

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	6437	47	<b>0.7</b>
<b>NZX 50</b>	10703	116	<b>1.1</b>
<b>DJIA Futures</b>	25839	-85	-0.3
<b>S&amp;P 500 Futures</b>	2867	-9	-0.3
<b>NASDAQ Futures</b>	7495	-21	-0.3

## Local Markets Commentary

The Australian market opens mid-week trade with a major domestic bank and two other large-cap stocks each reporting for the full year.

US equities markets ultimately bounced overnight, but futures have turned lower this morning.

Locally today, AiG releases its July **construction sector activity** index pre-trade.

The Australian Bureau of Statistics (ABS) reports June household and business finance, including **housing finance approvals 11.30am** AEST.

In addition today, Reserve Bank of Australia (RBA) assistant governor (business services) Lindsay Boulton is a panel participant in an annual Technology in Government conference, 9.10am AEST, Canberra.

Regionally today, the **Reserve Bank of New Zealand** holds a policy meeting from which many economists expect a rate cut.

In overnight commodities trade, **oil** continued to fall.

US **gold** futures (December) rose further, although at a more moderate pace.

**Iron ore** (Nymex CFR China, 62% Fe) dropped further, but also at a much slower rate, nonetheless settling below \$US100/t.

LME **copper** turned modestly higher.

The **\$A** fell to ~US67.60c after trading at US67.90c early yesterday evening.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	26030	312	<b>1.2</b>
<b>S&amp;P 500</b>	2882	37	<b>1.3</b>
<b>NASDAQ</b>	7833	107	<b>1.4</b>
<b>FTSE 100</b>	7172	-52	<b>-0.7</b>
<b>DAX 30</b>	11568	-91	<b>-0.8</b>
<b>Shanghai Comp</b>	2778	-44	<b>-1.6</b>

## Overseas Markets Commentary

Major European and US equities markets largely chopped and swung overnight, European indices closing at or near session lows and key US indices settling at or near session highs.

**Australia – June business and household lending – 11.30am AEST**

## Today's Stock Watch

### Commonwealth Bank of Australia (CBA)

8.1% lower, \$8.57B full year NPAT. ~3% lower, \$24.34B revenue. Cash NPAT down 4.7%, at \$8.49B.

Flat, \$2.31 fully franked final dividend.

10.7% CET1, up 0.6%.

CEO comments video available. Transcript lodged pre-trade.

### Suncorp Group (SUN)

83.47% drop in full year NPAT to \$175M.

9.65% higher, \$15.56B revenue.

1.5% higher, \$1.115B cash profit.

44c fully franked final dividend (ordinary shares).

Results include a \$910M post-tax loss from selling the group's life insurance and wealth businesses.

### Transurban Ltd (TCL)

A webcast briefing was scheduled to commence 9.30am AEST.

TCL has called a trading halt ahead of a \$500M, \$14.70-per security institutional placement bookbuild today.

A \$200M SPP is also scheduled, for 15 – 30 August.

Also this morning, TCL has reported 63.7% lower, \$170M full year NPAT. 26.3% higher, \$4.166B total revenue.

30c final distribution.

### Althea Group (AGH)

Record patient uptake achieved during July, with 334 new patients prescribed AGH medicinal cannabis products.

For August-to-date, new patient prescriptions are averaging 19/day. In total, 245 health professionals have prescribed AGH products to 1523 patients.

### Opthea Ltd (↓ OPT)

Resuming from a trading halt with positive results from an OPT-302 Phase 2b clinical trial.

OPT's treatment was combined with another and statistically significant improved vision was achieved in patients suffering macular degeneration.

Further, the treatment was well-tolerated.

A results teleconference was scheduled to commence 9am AEST this morning.

Orders indicate the OPT could trade up to ~10% higher soon after today's ASX open.

## Resources

### Galaxy Resources (GXY)

Anticipating reporting \$150M - \$185M worth of impairments in interim accounts. Nil debt. \$US176.3M cash as at 30 June.



Currencies, interest rates and international economic prospects remained in focus.

The People's Bank of China had kept the yuan slightly stronger yesterday than on Monday.

A US administration trade adviser promoted US Federal Reserve rate cuts totalling up to 1.00% by year's end, but a US Federal Reserve regional president, previously on the record as in favour of a series of rates cut this year, publicly advocated waiting to see the effects of the recent cut, and how international trade negotiations would play out.

Another adviser offered the US president remained keen on an appropriate trade agreement with China.

