

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	6044	-3	<b>-0.1</b>
<b>NZX 50</b>	11489	-11	<b>-0.1</b>
<b>DJIA Futures</b>	27874	51	0.2
<b>S&amp;P 500 Futures</b>	3375	7	0.2
<b>NASDAQ Futures</b>	11203	27	0.2

## Local Markets Commentary

The Australian market opens Friday trade with:

- new data from China in hand;
- influential data due out of China middle of the day;
- parliamentary testimony from the Reserve Bank of Australia (RBA) governor already underway;
- a large domestic bank providing a trading update;
- material data due for the euro zone and US tonight; and
- high-level US-China trade talks scheduled for tomorrow.

Post-ASX trade yesterday, **China** revealed January – July foreign direct investment (FDI) had grown 0.5% year-on-year, against a 1.3% fall for January – June.

China's July **industrial production, fixed asset investment and retail sales** updates are due **midday** AEST.

In addition, a July house price index for China is anticipated today, at ~11.30am.

Also regionally, **South Korea** earlier today reported July import and export prices that were 9% and 5.8% respectively lower than for July 2019.

**Locally** today, **RBA** governor Philip Lowe has commenced (9.30am AEST) meeting with the Australian parliament's House of Representatives economics committee.

Mr Lowe is explaining **policy**, outlook statements and forecasts, and will participate in a subsequent Q&A.

In overnight commodities trade, **oil** swung lower.

US **gold** futures (December) rallied some on top of Wednesday's soft bounce.

**Iron ore** (Nymex CFR China, 62% Fe) turned modestly lower.

LME **copper** and other key base metals fell.

The **\$A** remained within a relatively narrow range, after trading at ~US71.60c early yesterday evening.

Earlier this morning, the \$A fell to US71.50c.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	27897	-80	<b>-0.3</b>
<b>S&amp;P 500</b>	3373	-7	<b>-0.2</b>
<b>NASDAQ</b>	11042	30	<b>0.3</b>
<b>FTSE 100</b>	6186	-94	<b>-1.5</b>
<b>DAX 30</b>	12994	-65	<b>-0.5</b>
<b>Shanghai Comp</b>	3321	1	<b>0.0</b>

**China – industrial production, fixed asset investment, retail sales – midday** AEST

**Reserve Bank of Australia** - governor Philip Lowe talks policy and forecasts with an Australian parliament economics committee – from **9.30am** AEST

## Today's Stock Watch

### National Australia Bank (NAB)

\$1.5B (unaudited) Q3 NPAT.

\$1.55B cash profit, down 5% against Q3 19. 11.6% CET1.

### Baby Bunting (BBN)

14% lower, \$9.986M full year NPAT, impacted by ~\$3.2M worth of impairments.

10% higher, \$405.173M revenue.

### 3P Learning (3PL)

73.8% lower, \$1.55M full year NPAT.

1.0% higher, \$54.955M revenue. \$1.84 NTA, against \$3.64.

### Auckland International Airport (AIA)

Passenger numbers plunged 84.9% in June, international passengers down 97.0% and domestic by 70.9%.

### Sydney Airport (SYD)

Resuming trade having raised \$1.3B in a \$4.56-per security institutional entitlement offer.

A bookbuild delivered a \$5.30 shortfall price.

A retail offer is scheduled for 18 – 20 August (Tuesday – Thursday next week).

SYD last traded at ~\$5.255.

### Fletcher Building (FBU)

FBU has appointed LafageHolcim Switzerland and northern Italy head Nick Traber to take over from Ian Jones as concrete division chief executive.

Mr Jones will head FBU strategic growth under a newly created role, likely from January 2021.

## Resources

### Iluka Resources (ILU)

Nil interim dividend, following 5c a year ago.

17.5% lower, \$113.2M interim NPAT.

16.3% lower, \$456.6M mineral sands revenue.

\$62.1M net cash.

### Newcrest Mining (NCM)

17.5c fully franked final dividend, following 14.5c a year ago.

15% higher, \$US647M full year NPAT.

5% higher, \$US3.92B revenue.

US\$10.50 NTA, against \$US9.89.



## Overseas Markets Commentary

Skittish sentiment played out across major European and US equities markets overnight.

Geopolitical developments included the US president announcing a new peace agreement, including for full diplomatic relations, between **Israel** and the **UAE**, brokered by the US administration.

In addition, a key economic advisor to the US administration delivered relatively positive comments regarding **China** and the trade accord reached earlier this year, ahead of a high-level virtual meeting between China and the US, scheduled for tomorrow.

Regarding domestic affairs, the US president effectively admitted stalling some progress on negotiations aimed at securing legislation covering proposed new economic relief measures.

The president offered he did not want postal services to be supported, as he opposed postal voting for this year's presidential election. He later added he would not veto, on postal services benefits alone, a relatively largely-supported deal.

