

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	<b>6185</b>	<b>17</b>	<b>0.3</b>
<b>NZX 50</b>	8878	5	0.1
<b>DJIA Futures</b>	25055	22	0.1
<b>S&amp;P 500 Futures</b>	2814	2	0.1
<b>NASDAQ Futures</b>	7430	-1	0.0

## Local Markets Commentary

The Australian market commences today's trade on generally weak overnight international trade leads, and with plenty of domestic quarterly corporate reports and earnings updates to consider.

In overnight commodities trade, **WTI** crude and **US gold** futures turned lower. Brent crude settled barely changed.

**Iron ore** (China port, 62% Fe) swung higher.

LME **copper** and **nickel** were pushed lower. **Aluminium** extended Friday's rally.

The **\$A** traded sub-US73.85c after falling to ~US74.0c early yesterday evening.

**Locally** today, a weekly consumer sentiment reading is due pre-trade.

Regionally, **Japan's** initial July manufacturing PMI is expected at **10.30am** AEST.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	25044	-14	<b>-0.1</b>
<b>S&amp;P 500</b>	2807	5	0.2
<b>NASDAQ</b>	7842	22	0.3
<b>FTSE 100</b>	7656	-23	-0.3
<b>DAX 30</b>	12549	-13	-0.1
<b>Shanghai Comp</b>	2860	30	1.1

## Overseas Markets Commentary

Choppy trade featured across most major European and US equities markets overnights, the NASDAQ the exception and the S&P 500 soon settling.

Bond prices fell in the US, Europe and Japan, and a few large-cap stocks reported ahead of a week featuring high-profile stock reports across the US, Europe and Asia.

Earlier, the yen had appreciated against the \$US, on expectations of a possible monetary policy adjustment, as early as next week's Bank of Japan policy meeting.

In overnight data releases, US June existing home sales fell 0.6%, the third consecutive monthly decline. For the year to 30 June, sales were down 2.2%, on a cocktail of higher prices and rates, and reduced supply.

A 0.43 June Chicago Fed National Activity Index well exceeded expectations after falling to -0.45 in May.

A euro zone consumer confidence reading remained flat for the month, at -0.6.

**Tonight** in the US, Markit's initial July manufacturing and services PMIs, a regional manufacturing index and May house price index are

## Today's Stock Watch

### Westpac Banking Corporation (WBC)

WBC has appointed former HSBC Global Asset Management (Hong Kong) chair, and previous Hong Kong CEO of The Hongkong & Shanghai Banking Corporation, Anita Fung as an independent non-executive director, likely from 1 October.

Ms Fung remains a director of China Construction Bank Corporation and several additional Asian entities.

### Primary Health Care (PRY)

Non-executive chair Rob Ferguson is retiring from the PRY board, for family reasons.

Non-executive PRY director Rob Hubbard will take over from Mr Ferguson.

In addition, PRY has appointed former AMP Capital, Westpac and Compass group executive Sally Evans as an independent non-executive director, effective 21 August.

### Kogan.com Ltd (↓ KGN)

Expecting 40% FY 2018 revenue growth and 90% higher EBITDA.

\$41.99M cash as at 30 June

### Pinnacle Investment Management (PNI)

Commencing a \$A60M institutional placement at \$5.50 per share.

A \$10M SPP is planned at the same price.

Paying a 7c FY2018 fully franked final dividend.

Anticipating 92.5% growth in FY 2018 continuing operations NPAT to \$23.1M.

\$31.4M cash and principal investments.

Trading halt called this morning. PNI has traded at \$5.48 - \$5.75 over the past five trading sessions.

### Atlas Arteria (ALX)

June quarter toll revenue rose 5.9%, pushing the January - June total to a 5.7% increase. June quarter revenue rose 7%.

## Resources

### Mineral Resources (MIN)

Confirming offers to purchase up to 49% of MIN's Wodgina lithium project have been invited by mid-late August.

MIN is hoping to announce an outcome by year's end.

Resuming from a trading halt having last traded at \$16.46.

### Iluka Resources (ILU)

Produced 561,800t of mineral sands for the six months to 30 June, 17.5% fewer tonnes than a year earlier.

