

Markets

SFE 200 Futures (9.30am AEST)	6093	42	0.7
NZX 50	12012	109	0.9
DJIA Futures	29139	49	0.2
S&P 500 Futures	3585	6	0.2
NASDAQ Futures	12432	21	0.2

Local Markets Commentary

The Australian market commences today's trade with influential domestic and key regional economic indicators due by late morning, some disappointing data already in hand, and another batch of large-cap and high-profile stocks trading ex-dividend, ahead of more influential data out of the US tonight.

Overnight international equities trade proved positive, but commodities sentiment turned mixed.

Post-US trade, the US administration has announced further restrictions on Chinese diplomatic activity within the US.

Regionally today, Caixin publishes an August **services PMI** for **China 11.45am AEST**.

Japan's final August services PMI, due 10.30am, is expected to continue to indicate contraction mode for the sector.

In addition today, Japan hosts a 30-year government bond auction.

Locally today, the Australian Bureau of Statistics (ABS) reports June quarter **trade balance 11.30am AEST**.

Pre-trade, AiG has released a **37.9** August **construction sector activity** index reading, from 42.7 for June, representing persisting contraction.

Stocks trading **ex-dividend** today include: **ALU, BHP, PPT** and **PTM**. *Please see pp3-4 for details.*

In overnight commodities trade, **oil** and US **gold** futures (December) were pushed decidedly lower.

Iron ore (Nymex CFR China, 62% Fe) picked up the pace of Tuesday's rally, trading beyond \$US126.05/t.

LME **copper** settled barely changed. **Nickel** continued to rally. **Aluminium** turned and fell.

The **\$A** appreciated to US73.75c after trading at ~US73.45c early yesterday evening.

Earlier this morning, the \$A fell to ~US73.35c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	29101	455	1.6
S&P 500	3581	54	1.5
NASDAQ	12056	117	1.0
FTSE 100	5941	79	1.4
DAX 30	13243	269	2.1
Shanghai Comp	3405	-6	-0.2

Australia – trade balance – 11.30am AEST

Australia – 37.9 construction sector activity index in hand

Today's Stock Watch
SkyCity Entertainment Group (SKC)

46.3% higher, \$NZ253.4M full year continuing operations NPAT. 36.8% higher, \$NZ1.125B continuing operations revenue. \$NZ1.0695 NTA, against NZ53.59c.

Dimerix Ltd (DXB)

\$1M grant in hand from the Australian Government Medical Research Future Fund in support of the development of DMX-200 as a treatment for Covid-19 – related respiratory complications.

Starpharma Ltd (SPL)

\$1M grant in hand from the Australian Government Medical Research Future Fund in support of the development and commercialisation of SPL's proposed nasal spray for Covid-19.

Pharmaxis Ltd (PXS)

\$1M worth of Australian Government funding in hand in support of a potential drug treatment for Duchenne muscular dystrophy (DMD).

BARD1 Life Sciences (BD1)

\$372,654M worth of Australian Government funding in hand in support of biopsy tests for breast cancer.

Eclix Group (ECX)

Gross corporate debt is at \$170M from \$350M.

Core fleet operating expenses are on track to be reduced by \$15M by the end of FY21. \$180M liquidity.

Air New Zealand (AIZ)

Chief commercial and customer officer Cam Wallace has resigned, effective 30 September, following 19 years with AIZ.

Mr Wallace will consult to the CEO through to 31 December.

PointsBet Holdings (PBH)

Trading halt called post-trade yesterday in association with a \$A303M capital raising. PBH is conducting a \$150M institutional placement, with the price determined by a book-build. A fully underwritten \$153.2M, \$6.50-per-share entitlement offer will be conducted 7 – 8 September (Monday-Tuesday next week) for institutions and 9 – 15 September for retail shareholders. PBH has traded at \$7.44 - \$16.40 over the past five trading sessions.

Resources
BHP Group (BHP)

Planning to repurchase up to \$US1.9B worth of subordinated notes. Details lodged this morning. Trading ex-dividend today.



Overseas Markets Commentary

Major European and US equities markets opened higher, most adding early to gains and largely maintaining these, amid plenty of Covid-19 containment news and commentary.

Overnight, a second steroid was heralded as a treatment that had demonstrated a significant death rate reduction for patients suffering severe Covid-19.

The declaration came from the analysis of seven international hospital trials, prompting the World Health Organisation (WHO) to issue a strong recommendation for the appropriate use of the two steroids.

In addition, more than 75 nations had reportedly agreed to a co-ordinated plan for the allocation of potentially approved Covid-19 vaccines.

