

Markets

SFE 200 Futures (9.30am AEST)	6566	-5	-0.1
NZX 50	10743	-14	-0.1
DJIA Futures	26292	-114	-0.4
S&P 500 Futures	2910	-15	-0.5
NASDAQ Futures	7630	-61	-0.8

Local Markets Commentary

The Australian market opens a new month's trade with a barrage of domestic economic indicator reports ahead of a Reserve Bank of Australia policy meeting tomorrow, influential data out of China over the weekend, and new China data due today, during a US Monday public holiday weekend.

In addition, China and the US have yesterday each imposed previously-flagged new import taxes on select goods.

The US president offered, also yesterday, that background discussions continued with China and that face-to-face trade talks were still anticipated sometime this month.

Nonetheless, US equities futures have fallen, some of this attributed to Hurricane Dorian.

In other developments since Friday trade, Argentina yesterday imposed new regulations after the nation's reserves dropped by \$US3B over Thursday-Friday. The new rules include financial institutions and businesses needing authorisation to sell pesos for foreign currency, and all exporters required to bring back to Argentina earnings from international sales.

In regional data releases since Friday trade, **China** has reported an ongoing contractionary 49.5 August **manufacturing PMI**, following 49.7 for July, and expansionary 53.8 **services sector** activity index, 0.1 higher than for July.

Today, Caixin releases its China August **manufacturing PMI**, **11.45am AEST**.

An August manufacturing PMI is due for **Japan 10.30am AEST**.

Locally today, the Australian Bureau of Statistics (ABS) publishes its June quarter **Business Indicators** report, which includes company profits, sales, inventories and wages, **11.30am AEST**.

Pre-trade, AiG releases its August **manufacturing PMI**, and CoreLogic an August capital city **property price report**.

An **inflation gauge** report, and the ANZ's monthly **job advertisements** summary are also due this morning, ahead of the Reserve Bank of Australia's (RBA) monetary policy meeting tomorrow.

Stocks trading **ex-dividend** today include: **BEN, FMG, NHF, ORG, OZL** and **QAN**. *Please see p4 for a detailed list.*

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

US **gold** futures (December) declined moderately.

Iron ore (Nymex CFR China, 62% Fe) recorded another modest fall.

LME **copper** turned and fell. **Nickel** soared however, on significant developments for two issues, one considered by traders

China – Caixin manufacturing PMI – 11.45am AEST

Today's Stock Watch
Telstra Corporation (TLS)

TLS is reviewing the impact of changes to NBN Co's anticipated FY 2020 connections.

This has fallen from previous guidance of 2M premises to 1.5M.

Incitec Pivot (IPL)

Forecasting \$285M - \$295M FY 2019 EBIT, against previous guidance of \$370M - \$415M.

In addition, ~\$20M worth of one-off expenses could fall into FY 2019.

IPL will announce full year results in November.

Bank of Queensland (BOQ)

Interim CEO and former BOQ CFO and COO, Anthony Rose, has confirmed he will finish with BOQ 31 December.

BOQ's CEO-elect George Frazis will commence with BOQ 5 September.

Hazer Group (HZR)

The Australian Renewable Energy Agency (ARENA) has granted HZR approval to commence negotiations for up to \$9.4M worth of funding in support of the development of a commercial demonstration project for HZR's process for hydrogen production.

Novonix Ltd (NVX)

A US patent has been granted for to Novonix Battery Testing Services for a method for the non-destructive evaluation of liquid electrolyte in rechargeable lithium-ion batteries.

Seafarms Group (SFG)

\$30.94M full year net loss. 5.8% lower, \$24.39M revenue.

2c NTA, against 1c a year ago.

Resources
Panoramic Resources (PAN)

\$10.33M full year NPAT, following a \$40.80M net loss a year ago. \$25.11M revenue. 21c NTA, against 17c.

Blackham Resources (BLK) / MACA Ltd (MLD)

BLK will pay MLD \$950,000 to increase MLD's working capital facility to \$19M. BLK must still repay the funds by 29 February 2020. Additional funding and associated operational details lodged this morning.

Breaker Resources (BRB)

BRB's WA Lake Roe gold project Bombora deposit indicated resource has increased ~30% to 803,000oz.

Further resource growth anticipated.



throughout last week and the other over recent weeks, each potentially affecting production respectively out of PNG and Indonesia.

The **\$A** appreciated to ~US67.30c after trading at ~US67.20c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26403	41	0.2
S&P 500	2926	2	0.1
NASDAQ	7963	-11	-0.1
FTSE 100	7207	23	0.3
DAX 30	11939	100	0.9
Shanghai Comp	2886	-5	-0.2

Overseas Markets Commentary

Overnight Friday major European and US equities markets trade largely underscored broad uncertainties facing investors.

These included the pending increase in **US** tariffs on additional goods from **China** Sunday (yesterday), PMI figures due out of China Saturday, the remaining threat of a potential national election in **Italy**, and the resumption of the **UK** parliament, from the summer recess, Wednesday this week.