The number of Covid-19 – related deaths reported in the US for Wednesday in the meantime, represented the most since May.

Among overnight **data** releases, Germany's final July CPI reading confirmed 0.5% deflation for the month and a 0.1% year-on-year pullback.

In the **US**, weekly new unemployment claims encouraged, coming in below 1M (963,000) for the first time in ~five months.

~15.5M US workers were continuing to receive unemployment benefits as at 1 August, the US Labor Department also revealed.

July import and export prices were reported 0.7% and 0.8% higher for the month, but respectively 3.3% and 4.4% lower than for July 2019.

Meanwhile, a \$US26B 30-year treasury bond offer in the US reportedly attracted relatively weak demand. The 1.406% (from 1.330%) yield reportedly rose further following the auction.

A 30-year bond offer in Italy, also overnight, delivered a 1.91% yield following 2.48%.

**Tonight** in the **US**, July retail sales and industrial production are due, together a preliminary August consumer confidence reading from the University of Michigan.

Hapag Lloyd and Rosneft are among companies scheduled to report earnings later today and tonight.

In overnight corporate news, travel specialist **Tui** revealed a €1.1B June quarter loss, and that the group had qualified for a second loan package from a German government support scheme, this one tallying €1.2B.

Bookings for the 2021 northern summer, and even for Christmas, had jumped however, Tui reported.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>1970.4</b>	oz	21.40	<b>1.1</b>
<b>Silver (NY)</b> (Sep)	<b>27.718</b>	oz	1.74	<b>6.7</b>
<b>Gold (LON)</b> (12 Aug)	<b>1932</b>	oz		
<b>Platinum</b>	<b>948</b>	oz	27	<b>2.9</b>

## Pre-Open Announcements

### Praemium Ltd (\* PPS)

74.1% higher, \$4.69M full year NPAT.

13.6% higher, \$50.1M revenue.

### Creso Pharma (\* CPH)

CPH CEO and co-founder Miri Halperin Wernli is moving to head a CPH technology, innovation and distribution division.

In addition, executive chair Boaz Watchel will become a non-executive director, and non-executive director Adam Blumenthal will be non-executive chair.

Further, CPH has promoted two personnel within the company's operations in Switzerland.

### Boart Longyear (\* BLY)

BLY has appointed former Dorsey & Whitney partner Nora Pincus as chief legal officer, general counsel and corporate secretary, taking over from Robert Closner.

In addition, chief business development officer and former BLY CFO Brendan Ryan has flagged his resignation.

### Riceworkers Ltd (\* SGLLV)

SGLLV subsidiary CopRice is planning to purchase Victoria-headquartered Riverbank Stockfeeds' dairy and beef business. Consideration, plus working capital requirements and capex for a Leongatha site are expected to tally a maximum \$10M.

### Prescient Therapeutics (PTX)

Heralding new cell therapy collaborative research with the Peter MacCallum Cancer Centre.

Details lodged this morning.

### G Medical Innovations Holdings (GMV)

Proposing to delist from the ASX, pending shareholder approval, in favour of the planned NASDAQ listing.

### Pharmaxis Ltd (PXS)

Non-executive director Edward Rayner has resigned from the PXS board, effective today, due to taking on a new executive position with a UK life science tech company.

## Trading Halts

Company	Code	Resuming
Cirralto Ltd	CRO	14 Aug
ClearVue Technologies	CPV	14 Aug
BMG Resources	BMG	17 Aug
Mesoblast Ltd	MSB	17 Aug
RMA Global	RMY	17 Aug
Todd River Resources	TRT	17 Aug
West Wits Mining	WWI	17 Aug
Coronado Global Resources	CRN	18 Aug
Wingara AG	WNR	18 Aug



<b>WTI Crude</b> (NYMEX Sep)	<b>42.24</b>	bbbl	-0.43	<b>-1.0</b>
<b>Brent Crude</b> (ICE EUR Oct)	<b>44.96</b>	bbbl	-0.47	<b>-1.0</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>119.86</b>	t	-0.33	<b>-0.3</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>6274</b>	t	-160	<b>-2.5</b>
<b>Nickel</b>	<b>14060</b>	t	-175	<b>-1.2</b>
<b>Aluminium</b>	<b>1762</b>	t	-25	<b>-1.4</b>
<b>Lead</b>	<b>1950</b>	t	-4	<b>-0.2</b>
<b>Zinc</b>	<b>2369</b>	t	-23	<b>-1.0</b>
<b>Tin</b>	<b>17500</b>	t	-50	<b>-0.3</b>

### Commodities Commentary

**Oil** – the International Energy Agency's (IEA) monthly oil market, published overnight, included a reduced 2020 oil demand prediction.

The IEA lowered a previous forecast by a daily 140,000bbl, to 91.9MMbbl/d, this representing an 8.1MMbbl/d annual drop, most attributed to the plunge in air services and other travel.