Sold 558,100t, representing a 1.7% increase on January - June 2017.

Revenue rose 20.5% to \$A606.9M.

Net debt dropped from \$A183M to \$A34M.

### Resolute Gold (RSG)

Produced 284,000oz of gold at a \$A1355/oz AISC during FY 2018, supported by 75,000oz for the June quarter, at a \$A1303/oz AISC.

Sold 262,381oz of gold at \$A1703/oz during FY 2018.

\$A110M cash, bullion and listed investments.

Expecting to production 300,000oz at a \$A1280/oz AISC during FY 2019.

due.

Companies due to report earnings later today or tonight or provide an update include 3M, AT&T, Hochtief, Kimberly Clark, Lockheed Martin, Mitsubishi Motors, PZ Cussons, Texas Instruments, UBS, United Technologies and Verizon.

In overnight corporate news, toy and game manufacturer **Hasbro** was pushed 13% higher on quarterly sales, profit and outlook that soundly surpassed expectations.

Likewise **Alphabet** surprised on the upside, but the figures were reported post-US trade, so these are expected to influence at least some of tonight's early sentiment. Overnight, the stock rose ~1%, ahead of the report.

**Halliburton** suffered an 8% decline, even though the group delivered on its forecasts.

**Tesla** was again punished, this time on reports it had requested suppliers refund to Tesla some payments.

Health and health insurance were in focus, with an agreement for Apollo Global Management's **RCCH HealthCare Partners** to acquire **LifePoint Health** for \$US5.6B

France's **Atos** SE in the meantime sealed a deal to pay \$3.4B for **Syntel**.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Aug)</b>	<b>1224</b>	oz	-7	-0.6
<b>Silver (NY) (Sep)</b>	15.4	oz	-0.15	-1.0
<b>Gold (LON)</b>	1225	oz	-4	-0.3
<b>Platinum</b>	831	oz	6	0.7
<b>WTI Crude (Sep)</b>	<b>67.9</b>	bbl	0.4	-0.5
<b>Brent Crude (Sep)</b>	<b>73.06</b>	bbl	-0.01	-0.0
<b>Iron Ore</b> (CHN port 62%)	<b>65.75</b>	t	0.65	0.9
<b>Copper</b> (LME,3mth,PM)	<b>6130</b>	t	-18	-0.3
<b>Nickel</b>	13400	t	-130	-1.0
<b>Aluminium</b>	2069	t	40	2.0
<b>Lead</b>	2134	t	-1	-0.1
<b>Zinc</b>	2555	t	-20	-0.8
<b>Tin</b>	19475	t	-10	-0.1
<b>CBT Wheat (Jul)</b>	<b>5.14</b>	bshl	-0.02	-0.3

### Commodities Commentary

**Oil** – prices ebbed and waned overnight, rising on US-Iran counter threats and industrial action in the UK-controlled region of the North Sea, and slipping on speculation of slowing demand against reports of rising supplies in select hubs.

**Gold** – swinging gold prices were also recorded overnight. Futures traded almost at one-year lows again after continuing higher in early trade.

**Base metals** – global growth guessing also appeared to influence overnight base metals trade.

China has reportedly commenced an anti-dumping investigation involving up to \$US1.3B worth of stainless steel imports.

Short-term supply fears supported *zinc*, and US talk late last week of easing sanctions on Rusal continued to benefit *aluminium* trade, the metal extending Friday's rally.

Initial July manufacturing PMIs due today and tonight for Japan, the euro zone and US could influence some of tonight's trade.

Meanwhile, the Escondida, Chile *copper* operation

## Pre-Open Announcements

### Auckland International (\* AIA)

Passenger numbers grew 5.7% for the year to 30 June, to reach 20.5M.

Domestic passenger numbers rose 7.7% and the international passenger tally by 4.7%.

### Tikforce Ltd (TKF)

Suspension called post-trade yesterday, following a potential confidentiality breach regarding a 'significant transaction'.

TKF has requested the suspension remain up to the commencement of trade 10 August, if no appropriate announcement can be made before then.