The UK PM had last week gained permission to again shut down parliament, for five weeks from mid-September, ahead of the 31 October deadline for the UK's planned separation from the European Union. The number of sitting days was thought insufficient for MPs to secure legislation preventing this occurring without agreed arrangements in place, prompting calls for a no-confidence vote against the PM this week, and raising the prospect of a closer-than-anticipated national election.

Elsewhere, tensions remained high in **Hong Kong**, with the prospect of an escalation of protests and reactions from authorities over the weekend and western relationships with **Iran** simmered.

In new and mixed data releases overnight Friday, the **euro zone's** preliminary August CPI estimate represented 1% year-on-year growth.

Germany's July retail sales dropped 2.2% for the month, following a 3.0% June rise, but were 4.4% higher than for July 2018.

In the **US**, July personal income rose just 0.1% for the month, but spending increased by 0.6%.

This followed respective 0.5% and 0.3% June gains.

A University of Michigan final August consumer sentiment reading of 89.8 represented an 8.6-point drop for the month, however.

The August Chicago PMI improved six points, from contraction, to an expansionary 50.4.

Tonight, manufacturing sector activity indices are due for the UK and euro zone.

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

Pre-Open Announcements

CIMIC Group (CIM)

\$195M contract secured by CIM's CPB contractors for North East link, Melbourne early works.

In addition, CPB Contractors has won a \$323M JV contract for Western Sydney International Airport earth works.

Cash Converters International (CCV)

CFO Martyn Jenkins has resigned, effective today.

CCV financial controller Katrina Grose will assume CFO responsibilities until CCV can effect a permanent CCV appointment

Nanosonics Ltd (NAN)

Non-executive director Richard England has retired from the NAN board, effective Saturday.

In association, July NAN director appointee Geoff Wilson will become chair of the audit & risk committee.

LiveHire Ltd (LVH)

Non-executive LVH director and former McKinsey managing partner Australia Michael Rennis has been appointed LVH chairman, following Geoff Morgan's decision to retire from the LVH board.

Data#3 Ltd (DTL)

DTL has appointed former DTL senior manager and executive director Mark Esler as a non-executive director, effective Friday.

MyFiziq Ltd (MYQ)

MYQ has appointed Steven Richards as CFO.

Vonex Ltd (VN8)

\$2.79M full year net loss, following a \$14.71M loss a year ago.

9% higher, \$9.21M revenue.

\$1.91 NTA, against \$2.74.

Annual report and chairman's letter also lodged post-trade Friday.

Imricor Medical Systems (* IMR)

MRI-compatible medical device developer completed a successful ASX listing Friday following a \$12.1M IPO at A83c per CDI/share, plus a \$A900,000 placement (private US) at the same price.

Opened at \$1.30 and traded at \$1.20 - \$1.46 before settling at \$1.45.

722,968 CDIs/shares changed hands across 148 transactions.

Trading commenced on a deferred settlement basis.

Normal (T+2) trade is expected to begin tomorrow.

Resources

Poseidon Nickel (POS)

POS has appointed David Riekie as interim CEO, after assisting the company over the past six months.

In addition, POS's recently appointed CFO Brandan Shalders is due to commence with the company Monday next week.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1529.4	oz	-7.5	-0.5
Silver (NY) (Dec)	18.342	oz	0.019	0.1
Gold (LON)	1540	oz		
Platinum	931	oz	16	1.7
WTI Crude (Oct)	56.71	bbl	-1.61	-2.8
Brent Crude (Oct)	60.43	bbl	-0.65	-1.1
Iron Ore (CHN port 62%)	90.91	t	-0.25	-0.3
Copper (LME,3mth,PM)	5660	t	-55	-1.0
Nickel	17870	t	1490	9.1
Aluminium	1753	t	-1	-0.1
Lead	2029	t	-22	-1.1
Zinc	2220	t	-36	-1.6
Tin	16295	t	500	3.2

Commodities Commentary

Oil – prices swung lower overnight Friday amid a plethora of considerations, during end-of-month trade and ahead of a US Monday public holiday weekend.

Russia was reported to have revealed August production would come in a little greater than that agreed under the current OPEC-led output agreement.

In the meantime, a media survey calculated OPEC daily oil production had risen by 80,000bbl during August, to 29.61MMbbl/d.

A weekly US petroleum drill rig count, published overnight Friday, indicated a dozen fewer operational oil rigs.

For the month, WTI crude dropped 5.9%, and Brent October crude 7.3%.

The October Brent contract also expired at Friday's settlement, November Brent settling 2.1% lower for the session, at \$US59.25/bbl.

US **Hurricane Dorian** behaviour is expected to remain an influence during through least tonight's trade, after Friday's forecast of threatening the entire coast, and hence business sector, of Florida. The hurricane, which intensified to a Category 5 rating, was this morning forecast to be heading towards Florida and also the South Carolina coast.

