

Markets

SFE 200 Futures (9.30am AEST)	6207	0	0.0
NZX 50	8899	27	0.3
DJIA Futures	25522	-14	-0.1
S&P 500 Futures	2855	-1	0.0
NASDAQ Futures	7466	-5	-0.1

Local Markets Commentary

The Australian market opens today's trade on largely lacklustre overnight equities and mixed commodities leads, again ahead of key data out of China.

In overnight commodities trade, **oil** swung lower.

US **gold** futures closed slightly higher.

LME **copper** settled barely changed. **Nickel** continued higher. **Aluminium** turned and rallied.

The **\$A** surpassed US74.35c after trading at ~US74.15c early yesterday evening.

China is due to report July CPI and PPI **11.30am** AEST.

Locally today, **MLT** and **RIO** are among stocks trading ex-dividend today. *Details can be found on p4.*

This morning, New Zealand's central bank has retained a 1.75% overnight cash rate and underscored its flexibility in either lifting or lowering rates.

Elsewhere, **Singapore's** markets will remain closed today.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25584	-45	-0.2
S&P 500	2858	-1	-0.0
NASDAQ	7888	5	0.1
FTSE 100	7777	58	0.8
DAX 30	12634	-15	-0.1
Shanghai Comp	2744	-35	-1.3

Overseas Markets Commentary

There was plenty again for investors to consider overnight, this demonstrated by choppy, swinging trade across most major European and US equities markets.

The FTSE remained supported by the British pound which fell further against the \$US and euro.

Oil fell decisively, hurting the energy sector.

Earlier, China revealed it planned to place 25% import tariffs, commencing 23 August, on another \$US16B worth of goods from the US, including fuels, medical equipment, steel products and vehicles.

Further, both China and Germany voiced opposition to US threats against others doing business with Iran.

The US administration announced plans for select sanctions against Russia, in relation to an alleged attempted poisoning assassination on UK soil. Further, it warned of further action after 90 days,

China – July CPI 11.30am AEST

APOLOGY – some readers have not been receiving their *Market Opener* recently.

State One has identified an ISP issue and is sorting an effective solution.

Today's Stock Watch

Suncorp Ltd (SUN)

1.5% lower, \$1.06B full year NPAT. 11.17% lower, \$15.45B revenue. Paying 40c final and 8c special dividends, each fully franked.

In addition, SUN is planning to sell its Australian life insurance division to TAL Dai-ichi Life Australia for \$725M. A non-binding HoA is in place, but legal documents are anticipated by month's end.

Crown Ltd (CWN)

70% drop in full year NPAT to \$558.9M. 4.5% higher, \$3.49B revenue. Flat, 30c, 18c-franked final dividend. \$5.26 NTA.

Orora Ltd (ORA)

24% higher, \$A171.1M full year NPAT. 5.2% higher, \$A4.04B revenue. 6.5c fully franked final dividend, up 5c. 94c NTA.

Avita Medical (AVH)

The US FDA has granted AVH approval to treat 108 patients, rather than the current 82, with the RECELL burns treatment. Further, the number of centres that are approved to be involved in the compassionate use program has been raised to 26.

News Corporation (NWS)

Due to report in the US overnight tonight.

Resources

Rio Tinto (RIO)

Trading ex-dividend (~\$1.71) today.

BHP Billiton (BHP)

New York District Court class action settlement agreed, with BHP admitting no liability and paying \$US50M.

Newcrest Mining (NCM)

Expecting a \$260M - \$270M adverse FY 2018 earnings impact following a carrying value review.

Planning to lodge full year results 22 August.

Independence Group (IGO) / Evolution Mining (EVN)

Morgan Stanley has reassessed IGO as underweight, from equal-weight, and EVN as equal-weight, from underweight.

Energy

AGL Energy (AGL)

194.4% higher, \$A1.59B full year NPAT. 1.8% higher, \$12.82B revenue. 63c final dividend.

Carnarvon Petroleum (CVN)

Phoenix South-3 update lodged this morning, highlighting 'positive observations' warranting wireline logging from 5200m - 5393m.

CVN added 29.9% yesterday, settling at 63c.

WorleyParsons Ltd (WOR)

UK Buzzard phase two development EPC contract in hand from CNOOC.

pending 'reliable assurances' and UN inspection co-operation.

Meanwhile, the US treasury conducted a \$US26B 10-year bond auction, both 10-year and 30-year yields slipping.

In scant new data releases, US weekly mortgage applications fell further, this time by 3%, in part due to higher prices.

Tonight in the US, weekly new unemployment claims, July producer prices and final June wholesale inventories are due.

In addition, the US treasury conducts an \$US18B 30-year **bond** auction.

