

Markets

SFE 200 Futures (9.30am AEST)	7503	10	0.1
NZX 50	12740	-8	-0.1
DJIA Futures	35383	11	0.0
S&P 500 Futures	4440	-0.75	0.0
NASDAQ Futures	14994	-25	-0.2

Local Markets Commentary

The Australian market commences today's trade with several domestic large-cap stocks reporting results, and new data in hand from China overnight, ahead of material domestic economic reports late morning.

Overnight international equities trade sentiment again proved mixed.

Prices rose for most key commodities.

Post-ASX trade yesterday, **China** reported 1080B yuan worth of **new lending** for July, against expectations for 1250B yuan, following June's 2120B.

July vehicle sales were also revealed, these falling 11.9% against July 2020, against expectations of a 15% drop.

Regionally today, **Japan** releases July **producer prices** just prior to the ASX open.

Locally today, the Reserve Bank of Australia reports **business lending**, 11.30am AEST.

Also today, Melbourne Institute publishes its **August inflation expectations** report, 11am AEST.

RIO is one of two stocks trading **ex-dividend** today. *Please see p3 for a detailed ex-dividend list.*

In overnight commodities trade, **oil** ultimately settled higher, adding to Tuesday's gains.

US **gold** futures also rose further.

Iron ore (CFR China, 62% fines) turned higher.

LME **copper** and other key base metals continued variously higher.

The **\$A** has appreciated beyond US73.75c, after trading at ~US73.30c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35485	220	0.6
S&P 500	4448	11	0.3
NASDAQ	14765	-23	-0.2
FTSE 100	7220	59	0.8
DAX 30	15826	55	0.4
Shanghai Comp	3533	3	0.1

Overseas Markets Commentary

Relatively weak and/or vacillating sentiment featured across a

* Nickel exploration listing– **midday AEST – CNR ***

* Multi-mineral exploration listing– **1.30pm AEST – TMB ***

Today's Stock Watch
National Australia Bank (NAB)

Unaudited \$1.65B June quarter NPAT.
 \$1.70B cash profit. 12.6% CET1, up 0.2%.
 Credit impairment charges fell \$112M.

Telstra Corporation (TLS)

Flat, 5c final and 3c special dividends, each fully franked.
 3.4% higher, \$1.90B full year NPAT.
 11.6% lower, \$23.13B revenue. 62.7c NTA from 59.4c.
 In addition, TLS plans an up to \$1.35B on-market share buy-back, likely after 16 September.

AMP Ltd (AMP)

28% lower, \$14M interim NPAT. \$1.71B revenue.
 \$1.15 NTA against \$1.26.
 Nil interim dividend, from a 10c fully franked special dividend paid 1 October 2020.

QBE Insurance Group (QBE)

A11c, 10%-franked interim dividend, from A4c, 10%-franked a year ago.
 \$US441M interim NPAT from a \$US712M FY20 net loss.
 14% higher, \$US9.126M revenue.

Downer EDI (DOW)

12c final dividend, from no dividend a year ago.
 \$181.6M full year NPAT, from a \$150.3M FY20 net loss.
 8.8% lower, \$12.23B income (including from JVs).

Goodman Group (GMG)

Flat, 15c final dividend. 53.7% higher, \$2.31B full year NPAT.
 44.4% higher, \$3.80B income. \$6.679 NTA from \$5.838.

Mirvac Group (MGR)

5.1c final distribution, from 3c a year ago.
 61% higher, \$901M full year NPAT.
 3% higher, \$2.38B income.
 \$2.67 NTA from \$2.54.

Energy
AGL Energy (AGL)

34c final dividend, against 51c, 80%-franked a year ago.
 \$A2.06B full year net loss, from a \$1.0B FY20 net profit.
 10% lower, \$A10.94B revenue.
 \$3.54 NTA against \$6.96.
 Anticipating a \$220M - \$340M FY22 NPAT and \$1.2B - \$1.4B underlying EBITDA.



majority of leading European, UK and US equities markets overnight, the DJIA and FTSE 100 proving the exceptions.

The DJIA recorded another record close, and the S&P 500's ongoing slight gains maintained its record settlement run.

Meanwhile, a US CPI reading reversed the direction of the \$US, pushed it lower.

Also overnight, proposed significant social spending in a new budget proposal from the Democrats also garnered support in the US Senate, following the Senate appeared to approval of legislation for an ~\$US1 trillion infrastructure spend, albeit with some expressed scope and debt-level concerns.

Earlier, China had reported slowing new monthly lending.