Meanwhile, the US president promoted US economic strength.

Among overnight data releases, **Germany's** June factory orders rose 2.5% for the month after falling 2.0% in May.

A July construction PMI slipped from 50.0 into a contractionary 49.5.

In the **UK**, the BRC July retail sales monitor improved 0.3% year-on-year, following a 1.6% increase a year earlier, spending mostly growing on non-essential items and activities.

In the **US**, a June job openings report included 36,000 fewer opportunities than in May, pushing the openings rate down 0.1% to 4.6%.

In addition, 58,000 fewer positions were filled, the falls mostly occurring in manufacturing and business and professional services.

**Tonight** in the US, June consumer credit and weekly mortgage applications are due.

In addition, at ASX-close today, the Chicago Federal Reserve president will host a media breakfast event regarding the domestic economy.

Elsewhere later today, a rates decision is anticipated from the **Reserve Bank of India**.

Companies scheduled to report earnings later today and tonight include: ABN AMRO, American International Group, Autohome, Comsys Holdings, CVS Health, Commerzbank, E.ON, Fox Corp, Hapag Lloyd, Kogas, Liberty Global, Lyft, Monster Beverage, Roku, Sumitomo Mitsui Construction, Toshiba, UniCredit, Weibo and Wirecard.

In overnight corporate news, video game manufacturer **Take-Two** gained on a boost to full-year profit guidance following a better-than-anticipated June quarter.

**Mastercard** announced a proposed \$US3.2B outlay for the corporate services business of payments technology specialist **Nets**.

**Walt Disney** undershot profit and revenue expectations when reporting post-US trade.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1484.2</b>	oz	7.7	0.5
<b>Silver (NY) (Sep)</b>	16.445	oz	0.052	0.3
<b>Gold (LON)</b>	1465	oz		
<b>Platinum</b>	850	oz	-3	-0.4
<b>WTI Crude (Sep)</b>	<b>53.63</b>	bbl	-1.06	-1.9
<b>Brent Crude (Oct)</b>	<b>58.94</b>	bbl	-0.87	-1.5

## Pre-Open Announcements

### MGC Pharma (\* MXC)

Commencing a nutraceutical-focused marketing and sales fully-fledged campaign on YuShop Global following an eight-week test campaign.

MGC has agreed to receive a 65% gross sales margin, post-retail retail costs and commissions.

### James Hardie Industries (\* JHX)

Update anticipated at the AGM later today in Dublin.

### Charter Hall Education Trust (\* CQE)

33.4% lower, \$68.75M full year NPAT.

13.8% lower, \$115.24M revenue. \$2.96 NTA, against \$2.78.

### Phoslock Environmental Technologies (PET)

Institutional road show presentation lodged this morning.

Settled at \$1.255 yesterday, after trading lower the past four sessions.

### Noxopharm Ltd (NOX)

Veyonda-focused presentation lodged this morning, ahead of corporate road shows in Australia and the US.

Veyonda is a proposed late-stage prostate cancer treatment.

### Genetic Technologies (GTG)

A JV agreement between GTG 100% subsidiary Gene Ventures and Blockshine Technology Corporation has been cancelled due to an ASX listing rule breach, the potential for which GTG said it had not been aware despite considered legal advice.

GTG is resuming from suspended trade, stating neither the JV agreement nor its termination will have any material impact on GTG operations.

GTG says it is focusing on genetic testing.

GTG last traded at 0.5c.

### Wagners Holding Company (WGN)

~88.76M WGN shares will be released from escrow 22 August.

## Resources

### Mt Gibson Iron (\* MGX)

Diggers & Dealers presentation lodged this morning.

MGX is presenting today.

Settled at 79c yesterday, after being pushed lower the past four trading sessions.

### Syrah Resources (SYR)

Targeting Diggers & Dealers support after trading lower the past 10 sessions, yesterday settling at 77c.

Presentation lodged this morning.

### Sovereign Metals (\* SVM)

Heralding further positive analysis of rutile produced from SVM's Malawi mineral sands project.



<b>Iron Ore</b> (CHN port 62%)	<b>99.51</b>	t	-0.8	<b>-0.8</b>
<b>Copper</b> (LME,3mth,PM)	<b>5697</b>	t	19	<b>0.3</b>
<b>Nickel</b>	14950	t	90	<b>0.6</b>
<b>Aluminium</b>	1763	t	0	0.0
<b>Lead</b>	1991	t	31	<b>1.6</b>
<b>Zinc</b>	2308	t	-13	<b>-0.6</b>
<b>Tin</b>	1010	t	45	<b>0.3</b>
<b>CBT Wheat (Jul)</b>	<b>4.85</b>	bshl	-0.1	<b>-2.0</b>

### Commodities Commentary

**Oil** – Brent crude traded as low as \$US58.81/bbl overnight, technically in bear territory, but recovered some before closing trade.

