

## Markets

<b>SFE 200 Futures</b> (9.25am AEST)	<b>5465</b>	<b>6</b>	<b>0.1</b>
<b>NZX 50</b>	7396	8	0.1
<b>DJIA Futures</b>	18445	1	0.0
<b>S&amp;P 500 Futures</b>	2175	0	0.0
<b>NASDAQ Futures</b>	4776	0	0.0

## Local Markets Commentary

Australian market investors will have plenty to consider today.

A barrage of corporate financial reports is anticipated as it's the last day of August. In addition, several high-profile stocks trade **ex-dividend**. Please see **pp2-3** for a detailed list.

Overnight international equities and commodities leads are mostly negative.

**Oil** continued lower. **Gold** fell. **Copper** traded lower. **Iron ore** turned modestly higher.

The **\$A** was pushed to ~US75.15c after trading at ~US75.50c early yesterday evening.

Among local economic indicator reports today, July financial aggregates, including private sector credit, are due 11.30am AEST. International reserves and foreign currency liquidity will be published post-ASX trade.

**G20** finance ministers and central bank deputy governors are due to meet in Hangzhou, **China**, ahead of the G20 heads of government forum 4 -5 September.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>18454</b>	-49	<b>-0.3</b>
<b>S&amp;P 500</b>	2176	-4	<b>-0.2</b>
<b>NASDAQ</b>	5223	-9	<b>-0.2</b>
<b>FTSE 100</b>	6821	-17	<b>-0.3</b>
<b>DAX 30</b>	10658	113	<b>1.8</b>
<b>Shanghai Comp</b>	3075	5	<b>0.2</b>

## Overseas Markets Commentary

Major European and US markets mostly chopped and swung through overnight trade, amid a rising \$US, falls for key commodities and mixed corporate announcements.

A buoyant Conference Board **US** consumer confidence reading - 101.1, against a forecast 97 and July's 96.7 - helped support near-term US rate rise expectations.

This benefited the \$US and financial stocks on both sides of the Atlantic.

Case-Shiller's US June house price index was reported 5.1% higher year-on-year.

In **Germany**, the initial August CPI growth estimate came in at an annual 0.4%, the same as for July and following forecasts for a 0.5% gain.

A **euro zone** business confidence index dropped from 0.38 last month to 0.2. An overall economic sentiment reading came in one point lower, at 103.5.

**Tonight** in the US, a private sector jobs report, July

\* IP legal services listing **midday AEST - QIP \***

**RBA** - assistant governor financial markets Guy Debelle addresses the Asia FX week conference **11am AEST**.

Last trading day of the month

## Today's Stock Watch

### Commonwealth Bank of Australia (CBA)

Morgan Stanley has reassessed CBA as underweight, from equal-weight.

### Adelaide Brighton (ABC)

8.5c interim and 4c special dividend, each fully-franked. 6.7% lower, \$77.1M interim NPAT. 1.2% higher, \$686M revenue. 11.9c (basic) EPS. \$345.4M net debt. Anticipating \$190M - \$200M full-year NPAT.

### Vita Group (VTG)

39.2% higher, \$35.4M full-year NPAT. 19.1% higher, \$645.1M revenue. 8.21c fully-franked final dividend, against 3.86c plus a 2c special dividend at the end of FY 2015.

### Donaco International (DNA)

1c final and maiden dividend. \$77.2M full-year NPAT, following a \$3M net loss a year ago. \$143.4M revenue, against \$19.1M. 9.03c NTA. 9.29c EPS. \$78.2M cash and equivalents.

### Emeco Holdings (EHL)

\$90.5M full-year net loss, following a \$94.9M loss a year ago. 14.4% lower, \$206.6M revenue. 1c NTA.

### Stockland (SGP)

Director Tom Pockett appointed SGP chairman-elect, on the October 26 (AGM) retirement of Graham Bradley AM. Mr Pockett is a former Woolworths (ASX: WOW) CFO. Mr Bradley joined the SGP board in 2004 and has been chairman since 2005.

### Metcash Ltd (MTS)

AGM today.

### Bradken Ltd (BKN)

UBS has placed a 'sell' on BKN, replacing a neutral assessment.

### QANTM Intellectual Property (\* QIP)

Patents, design and trademarks law and services firm (Davies Collison Cave and FPA Patent Attorneys) scheduled to list midday AEST following a \$146.7M IPO at \$2.22 per share. HSBC 9.20%; JP Morgan 5.22%; National 3.44%.

