

Markets

SFE 200 Futures (9.30am AEST)	5875	-36	-0.6
NZX 50	11848	24	0.2
DJIA Futures	28082	8	0.0
S&P 500 Futures	3410	-8	-0.2
NASDAQ Futures	11458	-91	-0.8

Local Markets Commentary

The Australian market commences a new week's trade with a batch of material regional and domestic data due, the first of several significant batches of stocks trading ex-dividend this week, and the US observing a Monday public holiday, following a further fall across major international equities markets overnight Friday.

Over the weekend, the Australian Government announced an agreement that would enable a potential Covid-19 vaccine to be manufactured largely in Melbourne under supply-and-production agreements worth a total \$A1.7B with the University of Oxford and AstraZeneca, and also the University of Queensland and CSL, should either of the teams be able to demonstrate a safe, effective vaccine that also secures regulatory approvals.

Elsewhere, Britain's PM warned the UK would walk away from trade and other negotiations ahead of the 31 December expiry of the transition period for the UK's separation from the European Union (EU), if insufficient progress is achieved by mid-October.

Regionally today, China is expected to reveal August trade figures 1pm AEST.

Locally today, ANZ releases its monthly job advertisements report, 11.30am AEST.

The Reserve Bank of Australia (RBA) reports monthly card transactions, at the same time.

Pre-trade, the AiG has published a decidedly contractionary **42.5 August services PMI**, this following 44 for July.

Forecasters expected a larger fall, however.

More than a dozen large-cap and high-profile stocks trade ex-dividend today.

These include **ALD, AUB, ASX, EQT, IFL, SFC and SHL**. Please see p4 for details.

In overnight Friday commodities trade, **oil** dropped.

US **gold** futures (December) continued to decline, but slightly.

Iron ore (Nymex CFR China, 62% Fe) ended the week with a further rally-mode gain.

LME **copper** and other key base metals rallied variously.

The **\$A** fell to ~US72.75c after rising to ~US72.90c early Friday evening.

This morning, the \$A has traded at US72.90c again.

China – August trade balance – 1pm AEST

Australia – contractionary **42.5 services PMI** in hand, from 44

* Buy now-pay later (BNPL) listing **midday AEST – LBY ***

Today's Stock Watch

CSL Ltd (CSL)

CSL is confirming a weekend announcement of a HoA with the Australian Government for the supply of 51M doses of potential Covid-19 University of Queensland vaccine doses.

In addition, CSL confirms a HoA with Oxford University for an anticipated 30M doses of Oxford University potential vaccine (AZD1222) to Australia, pending successful clinical trials.

Further, the Australian Government and CSL have agreed on some funding support for CSL to prepare facilities for manufacturing AZD1222 should it prove successful.

AstraZeneca, which is developing AZD1222 with Oxford University, has secured a separate commercial arrangement with the Australian Government for the potential supply of AZD1222.

Biotron Ltd (BIT)

Encouraging activity demonstrated against SARS-CoV-2, the coronavirus responsible for Covid-19, during first-stage screening of multiple BIT compounds.

GUD Holdings (GUD) / Australian Pharmaceutical Industries (API)

GUD and API chair Mark Smith has resigned from the GUD and API boards for health reasons.

GUD non-executive deputy chair Graeme Billings is acting GUD chair. API non-executive director Kenneth Gunderson-Briggs is acting API chair.

Jumbo Interactive (JIN)

JIN has appointed Susan Forrester to the JIN board as non-executive chair, effective immediately.

This follows the resignation of David Barwick, who will remain on the JIN board as a non-executive director until 29 October.

Neurotech International (NTI)

Planning to commence in vitro trials with priority strains, following encouraging analysis of 80 cannabis samples from the Dolce Cann genetic portfolio.

LayBuy Group Holdings (* LBY)

New Zealand-headquartered buy now-pay later (BNPL) services specialist scheduled to list on the ASX **midday AEST** following an \$80M IPO at \$1.41 per share.

~174.46M quoted shares.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	28133	-159	-0.6
S&P 500	3427	-28	-0.8
NASDAQ	11313	-145	-1.3
FTSE 100	5799	-52	-0.9
DAX 30	12843	-215	-1.7
Shanghai Comp	3355	-30	-0.9

Overseas Markets Commentary

Vacillating sentiment featured on major European and US equities markets overnight Friday.

Trader considerations included Covid-19 news, US-China relations, speculation regarding the tech rally that had come to an end late-week, and key data releases including the monthly US labour market report.

Friday, medical journal *The Lancet* had published results from Russia's trials of a potential Covid-19 **vaccine**, named Sputnik-V, these including antibody activity and no serious side-effects in all patients during two separate 42-day, 38-patient early-stage trials completed June – July.

The journal concluded larger, longer-term trials, including comparison with a placebo were required, however, to claim a vaccine that was safe and effective over the long term.

Nonetheless, Russia licensed the vaccine, administered in two separate and different formulations, for domestic use last month, ahead of last week's announcement of plans for a more advanced trial involving 40,000 participants.

