week lows.

**Tonight** in the US, Federal Reserve July policy meeting minutes are keenly anticipated. Weekly mortgage applications are also due.

Carlsberg, US retailer Lowe's, Target Corp, Cisco Systems, Staples, Balfour Beatty and ABN AMRO are among companies scheduled to report earnings today and tonight.

Norway's sovereign wealth fund is also expected to report for the June quarter.

Overnight, **Ford** announced plans for a commercial release of driverless vehicles within five years.

Key European industrial manufacturer **Schindler Holding** sounded a full-year warning on a weaker construction market in China and Brazil's recession. This appeared to hurt general industrial stock sentiment.

US home hardware **specialist Home Depot** lifted its full-year forecast however.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1357</b>	oz	9	<b>0.7</b>
<b>Silver (NY) (Sep)</b>	19.9	oz	0.0	<b>0.1</b>
<b>Gold (LON)</b>	1344	oz	5	<b>0.3</b>
<b>Platinum</b>	<b>1116</b>	oz	8	<b>0.7</b>
<b>WTI Crude (Sep)</b>	<b>46.6</b>	bbl	0.9	<b>1.8</b>
<b>Iron Ore (Tianjin)</b>	<b>61.8</b>	t	1.8	<b>3.0</b>
<b>Copper (LME)</b>	<b>4811</b>	t	44	<b>0.9</b>
<b>Nickel</b>	10255	t	-255	<b>-2.4</b>
<b>Aluminium</b>	1693	t	17	<b>1.0</b>
<b>Lead</b>	1875	t	8	<b>0.4</b>
<b>Zinc</b>	2257	t	-9	<b>-0.4</b>
<b>Tin</b>	18400	t	160	<b>0.9</b>
<b>CBT Wheat (Sep)</b>	<b>4.24</b>	bshl	0.01	<b>0.4</b>

### Commodities Commentary

*Oil* – traded at new five-week peaks, supported by a weaker **\$US** and reports **Nigeria** was producing 700,000 fewer barrels of oil each day, following a series of infrastructure attacks this year.

Earlier, Nigeria's oil minister had expressed doubt any change would come from the proposed September OPEC meeting. **Iran** also reportedly raised questions regarding the chances of any definitive outcome.

Brent crude settled 1.8% higher for the session, at \$US49.23/bbl and again continued to gain following official close.

A weekly US petroleum **inventories** report is due tonight.

*Gold* – a \$US trading at seven-week lows against a basket of currencies, plus weak equities sentiment, supported gold interest.

Reports of a majority gold position by UK fund manager Crispin Odey were also widely circulated.

*Base metals* – trade in general supported by \$US weakness.

*Copper*, due to trade pairing, also benefited from yet higher oil prices.

Stockpiles appeared to hurt *nickel* trade.

## Pre-Open Announcements

### Aurora Labs (\* A3D)

3D metal printers designer and manufacturer completed a most successful ASX listing yesterday, following an ~\$2.85M IPO at 20c per share. Opened at 54c and slipped to 44c before settling at 40c. 1.8M shares were traded across 233 transactions.

### Fletcher Building (\* FBU)

71% higher, \$NZ462M full-year NPAT. 4% higher, \$NZ9.0B revenue. NZ20c final dividend. NZ67c (basic) EPS.

### G8 Education (\* GEM)

Ord Minnett has cancelled a GEM buy recommendation, replacing it with hold.

### Boom Logistics (\* BOL)

\$30.2M full-year net loss, following a \$36.9M loss a year ago. 26% lower, \$152.3M revenue. \$6.8M impairment on the carrying value of assets. 0.35c NTA. \$49.2M net debt, down from \$71.0M. 'Subdued and volatile' customer demand. Presentation lodged post-trade yesterday.

### Spotless Group (\* SPO)

SPO has decided to retain its laundries business. After receiving unsolicited proposals for the business earlier this year, SPO reviewed best likely outcomes, announcing the review late-May. SPO plans to report for the full year 24 August.