This followed OPEC's 2020 demand forecast reduction, revealed the previous session, to 90.6Mmbbl/d.

OPEC+'s monitoring committee is due to meet next week to discuss output, the current curb agreement and overall oil market stability.

A weekly US petroleum drill rig report is due tonight.

**Gold** – a weaker \$US and dip-buying were cited as major influences on overnight trade, even as key politicians and the US administration confirmed a standoff in negotiations for legislation to cover new Covid-19 – related economic relief measures.

**Base metals** – overnight, high-level officials from China and the US remained scheduled to meet virtually, to discuss trade, **tomorrow**, this reportedly proving one influence on overnight LME trade.

**China's July industrial production, fixed asset investment and retail sales** updates are due **today** however, and these are expected to influence at least some of tonight's trade.

Overnight in the meantime, LME copper inventories were reported lower, but Shanghai stocks higher.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7150	0.0003	<b>0.04</b>
<b>EUR – USD</b>	1.1819	0.0003	<b>0.03</b>

### Australian Data Today

RBA	Policy/forecasts testimony to House committee	Aug
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### US Data Tonight

Retail sales	Jul
Industrial production	Jul
Business inventories	Jun
Uni of Michigan consumer sentiment (prelim)	Aug

Auctus Investment Group	AVC	19 Aug
Black Dragon Gold Corp	BDG	19 Aug

### Suspensions *(select)*

Company	Code	Since
Acacia Coal	AJC	22 Jul
Altura Mining	AJM	12 Aug
eSense-Lab Ltd	ESE	27 Jul
Heron Resources	HRR	4 Aug
Nanoveu Ltd	NVU	7 Aug
Ragnar Metals	RAG	7 Aug
STEMify Ltd	SF1	6 Aug
Syntonic Ltd	SYT	4 Aug

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>DDR</b>	Today	<b>7.5</b>	100	4.08
<b>PL8</b>	Today	<b>0.4</b>	100	5.49
ASW	Mon	2	100	5.50
MFG	Mon	122	75	3.19
TWD	Mon	14	100	0.00
CPU	Tue	23	30	3.51
REF	Tue	0.13	100	0.00
BFG	Wed	4	100	6.32
CBA	Wed	98	100	5.95
RMD	Wed	3.8	0	0.66
KOV	Thu	13	100	5.66
AZJ	24 Aug	13.7	70	5.66
PNI	24 Aug	8.5	100	3.07
RKN	25 Aug	3	100	6.60

### Reports & Events

*(selected)*

When	Company	Report/Event
<b>Today</b>	<b>3PL</b>	Full year (tele 10.30am)
	<b>BBN</b>	Full year (tele 9.15am)
	<b>ILU</b>	Interim (tele 10.30am)
	<b>NAB</b>	Q3 trading update
	<b>NCM</b>	Full year
	<b>PPS</b>	Full year
<b>Mon</b>	ALU	Full year (tele 9.30am)
	ARG	Full year
	BPT	Full year
	BEN	Full year
	BSL	Full year
	GWA	Full year
	IMD	Full year (w/cast midday)

**Other Overseas Data Today & Tonight**

<b>China</b>	Industrial production	Jul
China	Fixed asset investment	Jan-Jul
China	Retail sales	Jul
China	Residential property price index	Jul
<b>Japan</b>	Tertiary industry index	Jun
<b>Euro zone</b>	GDP (rev)	Jun Q
Euro zone	Trade balance	Jun

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	JBH	Full year
	KGN	Full year (w/cast 10.30am)
	LLC	Full year
	SYD	Interim (tele 11am)
	VEA	Full year (w/cast 10.30am)
<b>Tue</b>	ABP	Full year
	AHY	Interim
	ARB	Full year
	BHP	Full year
	BLY	Interim
	COH	Full year
	COL	Full year
	EHE	Full year
	HPI	Full year
	INA	Full year
	MCY	Full year
	MND	Full year
	NWL	Full year (w/cast 9.30am)
	SGF	Full year (tele 10am)
	SGM	Full year
	TYR	Full year (tele 11am)
	WBC	Q3 update
<b>Wed</b>	A2M	Full year
	ANZ	Q3 update
	BAP	Full year
	BLD	Full year
	BXB	Full year
	CAR	Full year
	CTD	Full year (w/cast 9am)
	CWN	Full year
	CSL	Full year (w/cast 11am)
	DXS	Full year
	DMP	Full year
	FBU	Full year
	IVC	Full year
	MMS	Full year
	MIN	Full year (tele midday AEST)
	MGX	Full year
	NEA	Full year (w/cast 9.30am)
	OZL	Interim
	PGH	Full year
	SIQ	Interim (post-trade; audio w/cast 9am THU)
	TAH	Full year
	VCX	Full year
	VAH	Full year
	VHT	AGM (10am)
	VOC	Full year
	WTC	Full year