A **China** state media report included a quote from a professor at a Chinese university as confirming **US debt holdings** (\$US1.07 trillion in US treasury bonds and notes at 30 June) by China could be expected to decline over time to ~\$US800B, but could be sold off entirely, pending circumstances such as military conflict.

The report also referred to the US potentially faulting on its debt. Reports also emerged overnight Friday that Japan's **SoftBank** had purchased sufficient quantities of tech stock options during August to be largely responsible for peak-level trading volumes in select stocks and a major influence on the tech sector rally.

US August employment statistics, published overnight Friday, included 1.37M new jobs and a drop in the unemployment rate from 10.2% to 8.4%.

For July, the number of jobs created had tallied 1.73M, however. August average earnings rose 0.4% for the month, against 0.1% in July.

The participation rate was calculated at 61.7% from 61.4%.

In earlier overnight Friday **data** releases, **Germany's** July factory orders rose 2.8%, following a 28.8% June rebound, undershooting expectations of a 5.9% new gain.

The euro zone's August construction PMI slipped to 47.8 from 48.9, following forecasts of an improvement to 49.5.

For Germany, the construction PMI rose 0.9 to 48.1, but a larger rise had been anticipated, to 49.1.

Construction in the **UK** during August was pegged back also, but

Pre-Open Announcements**Magellan Financial Group (* MFG)**

\$A100.87B FUM at 31 August, against \$A98.53B at the end of July.

Tyro Payments (* TYR)

Weekly update lodged this morning, highlighting a 4% fall in August year-on-year total transaction value (TTV) to \$1.701B and a 5% increase in TTV for FY21 year-to-date, to \$3.799B.

Vection Technologies (* VR1)

VR1 has qualified for ~\$A2.6M worth of Italian Government funding via the National Agency for Investment Attraction and Business Development (Invitalia).

Details lodged this morning.

In addition, VR1 had raised \$1.485M under a controlled placement agreement with Acuity Capital which has since been terminated.

BidEnergy Ltd (* BID) / Xero Ltd (XRO)

BID is partnering with Xero Connect so that XRO customers can use a bidding platform to decide on electricity procurements.

Next Science (* NXS)

The US FDA has requested NXS conduct another animal study and additional laboratory testing for the company's XPerience surgical rinse.

Spheria Emerging Companies (SEC)

Company update presentation lodged post-trade Friday, ahead of a webinar scheduled to commence **10.30am** AEST.

SEC trades ex-dividend (2.5c) tomorrow.

Australian Unity Office Fund (AOF)

A lease restructure has largely contributed to a \$4M-above-30 June book value revaluation of 5 Eden Park Drive, Macquarie Park to \$70M.

PointsBet Holdings (* PBH)

PBH has completed a \$A200M institutional placement at \$11.00 per share.

PBH is also conducting a \$6.50-per-share fully underwritten institutional entitlement offer, today and tomorrow.

A retail entitlement offer is scheduled for 11 – 22 September.

PBH remains in a trading halt, and traded at \$7.44 - \$16.40 the five sessions immediately prior to calling the halt.

Summerset Group Holdings (SNZ)

Offering \$NZ100M worth of seven-year fixed-rate bonds in New Zealand.

Resources**St Barbara (* SBM)**

SBM subsidiary Atlantic Mining has completed the acquisition of the balance of Moose River Resources for \$A61M net consideration.



remained in expansion mode at 54.6, from 58.1. Forecasters had proffered 58.0 for August.

August new car sales came in 5.8% lower than for August 2019.

Tonight, Germany is due to release July industrial production.

In overnight Friday corporate news, post-US trade, **Berkshire Hathaway** revealed it had further cut its **Wells Fargo** holding.

US markets will remain closed tonight due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1934.3	oz	-3.5	-0.2
Silver (NY) (Dec)	26.712	oz	-0.16	-0.6
Gold (LON)	1926	oz		
Platinum	902	oz	19	2.2
WTI Crude (NYMEX Oct)	39.77	bbl	-1.60	-3.9
Brent Crude (ICE EUR Nov)	42.66	bbl	-1.41	-3.2
Iron Ore (NYMEX,CHN,62%)	127.53	t	1.47	1.2
Copper (LME,3mth Ind,PM)	6772	t	189	2.9
Nickel	15320	t	260	1.7
Aluminium	1790	t	11	0.6
Lead	1977	t	38	1.9
Zinc	2505	t	11	0.4
Tin	18185	t	-40	-0.2

Commodities Commentary

Oil – prices fell for a third consecutive session overnight Friday, pushing both Brent and WTI crude to greater than 5% declines for the week.

In the meantime, Russia's energy minister Alexander Novak predicted a 9MMbbl/d – 10MMbbl/d fall international crude demand for the year.

Price volatility would continue through next year, Mr Novak ventured, proffering prices at up to \$US65/bbl (as suggested by Goldman Sachs) during 2021, but forecasting a mean \$US50/bbl - \$US55/bbl.