In overnight **data** releases, **Germany's** finalised July CPI reading represented 0.9% growth, as anticipated, for the month, and 3.8% inflation on an annualised basis.

In the **US**, the initial July CPI estimate represented 0.5% growth for the month, following June's 0.9% and forecasts for a new 0.6% increase.

Against July 2020, inflation was in line with expectations, up 5.4%.

In the meantime, the July treasury budget statement revealed a \$US302B deficit, from a \$US174B June shortfall and following forecasts for \$US280B.

Weekly mortgage applications rose 2.8% after falling 1.7% the previous week.

The average 30-year mortgage rate came in at 2.99% from 2.97%.

Auctions of \$US41B worth of 10-year notes produced a 1.34% yield, against a 1.371% yield from the previous 10-year auction.

Earlier, a 10-year bond auction in Germany resulted in a -0.44% yield from -0.30%.

Yesterday, 30-year government bond auction in Japan delivered a 0.647% yield from 0.680%.

Tonight in the US, weekly new unemployment claims and July producer prices are keenly anticipated.

In addition, the US treasury is scheduled to auction \$27B worth of 30-year bonds.

Elsewhere, the UK releases a preliminary June quarter GDP estimate.

Companies scheduled to report earnings later today and tonight include: Airbnb, Baidu, Brookfield Asset Management, DoorDash, NetEase, Singapore Telecommunications (Optus owner), Toshiba Corp, TUI and Walt Disney.

Stocks trading ex-dividend on the FTSE 100 include AstraZeneca, Barclays, BP, Rio Tinto and Royal Dutch Shell.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1753.3	oz	21.6	1.2
Silver (NY) (Sep)	23.49	oz	0.10	0.4
Gold (LON)	1723	oz		
Platinum	1018	oz	25	2.5
WTI Crude (NYMEX Sep)	69.25	bbbl	0.96	1.4
Brent Crude (ICE EUR Oct)	71.44	bbbl	0.81	1.2
Qingdao Iron Ore (CHN;62%f)	165.48	t	3.04	1.9
Nymex Iron Ore (CHN;62%f)	169.06	t	0.47	0.3

Pre-Open Announcements

Perpetual Ltd (* PPT)

Planning to acquire Jacaranda Financial Planning, which has reported \$915M FUA as at 30 June.

Appen Ltd (* APX)

Chairman William Pulver is planning to retire from the APX board 28 October.

In association, APX has appointed former Foxtel CEO and previous British Sky Broadcasting COO Richard Freudenstein as an independent non-executive director, and to be chair-elect.

Mr Pulver has been APX chair for 12 years. He was APX CEO 1999 – 2010.

James Hardie Industries (* JHX)

Favourable New Zealand High Court decision following allegations of JHX 'weather-tight' deficiencies.

Alliance Aviation Services (AQZ)

24.8% higher, \$33.67M full year NPAT.

3.4% higher, \$308.685M revenue.

\$1.82 NTA from \$1.72. \$36.22M cash and equivalents.

NEXTDC Ltd (NXT)

NXT has outlaid \$S24M from existing cash reserves for an additional 40,000sqm adjoining the site of the planned West Footscray, Melbourne M3 data centre.

The company requires planning consent for the additional land. NXT had previously obtained planning consent for the initial 60,000sqm.

Cadence Capital (CDM)

July top-20 holdings lodged post-trade yesterday.

Boom Logistics (BOL)

CFO Tim Rogers has resigned in favour of a new position elsewhere, but will remain with BOL until the end of August.

BOL has appointed former Orora (ASX: ORA) CFO Andrew Bendall as CFO, effective 30 August.

Mr Rogers has been with BOL for six years.

Crown Resorts (CWN)

CWN's closing submissions to the Victorian Royal Commission into CWN Melbourne's suitability to hold a casino licence have been made available also via the CWN website.

Cobram Estate Olives (* CBO)

Olive farmer, and olive oil producer and retailer completed its ASX listing yesterday.

Opened at \$1.87 and traded at \$1.81 - \$1.90 before settling at \$1.86.

7.19M shares were traded across 556 transactions.

387.44M quoted shares.

Resources

Cannon Resources (* CNR) / Rox Resources (RXL)

RXL nickel-focused spinoff CNR is scheduled to list on the ASX



Copper (LME Ind)	9541	t	20	0.2
Nickel	19300	t	349	1.8
Aluminium	2585	t	11	0.4
Lead	2316	t	29	1.3
Zinc	3046	t	45	1.5
Tin	35500	t	436	1.2

Commodities Commentary

Oil – prices swung overnight, initially falling in response to a US administrative call for OPEC+ to boost output, and then higher when the US said it was not asking domestic producers to increase output, and that the OPEC request was for the longer term.

