

Markets

SFE 200 Futures (9.30am AEST)	6026	-58	-1.0
NZX 50	11577	125	1.1
DJIA Futures	27864	72	0.3
S&P 500 Futures	3369	7	0.2
NASDAQ Futures	11158	24	0.2

Local Markets Commentary

The Australian market opens a new week's trade with material data in hand from Japan, and another swag of large-cap domestic stocks reporting earnings, following weekend reports of spikes in Covid-19 cases across several regions.

Regionally today, **Japan** is scheduled to reveal a preliminary June quarter GDP estimate 9.50am AEST.

Japan's June industrial production is also due today, 2.30pm.

Also regionally, this morning the New Zealand government has pushed back September's national election until October.

Locally today, at least a dozen high-profile and/or **large-cap** stocks are scheduled to report **earnings**, most of these having done so pre-trade.

In addition, **MFG** trades **ex-dividend** today as ex-dividend season now also warms. *Please see pp3-4 for details.*

In overnight Friday commodities trade, **oil** continued lower.

US **gold** futures (December) pulled back again.

Iron ore (Nymex CFR China, 62% Fe) turned slightly higher, above \$US119.85/t.

LME **copper** and **nickel** swung higher and rallied, but not so **aluminium**.

The **\$A** appreciated to ~US71.70c after trading at ~US71.50c early Friday evening.

Earlier this morning, the **\$A** fell to ~US71.65c before bouncing to ~US71.85c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27931	34	0.1
S&P 500	3373	-0.6	-0.0
NASDAQ	11019	-23	-0.2
FTSE 100	6090	-96	-1.6
DAX 30	12901	-92	-0.7
Shanghai Comp	3360	39	1.2

Overseas Markets Commentary

Sentiment waxed and waned across major European and US equities markets through overnight Friday trade, amid a mix of geopolitical developments and some key economic data releases.

Planned (virtual) US-China trade talks between China's VP and the

Today's Stock Watch
Westpac Banking Corporation (WBC)

WBC has appointed former Rio Tinto CFO and previous Transurban (ASX: TCL) CEO Chris Lynch as an independent non-executive director, effective 1 September.

Ampol Ltd (ALD) / Charter Hall Group (CHC)

ALD is establishing an unlisted property trust with 203 core freehold convenience retail sites expected to deliver \$77M worth of rent during the first year. A CHC-GIC (Singapore sovereign wealth fund) consortium will acquire a 49% holding for a total \$682M (CHC 5%). \$612M net proceeds to ALD anticipated.

JB Hi-Fi (JBH)

21.0% higher, \$302.3M fully year NPAT. 11.6% higher, \$7.92B revenue. 90c fully franked final dividend. 45c NTA, against 4c.

Kogan.com Ltd (KGN)

13.5c fully franked final dividend, against 6.1c a year ago. 55.9% higher, \$26.82M full year NPAT. 13.5% higher, \$497.90M revenue. \$1.50 NTA, against 48c.

Lendlease Group (LLC)

\$301M full year net loss, following a \$467M net profit a year ago. 19.8% lower, \$13.27M revenue. 3.3c final dividend/distribution. \$7.95 NTA against \$8.69.

In addition, Baroness Margaret Ford OBE is resigning from the LLC board, effective tomorrow, citing Covid-19 restriction difficulties, but will remain with LLC as an independent advisor.

Bendigo & Adelaide Bank (BEN)

Deferring a decision on a final dividend payment.

48.8% lower, \$192.8M full year NPAT. 27.4% lower, \$301.7M cash earnings. 4.3% higher, \$1.63B income. \$168.5M bad and doubtful debts. 9.25% CET1, up 0.33% for the year.

GWA Group (GWA)

3.5c final dividend, against 9.5c a year ago.

53% lower, \$43.89M NPAT. 4% higher, \$398.70M revenue.

Altium Ltd (ALU)

42% lower, \$30.88M full year NPAT. 10% higher, \$189.12M revenue. 19c final dividend, up 6%. \$US93M cash balance.

Resources
BlueScope Steel (BSL)

91% lower, \$96.5M full year NPAT. 10% lower, \$11.28B sales revenue. 8c final dividend.

Energy
Beach Energy (BPT)

13% lower, \$A500.8M full year NPAT. 17% lower, \$1.73B revenue. 1c fully franked final dividend.



top US trade negotiator, scheduled for Saturday, were reported to have been cancelled.