Goldman Sachs is forecasting an average \$US59.40/bbl for 2021.

A US weekly petroleum rig count, published overnight Friday, included one additional operational oil rig, following a three-rig fall the previous week.

Gold – some overnight Friday gold trade was again attributed to weekly positioning as equities markets fell for a second consecutive session into the weekend, one including a Monday public holiday for the US.

US August employment statistics generally encouraged, this boosting the \$US.

Base metals – China demand was cited as one major influence on overnight Friday trade.

LME-warehoused copper was again reported at the least since December 2005 (82,450t), but the Shanghai-monitored warehouse tally at 176,873t, represented a 6787t increase for the week.

Major Chile *copper* producer Codelco faced industrial action due to dissatisfaction with Covid-19 containment policy, insurance prices and automation plans.

SBM says funds came from existing cash.

Strike Resources (SRK)

21-year mining lease in hand for the WA Paulsens East iron ore project.

Castillo Copper (CCZ)

Heralding the potential of the Valparaisa copper prospect following a Mt Oxide geological review.

Firefly Resources (FFR)

FFR has appointed Tristar Nominees MD and Aurum Minerals, PC Gold and Maroon Gold founder Ashley Pattison as a non-executive director following FFR's acquisition of Aurum's WA Yalgoo gold project.

FFR director and former chair John Hutton is resigning from the FFR board.

Energy

Woodside Petroleum (* WPL) / FAR Ltd (FAR)

WPL's proposed acquisition of Capricorn Senegal's interest in the Rufisque, Sangomar and Sangomar deep offshore JV is going ahead, pending Cairn Energy shareholder and government and regulatory approvals, following WPL's sole exercise of pre-emptive rights.

On completion, anticipated by year's end, WPL's Sangomar exploitation and balance evaluation area interests will respectively become 68.33% and 75%.

Trading Halts

Company	Code	Resuming
Ansila Energy	ANA	7 Sep
Caneus Minerals	CAD	7 Sep
Founders First	FFL	7 Sep
Mali Lithium	MLL	7 Sep
New Zealand Coastal Seafoods	NZS	7 Sep
Velocity Property Group	VP7	7 Sep
Infinity Lithium Corporation	INF	8 Sep
Latin Resources	LRS	8 Sep
Legend Mining	LEG	8 Sep
Rarex Ltd	REE	8 Sep
Webcentral Group	WCG	8 Sep
AuStar Gold	AUL	9 Sep
Comet Resources	CRL	9 Sep
Metalicity Ltd	MCT	9 Sep
PointsBet Holdings	PBH	9 Sep
5G Networks	5GN	10 Sep

Suspensions *(select)*

Company	Code	Since
Dotz Nano	DTZ	4 Sep
Faster Enterprises	FE8	2 Sep



In the meantime, companies in Japan were reported to have opted for a \$US88/t premium for December quarter *aluminium* shipments, against \$US79/t for the September quarter.

China's August trade figures, expected **today**, will likely influence select sentiment from tonight through this week's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7286	0.0001	0.02
EUR – USD	1.1842	0.0002	0.02

Australian Data Today

AiG	PSI	Aug
ANZ	Job advertisements	Aug
RBA	Card transactions	Aug

Overseas Data Today & Tonight

China	Trade balance	Aug
China	Forex reserves (5pm AEST)	Aug
Japan	Leading economic index (3pm AEST)	Jul
Germany	Industrial production	Jul
Euro zone	Sentix investor confidence	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

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

Intiger Group	IAM	1 Sep
Opyl Ltd	OPL	7 Sep
thedocyard Ltd	TDY	18 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ALD	Today	25	100	3.32
ASX	Today	122.5	100	2.69
AUB	Today	35.5	100	2.95
BGA	Today	5	100	1.93
EGN	Today	1.5	100	3.85
EQT	Today	43	100	3.26
IFL	Today	11.5	100	7.18
NIC	Today	1	0	0.00
ORA	Today	5.5	0	6.94
PPE	Today	4.5	100	3.09
SBM	Today	4	100	1.18
SFC	Today	35	100	5.25
SHL	Today	51	30	2.61
APL	Tomorrow	2.5	50	4.84
ASB	Tomorrow	5	0	1.82
BSL	Tomorrow	8	0	1.08
CVF	Tomorrow	1.5	100	11.61
GWA	Tomorrow	3.5	100	3.09
HLA	Tomorrow	2	100	0.00
JIN	Tomorrow	17	100	1.35
MTO	Tomorrow	5	100	0.00
NST	Tomorrow	19.5	100	1.14
OCL	Tomorrow	7	100	0.42
ORG	Tomorrow	10	0	2.81
SEC	Tomorrow	2.5	100	4.71
SRG	Tomorrow	0.5	100	3.23
TOP	Tomorrow	1.27	100	3.90
TPC	Tomorrow	8	100	0.00