

Markets

| | | | |
|--------------------------------------|-------|----|-----|
| SFE 200 Futures (9.30am AEST) | 8060 | 51 | 0.6 |
| NZX 50 | 12376 | 23 | 0.2 |
| DJIA Futures | 41442 | 3 | 0.0 |
| S&P 500 Futures | 5616 | 6 | 0.1 |
| NASDAQ Futures | 19430 | 37 | 0.2 |

Local Markets Commentary

The Australian market opens the last trading day for August with a batch of influential domestic and regional economic data due, a tsunami of domestic earnings reports, another wave of stocks trading ex-dividend, and the \$A at ~US68.00c.

This, ahead of several material international economic data releases tonight, as the US heads into a Monday public holiday weekend.

US equities markets settled mixed overnight, from a 0.2% decline to a 0.6% gain.

Locally today, the Reserve Bank of Australia (RBA) reports July financial aggregates, including **private sector credit** (and hence housing credit figures), at 11.30am AEST.

At the same time, the Australian Bureau of Statistics (ABS) releases July **retail sales**.

Further today, the RBA publishes July exchange rates as the ASX closes, and post-ASX trade, July international reserves and foreign currency liquidity.

Meanwhile, stocks trading **ex-dividend** include **ALD, JLG and ORA**. Please see p4 for a detailed ex-dividends list.

Regionally today, **South Korea** has reported July **industrial production** and **retail sales** pre-trade.

Japan is also scheduled to report July **industrial production** and **retail sales** this morning, just prior to the ASX open.

In overnight **commodities** trade, **oil** swung ~1.5% - ~2.0% higher.

US **gold** (Comex Dec) futures also turned to record a gain, settling above \$US2550/oz.

Iron ore (Nymex CFR China, 62% Fe) closed slightly higher again, above \$US98.60/t.

LME (3mth evening) **copper** and **nickel** fell further, but slightly so. **Aluminium** extended Wednesday's fall by ~1.5%.

The **\$A** was pushed back below \$US68.00c after trading beyond US68.20c early yesterday evening.

Overseas Markets

| INDEX | CLOSE | +/- | % |
|--------------------|-------|-------|------|
| Dow Jones | 41335 | 244 | 0.6 |
| S&P 500 | 5592 | -0.22 | -0.0 |
| NASDAQ | 17516 | -40 | -0.2 |
| FTSE 100 | 8380 | 36 | 0.4 |
| DAX 30 | 18913 | 130 | 0.7 |

Today's Stock Watch
Ramsay Health Care (RHC)

40c fully franked final dividend from 25c a year ago.
 \$A888.7M full year NPAT from \$A298.1M.
 9.4% higher, \$A16.77B income.
 Short-term industry challenges, but favourable long-term dynamics.

TPG Telecom (TPG)

Cutting 120 employee positions this month.
 9c, 87%-franked interim dividend from 9c fully-franked a year ago. 40% lower, \$29M interim NPAT.
 \$2.711B revenue from \$2.708B.

Harvey Norman Holdings (HVN)

Flat 12c final dividend.
 \$357.63M full year NPAT from \$546.84M.
 \$2.80B product sales revenue from \$2.78B.
 \$3.98 NTA from \$3.90.

Downer EDI (DOW)

11c, 50%-franked final dividend from 8c unfranked a year ago.
 \$69.1M full year NPAT from a \$396.4M FY23 net loss.
 5.2% lower, \$11.97B income.
 28.9c NTA from 25.5c.
 Improving momentum and confidence.

IPD Group (IPG)

6.2c fully franked final dividend from 4.7c a year ago.
 39.1% higher, \$22.4M full year NPAT.
 28% higher, record \$290.4M revenue.
 65.9c NTA from 60.7c.
 Buoyant IPG markets outlook.
 Promising a trading update at the 26 November AGM.

Lendlease Group (LLC)

Selling the group's US east coast construction operations, for \$30M - \$50M, pending including earn outs and rights to secured projects.
 Conditions include third-party approvals.
 A neutral net outcome is anticipated for LLC.

The Star Entertainment Group (SGR)

Trading halt called pre-trade.

Fletcher Building (FBU)

Trading halt called his morning.