Meanwhile, US crude and soybean purchases by Chinese companies had both been reported last week to have been ramped in the lead up to the talks.

In other news, the US was thwarted in the United Nations (UN) Security Council in a bid to extend a UN arms embargo on Iran, China and Russia both opposing the proposed extension, 11 other nations abstaining from the vote and the Dominican Republic the only nation to support the US move.

In overnight Friday **data** releases, the **euro zone's** second June quarter GDP estimate confirmed a 12.1% drop for the quarter and 15% tumble year-on-year.

The region's June trade surplus improved to €21.2B from €9.4B, however, against expectations of €11B.

June quarter employment was reported 2.8% down on the March quarter 2019, following forecasts of a 2% fall.

In the **US**, July retail sales rose 1.2% for the month following forecasts of a 2% gain.

Against July 2019 however, sales were 2.7% higher, against an expected 1.9% rise.

July industrial production rose 3% for the month but was down 8.2% against July 2019.

A preliminary August consumer confidence reading from the University of Michigan came in at 72.8, from 72.5 at the end of July, against an anticipated 71.1.

Tonight in the **US**, the New York Fed August manufacturing index is due, together with a home builders' sentiment index.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1949.8	oz	-20.60	-1.1
Silver (NY) (Sep)	26.089	oz	-1.63	-5.9
Gold (LON)	1945	oz	0.5	0.0
Platinum	934	oz	-14	-1.5
WTI Crude (NYMEX Sep)	42.01	bbl	-0.23	-0.5
Brent Crude (ICE EUR Oct)	44.80	bbl	-0.16	-0.4
Iron Ore (NYMEX,CHN,62%)	119.86	t	0.28	0.2
Copper (LME,3mth Ind,PM)	6368	t	91	1.5
Nickel	14390	t	320	2.3
Aluminium	1742	t	-20	-1.2
Lead	1952	t	1	0.1
Zinc	2372	t	3	0.1
Tin	17600	t	100	0.6

Commodities Commentary

Oil – reduced global demand expectations appeared the major factor dampening overnight trade sentiment, despite reports of China's import activity.

One media report claimed State-controlled companies in China had 'tentatively' arranged for tankers with sufficient capacity to import 20MMbbl of US crude for the remainder of August through September.

One report estimated 32MMbbl of total crude imports had been

Pre-Open Announcements

Insurance Australia Group (* IAG)

\$A300M notes offer. Details lodged this morning.

Unibail-Rodamco-Westfield (* URW)

In response to speculation regarding a potential rights issue, URW says no decision has been made on such a move.

Index Ltd (* IMD)

21% lower, \$21.76M full year NPAT.

2% lower, \$237.69M revenue.

0.7c, 0.3c-franked final dividend.

35.57c NTA, against 42.36c.

Argo Investments (* ARG)

14c fully franked final dividend, against 17c a year ago.

31.8% lower, \$A199.46M full year NPAT. 28.6% lower, \$225.15M income. \$7.27 NTA, against \$8.42.

Viva Energy Group (* VEA)

84% lower, \$11.1M interim NPAT (historical cost). 15.6% lower, \$6,67B revenue. 0.8c fully franked interim dividend.

BrainChip Holdings (* BRN)

3D vision partnership secured with Magik Eye Inc.

Details lodged this morning.

Althea Group Holdings (* AGH)

July revenue tallied a record \$692,091.

740 patients were subscribed AGH products for the first time during the month, also a record.

AGH's UK clinics are booked out in advance.

Cadence Capital (CDM)

July investment update, including top-20 holdings, lodged post-trade Friday.

Wilson Asset Management (WAM)

WAM and WAM group member July investment updates lodged post-trade Friday.

Resources

Lynas Corporation (** LYC)

Trading halt called this morning, ahead of a fully underwritten \$A425M fund raiser at \$2.30 per share.

LYC has also reported this morning a \$19.395M full year net loss, against an \$83.08M net profit a year ago.

16.1% lower, \$305.11M revenue. 74.06c NTA, against 79.72c.

LYC traded at \$2.47 - \$2.64 last week.

Alacer Gold Corporation (* AQG)

June quarter operational and financial statistics lodged pre-trade.

AQG hosted a webcast June quarter teleconference pre-trade Friday morning last week.



booked by China for August alone.

Also among overnight Friday news, the US stated it had stopped four shipments of fuel from Iran to Venezuela, and was holding the cargo, the US having imposed sanctions on petroleum trade for both nations.

