

Markets

SFE 200 Futures (9.30am AEST)	6062	-7	-0.1
NZX 50	11818	-31	-0.3
DJIA Futures	27742	25	0.1
S&P 500 Futures	3389	2	0.1
NASDAQ Futures	11416	7	0.1

Local Markets Commentary

The Australian market opens mid-week trade on one of the busiest days for high-cap domestic stocks reporting earnings for this season, with a major bank also providing a quarterly update and another major bank trading ex-dividend.

Among other considerations for today's trade overnight international commodities trade proved largely positive while equities sentiment once again proved mixed.

Regionally today, **Japan** is scheduled to report July **trade** figures just prior to ASX trade.

Locally today, Westpac and the Melbourne Institute publish their July **leading index** report, **10.30am** AEST.

The Department of Employment releases a July **skilled vacancies** report.

The Australian Bureau of Statistics (ABS) in the meantime reveals preliminary mortality figures for January through May, of interest due to Covid-19 – related deaths.

Stocks trading **ex-dividend** today include **CBA** and **RMD**. *Please see pp3-4 for details.*

In overnight commodities trade, Brent **crude** settled slightly higher and WTI flat.

US **gold** futures (December) extended their latest move higher, settling decidedly beyond \$US2000/oz.

Iron ore (Nymex CFR China, 62% Fe) returned to rally form, easily surpassing \$US122.70/t. Prices into some northern China ports were reported as high as \$US128.57/t.

LME **copper** and other key base metals continued to gain, copper continuing in rally mode.

The **\$A** slipped to US72.15c after trading at ~US72.40c early yesterday evening.

This morning, the \$A has approached US72.50c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27778	-67	-0.2
S&P 500	3390	8	0.2
NASDAQ	11211	81	0.7
FTSE 100	6077	-51	-0.8
DAX 30	12882	-39	-0.3
Shanghai Comp	3451	12	0.4

Today's Stock Watch
Australia & New Zealand Banking Group (ANZ)

Paying a 25c fully franked interim dividend.
 \$1.498B (unaudited) June quarter NPAT. \$1.413B continuing operations cash profit. 11.1% CET1 ratio.

CSL Ltd (CSL)

\$US1.07 final dividend, up US7c.
 9.6% higher, \$US2.10B full year NPAT. 7.2% higher, \$US9.15B income. \$US9.66 NTA against \$US7.44.

Wisetech Global (WTC)

\$160.8M full year NPAT, against \$54.1M a year ago. 23.3% higher, \$429.4M revenue. 1.6c fully franked final dividend.

The a2 Milk Company (A2M)

31.8% higher, \$NZ388.17M full year NPAT. 33.1% higher, \$NZ1.73B revenue. \$NZ1.48 NTA against \$NZ10.4.

Fletcher Building (FBU)

Nil final dividend following NZ23c a year ago.
 \$NZ196M full year net loss, against a \$NZ246M net profit.
 \$NZ7.31B revenue, following \$NZ8.31B.

Domino's Pizza Enterprises (DMP)

19.4% higher, \$138.4M full year NPAT. 32.7% higher, \$1.91B revenue. 52.6c fully franked final dividend.

Carsales.com Ltd (CAR)

36.49% higher, \$A114.67M NPAT. 5.25% lower, \$A395.59M revenue. Flat, 25c fully franked final dividend.

Bapcor Ltd (BAP)

18.4% lower, \$79.17M full year NPAT. 12.8% higher, \$1.46B revenue. Flat, 9.5c fully franked final dividend.

Megaport Ltd (MP1)

\$47.65M full year net loss, against a \$33.56M net loss a year ago. 66% higher, \$58.04M revenue. Nil final dividend.

Resources
Mineral Resources (MIN)

77c fully franked final dividend, against 31c a year ago.
 \$1.0B full year NPAT, against \$163.6M a year ago. 40.5% higher, \$2.12B revenue. \$11.78 NTA, against \$6.89. \$231M net cash.

Northern Star Resources (NST)

9.5c final and 10c special dividends, each fully franked.
 67.0% higher, \$258.33M full year NPAT. 40.7% higher, \$1.97B revenue.

OZ Minerals (OZL)

81.8% higher, \$79.8M interim NPAT. 37.3% higher, \$575.7M revenue. \$8.49 NTA against \$8.92.



Overseas Markets Commentary

Major European and US equities markets again waxed and waned in early overnight trade, but key US indices steadied to trend decisively higher towards close.

The S&P 500 achieved a record closing peak, thus surpassing pre-Covid-19 market impact levels, albeit with a slight gain, and the NASDAQ achieved another high.

Traders appeared buoyed by stimulus, expected further support and renewed broad enthusiasm for large-cap tech stocks.

In addition, a batch of US retail stocks reported earnings better than anticipated earnings.

The ICE \$US index meanwhile traded ~0.55% lower.

Also in the US, the four-day Democrat national convention commenced, also focusing attention on the November US presidential election.