## Resources

### Metalicity Ltd (MCT)

Heralding newly-identified lithium targets within the WA Greenbushes and Lake Cowan projects. Details lodged this morning.

## Trading Halts

Company	Code	Resuming
Kidman Resources	KDR	17 Aug
Kin Mining	KIN	17 Aug
Marindi Metals	MZN	17 Aug
Victory Mines	VIC	17 Aug
Caravel Resources	CVV	18 Aug
Fatfish Internet Group	FFG	18 Aug
Geopacific Resources	GPR	18 Aug
Glennon Small Companies	GC1	18 Aug
Kibaran Resources	KNL	18 Aug
Stonewall Resources	SWJ	18 Aug
Topbeta Holdings	TBH	18 Aug
Winmar Resources	WFE	18 Aug

## Suspensions (selected)

Company	Code	Since
Agenix Ltd	AGX	29 Jul
ATC Alloys	ATA	28 Jul
Bass Metals	BSM	29 Jul
Excalibur Mining Corporation	EXM	15 Aug
G8 Communications	G8C	10 Aug
Gleneagle Gold	GLN	25 Jul
Indus Energy	IND	5 Aug
Mount Magnet South	MUM	27 Jul

**Exchange Rates**

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7702	0.0009	0.11
<b>EUR – USD</b>	1.1276	-0.0001	-0.01

**Australian Data Today**

Westpac/MI	Leading index	Jul
ABS	Wage price index	Jun Q
DoEmplt	Employment indicator	Aug

**US Data Tonight**

Federal Reserve policy meeting minutes	Jul
MBA mortgage applications	12 Aug

**Other Overseas Data Today & Tonight**

<b>Japan</b>	Department store sales	Jul
<b>UK</b>	Unemployment (ILO)	Jun
UK	Average earnings	Jun
UK	Jobless claims	Jul

**Need More Information?**

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au).

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New Guinea Energy	NGE	12 Aug
Rox Resources	RXL	12 Aug

**Ex-Dividends**

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>CBA</b>	Today	222	100	5.53
<b>DOW</b>	Today	12	100	4.59
<b>MFG</b>	Today	38	100	3.67
<b>RMD</b>	Today	~3.07	0	1.29
GUD	Tomorrow	23	100	4.26
ANN	Fri	30.7	0	2.60
CSV	Fri	5	0	7.50
FXJ	Fri	2	70	3.96
ARG	Tue	15.5	100	4.01
BFG	Tue	1.75	100	6.21
REA	Tue	45.5	100	1.34
RRL	Tue	9	100	3.14
AGL	24 Aug	36	100	3.56
TLS	24 Aug	15.5	100	5.71

**Reports & Events**

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>ARB</b>	Full-year
	<b>ARI</b>	Full-year
	<b>AOG</b>	Full-year
	<b>CWN</b>	Full-year
	<b>CSL</b>	Full-year
	<b>DXS</b>	Full-year
	<b>FBU</b>	Full-year
	<b>PRY</b>	Full-year
	<b>QBE</b>	Interim
	<b>SHL</b>	Full-year
	<b>SGP</b>	Full-year
	<b>VCX</b>	Full-year
	<b>Tomorrow</b>	AMP
ASX		Full-year
BAP		Full-year
BRS		Full-year
BXB		Full-year
IOF		Full-year
IRE		Interim
MIN		Full-year
ORG		Full-year
SYD		Interim
TTS		Full-year
TWE		Full-year
WEB	Full-year	
WHC	Full-year	
<b>Fri</b>	AHG	Full-year
	AYS	Full-year
	DUE	Full-year
	EVN	Full-year
	IAG	Full-year
	MTR	Full-year
	MPL	Full-year
	MHJ	Full-year
STO	Interim	



	TGR	Full-year
	WPL	Interim
<b>Mon</b>	BLY	Full-year
	BSL	Full-year
	FMG	Full-year
	GWA	Full-year
	IMD	Full-year
	JHC	Full-year
	NHF	Full-year
	NST	Full-year
	SKI	Interim
	UGL	Full-year