Brent crude traded as low as \$US69.07/bbl.

Meanwhile, a weekly US petroleum inventories report, published overnight by US government agency the EIA, included a 447,000bbl fall for crude stocks, and 1.4MMbbl draw on stored petrol.

Net crude imports fell by 796,000bbl/d.

Overnight Tuesday, post-US trade, the American Petroleum Institute (API) released a weekly report which included an estimated 816,000bbl draw on stored crude last week.

OPEC's monthly market report is anticipated **tonight**.

Gold – overnight trade ultimately benefited from a \$US pullback, in response to a 0.5% US July CPI increase following June's 0.9% monthly rise.

A UK GDP estimate tonight could also influence some gold sentiment.

Base metals – overnight LME trade was pushed and pulled by a swinging \$US, corporate news and inventories updates.

Agreement on worker contracts appeared closer for the Escondida copper operation in Chile, according to reports from project operator BHP and a workers' union.

China's refined *tin* output was reported to have fallen 22.7% during July, helping push LME tin to a new record peak beyond \$35,450.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7375	0.0037	0.50
EUR – USD	1.1743	0.0025	0.21

Australian Data Today

RBA	Business lending	Jul
Melbourne Institute	Inflation expectations	Aug

US Data Tonight

Producer prices	Jul
Initial jobless claims	7 Aug

midday AEST, following a \$6M IPO at 20c per share.
~66.45M quoted shares.
RXL 11.40%.

Tambourah Metals (* TMB)

Gold, nickel and PGE explorer scheduled to list on the ASX
1.30pm AEST, following an \$8M IPO at 20c per share.
40.5M quoted shares.

Helix Resources (* HLX) / Aeris Resources (AIS)

Heralding central NSW Canbelego copper JV diamond drilling results and down hole surveying indications.
Details, including assays, lodged pre-trade.

GTi Resources (GTI)

Describing the claims behind Utah, US court action alleging a right to \$US265,000 in damages as 'baseless'.
GTI has filed a counterclaim.

Trading Halts

Company	Code	Resuming
Magnum Mining & Exploration	MGU	13 Aug
Duketon Mining	DKM	16 Aug

Suspensions (selected)

Company	Code	Since
Fargo Enterprises	FGO	26 Jul
Rewardle Holdings	RXH	6 Aug
Roto-Gro International	RGI	11 Aug
Salt Lake Potash	SO4	29 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MFD	Today	2.47	100	1.75
RIO	Today	~760	100	3.08
SCG	Tomorrow	7	0	2.68
SSR	Tomorrow	5.07	0	0.45
SUN	Tomorrow	48	100	2.81
KPG	Mon	1.2	100	1.43
PL8	Mon	0.45	100	3.79
QVE	Mon	1.1	100	5.61
ASW	Tue	3	100	4.50
CPU	Tue	23	60	2.78
GMA	Tue	5	0	0.00
RMD	Wed	3.98	0	0.39
GUD	Thu (19 Aug)	32	100	3.26
KOV	Thu	20	100	4.29
ZIM	Thu	107.34	0	4.42
TWD	Fri (20 Aug)	13	100	6.60

**Other Overseas Data Today & Tonight**

Japan	Producer prices	Jul
UK	GDP (prelim)	Jun Q
UK	Trade balance	Jun
Euro zone	CPI (final)	Jul
Euro zone	Industrial production	Jun

Need More Information?

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Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	AGL	Full year (w/cast tele 10.45am)
	AMP	Interim
	CQR	Full year
	DOW	Full year
	GMG	Full year
	MGR	Full year
	NAB	Jun Q (Q3)
	QBE	Interim
	TLS	Full year
	XRO	AGM
Tomorrow	BBN	Full year
	BTI	Full year
	PXS	Full year
Mon	ARG	Full year
	BPT	Full year (w/cast tele 9.30am)
	BEN	Full year
	BSL	Full year
	CAR	Full year (tele 9.30am)
	GPT	Interim
	GWA	Full year
	IMD	Full year
Tue	JBH	Full year
	LLC	Full year
	ABP	Full year
	ADA	Full year
	AMC	Full year
	ARB	Full year
	BHP	Full year
	BXB	Full year
	BRG	Full year
	DXS	Full year
DHG	Full year	
MFG	Full year	
SCP	Full year	
SGM	Full year	