

Markets

SFE 200 Futures (9.30am AEST)	5687	13	0.2
NZX 50	7780	-10	-0.1
DJIA Futures	21787	-25	-0.1
S&P 500 Futures	2462	-4	-0.2
NASDAQ Futures	5945	-11	-0.2

Local Markets Commentary

Australian market trade commences on mixed overnight international leads, ahead of key domestic data, and as several influential stocks trade ex-dividend. Proposed Western Australian budget measures could also swing select trade.

July trade balance and retail sales figures are due **11.30am AEST**.

Pre-trade, the AiG will release its August construction sector activity index.

Stocks trading ex-dividend today include **BHP, CTD, FXL, MND, NHF** and **WOW**. Please see p3 for a detailed list.

In overnight commodities trade, US **gold** futures settled lower. **Oil** continued higher. As with Monday's session, **iron ore** was pushed back. LME **copper** settled little changed, but nickel bounced.

The **\$A** has gained after trading at ~US79.90c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21808	54	0.3
S&P 500	2466	8	0.3
NASDAQ	6393	18	0.3
FTSE 100	7354	-19	-0.3
DAX 30	12215	91	0.8
Shanghai Comp	3385	1	0.0

Overseas Markets Commentary

Mainland European equities markets fell on opening but recovered. Major US indices swung higher from the start. The NASDAQ wavered, however, and the FTSE struggled for traction, amid a stream of reports regarding Brexit uncertainty.

In the **US**, the **Federal Reserve's** vice chair Stanley Fischer resigned, citing personal reasons, effective ~13 October. This is ~eight months earlier than the expiry of Mr Fischer's term.

In addition, an agreement was secured between the president and Republican and Democrat leaders, enabling the national debt ceiling to be raised for three months, to fund the government through 15 December. The agreement reportedly was secured in association with a hurricane relief deal.

In data releases, ISM's services sector activity index rose 1.4 to 55.3, against expectations of 55.8.

The Federal Reserve's region-by-region economic (beige book) report again determined modest – moderate economic activity growth across all 12 regions, noting higher consumer spending in a majority.

Australia – trade balance and retail sales 11.30am AEST

* Minerals exploration listing **midday AEST – G1A ***

Western Australia – annual budget ~12.15pm AEST.

Expected to be controversial for small business and the mining sector.

Today's Stock Watch

Sigma Healthcare (SIG)

16.7% higher, \$27.9M interim NPAT. 6.1% lower, \$2.0B revenue. Flat, 2.5c fully-franked interim dividend. 40.1c NTA. Outlook for FY 2019 looking more positive.

In addition, outlaying \$18.5M for dose administration specialist MPS Australia. Completion anticipated 30 September.

ePAT Technologies (EPT)

Dementia Support Australia (DSA) has agreed commercial terms for the use of EPT's pain assessment app across 150 clinical consultants working with community-based, residential-care and acute-care patients. DSA will first use the EPT app in Western Australia and South Australia from late-September and plans to be using the app across the organisation by early-2018.

Centuria Capital Group (CNI)

Issuing \$25M worth of fixed-rate bonds. Details lodged post-trade yesterday.

Resources

Empire Ltd (ERL)

ERL and JV partner Brimstone Resources have secured funding and services agreements for the WA Penny's Find gold project. Blue Cap Mining will provide up to \$A7.5M until mining operations become cash flow positive.

In association, Blue Cap has secured mining services work including drilling, blasting and open pit mining. Access for a potential underground operation will also be constructed. 23,000t of ore has already been stockpiled and some hauled to toll treatment facilities.

To prove up underground potential, ERL is borrowing \$250,000 from Stocksonline for up to four months, and repaying this in cash or shares. Interest is equivalent to 12% pa and a 5% management fee is payable.

In addition, an ERL director is providing a \$185,000 unsecured loan for repayment by COB 14 February 2018.

Galena Mining (* G1A)

Lead-focused project developer scheduled to list **midday AEST** following a \$6M IPO at 20c per share. Adrian Byass non-executive chair. Seeking to develop the Abra base metals project, Ashburton Basin, WA.

Energy

Rio Tinto (RIO)

Queensland Kestrel underground coal operation reserves have been updated to 185Mt, representing a 62Mt increase. Resources have fallen 65Mt to 241Mt. RIO 80%.

Buru Energy (BRU)

\$13.8M better off, pre-costs, following the recent rights issue and an associated top-up placement.

BRU had targeted \$10.2M to fully-fund planned drilling but received \$14.5M worth of applications. Strong demand for any shortfall shares reportedly came from new investors.

The final national July trade deficit was calculated at \$US43.7B against \$US43.5B in June. Exports were reported 0.3% lower and imports down 0.2%.

In **Germany**, July factory order surprised on the downside, falling for the first time in three months, down 0.7% and following a 0.9% gain for June.

In addition, a construction PMI came down 0.9 to 54.9.

A **euro zone** retail PMI reading came in at an almost ambiguous 50.8.

Meanwhile, the **Bank of Canada** surprised with a 0.25% rate rise to 1.00%, using June quarter growth as its main rationale.

Tonight in the US, weekly new unemployment claims and final June quarter productivity figures are due.

Across the Atlantic, the **European Central Bank** holds a policy meeting, the same session a final reading for euro zone June quarter GDP is due.

The post-meeting press conference is keenly anticipated for comments regarding any asset purchase changes.