Elsewhere, the **European Central Bank** publishes a bulletin containing updated forecasts.

Companies scheduled to report earnings or provide an update later today and tonight include: Adidas, Bridgestone, Brookfield Asset Management, G4S, Inpex, Jaguar Land Rover, Macy's, Merck, News Corporation, San Miguel Corp, Thyssenkrupp, Viacom and Worldpay.

BT Group trades ex-dividend on the FTSE 100, perhaps influencing telecommunications risk sentiment.

In overnight corporate news, high-profile stocks including **Snap**, **Papa John's**, **Tesla** and **Walt Disney** fell on results disappointment and/or growth and, in the case of Tesla, funding and regulatory compliance speculation.

CVS Health and drug manufacturer **Mylan** gained however on outlook and review news that appeared to satisfy.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1222	oz	0.3	0.3
Silver (NY) (Sep)	15.4	oz	0.06	0.4
Gold (LON)	1210	oz	-3	-0.2
Platinum	830	oz	2	0.2
WTI Crude (Sep)	66.9	bbl	-2.23	-3.2
Brent Crude (Oct)	72.3	bbl	-2.37	-3.2
Iron Ore (CHN port 62%)	70.4	t		
Copper (LME,3mth,PM)	6173	t	-2	-0.0
Nickel	14050	t	200	1.4
Aluminium	2106	t	68	3.3
Lead	2137	t	-12	-0.6
Zinc	2612	t	12	0.5
Tin	19400	t	-175	-0.9
CBT Wheat (Sep)	5.91	bshl	0.05	0.1

Commodities Commentary

Oil – China's July crude imports were reported at a daily 8.48MMbbl, against 8.18MMbbl/d for July 2017.

In June, China's oil imports fell for a second consecutive month, to 8.36MMbbl/d.

A weekly US petroleum inventories report, published overnight by the EIA, estimated a 1.4MMbbl decline in stored crude, following forecasts of a 3.3Mmbbl fall.

Production fell a daily 100,000bbl to 10.8MMbbl/d.

Refinery demand rose by 118,000bbl/d.

Imports were reduced by a daily 358,000bbl, while exports rose by 540,000bbl/d to 1.9MMbbl/d.

Petrol stockpiles grew by 2.9MMbbl, unexpected for the northern hemisphere holiday season, hence

Pre-Open Announcements

Magellan Financial Group (* MFG)

Full year results scheduled for release today, ahead of a 2pm AEST teleconference.

Fluence Corporation (* FLC)

\$US3.5M water treatment plant design and build contract secured in Buenos Aires, Argentina.

Alliance Aviation Services (* AQZ)

\$18.1M full year NPAT, against \$18.5M a year ago. 23.4% higher, \$248M revenue. 6.3c fully franked final dividend. \$53.4M net debt. 14.72c NTA. Positive FY 2019 outlook.

IGE Solutions (* IGE)

Proposing to boost production capacity at a plastic waste-to-road fuel facility in Amsterdam, the Netherlands, from the initially planned 100t/day to 400t/d.

Foundation and structural design changes can be effected while the facility is under construction.

Star Combo Pharma (* S66)

S66 is proposing to acquire dietary supplements distributor Ausway Group, pending due diligence and approvals.

In addition to business in Australia, Ausway offers online sales to China.

FlexiGroup Ltd (FXL)

Planning to lodge full year results pre-trade 21 August and to host a webcast from 10.30am AEST that day.

Access details lodged post-trade yesterday.

Healthscope Ltd (HSO)

Planning to lodge full year results pre-trade 21 August and to host a live webcast briefing at 10am AEST that day.

Access details lodged post-trade yesterday.

HSO has scheduled its AGM for 31 October, 10am, Melbourne.

Select Harvests (SHV)

Planning to release FY 2018 results post-trade 27 August and to host a live webcast briefing commencing 8.30am AEST 28 August.

Access details lodged post-trade yesterday.

Resources

Altura Mining (* AJM)

Planning to ramp the WA Pilgangoora lithium project, rather than pursue a potential control transaction.

Doray Minerals (* DRM)

WA Deflector gold-copper project underground operations were suspended early Wednesday morning due to a fire involving an underground loader.

No employees were injured and underground workers were safely escorted from the mine.

Black Earth Minerals (* BEM)

Madagascar Maniry graphite project Razafy maiden resource estimated at 11.2Mt @ 7.10% TGC.

The indicated component measures 8.0Mt @ 7.22% TGC.

Champion Iron (CIA)

Unaudited June quarter financial results, as prepared for Canadian regulators, lodged post-trade yesterday.

\$C20.7M net income, following a \$C7.8M net loss a year earlier. Iron ore concentrate sales (1.74Mt at \$C86.61/t) realised \$C150.7M revenue.



defying predictions of a 1.7MMbbl drawdown.