Meanwhile, further dissent regarding the transport of trade goods appeared the main outcome from the first session of a new bout of **UK-European Union (EU)** talks ahead of the 31 December end of the transition period for the UK's EU exit.

Among overnight **data** releases, **US** July housing starts were estimated 22.6% higher, following a 17.5% June jump and expectations of a 2.3% new gain.

July building permits also surpassed forecasts, rising 18.8% against forecasts of a 2.8% improvement and following June's 3.5% increase.

Meanwhile, a UK 30-year government bond auction delivered a 0.784% yield from 0.683%.

In other news, Sweden confirmed it had joined several other nations in temporarily removing its diplomats from **North Korea**, in part due to Covid-19 concerns.

The embassy, which remains open, also provides consular representation for other nations, including Australia, Canada and the US.

Tonight in the **US**, Federal Reserve July policy meeting minutes are keenly anticipated.

Weekly new mortgage applications are also due.

Further, the Democrat national convention continues.

Elsewhere, the UK reports July CPI and Germany conducts a 30-year bond auction.

UK and EU negotiators are also scheduled for talks regarding arrangements for the 31 December end of the transition period of the UK's separation from the EU.

Companies scheduled to report earnings later today and tonight include Autohome, Lowe's, Nvidia, Synopsis, Target and TJX.

In overnight corporate news, US home improvement retailers **Home Depot** and **Lowe's** confirmed Covid-19 lockdown benefits in their June quarter reports.

General US retailer Walmart also exceeded expectations, results buoyed by online trade.

Minor competitor **Kohl's** surprised with a better-than-feared loss.

UK retailer Marks & Spencer announced it was cutting 7000 employee positions within three months.

Pre-Open Announcements

Tabcorp Holdings (* TAH)

Trading halt called this morning, ahead of a \$600M entitlement offer.

The Reject Shop (* TRS)

\$A1.12M full year NPAT. 3.4% higher, \$820.65M sales revenue.

Service Stream (* SSM)

1.1% lower, \$49.315M full year NPAT.

9.0% higher, \$929.13M revenue.

5c fully franked final dividend.

\$19.5M net cash.

EML Payments (* EML)

\$5.85M full year net loss. 24% higher, \$120.96M revenue.

Mastermyne Group (MYE)

13% higher, \$11.56M full year NPAT.

23% higher, \$292.67M revenue.

4c fully franked final dividend.

60c NTA against 57c.

\$21.4M net cash.

Prescient Therapeutics (PTX)

PTX closed its SPP early, at COB yesterday, citing 'overwhelming support' and needing to scale back applications.

Resources

Lynas Corporation (** LYC)

Resuming from a trading halt having completed a fully underwritten \$A311M institutional entitlement offer at \$2.30 per share.

A retail entitlement offer is scheduled for 24 August – 7 September.

Pre-trade Monday, LYC also reported 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.

Silver Lake Resources (* SLR)

\$257M full year NPAT, against \$6.5M a year ago.

87% higher, \$563.4M revenue.

\$269.4M cash and bullion.

Nil debt.

66c NTA against 47c.

Nil final dividend.

Fenix Resources (* FEX)

Resuming from a trading halt with a mining co-operation and benefits agreement in hand with the Wajarri Yamatji Native Title claimant #1 group for the Cue, WA Iron Ridge DSO iron ore project.

FEX last traded at 17.5c.



Earlier yesterday, **Oracle** was reported to have been in talks with **ByteDance** to acquire the US operations of TikTok.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	2012.1	oz	14.4	0.7
Silver (NY) (Sep)	28.075	oz	0.408	1.5
Gold (LON) (17 Aug)	1973	oz		
Platinum	952	oz	6	0.1
WTI Crude (NYMEX Sep)	42.89	bbl	0.0	0.0
Brent Crude (ICE EUR Oct)	45.46	bbl	0.09	0.2
Iron Ore (NYMEX,CHN,62%)	122.75	t	2.29	1.9
Copper (LME,3mth Ind,PM)	6599	t	136	2.1
Nickel	14710	t	70	0.5
Aluminium	1773	t	14	0.8
Lead	1992	t	27	1.4
Zinc	2467	t	21	0.8
Tin	17645	t	175	1.0

Commodities Commentary

Oil – prices were pushed and pulled overnight by: optimism OPEC+ will not further reduce output cutbacks in the near-term; BHP comments yesterday that the worst market risks were over and that a modest recovery was likely; and expectations of ongoing reduced demand due to Covid-19, after another European airline cut back on renewed services following the reintroduction of select quarantining.

An OPEC+ monitoring committee is due to meet from later today. Tonight, a US weekly inventories report is due from government agency the EIA. Overnight (post-US trade), a weekly industry report has estimated a further draw on crude stocks, this time by 4.3MMbbl.

Gold – the \$US and US 10-year bond yields continued lower overnight, supporting gold interest and pushing Comex futures once again beyond \$US2000/oz.