Overnight, US government agency the EIA published a monthly update, this including 2019 expected daily US crude production growth from 1.40MMbbl/d to 1.28MMbbl/d. This puts predicted output at 12.27MMbbl/d.

Among other forecasts, the EIA placed Brent at \$US64/bbl for July – December, and \$US65/bbl for next year.

WTI crude would trade at ~\$US58.5/bbl during the December quarter, the EIA ventured. Further, prices would likely remain ~\$US5.50 below those for Brent during 2020, the agency said.

The EIA also reported China had purchased 247,000bbl of US oil during May.

A weekly US petroleum inventories report is due tonight from the EIA.

**Gold** – US equities regained some favour overnight, but vacillating sentiment and a softer \$US nonetheless supported further gold gains.

Key data yet to come this week, plus international central bank commentary will influence at least some gold trade through to the end of the week.

**Base metals** – a relatively weaker \$US and improved international relations optimism benefited early LME trade sentiment.

**Aluminium** was bolstered against demand fears by the ongoing shutdown of Rusal's Achinsk operation, Siberia, following a regional weapons depot explosion Monday.

Meanwhile, Glencore was reported to be shuttering the Mutanda *cobalt* operation, in the Democratic Republic of Congo, from year's end, due to lower prices.

In data news, **China's** July trade statistics are keenly anticipated tomorrow, and producer prices and CPI Friday.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6761	0.0003	<b>0.04</b>
<b>EUR – USD</b>	1.1204	0.0001	<b>0.01</b>

### Australian Data Today

AiG	PCI	Jul
ABS	Household & business lending	Jun

### Energy

#### Byron Energy (\* BYE)

SM58 011 drilling underway.

BYE is targeting additional oil within the block.

BYE 100% working interest and operator; 83.33% net revenue interest.

### Reports & Events

(selected)

When	Company	Report/Event
<b>Today</b>	<b>CBA</b>	Full year
	<b>JHX</b>	AGM (Dublin)
	<b>SUN</b>	Full year
	<b>TCL</b>	Full year
<b>Tomorrow</b>	AGL	Full year
	AMP	Interim
	IAG	Full year
	NCK	Full year
	NGI	Full year
	MGR	Full year
<b>Fri</b>	BBN	Full year
	NWS	Full year (o/night Thu US)
	REA	Full year

### Trading Halts

Company	Code	Resuming
Animoca Brands	AB1	7 Aug
Redbank Copper	RCP	7 Aug
Sequoia Financial Group	SEQ	7 Aug
Winchester Energy	WEL	7 Aug
Broo Ltd	BEE	8 Aug
Freedom Oil & Gas	FDM	8 Aug
Impression Healthcare	IHL	8 Aug
Ironbark Zinc	IBG	8 Aug
Jatenergy Ltd	JAT	8 Aug
Rural Funds Group	RFF	8 Aug
Transurban Ltd	TCL	8 Aug

### Suspensions (select)

Company	Code	Since
AuStar Gold	AUL	31 Jul
CFOAM Ltd	CFO	6 Aug
Gooroo Investments	GOO	1 Aug

**US Data Tonight**

Consumer credit	Jun
MBA mortgage applications	2 Aug

**Other Overseas Data Today & Tonight**

<b>China</b>	Foreign reserves (6pm AEST)	Jul
<b>Japan</b>	BoJ (policy meeting) summary of opinions	Jul
<b>Germany</b>	Industrial production	Jun

**Need More Information?**

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High Grade Metals	HGM	18 Jul
Keybridge Capital	KBC	16 Jul
Mobecom Ltd	MBM	29 Jul
South Pacific Resources	SPB	2 Aug
Sun Resources	SUR	7 Aug
West Wits Mining	WWI	26 Jul

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MLT	Tomorrow	10.4	100	4.06
RIO	Tomorrow	307.58	100	4.61
BKI	Fri	4.7	100	4.37
JHG	Fri	52.55	0	7.10
OCA	Fri	2.12	0	3.79
OZG	Fri	0.25	100	1.56
WIC	Fri	3	100	2.80