

Markets

SFE 200 Futures (9.30am AEST)	6555	19	0.3
NZX 50	11025	17	0.2
DJIA Futures	26368	-4	0.0
S&P 500 Futures	2938	-1	0.0
NASDAQ Futures	7721	-2	0.0

Local Markets Commentary

The Australian market commences today's trade ahead of material domestic data late-morning, with several major stocks trading ex-dividend, following overnight gains for major international equities markets and key commodities.

This morning, China's ambassador to Australia has labelled the US administration's trade stance as bullying, and confirmed China was prepared to push back, despite not wanting a 'trade war'.

Locally today, the Australian Bureau of Statistics (ABS) releases July international trade figures **11.30am** AEST.

A plethora of stocks trades ex-dividend today including **BHP** and several other high-profile and large-cap companies. *Please see p3 for a detailed list.*

In overnight commodities trade, **oil** swung sharply higher.

US **gold** futures (December) extended Tuesday's strong gain, but at a modest pace.

Iron ore (Nymex CFR China, 62% Fe) turned and rallied beyond \$US91.55/t.

LME **copper** and other base metals were ultimately propelled higher.

The **\$A** approached US68.00c after appreciating beyond US67.90c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26355	237	0.9
S&P 500	2938	32	1.1
NASDAQ	7977	103	1.3
FTSE 100	7311	43	0.6
DAX 30	12025	114	1.0
Shanghai Comp	2957	27	0.9

Overseas Markets Commentary

Major European and US equities markets opened higher overnight, and most never seriously looked as though they could be headed.

Early yesterday evening (AEST), **Hong Kong** chief executive Carrie Lam was reported to be preparing to withdraw potential legislation that would have enabled Hong Kong to transfer crime suspects to mainland China.

The legislation, which had sparked protests that disrupted Hong

Australia – July trade balance– 11.30am AEST
Today's Stock Watch
CYBG Plc (CYB)

Anticipating boosting provisions for legacy PPI costs by £300M - £450M. CYB received significantly more complaints and information requests as the PPI complaint deadline approached. Costs breakdown lodged this morning.

Myer Holdings (MYR)

\$A24.47M full year NPAT. 3.5% lower, \$2.99B sales revenue. 23c NTA, against 19c a year ago.

TPG Telecom (TPM)

56.1% lower, \$173.8M full year NPAT. 0.7% lower, \$2.48B revenue. Flat, 2c fully franked final dividend.

\$51.4M cash and equivalents, against \$82.2M a year ago.

A webcast presentation was scheduled to commence 9am AEST.

Sigma Healthcare (SIG)

81.2% lower, \$2.52M interim NPAT. 4.1% lower, \$1.88B revenue. 1c fully franked interim dividend, down 33.3%.

3.9c NTA, down 3.4%.

Webcast briefing scheduled to commence 10am AEST.

Transurban Ltd (TCL)

20% of eligible security holders participated in TCL's SPP, which raised \$312M at \$14.64 per security.

Prior to the SPP, TCL raised \$500M in an institutional placement.

TCL has traded at \$14.77 - \$15.09 over the past five trading sessions.

Plato Income Maximiser (PL8)

PL8 raised a total \$144.2M in the recent \$1.10-per-share entitlement offer.

PL8 has traded at \$1.11 - \$1.17 over the past five trading sessions.

Centuria Capital Group (CNI)

CNI will establish an ~\$500M healthcare real estate portfolio, to be held jointly by Centuria Heathley, AXA Investment Managers, and Grosvenor Group.

The portfolio is being created at the request of AXA and Grosvenor, with the Townsville, Queensland Mater Private Hospital, and Brisbane Westside Private Hospital as seed assets. CNI has recently acquired 63.06% of Heathley, with settlement considered imminent.

Cann Global (🍃 CGB)

CGB's T12 food division has secured an exclusive distributorship contract with EPCO Foods Co, Vietnam.



Kong business and general activity, was subsequently formally withdrawn.

The news pushed the \$US higher and gold lower, before respective turnarounds later in the US trading session.

The New York Fed president in the meantime promoted the US economy, but acknowledged a deteriorating outlook.

In the **UK**, the UK PM's proposal for a 15 October election was knocked back, when Labour Party members abstained from the ultimate vote and only 298 parliamentary members voted for the plan (56 against), short of the required two-thirds majority.