Resources
Resolute Mining (RSG)

72% lower, \$20.947M interim NPAT.
 4% higher, \$341.50M revenue. 26c NTA from 25c.
 \$96.6M net cash from \$17.2M net debt a year ago.



Shanghai Composite 2823 -14 -0.5

Overseas Markets Commentary

Some marked swings featured across most major European, UK and US equities markets overnight, amid a cocktail of considerations.

These included influential economic indicators, plus major vehicle manufacturers and semi-conductor firms closing production in south west Japan, due to a typhoon.

Reactions to Nvidia's quarterly earnings report and outlook (each robust, but less so than anticipated), released post-US trade Wednesday, also influenced some trade, the stock itself dropping by greater than 6%.

Among the key economic data releases, a second June quarter GDP estimate for the US allayed some concerns of a potential US recession.

The \$US index subsequently rose by ~0.36%.

A CPI inflation update for Germany also surprised, but spawned both concern and monetary policy optimism.

In geopolitical news, limited to specific hours across three days each, were reportedly agreed in northern, central and southern Gaza, from Sunday, to enable polio vaccinations for children.

Meanwhile, the US national security advisor, in Beijing for talks with China's foreign minister Wang Yi, also met with president Xi Jinping, and a senior military official.

Earlier yesterday, Australia's private capital spending was reported to have dropped 2.2% during the June quarter, surprising on the downside. Consensus had been recorded for a 1.0% rise following a 1.9% March quarter climb.

Among overnight **economic data** releases, the second reading (of three) for **US** June quarter **GDP** growth came in at 3.0% from the initial 2.8% estimate and against the finalised 1.4% GDP growth recorded for the March quarter.

Weekly initial unemployment claims tallied 231,000 from 233,000 the previous week. Forecasters had anticipated 232,000.

The July international goods trade balance was calculated as a \$US102.66B deficit against consensus for a \$US97.1B shortfall.

Imports were estimated \$US6.1B higher for the month, at \$US275.6B. Exports were reported unchanged, at \$US172.9B.

July pending home sales fell 5.5% for the month and 8.5% year-on-year.

June's sales had jumped by 4.8% and represented a 2.6% annualised decline.

July wholesale inventories rose 0.3% for the month against expectations for a 0.2% build following a 0.1% June increase.

Germany's preliminary August **CPI** estimate, also released overnight, represented 0.1% deflation for the month against expectations for 0.1% inflation, following 0.3% July inflation growth.

Against August 2023, inflation was up 1.9% against a 2.3% annualised inflation rate recorded for July.

This was deemed supportive of a second interest rate cut for the year out of the European Central Bank (ECB) next month.

An August economic sentiment reading for the **euro zone**

Pre-Open Announcements

KKR Credit Income Fund (KKC)

13.24% higher, \$98.033M full year NPAT.

17.11% higher, \$113.644M investment income.

\$2.4657 NTA from \$2.3621.

Shriro Holdings (SHM)

3c fully franked final dividend from 6.5c a year ago.

13.8% lower, \$6.9M full year NPAT.

21.6% lower, \$119.5M revenue. 3.7% lower on a continuing operations basis.

46.8c NTA against 66.2c.

\$24.3M cash on hand against \$32.8M.

FY25 plans, including continuing to employ staff to assess potential acquisitions, lodged post-trade yesterday.

Kina Securities (KSL)

A4c (10.6 PGK) interim dividend. (1PGK ~\$A0.3761)

9% lower PGK42.42M interim NPAT.

21% higher, PGK227.51M revenue.

Results were impacted by a fraud loss, which largely pushed operating expenses 40% higher.

PGK1.89 NTA from PGK1.80.

14% higher NIM.

KSL's loan book grew 12% to PGK2.6B.

Comprehensive outlook considerations also lodged post-trade yesterday.

KSL lodged select anticipated FY24 figures on Monday.

PYC Therapeutics (PYC)

\$37.725M net loss from a \$22.789M FY23 net loss.

43.7% higher, full year \$22.855M income.

\$1.67 NTA from 71c.

\$66.87M cash and equivalents.

Duxton Farms (DBF)

\$5.19M full year NPAT from a \$10.09M FY23 net loss.

\$24.08M revenue from \$7.296M.

\$2.72 NTA from \$2.40.

Resources

Aeris Resources (* AIS)

\$24.26M full year net loss from a \$139.75M FY23 net loss.