## Resources

### Independence Group (IGO)

\$58.8M full-year net loss, following a \$76.8M FY 2015 NPAT. 16.6% lower, \$413.2M revenue. \$64M acquisition costs. \$24.9M worth of impairments. 2c final dividend. 2.85c NTA. \$46.3M cash.

### Resolute Gold (RSG)

\$181.7M full-year NPAT. 20% higher, \$554.6M revenue. 1.7c final dividend. 53c NTA.

### Atlas Iron (AGO)

\$159M full-year net loss, against \$1.4B a year ago. 9% higher, \$786M sales revenue. Impacted by \$101M worth of impairments and write-downs.

pending home sales, Chicago PMI and weekly mortgage applications are due.

Air China, Baoshan Iron & Steel, Hebei Iron & Steel and Yanzhou Coal are among companies scheduled to report earnings today and tonight.

Overnight, a European Union ruling that Ireland ought collect up to €13B worth of tax from **Apple** sparked appeal plans by both Ireland and Apple, and pushed the stock ~1% lower.

Tech stock concerns rose, as Dublin hosts the European headquarters for Amazon, Facebook, Google and Microsoft.

**Hershey** dropped more than 10% after late-Monday confirmation that **Mondelez** had scrapped plans to add the brand to its label stable.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1317</b>	oz	-11	-0.8
<b>Silver (NY) (Sep)</b>	18.7	oz	-0.2	-1.0
<b>Gold (LON)</b>	1318	oz	-0.6	-0.1
<b>Platinum</b>	<b>1055</b>	oz	-21	-2.0
<b>WTI Crude (Oct)</b>	<b>46.4</b>	bbl	-0.6	-1.3
<b>Iron Ore (Tianjin)</b>	<b>59.0</b>	t	0.2	0.3
<b>Copper (LME)</b>	<b>4607</b>	t	-8	-0.2
<b>Nickel</b>	9830	t	-10	-0.1
<b>Aluminium</b>	1630	t	-14	-0.9
<b>Lead</b>	1878	t	-10	-0.5
<b>Zinc</b>	2311	t	-9	-0.4
<b>Tin</b>	18800	t	-90	-0.5
<b>CBT Wheat (Sep)</b>	<b>3.63</b>	bshl	-0.07	-2.0

### Commodities Commentary

*Oil* – prices were impacted overnight by the **\$US** at three-week highs and **Iran's** confirmation it expected to be producing a daily 4MMbbl (equivalent to pre-sanctions output) by the end of the year.

Brent crude settled 1.8% lower for the session, at \$US48.37/bbl.

Meanwhile, greater than 20% of Gulf of Mexico output was reported to be affected by shutdowns due to a threatening storm.

Weekly US petroleum **inventories**, as estimated by government agency EIA, are due tonight. Overnight post-US trade, the API reported a 942,000bbl increase in US crude inventories last week.

*Gold* – **\$US** strength also hurt gold sentiment, with caution expected to remain ahead of Friday's US employment figures at the start of a Monday public holiday weekend.

*Base metals* – overnight trade also hurt by the \$US. Some end-of-month positioning, plus caution ahead of final August PMIs, is anticipated tonight.

Potential industrial action at a Chile *copper* mine helped support copper overnight.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7515	0.0006	0.08
<b>EUR – USD</b>	1.1148	0.0006	0.05

### Australian Data Today

RBA	Financial aggregates	Jul
RBA	International reserves	Jul

## Pre-Open Announcements

### Tox Free Solutions (\* TOX)

UBS has cancelled a TOX buy recommendation, replacing it with a neutral rating.

### Resources

#### Panoramic Resources (\* PAN)

\$144.4M full-year net loss, following a \$28.8M loss a year ago. 54% lower, \$92.1M revenue. 75c NTA. \$19.4M cash and equivalents.

#### BC Iron (\* BCI)

Haematite iron resources total 578.6Mt @ 57.0% Fe. Reserves are estimated at 278.5Mt @ 58.0% Fe. Magnetite iron resources total 1.1Bt @ 30.4% Fe.

#### Berkut Minerals (\* BMT)

WA-based explorer completed a successful ASX listing yesterday following a \$3.5M IPO at 20c per share. Opened at 23c and traded at 22c – 25c before settling at 24.5c. 740,582 shares were traded across 36 transactions.

### Energy

#### Liquefied Natural Gas (LNG)

\$115.2M full-year net loss, following an \$85.7M loss a year ago. 15% lower, \$569,000 revenue. 16c NTA. \$67.2M cash and equivalents.