In other developments that will be watched over the near-medium term, an oil tanker registered in **Iran**, and detained in Gibraltar in July, was indicating it was no longer travelling towards a port in Turkey, at the same time the US 'blacklisted' the vessel (Adrian Darya 1).

Further, **Saudi Arabia's** royal court revealed some significant 'restructuring', including excising the industry and mineral resources sectors from the energy ministry, and named an industrialist and investor as head of the industry-resources entity.

Gold – Comex gold futures closed out August with a fourth consecutive monthly gain, 6.5% for this past month, despite falling for the session.

Notably, Comex *silver* futures gained 11% during August, and October platinum futures 6%.

Base metals – China has reported on Saturday a 0.2-point fall

Beacon Minerals (* BCN)

Commissioning of BCN's Jaurdi gold processing facility is delivering better outcomes than indicated by BCN's PFS.

Image Resources (IMA)

Heralding WA Perth Basin Boonanarring mineral sands project infill drilling results.

Assays lodged this morning.

Energy**Norwest Energy (* NWE)**

Selling the company's Perth Basin L14 production permit 6.278% holding to JV operator RCMA Australia for \$A700,000.

Bathurst Resources (* BRL) / Jameson Resources (JAL)

BRL will exercise an option under a 2018 agreement, to boost its holding in JAL subsidiary NWP Coal Canada from 8% to 20% by paying \$C7.5M.

NWP Coal holds the British Columbia Crown Mountain coking coal project.

88 Energy (88E)

Investor presentation lodged this morning.

Trading Halts

Company	Code	Resuming
Greenpower Energy	GPP	2 Sep
Investigator Resources	IVR	2 Sep
Lake Resources	LKE	2 Sep
Pacifico Minerals	PMY	2 Sep
Pilbara Minerals	PLS	2 Sep
Slater & Gordon	SGH	2 Sep
Smart Marine Systems	SM8	2 Sep
Todd River Resources	TRT	2 Sep
Valor Resources	VAL	2 Sep
Victory Mines	VIC	2 Sep
Alicanto Minerals	AQI	3 Sep
Rumble Resources	RTR	3 Sep
St George Mining	SGQ	3 Sep
The Food Revolution	FOD	4 Sep

Suspensions (select)

Company	Code	Since
Freedom Oil & Gas	FDM	8 Aug
Freehill Mining	FHS	28 Aug
Golden Cross Resources	GCR	19 Aug
Gold Mountain	GMN	28 Aug
Heron Resources	HRR	16 Aug
Homestay Care	HSC	20 Aug
Koon Holdings	KNH	29 Aug
Lustrum Metals	LRM	30 Aug
Millinium's Alternative Fund	MAX	30 Aug



further into contractionary territory for its August manufacturing PMI, the reading coming in at 49.5. Caixin will today report its China August manufacturing PMI, both readings expected to influence tonight's LME trade.

In overnight Friday trade, *nickel* soared, boosted on two accounts, firstly after PNG confirmed the Ramu nickel operation waste spill into Basamuk Bay last weekend may result in the closure of the 35,000tpa project, owned and operated by Metallurgical Corp of China.

In addition, the mines minister for Indonesia conceded Indonesia could fast-forward plans to ban raw ore exports from the initially flagged 2022 reinstatement.

In corporate news, Chile's Codelco reported on Friday a 74% drop in interim profit to \$US318M, due to a combination of lower prices and industrial action.

Despite international trade issues, Codelco's CEO predicted *copper* 'demand would normalise', but maybe as far out as ~two years.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6731	0.0004	0.06
EUR – USD	1.0990	0.0000	0.00

Australian Data Today

AiG	PMI	Aug
CoreLogic	Capital city home prices	Aug
ABS	Company profits; sales; inventories	Jun Q
ANZ	Job advertisements	Aug
TDSec/MInst	Inflation gauge	Aug

Overseas Data Today & Tonight

Japan	PMI manufacturing (final)	Aug
UK	PMI manufacturing	Aug
Germany	PMI manufacturing (final)	Aug
Euro zone	PMI manufacturing (final)	Aug

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Pioneer Credit	PNC	28 Aug
Redbank Copper	RCP	7 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AUI	Today	19	100	3.85
BEN	Today	35	100	6.26
CI1	Today	0.05	0	8.00
D20	Today	2.7	100	3.61
DUI	Today	8.5	100	3.36
EBG	Today	2.35	100	6.34
FMG	Today	24	100	3.88
IRI	Today	3.75	100	2.38
KME	Today	2.5	100	3.54
MOC	Today	3	100	10.26
NAC	Today	1.2	100	7.71
NBI	Today	0.9	0	5.00
NHF	Today	13	100	2.84
NSC	Today	0.5	100	10.57
NTD	Today	3.55	100	8.77
ORG	Today	15	100	1.31
OZL	Today	8	100	2.51
QAN	Today	13	100	3.60
VGI	Today	25.65	100	0.00

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