OPEC+'s monitoring committee is expected to meet Wednesday to discuss output, the current curb agreement and overall oil market stability. Some reports maintained the meeting had initially been scheduled for Tuesday.

A weekly US petroleum drill rig report, published overnight Friday, included an estimate of four fewer operational oil rigs, bringing the tally lower for a third consecutive week, this time to 172.

WTI closed 1.9% higher for the week, and Brent with a 0.9% weekly gain.

Gold – appreciating US treasury yields and Covid-19 optimism were cited as major influences on overnight Friday gold trade.

Liquidity concerns also remained, amid ongoing reports of Covid-19 case resurgence across several regions.

Comex (most-active) futures settled 3.9% lower for the week, following nine consecutive weekly gains.

US retail stock earnings reports, US Federal Reserve policy meeting minutes, a People's Bank of China policy meeting and some key international economic updates are expected to influence some overall trade sentiment this week, in addition to geopolitical and Covid-19 developments.

Base metals – overnight Friday trade followed material data out of China but appeared not totally to be influenced by this.

In the meantime, LME warehoused *copper* was reported at its lowest in ~five months (54,102t), but Shanghai warehouse stocks to have doubled within the past two weeks, to 172,051t.

Among the forecasters, Codelco ventured copper would average \$US2.80/lb for 2020.

China's July industrial production (4.8% year-on-year; 4.8% July 2019), **January – July fixed asset investment** (-1.6%; -3.1%), **retail sales** (-1.1%; -1.8%), and **house price index** (+4.8%; +4.9%) updates reported Friday, generally undershot forecasts.

This morning, Japan is reporting a preliminary June quarter GDP reading, and this afternoon, June industrial output.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7184	0.0019	0.26
EUR – USD	1.1849	0.0007	0.06

US Data Tonight

New York Fed (Empire State) manufacturing	Aug
NAHB housing market index	Aug

Other Overseas Data Today & Tonight

Japan	GDP (prelim)	Jun Q
Japan	Industrial production	Jun

Empire Resources (ERL)

Founding ERL MD David Sargeant has retired from the ERL board. Mr Sargeant was ERL's MD from pre-listing until July 2019.

West Wits Mining (WWI)

Resuming trade with commitments for a \$3.4M placement at 2.1c per share, in part to support the Witwatersrand Basin project BFS.

WWI traded at 2c – 2.7c the five sessions immediately prior to calling the halt.

Trading Halts

Company	Code	Resuming
BMG Resources	BMG	17 Aug
Todd River Resources	TRT	17 Aug
Alderan Resources	AL8	18 Aug
Conico Ltd	CNJ	18 Aug
Coronado Global Resources	CRN	18 Aug
Gladiator Resources	GLA	18 Aug
Pilot Energy	PGY	18 Aug
Strike Resources	SRK	18 Aug
Auctus Investment Group	AVC	19 Aug
Black Dragon Gold Corp	BDG	19 Aug

Suspensions *(select)*

Company	Code	Since
Altura Mining	AJM	12 Aug
eSense-Lab Ltd	ESE	27 Jul
Ragnar Metals	RAG	7 Aug
STEMify Ltd	SF1	6 Aug
Syntonic Ltd	SYT	4 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ASW	Today	2	100	5.47
MFG	Today	122	75	3.13
TWD	Today	14	100	0.00
CLF	Tomorrow	17	100	4.96
CPU	Tomorrow	23	30	3.26
REF	Tomorrow	0.13	100	0.00
BFG	Wed	4	100	6.35
CBA	Wed	98	100	6.01
NGI	Wed	7.67	0	15.32
RMD	Wed	3.8	0	0.65
CL1	Thu	2.5	100	2.69
KOV	Thu	13	100	5.86
MAM	Thu	1	100	5.71
QBE	Thu	4	10	4.74
AZJ	24 Aug	13.7	70	5.72

**Need More Information?**

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EVN	24 Aug	9	100	2.13
PNI	24 Aug	8.5	100	3.00
WPL	24 Aug	36.53	100	6.67
RKN	25 Aug	3	100	6.58

Reports & Events

(selected)

When	Company	Report/Event
Today	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)
	JBH	Full year
	KGN	Full year (w/cast 10.30am)
	LLC	Full year
	LYC	Full year
	SYD	Interim (tele 11am)
	VEA	Full year (w/cast 10.30am)
Tomorrow	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	
Wed	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



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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)
NST	Full year (tele 10.30am)
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