12% lower, \$540.02M revenue. 32c NTA against 38.6c.

\$24.76M cash and equivalents.

Perseus Mining (PRU)

PRU has appointed Rick Menell as non-executive chair, taking over from interim executive chair Jeff Quartermaine.

Mr Quartermaine is resuming his PRU MD and CEO roles.

Mr Menell joined the PRU board in May.



surprised on the upside in the meantime, coming in at 96.6 against consensus for no change from July's 95.8.

Meanwhile, new car registrations for July were calculated 0.2% higher year-on-year following an annualised 4.3% jump for June.

Early yesterday, **UK** July car production was reported 14.4% lower than for July 2023. June production dropped 26.6% year-on-year.

Tonight in the US, July income and spending, the July PCE price index, August Chicago PMI and final University of Michigan August consumer sentiment reading are due.

Elsewhere, a preliminary August CPI **inflation** reading is due for the **euro zone**.

China Construction Bank and Industrial Bank of China are among companies scheduled to report earnings or provide trading updates later today or tonight include,

NB: US markets will be closed Monday due to a public holiday. Markets in Canada will also be closed.

Commodities

| COMMODITY | CLOSE | \$US/ | +/- | % |
|--|--------|-------|------|------|
| Gold (COMEX 100 Dec) (Reuters) | 2560.3 | oz | 22.5 | 0.9 |
| Silver (COMEX 5000 Dec) (15.58ET Iress) | 29.84 | oz | 0.21 | 0.7 |
| Platinum | 939 | oz | 9 | 1.0 |
| WTI Crude (NYMEX Oct) | 75.91 | bbl | 1.39 | 1.9 |
| Brent Crude (ICE EUR Oct) | 79.94 | bbl | 1.29 | 1.6 |
| Iron Ore (NYMEX CHN port;62%Fe) | 98.63 | t | 0.12 | 0.1 |
| Copper (LME 3mth Evening) | 9238 | t | -15 | -0.2 |
| Nickel | 16986 | t | -17 | -0.1 |
| Aluminium | 2456 | t | -39 | -1.6 |
| Lead | 2034 | t | -50 | -2.4 |
| Zinc | 2875 | t | -4 | -0.1 |
| Tin | 32395 | t | -280 | -0.9 |

Commodities Commentary

Oil – prices were supported higher overnight by supply and export reductions in Libya and reported plans for Iraq to reduce September output in order to comply with agreed OPEC+ quotas.

Libya's output was estimated 700,000bbl/d lower than usual and Iraq's planned cuts would lower output by up to 0.4MMbbl/d from July's 4.25MMbbl/d.

In addition overnight, the \$US strengthened for a second consecutive session, making purchases more expensive in other currencies.

A weekly US petroleum drill rig report is due tonight from Baker Hughes.

Gold – expectations of near-term interest rate cuts from both the US Federal Reserve and European Central Bank, supported by select new weaker-than-expected data releases, helped turn gold sentiment positive overnight.

Key data out of the US and euro zone tonight is also expected to influence sentiment.

Base metals – overnight trade considerations included a further \$US increase and varying supply-demand scenarios.

China's official (NBS) August PMIs are scheduled for release over the weekend and could add caution during end-of-month

Reports & Events

(selected; all times AEST)

| When | Company | Report/Event |
|--------------|---------------------------|-----------------------------|
| Today | APM | Full year (tele 11am) |
| | ASB | Full year |
| | APX | Interim (w/cast tele 11am) |
| | CCV | Full year |
| | CKF | AGM |
| | DDR | Interim (w/cast tele 11am) |
| | DOW | Full year |
| | HVN | Full year |
| | IPG | Full year (webinar 10.30am) |
| | IR1 | AGM |
| | KSL | Interim (tele 1pm) |
| | MHJ | Full year (webcast 9.30am) |
| | MYE | Full year (tele 10am) |
| | RHC | Full year (webcast 9.30am) |
| | SGR | Full year |
| TPG | Interim (webcast 10.30am) | |