The House of Commons has voted to request that the PM seek European Union approval to push back any UK-EU separation, to enable terms to be approved by the UK parliament. This must now be put to the House of Lords.

Among overnight data releases, the **UK** August services PMI fell by 0.8 to 50.6.

In the **euro zone** July retail sales pulled back 0.6% for the month but were 2.2% higher than a year earlier. Sales had risen by 1.2% during June, and were 2.8% higher than the previous June.

The euro zone August services PMI came in at 53.5, from 53.2 for July.

Germany's August services PMI rose by 0.4 to 54.8.

In the **US**, the July trade deficit improved to \$US54B from \$US55.5B.

The Federal Reserve's comprehensive district-by-district economic report (beige book) cited international trade concerns, broad agricultural sector woes, weakening manufacturing and supportive consumer spending in concluding the US economy was continuing to grow, in general, at a modest rate.

The ISM's New York business activity index pleased, jumping to an expansionary 50.3 from a decidedly contractionary 43.5.

An economic optimism index dropped by 4.3 points however, to 50.8.

Weekly mortgage applications fell 3.1% following a 6.2% tumble the previous week, despite average 30-year mortgage rates declining to 3.87% from 3.94%.

Tonight in the US, ISM's August non-manufacturing index is due, together with a final Markit services PMI and July factory orders. A private sector employment report, separate job cuts report, and weekly new unemployment claims are also due, ahead of national employment statistics tomorrow night.

Elsewhere, BHP and Glencore are among stocks trading ex-dividend on the FTSE 100.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1560.4	oz	4.5	0.3
Silver (NY) (Dec)	19.547	oz	0.31	1.6
Gold (LON)	1538	oz		
Platinum	984	oz	27	2.8
WTI Crude (Oct)	56.26	bbbl	2.32	4.3
Brent Crude (Nov)	60.70	bbbl	2.44	4.2
Iron Ore (NYMEX,CHN,62%)	91.57	t	2.02	2.2
Copper (LME,3mth,PM)	5756	t	148	2.6
Nickel	18090	t	180	1.0

Pre-Open Announcements

UUV Aquabotix (📈 UUV)

A military agency from a major Asian nation has ordered UUV's SwarmDiver unmanned underwater vehicle.

UUV estimates the order is worth \$US350,000.

Collins Foods (* CKF)

Today's AGM materials lodged.

THC Global Group (* THC)

6.6ha of hydroponic greenhouses secured in Bundaberg, Queensland, with a view to cultivating cannabis once licensing is in place.

In addition, THC is acquiring an additional 18ha of agricultural land for open-field cannabis cultivation, also in Bundaberg.

Tinybeans Group (TNY)

TNY has appointed EddieWouldGrow Llc founder Eddie Yoon as an advisor.

Mediland Pharm (MPH) / The Food Revolution Group (FOD)

MPH has secured Careline Australia to develop two beauty products for MPH exclusive marketing and sales.

Careline will initially provide MPH with FOD's collagen powder and Chantelle-rose stem cell bio-repair mask.

MPH is pre-paying Careline \$500,000.

PainChek Ltd (PCK)

PCK has appointed former iCare Health UK/Access Group sales and marketing director Pete Shergill as PainChek UK business development head, effective 30 September.

Osprey Medical (OSP)

Conference presentation lodged this morning.

Resources

Marmota Ltd (MEU)

Successful gold exploration drilling, appreciating gold prices, and perhaps the appointment this week of an executive director production have supported MEU trade since July, MEU has offered in response to an ASX query.

Yesterday, MEU added 23.08%, settling at 3.2c and trading at 3.4c intra-session.

International old prices had again rallied overnight Tuesday.

Trading Halts

Company	Code	Resuming
ClearVue Technologies	CPV	5 Sep
Panoramic Resources	PAN	5 Sep
Triangle Energy	TEG	5 Sep
Aldoro Resources	ARN	6 Sep
Oklo Resources	OKU	6 Sep



Aluminium	1772	t	18	1.0
Lead	2050	t	51	2.5
Zinc	2313	t	103	4.7
Tin	17240	t	520	3.1

Commodities Commentary

Oil – prices benefited overnight from better-than-anticipated data from China, Hong Kong's move to withdraw a controversial extradition bill which had increasingly disrupted city business and general activity since June.

Meanwhile, BP's CFO said the group anticipated 2019 overall crude demand growth would come in under 1MMbbl/d.