### Viva Energy REIT (VVR)

Planning to release interim results 23 August and to host a webcast teleconference commencing 10am AEST that day.

Access details lodged post-trade yesterday.

## Resources

### King River Copper (KRC)

Resuming from a trading halt with 99.51% vanadium pentoxide (V<sub>2</sub>O<sub>5</sub>) having been produced during test work using ore from KRC's Speewah project, east Kimberley region, Western Australia.

KRC last traded at 9.6c.

## Energy

### Galilee Energy (\* GLL)

Queensland Glenaras pilot production update lodged this morning.

### Carnarvon Petroleum (\* CVN)

Phoenix South-3 drilling update lodged this morning. CVN 20%; Quadrant Energy 80%.

## Reports & Events

(selected scheduled)

When	Company	Report/Event	
<b>Today</b>	<b>ALX</b>	Jun Q	
	<b>AIA</b>	Jun	
	<b>COE</b>	Full year	
	<b>GXY</b>	Interim	
	<b>ILU</b>	Jun Q	
	<b>RSG</b>	Jun Q	
<b>Tomorrow</b>	<b>SXY</b>	Jun Q	
	<b>SBM</b>	Jun Q	
	<b>Thu</b>	<b>BCI</b>	Jun Q
		<b>BPT</b>	Jun Q
		<b>FMG</b>	Jun Q
<b>NCM</b>		Jun Q	
<b>MQG</b>		AGM	
<b>Fri</b>	<b>OGC</b>	Jun Q	
	<b>GUD</b>	Full year	
<b>Mon (30 Jul)</b>	<b>SFR</b>	Jun Q	
	<b>IGO</b>	Jun Q	
	<b>SYR</b>	Jun Q	



remains in focus, as worker contract negotiations head towards next week's expiry of current arrangements.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7379	-0.0002	-0.03
<b>EUR – USD</b>	1.1690	-0.0002	-0.02

### Australian Data Today

ANZ/RyMgn	Consumer confidence	22 Jul
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### US Data Tonight

FHFA house prices	May
Markit PMIs manufacturing, services (init)	Jun
Richmond Fed manufacturing	Jul

### Other Overseas Data Today & Tonight

<b>Japan</b>	PMI manufacturing (init)	Jul
Japan	Leading economic index	May
<b>Germany</b>	PMIs manufacturing, services (init)	Jul
<b>Euro zone</b>	PMIs manufacturing, services (init)	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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<b>Tue</b>	AQG	Jun Q
	AAC	AGM
	CCP	Full year
	IFN	Jun Q
	ORG	Jun Q
<b>Wed</b>	ALQ	AGM
	BWP	Full year
	GMA	Interim
	RIO	Interim

### Trading Halts

Company	Code	Resuming
The Betmakers Holdings	TBH	24 Jul
Velpic Ltd	VPC	24 Jul
A-Cap Resources	ACB	25 Jul
Castillo Copper	CCZ	25 Jul
Eastern Goldfields	EGS	25 Jul
EVZ Ltd	EVZ	25 Jul
Golden Mile Resources	G88	25 Jul
IPB Petroleum	IPB	25 Jul
Korab Resources	KOR	25 Jul
Nova Minerals	NVA	25 Jul
PNX Metals	PNX	25 Jul
Property Connect Holdings	PCH	25 Jul
Six Sigma Metals	SI6	25 Jul

### Suspensions *(select)*

Company	Code	Since
American Patriot Oil & Gas	AOW	18 Jul
Connected IO	CIO	19 Jul
Crowdspark Ltd	CSK	6 Jul
Genera Biosystems	GBI	4 Jul
Indoor Skydive Australia	IDZ	23 Jul
JustKapital Ltd	JKL	19 Jul
Rey Resources	REY	20 Jul
Tikforce Ltd	TKF	24 Jul
Vector Resources	VEC	6 Jul

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>VVR</b>	Today	<b>6.99</b>	0	6.21
MIR	Thu	8.5	100	3.60
OZG	3 Aug	0.25	100	2.70
WIC	3 Aug	3	100	5.06