In the US, which held out on joining the collaboration, the Centers for Disease Control and Prevention (CDC) was reportedly touting up to two vaccines ready for distribution to States for use within high-risk groups as early as late October.

Yesterday, Australia revealed an anticipated drop in June quarter GDP, confirming the nation's economy was receding technically for the first time in 28 years.

Among overnight **data** releases, **Germany's** July retail sales fell 0.9% for the month after declining 1.9% during June.

Sales were 4.2% higher, however, than for July 2019.

Euro zone July producer prices rose 0.6% for the month, following a 0.7% June gain, but were 3.3% lower than for July 2019.

In the **US**, the Federal Reserve's beige book economic summary of each district revealed growth across several districts had slowed during the survey period from ~mid-July through 24 August.

Growth in overall activity was described as 'modest' but total business and consumer spending was considered in general as cautious.

Meanwhile, the ISM's New York business activity index indicated a return to contraction mode, with a 42.9 reading against July's 53.5, as an influential Federal Reserve district president called for parliament to agree on further national fiscal support.

A private sector employment report concluded 428,000 jobs had been created in August, against forecasts of 1M and following 212,000 during July.

July factory orders rose 6.4%, the same rate of gain recorded for June, following forecasts of a 5.4% new improvement.

Weekly mortgage applications fell by 2% following a 6.5% drop the previous week.

In the meantime, mean 30-year mortgage rates declined to 3.08% from 3.11%.

Tonight in the **US**, a batch of data, including ISM's services sector activity index (strong GDP expectation influence), weekly new unemployment claims, July trade figures and August job cuts, is keenly anticipated, ahead of tomorrow night's monthly national employment statistics.

Elsewhere, euro zone retail sales are due and Bank of England

Pre-Open Announcements

Pure Foods Tasmania (PFT)

Strategy and full year results webinar presentation lodged post-trade yesterday.

PFT is hosting the webinar from **11am** AEST today.

The company lodged full year results Monday this week.

PFT has traded lower each of the past five sessions, settling at 57.5c yesterday.

Tinybeans Group (TNY)

A full year results and 'year ahead' teleconference was scheduled to commence 9.30am AEST.

TNY lodged full year results Friday last week.

Thorn Group (TGA)

In receipt of a request to convene a shareholders' meeting to vote on a proposed board spill.

Janison Education Group (JAN)

JAN former CEO and director and current top-10 shareholder Tom Richardson has sold ~10.15M JAN shares, representing 50.8% of Mr Richardson's JAN holding.

Mr Richardson sold the shares on market in order to meet personal commitments including a tax liability and is not currently planning to sell his ~9.85M remaining JAN shares.

Resources

Australian Strategic Materials (* ASM)

Planning to acquire 95% of JV partner Ziron Technology Corporation plus associated IP.

Details lodged this morning.

Ardiden Ltd (* ADV)

Heralding visible gold from initial Pickle Lake gold project Kasagiminnis deposit drilling, Ontario, Canada.

Details lodged this pre-trade.

Castillo Copper (* CCZ)

Reporting 'encouraging' results from infill surface sampling within the Luanshya copper project, Zambia.

Perseus Mining (PRU)

West Africa virtual site visit presentations lodged post-trade yesterday.

Great Southern Mining (GSN)

GSN has appointed former Barra Resources (ASX: BAR) MD and CEO Sean Gregory as CEO, effective immediately.

In addition, GSN COO Mark Major has resigned after six months in this role.

Meanwhile, GSN has appointed Octavio Garcia as Queensland exploration head.

Stone Resources (SHK) / Regis Resources (RRL)

SHK has completed the sale of the Ben Hur project to RRL for \$10M worth of RRL shares plus a select, conditional 1% net smelter royalty.



governor Andrew Bailey is scheduled to speak publicly.

Benitec Biopharma, Broadcom, Campbell's Soup and DocuSign are among companies listed to report earnings later today and tonight.

Companies trading ex-dividend on the FTSE 100 include Antofagasta, BHP and CRH.

US markets will be closed Monday due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1944.7	oz	-34.2	-1.7
Silver (NY) (Dec)	27.395	oz	-1.25	-4.4
Gold (LON) (1 Sep)	1972	oz		
Platinum	901	oz	-41	-4.4
WTI Crude (NYMEX Oct)	41.51	bbl	-1.25	-2.9
Brent Crude (ICE EUR Nov)	44.43	bbl	-1.15	-2.5
Iron Ore (NYMEX,CHN,62%)	126.06	t	3.53	2.9
Copper (LME,3mth Ind,PM)	6690	t	5	0.1
Nickel	15670	t	155	1.0
Aluminium	1790	t	-28	-1.5
Lead	1943	t	-34	-1.8
Zinc	2530	t	-18	-0.7
Tin	18335	t	149	0.8

Commodities Commentary

Oil – a stronger \$US and some mixed data appeared the major influences on overnight sentiment.

