

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	<b>5682</b>	<b>4</b>	<b>0.1</b>
<b>NZX 50</b>	7752	-31	-0.4
<b>DJIA Futures</b>	22017	-13	-0.1
<b>S&amp;P 500 Futures</b>	2468	-5	-0.2
<b>NASDAQ Futures</b>	5905	-13	-0.2

## Local Markets Commentary

The Australian market commences mid-week trade on mixed international equities and commodities leads, ahead of further key regional data.

In overnight commodities trade, **oil** extended Monday's pullback. **US gold** futures continued a little higher. **Iron ore** turned lower but remained above \$US75.3/t. **LME copper** and other key base metals rallied.

The **\$A** was pushed towards US79.10c, after trading at ~US79.30c early yesterday evening.

Regionally today, **China** is due to release July CPI and producer prices **11.30am** AEST.

**Locally**, the Melbourne Institute and Westpac publish a monthly consumer sentiment report, 10.30am AEST.

The final day of the Diggers & Dealers forum will deliver further resources sector announcements and updates.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>22085</b>	-33	<b>-0.2</b>
<b>S&amp;P 500</b>	2475	-6	-0.2
<b>NASDAQ</b>	6370	-13	-0.2
<b>FTSE 100</b>	7543	11	0.1
<b>DAX 30</b>	12292	35	0.3
<b>Shanghai Comp</b>	3282	2	0.1

## Overseas Markets Commentary

Major European and US equities markets diverged overnight.

North Korea weapons and sanctions impact commentary from Japan and China concerned, while the US and North Korea traded barbs, before, through and after US trade.

Earlier, **China's** July export and import growth had surprised on the downside.

**Germany's** June trade surplus followed late yesterday. This rose a further €0.9B to €21.2B, but forecasters were flummoxed on a 0.7% year-on-year exports gain, down from 14.1% in May, and 3.6% annual imports growth, following 16.3% for May.

Among **US** data releases, a job opportunities report estimated 6.16M opportunities in June, following 5.7M in May.

A general economic optimism index (IBD/TIPP) rose 2.3 points to 52.5, while a July small business optimism reading (NFIB) came in at 105.2, following 103.6 in June.

**Tonight** in the US, a June quarter productivity

## China – July CPI 11.30am AEST

**RBA** – assistant governor financial markets Christopher Kent was scheduled to speak publicly 8.35am AEST

## Today's Stock Watch

### Commonwealth Bank of Australia (CBA)

Four CBA directors have been appointed as a sub-committee to oversee CBA's response to AUSTRAC's statement of claim and an action plan already underway to support policy and process. Chairman's statement lodged this morning, highlighting the action plan.

CBA is also this morning reporting 7.6% higher, \$9.93B full-year NPAT. 4.6% higher, \$9.88B cash profit.

1% higher, \$44.9B revenue. \$2.30 fully-franked final dividend. \$5.74 (cash) EPS. AGM scheduled for 16 November.

### Sky City Entertainment (SKC)

69.2% drop in full-year NPAT to \$NZ44.9M. 7.2% lower, \$NZ1.0B revenue. Results impacted by a \$NZ99.5M Darwin goodwill impairment. NZ10c final dividend, fully-franked in New Zealand only. NZ37.7c NTA.

### Incitec Pivot (IPL)

IPL has appointed Jeanne Johns as MD and CEO, to take over 15 November from James Fazzio, whose retirement from IPL roles was announced in February. Ms Johns is a Tate & Lyle and Parsons Corp director and formerly headed BP's operating management system excellence unit.

### Carsales.com Ltd (CAR)

\$109.5M full-year NPAT, following \$109.3M for a year ago. 8% higher, \$372.1M revenue. Results include a previously announced \$7.5M iCar Asia (ASX: ICQ) impairment. 21.5c fully-franked final dividend.

### Creso Pharma (CPH)

CPH co-founder and executive chair Boaz Wachtel is assuming a non-executive chairman role. In association, CPH is appointing Stu Fillman as an Australian-based medical manager and seeking a CEO for Canada, having acquired Mernova Medicinal Inc. Dr Fillman was most recently Sanofi Genzyme rare diseases national screening manager.

### Spark Infrastructure (SKI)

Kerry Schott AO has resigned as TransGrid's chairwoman, in order to accept a position on the Energy Security Board (ESB).

The ESB was established to coordinate the implementation of recommendations from the Finkel review into energy security. SKI holds 15% of TransGrid.

### Air New Zealand (AIZ)

Deutsche Bank has placed a 'sell' on AIZ, cancelling hold advice. 12% higher, \$NZ2.75 price target. AIZ has traded on the ASX at \$A3.09 - \$A3.17 the past week.

## Resources

### Australian Bauxite (ABX)

LME aluminium rallied again overnight. Yesterday, ABX revealed it has applied with marketing partner Rawmin for a regional jobs and investment scheme government grant, in support of Binjour project development, central Queensland. ABX slipped 3.1% yesterday, after adding 6.7% Monday and trading at 14.5c - 16.5c the past month.

report, June wholesale inventories and weekly mortgage applications are due.

Autohome, Bridgestone, Eon, Legal & General, Mitsui Mining & Smelting, Shiseido, Twenty-First Century Fox and Weibo are among companies scheduled to report earnings later today and tonight.

In overnight corporate news, **Disney** revealed video streaming plans.

**Blackstone** announced a proposed purchase of a majority holding in a real estate portfolio held by (rescued) Banco Popular Espanol.