In the meantime, Iran expressed concern at OPEC members altering output without OPEC approval. The next production agreement compliance committee meeting is scheduled for 23 September.

Gold – prices reportedly waxed and waned in a small range overnight, indicating ongoing reduced interest.

Base metals – Data and conflicting supply/demand speculation appeared to produce cautious overnight trade.

China's July trade figures, published yesterday, included 12.2% higher year-on-year exports (following 11.2% in June) against a 27.3% rise (14.1%) in imports.

The trade surplus fell to \$US28.05B from \$US41.47B.

Copper concentrate imports were estimated at a record monthly high, and **aluminium** exports (+4.6%) to the second highest, supported by yuan softening.

Iron ore imports were reported 4.3% higher year-on-year, but for 2018-to-date, down 0.5%.

China is due to report July CPI and producer prices today.

Meanwhile, Alcoa's Western Australia **alumina** refinery workers have commenced industrial action.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7432	-0.0001	-0.02
EUR – USD	1.1613	0.0002	0.02

US Data Tonight

Initial jobless claims	4 Aug
Producer prices	Jul
Wholesale inventories (final)	Jun

Other Overseas Data Today & Tonight

China	CPI	Jul
China	PPI	Jul
Japan	Machinery orders	Jun
Japan	Machine tool orders (4pm AEST)	Jul
Euro zone	ECB bulletin	Aug

Need More Information?

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Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	AGL	Full year
	CWN	Full year
	NWS (US ET, o/night AEST)	Jun Q
	MFG	Full year
	MGR	Full year
	ORA	Full year
	SUN	Full year
Tomorrow	BBN	Full year
	JHX	Q1
	NWS	Jun Q (7am tconf)
	REA	Full year
Mon	AZJ	Full year
	BEN	Full year
	BSL	Full year
	DHG	Full year
	JBH	Full year
Tue	ANZ	Trading
	CGF	Full year
	COH	Full year
	GPT	Interim
	NAB	Q3 trading
	SGF	Full year
	WHC	Full year
Wed	DXS	Full year
	FXJ	Full year
	HT1	Interim
	IAG	Full year
	MGX	Full year
	MIN	Full year
	PGH	Full year
	SEK	Full year
	VCX	Full year
	WES	Full year
	WPL	Interim
	Thu (16 Aug)	ASX
BCI		Full year
BLX		Full year
EHE		Full year
GOZ		Full year
ILU		Interim
IPH		Full year
ORG		Full year
QBE		Interim
SHL		Full year
TLS		Full year
XRO		Full year

Trading Halts

Company	Code	Resuming
Fremont Petroleum Corporation	FPL	9 Aug
Animoca Brands	AB1	10 Aug
Armour Energy	AJQ	10 Aug

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AuStar Gold	AUL	10 Aug
Authorised Investment Fund	AIY	10 Aug
Helios Energy	HE8	10 Aug
LiveTiles Ltd	LVT	10 Aug
Protean Energy	POW	10 Aug
Sunstone Metals	STM	10 Aug
Tap Oil	TAP	10 Aug

Suspensions (select)

Company	Code	Since
Admedus Ltd	AHZ	6 Aug
Auctus Alternative Investments	AVC	7 Aug
Canyon Resources	CAY	6 Aug
Challenger Energy	CEL	7 Aug
Benjamin Hornigold	BHD	30 Jul
Cape Range	CAG	30 Jul
Connected IO	CIO	19 Jul
Eastern Goldfields	EGS	25 Jul
Indoor Skydive Australia	IDZ	23 Jul
JustKapital Ltd	JKL	19 Jul
Lanka Graphite	LGR	3 Aug
Omni Market Tide	OMT	31 Jul
Queensland Bauxite	QBL	1 Aug
Questus Ltd	QSS	30 Jul
RCR Tomlinson	RCR	1 Aug
Sumatra Copper & Gold	SUM	27 Jul
Syntonic Ltd	SYT	3 Aug
Tikforce Ltd	TKF	24 Jul
Wolf Petroleum	WOF	1 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MEC	Today	1	100	0.93
MLT	Today	10.2	100	3.96
RIO	Today	170.84	100	5.17
BKI	Tomorrow	3.7	100	4.60
JHG	Tomorrow	36	0	4.57
OCA	Tomorrow	2.03	0	3.51
TCL	Tomorrow	28	8.92	tbc
RKN	Tue	3	100	3.11
GMA	Wed	12	100	7.02
RMD	Wed	3.51	0	0.90
GUD	Thu (16 Aug)	28	100	3.44
PL8	Thu (16 Aug)	0.5	100	5.40