### Trading Halts

Company	Code	Resuming
Realm Resources	RRP	31 Aug
Tlou Energy	TOU	31 Aug
TV2U International	TV2	31 Aug
Wellard Ltd	WLD	31 Aug
Lakes Oil	LKO	1 Sep
Winmar Resources	WFE	1 Sep

### Suspensions (selected)

Company	Code	Since
Australia China Holdings	AAK	25 Aug
Brierty Ltd	BYL	26 Aug
Excalibur Mining Corporation	EXM	15 Aug
G8 Communications	G8C	10 Aug
India Resources	IRL	19 Aug
Indus Energy	IND	5 Aug
Interim Resources	IRC	31 Aug
McAleese Ltd	MCS	29 Aug
New Guinea Energy	NGE	12 Aug
Topbetta Holdings	TBH	18 Aug

### Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>AMP</b>	Today	<b>14</b>	90	5.16
<b>CIN</b>	Today	<b>75</b>	100	3.53
<b>FSF</b>	Today	<b>~8.04</b>	100	5.51
<b>IDX</b>	Today	<b>4</b>	100	2.37
<b>MIN</b>	Today	<b>21</b>	100	2.62
<b>MOC</b>	Today	<b>8.5</b>	100	6.88



RBA Forex liquidity Jul

**US Data Tonight**

Pending home sales Jul  
 ADP employment change Aug  
 Chicago PMI Aug  
 MBA mortgage applications 26 Aug

**Other Overseas Data Today & Tonight**

**China** Wstpc/MNI consumer sentiment Aug  
**Japan** Industrial production (prelim) Jul  
 Japan Vehicle production & exports Jul  
 Japan Construction orders Jul  
 Japan Housing starts Jul  
**UK** GfK consumer confidence Aug  
**Germany** Unemployment Aug  
**Euro zone** CPI Aug  
 Euro zone Unemployment Jul  
**Brazil** GDP JunQ  
**India** GDP JunQ

**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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<b>MRN</b>	Today	<b>2</b>	100	4.04
<b>NVT</b>	Today	<b>9.9</b>	100	3.68
<b>PTM</b>	Today	<b>16</b>	100	5.64
<b>SGR</b>	Today	<b>7.5</b>	100	2.18
<b>TTS</b>	Today	<b>8</b>	100	4.51
<b>TWE</b>	Today	<b>12</b>	0	1.78
APX	Tomorrow	2	100	1.47
AUI	Tomorrow	18.5	100	4.44
AWQ	Tomorrow	4	0	4.00
BAF	Tomorrow	5	100	4.08
BHP	Tomorrow	18.19	100	1.87
BLA	Tomorrow	16	100	2.06
BLX	Tomorrow	2.4	100	2.76
CCL	Tomorrow	21	75	4.50
CGF	Tomorrow	16.5	100	3.56
DCG	Tomorrow	2	100	4.62
DUI	Tomorrow	7.5	100	4.06
DWS	Tomorrow	5	100	6.84
EOL	Tomorrow	1	0	2.50
GWA	Tomorrow	9	100	5.14
HLO	Tomorrow	2	100	0.47
JIN	Tomorrow	5	100	3.72
LHC	Tomorrow	7.5	0	5.84
MVP	Tomorrow	2	100	0.77
MYS	Tomorrow	14.5	100	6.72
PGH	Tomorrow	11	65	3.39
PRY	Tomorrow	6.4	100	2.93
PWH	Tomorrow	3.78	100	1.49
REF	Tomorrow	1	100	8.70
SFC	Tomorrow	13	100	4.50
SKC	Tomorrow	9.07	0	3.55
SXL	Tomorrow	3.5	100	4.67
VLW	Tomorrow	10	100	7.35
WLL	Tomorrow	13.5	100	4.24
AFG	Fri	5.4	100	6.61
CYC	Fri	0.5	46	0.85
FAN	Fri	22	100	4.52
FMG	Fri	12	100	2.95
IFM	Fri	1	100	3.79
MLD	Fri	4.5	100	5.00
MNF	Fri	3.5	100	1.61
PBP	Fri	1.5	100	3.13
REG	Fri	5.94	100	3.32
SHV	Fri	25	100	6.66
SIV	Fri	25	100	4.03
TNK	Fri	4	100	4.93

**Reports & Events**

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>ABC</b>	Interim
	<b>EHL</b>	Full-year
	<b>HVN</b>	Full-year
	<b>IGO</b>	Full-year
	<b>MTS</b>	AGM
	<b>WEC</b>	Full-year