**Nissan** revealed it was offloading its holding in a battery business JV, to China investment firm **GSR**.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1266</b>	oz	1	0.1
<b>Silver (NY) (Sep)</b>	16.4	oz	0.2	1.1
<b>Gold (LON)</b>	1262	oz	4	0.3
<b>Platinum</b>	969	oz	3	0.3
<b>WTI Crude (Sep)</b>	<b>49.2</b>	bbl	-0.2	-0.4
<b>Brent Crude (Aug)</b>	<b>52.1</b>	bbl	-0.2	-0.4
<b>Iron Ore</b> (CHN port 62%)	<b>75.5</b>	t	-0.7	-0.9
<b>Copper</b>	<b>6480</b>	t	66	1.0
<b>Nickel</b>	10630	t	230	2.2
<b>Aluminium</b>	2030	t	66	3.4
<b>Lead</b>	2383	t	22	0.9
<b>Zinc</b>	2925	t	67	2.3
<b>Tin</b>	20210	t	-390	-1.9
<b>CBT Wheat (Sep)</b>	<b>4.57</b>	bshl	-0.07	-1.4

### Commodities Commentary

**Oil** – swinging trade featured overnight, amid choppy currencies trade and an absence of commentary from the OPEC meeting in Abu Dhabi.

Saudi Arabia was forecast to cut exports to Asia by up to 10% during September.

The EIA (US government agency) predicted daily 2018 domestic crude output could reach a mean 9.9MMbbl, against a record 9.6MMbbl/d for 1970.

The EIA's weekly US petroleum inventories report is due tonight.

**Gold** – prices swung within a comparatively large range, pushed and pulled by geopolitical issues (eg US-North Korea), \$US turns and a second consecutive sessional fall for oil prices.

**Base metals** – **China's** July trade figures, published yesterday, revealed a significant slowing in both imports(+11.0% v 17.2%) and exports (+7.2% v 11.3%), but most metals rallied.

**Germany's** June exports and imports, published late yesterday, also fell, by 2.8% and 4.5% respectively.

China's CPI and producer prices are due for release this morning.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7911	-0.0002	-0.03
<b>EUR – USD</b>	1.1760	0.0006	0.05

### Australian Data Today

Wstpc/MInst	Consumer sentiment	Aug
ABS	Housing finance	Jun

## Pre-Open Announcements

### Janus Henderson Group (\* JHG)

June quarter and half-year figures published post-trade yesterday. Initial combined results reporting period.

### Opthea Ltd (OPT)

Presenting OPT-302 clinical trial data at the American Society of Retina Specialists' annual meeting, 11 – 15 August, and the Ophthalmology Innovation Summit, 10 August. Each event will be held in Boston, Massachusetts.

## Resources

### Independence Group (\* IGO)

WA Nova project site visit presentation lodged this morning, in association with the Diggers & Dealers forum, Kalgoorlie-Boulder. IGO has traded at \$3.07 - \$3.16 (yesterday's settlement price) the past two sessions.

## Energy

### Whitehaven Coal (WHC)

Bank facility refinanced on more favourable terms into a \$A1B line of credit and \$A200M bank guarantee. Oversubscribed. July 2021 maturity.

## Quickstep Holdings (QHL)

*Quickstep – public presentation by new QHL management*

Quickstep Holdings Ltd (ASX: QHL) is offering a unique opportunity to hear and discuss growth plans with the company's recently appointed MD and CEO, CFO and EGM technology, at a presentation in Perth.

16 August  
2.15pm – 2.30pm  
The Orelia Room, Mercure Hotel  
10 Irwin Street, Perth

Please RSVP by COB Friday 11 August  
to [lhill@stateone.com.au](mailto:lhill@stateone.com.au)  
or 0447 447 897

**State One Executive Chairman Alan Hill**

## Trading Halts

Company	Code	Resuming
AusCann Group	AC8	9 Aug
AVZ Minerals	AVZ	9 Aug
Funtastic Ltd	FUN	9 Aug
MinRex Resources	MRR	9 Aug
Golden Rim Resources	GMR	10 Aug
Sensera Ltd	SE1	10 Aug

## Suspensions (selected)

Company	Code	Since
Azonto Petroleum	APY	21 Jul
BKM Management	BKM	28 Jul
Manalto Ltd	MTL	28 Jul

**US Data Tonight**

Wholesale inventories (final)	Jun
Productivity (prelim)	Jun Q
MBA mortgage applications	4 Aug

**Other Overseas Data Today & Tonight**

<b>China</b>	CPI	Jul
China	PPI	Jul
<b>Japan</b>	Machine tool orders	Jul
<b>UK</b>	BoE business conditions	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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Metalicity Ltd	MCT	7 Aug
Molopo Energy	MPO	27 Jul
Northern Mining	NMI	1 Aug
Premiere Eastern Energy	PEZ	11 Jul
Realm Resources	RRP	14 Jul
ResApp Health	RAP	2 Aug
Surefire Resources	SRN	1 Aug

**Ex-Dividends**

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AYJ	Tomorrow	48	5	10.80
AYK	Tomorrow	34	90	3.72
AYZ	Tomorrow	69	60	3.71
MLT	Tomorrow	10	100	4.05
RIO	Tomorrow	137.72	100	4.56
8IH	Fri	0.25	0	1.19
MGP	Fri	0.2	0	2.35
TAH	Fri	12.5	100	5.84

**Reports & Events**

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>CAR</b>	Full-year
	<b>CBA</b>	Full-year
	<b>SKC</b>	Full-year
<b>Tomorrow</b>	AGL	Full-year
	AMP	Interim
	MFG	Full-year
	ORA	Full-year
	VAH	Full-year
<b>Fri</b>	BBN	Full-year
	NAB	Trading update
	NWS	Jun Q
	REA	Full-year
	RNY	Interim
<b>14 Aug</b>	ANN	Full-year
	AZJ	Full-year
	BEN	Full-year
	JBH	Full-year
	NCM	Full-year
	OML	Interim