Weekly US petroleum inventories, as calculated by government group the EIA, and published overnight, included a 9.36MMbbl draw on crude stocks and a 4.32MMbbl fall for stored petrol.

Petrol demand in general disappointed however, falling to 8.78MMbbl/d from 9.16MMbbl/d.

Crude production, impacted by two tropical storms, in particular hurricane Laura, fell 1.1MMbbl/d to 9.7MMbbl/d.

Net crude imports fell by 655,000bbl/d.

Overnight, ~19.9% of Gulf of Mexico crude output reported as remaining shut in.

Gold – an ~0.5% rise in the ICE \$US index and decidedly positive equities sentiment detracted from overnight gold interest.

Key economic indicators due for the US tonight and tomorrow night are expected to swing some sentiment.

Base metals – pushed and pulled overnight by mixed data releases, a stronger \$US and some profit-taking.

Among the forecasters Fitch Solutions ventured \$US13,500/t for LME three-month *nickel* for 2020, \$US250/t higher than its previous forecast.

Nickel prices continued to gain, in part on indications of constrained supply for LME-warehoused nickel.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7335	-0.0036	-0.49
EUR – USD	1.1852	-0.0061	-0.51

Details lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
(The) Environmental Group	EGL	3 Sep
Magnetic Resources	MAU	3 Sep
Matsa Resources	MAT	3 Sep
Southern Gold	SAU	3 Sep
Bubs Australia	BUB	4 Sep
Dotz Nano	DTZ	4 Sep
Infinity Lithium Corporation	INF	4 Sep
Magnetite Mines	MGT	4 Sep
Magnis Energy Technologies	MNS	4 Sep
Primero Group	PGX	4 Sep
Raiden Resources	RDN	4 Sep
Rex Minerals	RXM	4 Sep
Tymlez Group	TYM	4 Sep
Fiji Kava	FIJ	7 Sep
Mali Lithium	MLL	7 Sep
New Zealand Coastal Seafoods	NZS	7 Sep
K-TIG Ltd	KTG	8 Sep
Latin Resources	LRS	8 Sep
PointsBet Holdings	PBH	9 Sep

Suspensions *(select)*

Company	Code	Since
Altura Mining	AJM	12 Aug
DomaCom Ltd	DCL	21 Aug
Faster Enterprises	FE8	2 Sep
Intiger Group	IAM	1 Sep
thedocyard Ltd	TDY	18 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ABA	Today	10.75	100	6.71
ALU	Today	19	0	1.04
BHP	Today	76.57	100	5.54
BRI	Today	2.4	100	1.47
BWF	Today	2.1	100	8.57
BWR	Today	3.5	0	5.00
CI1	Today	0.05	0	1.67
CUV	Today	2.5	0	0.12
DWS	Today	3	100	7.45
ECP	Today	2.25	100	1.42
GAP	Today	1	0	4.17
GLB	Today	6	0	7.19
HMC	Today	7.5	100	1.40

**Australian Data Today**

AiG	PCI	Aug
ABS	Trade balance	Jun Q

US Data Tonight

ISM non-manufacturing	Aug
Trade balance	Jul
Challenger job cuts	Aug
Initial jobless claims	29 Aug
Markit services PMI (final)	Aug
Productivity	Jun Q

Other Overseas Data Today & Tonight

China	Caixin services PMI	Aug
Japan	Services PMI (final)	Aug
UK	Services PMI (final)	Aug
Germany	Services PMI (final)	Aug
Euro zone	Retail sales	Jul
Euro zone	Services PMI (final)	Aug

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LIC	Today	2.5	100	0.64
MLD	Today	2.5	100	5.13
NHF	Today	4	100	5.07
ONT	Today	12.5	100	4.20
PPT	Today	50	100	7.46
PTM	Today	11	100	3.50
SHM	Today	3	100	10.85
SKI	Today	7	0	6.49
BLX	Tomorrow	2.4	100	3.68
BVS	Tomorrow	5.5	0	2.76
CYC	Tomorrow	0.5	0	0.72
EAI	Tomorrow	2.5	100	2.78
MCP	Tomorrow	7	100	3.08
MNF	Tomorrow	3.6	100	1.29
PTL	Tomorrow	1.5	100	4.21
SDI	Tomorrow	0.5	100	4.01
SLK	Tomorrow	4.5	100	2.96
WTC	Tomorrow	1.6	100	0.12
ZNO	Tomorrow	3	0	0.00

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