Central bank stimulus remained in focus.

US Federal Reserve July policy meeting minutes, due tonight, is expected to influence at least some of tonight's sentiment.

These will be followed by a **People's Bank of China** policy meeting scheduled for tomorrow.

In addition, **European Central Bank** minutes are due tomorrow night.

Yesterday, the **Reserve Bank of Australia's** August policy meeting minutes revealed ongoing caution and hence no near-term tightening.

Base metals – overnight trade appeared mostly supported by a yet weaker \$US, some better-than-anticipated corporate earnings, and expectations of ongoing stimulus.

Among data releases, **Japan's** July trade figures are due today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7249	0.0006	0.09
EUR – USD	1.1943	0.0013	0.11

Energy

Central Petroleum (* CTP)

MoU in hand with the Australian Gas Infrastructure Group and Macquarie Mereneie to progress a final investment decision (FID) for the proposed Northern Territory Amadeus Basin to Moomba, South Australia 950km gas pipeline.

Trading Halts

Company	Code	Resuming
FBR Ltd	FBR	19 Aug
Medical Developments International	MVP	19 Aug
Revasum Inc	RVS	19 Aug
XTD Ltd	XTD	19 Aug
Flinders Mines	FMS	20 Aug
Mayur Resources	MRL	20 Aug
Mejority Capital	MJC	20 Aug
Metals Australia	MLS	20 Aug
Sihayo Gold	SIH	20 Aug
Spirit Telecom	ST1	20 Aug
Cipherpoint Ltd	CPT	21 Aug
Talga Resources	TLG	21 Aug
Rafaella Resources	RFR	21 Aug
Roots Sustainable Agricultural Technologies	ROO	24 Aug

Suspensions (select)

Company	Code	Since
Alderan Resources	AL8	18 Aug
Altura Mining	AJM	12 Aug
Coronado Global Resources	CRN	18 Aug
eSense-Lab Ltd	ESE	27 Jul
Ragnar Metals	RAG	7 Aug
STEMify Ltd	SF1	6 Aug
Syntonic Ltd	SYT	4 Aug
thedocyard Ltd	TDY	18 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BFG	Today	4	100	6.20
CBA	Today	98	100	2.84
NGI	Today	7.67	0	7.47
RMD	Today	3.8	0	0.48
RYD	Today	3	100	1.29
CL1	Tomorrow	2.5	100	2.60
FSA	Tomorrow	3	100	5.71
KOV	Tomorrow	13	100	5.77
MAM	Tomorrow	1	100	4.65
QBE	Tomorrow	4	10	4.81

**Australian Data Today**

Wstpc/MInst	Leading index	Jul
DeptoEmplymt	Skilled job vacancies	Jul
ABS	Mortality statistics (prelim)	Jan - May

US Data Tonight

Federal Reserve policy meeting minutes	Jul
MBA mortgage applications	14 Aug

Other Overseas Data Today & Tonight

Japan	Trade balance	Jul
Japan	Machinery orders	Jun
UK	CPI	Jul
Euro zone	CPI (final)	Jul

Need More Information?

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KGN	Fri	13.5	100	0.68
LLC	Fri	3.26	0	5.17
NCM	Fri	24.4	100	0.95
AZJ	Mon	13.7	70	5.70
EVN	Mon	9	100	2.09
PNI	Mon	8.5	100	2.78
WPL	Mon	36.53	100	6.69
RKN	Tue (25 Aug)	3	100	6.45

Reports & Events

(selected)

When	Company	Report/Event
Today	A2M	Full year
	ANZ	Q3 update
	BAP	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 (w/cast tele 9am AEST)
	IVC	Full year
	MMS	Full year
	MHJ	Full year (w/cast tele 10.15am AEST)
	MIN	Full year (tele midday AEST)
	MGX	Full year
	NEA	Full year (w/cast 9.30am)
	NST	Full year (tele 10.30am)
	NWH	Full year
	OZL	Interim
	PGH	Full year
	SAR	Full year
	SLR	Full year
SIQ	Interim (post-trade; audio w/cast 9am THU)	
TAH	Full year	
TRS	Full year	
VCX	Full year	
VAH	Full year (in administration)	
VHT	AGM (10am)	
VOC	Full year	
WEB	Full year (w/cast tele 5pm)	
WTC	Full year	
Tomorrow	AIA	Interim
	ASX	Full year
	CCL	Interim
	CHC	Full year
	DHG	Full year (tele 10.30am)



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EBO	Full year
EVT	Full year
GNE	Full year
IEL	Full year
IRE	Full year
MGR	Full year
MPL	Full year
ORA	Full year
ORG	Full year
PPT	Full year
PME	Full year (w/cast 11am)
QAN	Full year
STO	Interim
SHL	Full year
S32	Full year
SXL	Full year
SGR	Full year
TGR	Full year
VVR	Full year
WES	Full year
WPP	Interim (tele 10am)