In the US, average crude volumes loaded at the Texas Corpus Christi port were reported to have reached an average 1MMbbl/d, against 525,000bbl/d in July, due to new pipelines which have connected flow from West Texas shale operations since last month.

In geopolitical news, a news report suggested Iran was ready to release seven crew from UK-registered oil tanker Stena Impero, detained in the Gulf region weeks ago.

For its part, the US blacklisted several Iran-associated companies, vessels and individuals it had determined were supplying Iranian crude and petroleum products to Syria.

A weekly US petroleum inventories report from government agency the EIA is due tonight. Post-overnight settlement, an American Petroleum Institute report has indicated a turn higher for stockpiles.

Gold – Comex futures swung lower overnight before recovering to trade at new six-year peaks as the \$US declined (ICE -0.6%).

Prices continued higher post-settlement after the US Federal Reserve 'beige book' report concluded ongoing modest economic growth in general across the US.

More key data from the US tonight, could swing GDP growth expectations and hence currency and base metals trade.

In the meantime, speculation that LME precious metals futures trade was at risk increased, with one of three remaining large financial institutions reported to be considering withdrawing from its LME partnership.

LME gold futures trade volumes have fallen markedly while over-the-counter broker-bank gold trade has continued relatively strong, despite some regulatory change favouring an exchange system.

Base metals – prices were pushed and pulled overnight, by mixed data, positive signs for an end to Hong Kong protests, \$US swings (ultimately lower), and metals-specific news and stockpile figures.

The US yesterday revealed new import taxes on structural **steel** from China (up to 141%) and Mexico (up to 31%) after a US preliminary investigation determined some manufacturers were offering sub-market value prices for these products. A final determination and associated taxes are expected second-half January 2020.

Yesterday, Caixin reported a 0.5-point rise to 52.1 for its **China** August services PMI, representing the best growth rate for the past three months, supported by orders and subsequent increased hiring.

Silver Chef	SIV	6 Sep
White Cliff Minerals	WCN	6 Sep
Boadicea Resources	BOA	9 Sep

Suspensions *(select)*

Company	Code	Since
Golden Cross Resources	GCR	19 Aug
Heron Resources	HRR	16 Aug
Homestay Care	HSC	20 Aug
Kollakorn Corporation	KKL	2 Sep
Lustrum Metals	LRM	30 Aug
Maximus Resources	MXR	4 Sep
Millinium's Alternative Fund	MAX	30 Aug
Pilbara Minerals	PLS	2 Sep
Pioneer Credit	PNC	28 Aug
RBR Group	RBR	4 Sep
Trek Metals	TKM	4 Sep

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AIZ	Today	10.4	0	7.54
ARA	Today	1	70	2.74
ASX	Today	243.4	100	2.61
AVJ	Today	1.5	100	6.96
BHP	Today	114.99	100	4.59
BLX	Today	2	100	4.86
CL1	Today	2.5	100	1.96
CTD	Today	22	50	2.17
DCG	Today	2	100	1.08
EGN	Today	1.5	100	2.00
FXL	Today	3.85	100	4.18
GTN	Today	3.2	70	15.58
MVF	Today	3	100	5.41
MWY	Today	9	100	6.50
NZK	Today	2.81	100	2.33
ONT	Today	12.5	15	4.05
PAC	Today	15	100	5.15
PAI	Today	2	100	2.07
PPE	Today	4.5	0	1.18
RHC	Today	91.5	100	2.28
RMC	Today	1.5	100	2.26
SDI	Today	1.5	100	3.31
SEC	Today	4	100	3.47
SFC	Today	40	100	2.03
SRV	Today	10	60	2.80
SST	Today	9.3	0	3.77
TGG	Today	5	100	5.33
TNK	Today	2	100	5.08
UNV	Today	1	0	10.34
WHC	Today	30	21.67	8.22

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6796	-0.0001	-0.02
EUR – USD	1.1035	-0.0000	-0.00

Australian Data Today

ABS	Trade balance	Jul
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US Data Tonight

ISM non-manufacturing	Jul
Factory orders	Jul
Markit services PMI (final)	Aug
Challenger job cuts	Aug
ADP employment change	Aug
Initial jobless claims	31 Aug

Other Overseas Data Today & Tonight

Germany	Factory orders	Jul
Germany	Construction PMI	Aug

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