

Markets

SFE 200 Futures (9.30am AEST)	5993	-119	-1.95
NZX 50	11916	-139	-1.2
DJIA Futures	28173	-178	-0.6
S&P 500 Futures	3434	-28	-0.8
NASDAQ Futures	11619	-182	-1.5

Local Markets Commentary

The Australian market opens Friday trade following decidedly negative overnight US equities sentiment, with a weaker \$A and influential domestic data due late morning, ahead of material US data tonight, and as the US heads into a Monday public holiday weekend.

Locally today, the Australian Bureau of Statistics (ABS) reports **July retail sales 11.30am AEST**.

Several more stocks trade **ex-dividend** today. *Please see pp3-4 for details.*

Also today, the **Prime Minister's** post-national cabinet meeting press conference is keenly anticipated.

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

Iron ore (Nymex CFR China, 62% Fe) extended this week's rally.

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

The **\$A** appreciated to ~US73.70c after trading at ~US73.05c early yesterday evening.

This morning, the \$A has fallen below US72.60c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	28293	-808	-2.8
S&P 500	3455	-126	-3.5
NASDAQ	11458	-598	-5.0
FTSE 100	5851	-90	-1.5
DAX 30	13058	-186	-1.4
Shanghai Comp	3385	-20	-0.6

Overseas Markets Commentary

Major European equities markets opened higher overnight, but were dragged significantly lower in late trade, on an early drop in US equities trade sentiment.

In the US, major high-profile companies slid out of favour, with Alphabet, Amazon, Apple, Facebook, Microsoft, Tesla and Zoom Video each trading at least 5% lower.

Covid-19 developments and economic impacts were firmly in focus, as was the November US presidential election towards the end of the first week of post-conventions campaigning.

In **France**, the government announced a €100B economic

Australia – July retail sales – 11.30am AEST

S&P/ASX indices rebalance revealed pre-trade

Please see p2

Today's Stock Watch
CountPlus Ltd (CUP) / Commonwealth Bank of Australia (CBA)

Reviewing a class action claim before Australia's Federal Court. The claim is against Count Financial, which CUP acquired from CBA 1 October 2019.

The class action relates to commissions and ongoing advice obligations, with class action participants seeking financial compensation.

CBA provided a \$300M indemnity to CUP in relation to some conduct prior to and following CUP's acquisition of Count Financial.

ASX Ltd (ASX)

August activity report lodged pre-trade, highlighting a 19% year-on-year increase in total cash market value to \$149.49B.

Bank of Queensland (BOQ)

GM corporate governance and head of secretariat Vicki Clarkson is leaving BOQ today.

Joint company secretary Fiona Daly will remain as company secretary and will head the corporate governance and secretariat teams on an interim basis.

Resources
BHP Group (BHP)

BHP has appointed former GasNet Australia CEO Christine O'Reilly as an independent non-executive director, effective 12 October.

Ms O'Reilly is a director of CSL (ASX: CSL), Medibank Private (ASX: MPL), Stockland (ASX: SGP) and Transurban Group (ASX: TCL), but will retire from the CSL and TCL boards at their respective 14 and 8 October AGMs.

Fortescue Metals Group (FMG)

WA environmental approval in hand to boost Herb Elliott port facility capacity to 210Mtpa from 175Mtpa.

Jupiter Mines (JMS)

The JMS board has given the green light to the proposed spin-off and IPO of the WA central Yilgarn iron ore assets, with former Pilbara Minerals (ASX: PLS) manager Greg Durack appointed IPO company CEO.

In association, JMS will fast-track Mount Mason DSO haematite project development, and seek to progress the Mount Ida magnetite project over the mid-term.



recovery booster package.

Bank of England governor Andrew Bailey told a UK treasury committee long-term economic impacts of Covid-19 remained significantly uncertain and that economic activity in London was proving particularly weak.

Late-Wednesday, the PM had warned UK parliamentarians the economy would worsen and prove choppy before any sustainable recovery.