In overnight corporate news, Germany's vehicle manufacturers notably benefited from positive research reports.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1339	oz	-5	-0.4
Silver (NY) (Sep)	18.0	oz	0.0	0.1
Gold (LON)	1338	oz	2	0.2
Platinum	1003	oz	-3	-0.3
WTI Crude (Oct)	49.2	bbl	0.5	1.0
Brent Crude (Nov)	54.2	bbl	0.8	1.5
Iron Ore (CHN port 62%)	76.8	t	-1.6	-2.0
Copper	6901	t	1	0.0
Nickel	12165	t	85	0.7
Aluminium	2105	t	9	0.4
Lead	2340	t	6	0.3
Zinc	3095	t	-45	-1.4
Tin	20790	t	60	0.3
CBT Wheat (Sep)	4.22	bshl	-0.09	-1.8

Commodities Commentary

Oil – Gulf of Mexico evacuations have commenced ahead of the impact of Hurricane Irma, and as another tropical low threatens.

The EIA (government agency) US weekly petroleum inventories report is due tonight.

Gold – prices vacillated during the US session but were pushed decidedly lower in late-trade. The \$US bounced from the middle of the day.

Base metals – \$US strength came too late to seriously impact LME trade, particularly against ongoing positive China growth sentiment.

China's August trade figures are keenly anticipated tomorrow, but could produce some caution in tonight's trade.

CPI and producer prices are expected from China over the weekend.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.8006	0.0005	0.06
EUR – USD	1.1923	0.0005	0.04

Pre-Open Announcements

Updater Inc (* UPD)

\$A50M institutional placement conducted at \$A1.25 per CDI, in support of the acquisition of IGC Software & Asset Controls plus insurance division and other plans. UPD is resuming from a trading halt, having last traded at \$1.40.

Mobile Embrace (MBE)

AddGlu predictive analytics launch underway. Presentation lodged this morning.

Iron Mountain (INM)

Proposing to place \$US740M worth of 2027 notes.

MACA Ltd (* MLD) / Pilbara Minerals (* PLS)

MLD has secured a two-year open pit mining services contract with PLS's WA Pilgangoora lithium-tantalum project. Three one-year options are included in the contract offer.

Open-pit mining is scheduled to commence during the December quarter. Shipments are expected to commence during the June quarter 2018.

Swick Mining Services (SWK)

CEO Vahid Haydari has resigned, effective 16 October, in favour of new opportunities. MD Kent Swick will take on CEO responsibilities.

Brierty Ltd (BYL)

Administrators appointed.

Resources

Pacific Bauxite (PBX)

Three large and high-grade bauxite targets determined by sampling and hand-held XRF within PBX's South West New Georgia bauxite project, Solomon Islands. Details lodged this morning.

Trading Halts

Company	Code	Resuming
PNX Metals	PNX	7 Sep
Sacgasco Ltd	SGC	7 Sep
MacPhersons Resources	MRP	8 Sep
Metals Australia	MLS	8 Sep
Segue Resources	SEG	8 Sep

Suspensions (selected)

Company	Code	Since
AnaeCo Ltd	ANQ	31 Aug
BBX Minerals	BBX	23 Aug
Brierty Ltd	BYL	8 Sep
Capital Mining	CMY	14 Aug
Cougar Metals	CGM	29 Aug
Eastern Goldfields	EGS	16 Aug
Empire Oil & Gas	EGO	30 Aug
JustKapital Ltd	JKL	6 Sep
LWP Technologies	LWP	14 Aug
NMG Corporation	NMG	28 Aug
Peak Resource	PEK	1 Sep
Triangle Energy	TEG	6 Sep
YPB Group	YPB	1 Sep
ZipTel Ltd	ZIP	11 Aug

Australian Data Today

AiG	PCI	Aug
ABS	Trade balance	Jul
ABS	Retail sales	Jul
RBA	Liquidity; assets	Aug

US Data Tonight

Initial jobless claims	1 Sep
Non-farm productivity (final)	Jun Q

Other Overseas Data Today & Tonight

China	Foreign reserves (post-ASX trade)	Aug
Japan	Leading economic indices	Jul
Germany	Industrial production	Jul
Euro zone	ECB policy statement	Aug

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Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AEF	Today	210	100	2.26
AIZ	Today	~10.14	0	5.99
ARA	Today	2.5	0	2.61
ASX	Today	99.8	0	3.78
BHP	Today	~54.29	100	3.88
CTD	Today	18	100	1.39
EBG	Today	3.25	100	6.11
EHE	Today	8	100	2.54
FXL	Today	3.85	100	4.62
GXL	Today	9.5	100	3.29
LIC	Today	2	100	0.82
MLB	Today	3.5	100	3.09
MND	Today	30	100	3.68
NHF	Today	10.5	100	3.11
PAC	Today	18	100	2.31
PGC	Today	1.9	100	3.26
PME	Today	2.5	100	0.79
SCO	Today	8.5	100	5.89
SDG	Today	6	100	4.42
SDI	Today	1.3	100	3.71
SIV	Today	25.1	100	5.41
TCN	Today	0.35	0	7.95
TGG	Today	4.5	100	3.33
TME	Today	~9.17	0	4.07
VGL	Today	1.87	0	1.04
WOW	Today	50	100	1.98
ALI	Tomorrow	2.5	0	1.97
APD	Tomorrow	0.75	100	4.82
BSL	Tomorrow	5	100	0.83
CBL	Tomorrow	~1.38	0	1.15
CDM	Tomorrow	4	100	5.97
FLK	Tomorrow	3.25	100	2.32
NVL	Tomorrow	3	100	1.14
PTL	Tomorrow	2.1	100	4.74
QAN	Tomorrow	7	100	2.45
RCG	Tomorrow	3	0	6.82
SDA	Tomorrow	2.4	100	1.33
SHL	Tomorrow	46	100	3.59
SMX	Tomorrow	10.2	20	2.51
SST	Tomorrow	70	100	4.03
SXL	Tomorrow	4	0	5.94
TGR	Tomorrow	7.5	100	3.85
WDE	Tomorrow	1	100	1.20
WTC	Tomorrow	1.2	100	0.28