Trading Halts

| Company | Code | Resuming |
|------------------------------|------|----------|
| Australian Oil Company | AOK | 30 Aug |
| Change Financial | CCA | 2 Sep |
| Dubber Corporation | DUB | 30 Aug |
| EDU Holdings | EDU | 30 Aug |
| Enlitic Inc | ENL | 2 Sep |
| Estrella Resources | ESR | 30 Aug |
| Fletcher Building | FBU | 2 Sep |
| Narryer Metals | NYM | 2 Sep |
| Renu Energy | RNE | 2 Sep |
| The Star Entertainment Group | SGR | 2 Sep |

Suspensions (selected)

| Company | Code | Since |
|----------------------------|------|--------|
| Advance Metals | AVM | 29 Aug |
| Coolabah Metals | CBH | 14 Aug |
| Elanor Investors Group | ENN | 23 Aug |
| Legacy Iron Ore | LCY | 29 Aug |
| MCS Services | MSG | 15 Aug |
| Melodiol Global Health | ME1 | 29 Aug |
| Redflow Ltd | RFX | 23 Aug |
| Strata Investment Holdings | SRT | 26 Aug |
| Xstate Resources | XST | 26 Aug |



positioning tonight.

Caixin's August manufacturing PMI is due for China Monday.

Exchange Rates

| CURRENCIES | LAST | +/- | % |
|------------------|--------|---------|--------------|
| AUD – USD | 0.6798 | -0.0008 | -0.12 |
| EUR – USD | 1.1080 | -0.0056 | -0.50 |

Australian Data Today

| | | |
|-----|---|-----|
| RBA | Financial aggregates (incl private sector credit) | Jul |
| ABS | Retail sales | Jul |
| RBA | Exchange rates (after 4pm AEST) | Jul |
| RBA | International reserves (4.30pm AEST) | Jul |
| RBA | Foreign currency liquidity (same report as intl reserves) | Jul |

US Data Tonight

| | |
|--|-----|
| Personal income and spending | Jul |
| Personal consumption expenditure (PCE) price index | Jul |
| Chicago PMI | Aug |
| Uni of Michigan consumer sentiment (final) | Aug |

Other Overseas Data Today and Tonight

| | | |
|--------------------|---|------|
| South Korea | Industrial production | Jul |
| South Korea | Retail sales | Jul |
| Japan | Industrial production | Jul |
| Japan | Retail sales | Jul |
| UK | BoE consumer credit (incl mortgage lending) | Jul |
| Germany | Import prices | Jul |
| Germany | Retail sales | May |
| Euro zone | CPI (prelim) | Aug |
| Canada | GDP | JunQ |

Need More Information?

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Ex-Dividends

| Code | Ex-Div | Div (c) | Franking (%) | Yield (%) |
|------------|--------|-------------|--------------|-----------|
| ALD | Today | 60 | 100 | 7.18 |
| BRI | Today | 2 | 100 | 10.11 |
| CIN | Today | 63 | 100 | 3.29 |
| EVO | Today | 1.5 | 100 | 6.62 |
| FSA | Today | 3.5 | 100 | 3.89 |
| HIT | Today | 5 | 100 | 4.93 |
| IDX | Today | 3.3 | 100 | 2.27 |
| IFM | Today | 2 | 100 | 2.27 |
| JLG | Today | 4.7 | 100 | 2.38 |
| MOT | Today | 1.23 | 0 | 8.73 |
| MXT | Today | 1.35 | 0 | 8.63 |
| ORA | Today | 5 | 0 | 5.39 |
| PIA | Today | 1.35 | 100 | 4.82 |
| SLH | Today | 1.42 | 100 | 4.13 |
| A1N | Mon | 1.2 | 100 | 12.46 |
| BEN | Mon | 33 | 100 | 5.24 |
| COG | Mon | 4.4 | 100 | 8.29 |
| EQT | Mon | 53 | 100 | 3.36 |
| GNG | Mon | 10 | 100 | 9.95 |
| IRI | Mon | 2 | 100 | 0.00 |
| PCX | Mon | 1.16 | 0 | 0.57 |
| PFG | Mon | 0.85 | 100 | 6.87 |
| PFP | Mon | 7.2 | 100 | 2.36 |
| PNI | Mon | 26.4 | 71.96 | 0.91 |
| SEQ | Mon | 5 | 100 | 4.30 |
| TAH | Mon | 0.3 | 0 | 4.40 |
| WOR | Mon | 25 | 0 | 3.27 |

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