In the **US**, another **Federal Reserve** regional president urged parliamentarians and the US administration to come up with an agreeable additional economic support plan.

Also in the US, high-profile infectious diseases specialist Anthony Fauci questioned claims any Covid-19 vaccine could be developed sufficiently to become available by late-October – early-November for distribution to high-risk US groups, as indicated the previous day.

In the meantime, the UK's GlaxoSmithKline and France's Sanofi announced the commencement of US clinical trials for a potential Covid-19 vaccine, with initial results anticipated by year's end.

In overnight **data** releases, **euro zone** July retail sales fell 1.3% for the month, but were 0.4% higher than for July 2019.

The euro zone's final August services PMI exceeded forecasts of 50.1, coming in at 50.5, but against 54.7 for July.

In **Germany**, it was a similar story, with final August services PMI forecasts of 50.8, but a 52.5 reading, following 55.6 for July.

France's July retail sales were notably 5.8% higher than for July 2019 after growing 1.5% for the month. Nonetheless forecasters were expecting a 2.3% monthly gain.

In the **UK**, the August services PMI was finalised at 58.8 following 56.6 for July, following forecasts of 60.1.

In the **US**, July trade figures included a \$US63.6B trade deficit, following a \$US53.5B June shortfall.

The ISM's August services sector activity index was pegged back to 56.9 from 58.1, dampening September quarter GDP expectations.

An August job cuts report estimated 115,726 layoffs against 262,649 reported for July.

Weekly new unemployment claims tallied 881,000, following 1.01M the previous week.

Tonight in the **US**, monthly national employment statistics are due.

Elsewhere, construction sector PMIs are in focus and Germany reports factory orders.

In overnight corporate news, **Amazon** announced plans to add 7000 new jobs this year to bolster the group's UK operations, pushing the 2020 tally of additional UK jobs to 10,000.

This, a day after **Lego** announced that by the end of 2020, the company would likely have opened 120 additional stores internationally for the year, 80 of these in China.

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

Pre-Open Announcements

Novatti Group (NOV)

Salesforce approval in hand for NOV subsidiary Emersion to launch on the Salesforce AppExchange.

Mader Group (MAD)

MAD has appointed former SRG Global (ASX: SRG) senior manager Paul Hegarty as CFO.

Previous MAD CFO Lil Lim is remaining with MAD in an operational finance role.

Resources

Flinders Mines (FMS)

Conditions precedent satisfied for FMS's proposed farm-in to the BBI Group WA Pilbara iron ore project.

Details lodged this morning.

Danakali Ltd (DNK)

DNK hosted a live webinar and Q&A focusing on the Colluli sulphate of potash project early yesterday evening (AEST).

The webinar presentation was lodged post-trade yesterday.

S&P S&P/ASX Indices Re-balance

The following changes will take place as trading opens 21 September

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S&P/ASX20

Out: SCG, SUN

In: COL, FMG

S&P/ASX100

Out: CIM, VUK

In: APX, FPH

S&P/ASX200

Out: MMS, NHC, OML, ORE, SXL

In: AIA, AUB, RMS, WGX, Z1P

S&P/ ASX300

Out: FAR, IGL, JHC, MYR, REG, SGF

In: ALK, CMM, DDR, DEG, EVT, REH, TPW

S&P/ASX All Australian 200

Out: HSN, JIN

In: KGN, Z1P

S&P/ASX All Technology

In: BRN, DDR, EVS, M7T, NVX, SPT, SZL, WSP

Trading Halts

Company	Code	Resuming
Dotz Nano	DTZ	4 Sep
Infinity Lithium Corporation	INF	4 Sep



Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1937.8	oz	-6.9	-0.4
Silver (NY) (Dec)	26.875	oz	-0.52	-1.9
Gold (LON) (2 Sep)	1947	oz		
Platinum	883	oz	-18	-2.0
WTI Crude (NYMEX Oct)	41.37	bbl	-0.14	-0.3
Brent Crude (ICE EUR Nov)	44.07	bbl	-0.36	-0.8
Iron Ore (NYMEX,CHN,62%)	126.06	t	2.32	1.8
Copper (LME,3mth Ind,PM)	6593	t	-93	-1.4
Nickel	15065	t	-600	-3.8
Aluminium	1780	t	-9	-0.5
Lead	1941	t	-3	-0.2
Zinc	2495	t	-34	-1.4
Tin	18225	t	-110	-0.6

Commodities Commentary

Oil – \$US strength, combined with broad commentary warning shorter-term international economic recovery was not assured kept overnight sentiment in check.

Brent crude and WTI recovered from session lows, however, after each being pushed at least 2% lower in early trade.

A US weekly petroleum rig count is due tonight.

Gold – key equities markets drops appeared to ultimately spark a grab for liquidity overnight, pushing gold lower.

US monthly employment statistics tonight could influence some of tonight's trade, before US markets wind down for a Monday public holiday weekend.

Base metals – early relative \$US strength and global economic recovery commentary appeared to dampen some overnight sentiment.

In producer news, late-Wednesday, Chile's Codelco revealed a 2.3% year-on-year increase in January – July *copper* output.

China's August trade figures, expected Monday, could cause some greater-than-usual caution tonight, given the US is heading into a Monday public holiday weekend.

Caixin's August services PMI for China, reported yesterday, slipped by 0.1 to 54.0, following forecasts of a larger decline to 53.7.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7255	-0.0083	-1.13
EUR – USD	1.1841	-0.0014	-0.11

Australian Data Today

ABS	Retail sales	Jun
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US Data Tonight

Labour market (incl wages, jobs created, unemployment)	Aug
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Magnetite Mines	MGT	4 Sep
Magnis Energy Technologies	MNS	4 Sep
Raiden Resources	RDN	4 Sep
Tymlez Group	TYM	4 Sep
Ansila Energy	ANA	7 Sep
Biotron Ltd	BIT	7 Sep
Caneus Minerals	CAD	7 Sep
Firefly Resources	FFR	7 Sep
Founders First	FFL	7 Sep
Mali Lithium	MLL	7 Sep
New Zealand Coastal Seafoods	NZS	7 Sep
Opyl Ltd	OPL	7 Sep
Velocity Property Group	VP7	7 Sep
K-TIG Ltd	KTG	8 Sep
Latin Resources	LRS	8 Sep
AuStar Gold	AUL	9 Sep
Comet Resources	CRL	9 Sep
Metalicity Ltd	MCT	9 Sep
PointsBet Holdings	PBH	9 Sep

Suspensions *(select)*

Company	Code	Since
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 (%)
BLX	Today	2.4	100	3.74
BVS	Today	5.5	0	2.78
CYC	Today	0.5	0	0.72
EAI	Today	2.5	100	2.74
MCP	Today	7	100	3.12
MNF	Today	3.6	100	1.35
PTL	Today	1.5	100	4.26
SDI	Today	0.5	100	3.96
SLK	Today	4.5	100	2.86
WTC	Today	1.6	100	0.12
ZNO	Today	3	0	0.00
ALD	Mon	25	100	3.16
ASX	Mon	122.5	100	2.55
AUB	Mon	35.5	100	2.89
BGA	Mon	5	100	1.90
EGN	Mon	1.5	100	3.85
EQT	Mon	43	100	3.27
IFL	Mon	11.5	100	7.12
NIC	Mon	1	0	0.00
ORA	Mon	5.5	0	6.83

**Other Overseas Data Today & Tonight**

UK	Retail sales monitor	Aug
UK	Construction PMI	Aug
UK	New car sales	Aug
Germany	Factory orders	Jul
Germany	Construction PMI	Aug
Euro zone	Construction PMI	Aug

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

PPE	Mon	4.5	100	3.04
SBM	Mon	4	100	2.33
SFC	Mon	35	100	5.23
SHL	Mon	51	30	2.58

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