

Markets

SFE 200 Futures (9.30am AEST)	5716	6	0.1
NZX 50	7866	8	0.1
DJIA Futures	21807	-2	0.0
S&P 500 Futures	2442	0	0.0
NASDAQ Futures	5821	-4	-0.1

Local Markets Commentary

The Australian market opens a new week's trade as the US assesses major hurricane damage and massive rainfall and flooding across Texas, the heart of the nation's petroleum sector.

Up to 25% of Gulf of Mexico crude production is currently estimated to be offline.

In mixed overnight Friday commodities trade, US **gold** futures settled higher and **oil** turned so. LME **copper** traded lower ahead of a public holiday weekend. **Iron ore** (China port, 62% Fe) swung higher, but Dalian futures later fell.

International equities trade produced no definitive leads.

The **\$A** appreciated beyond US79.30c after trading at ~US79.10c early Friday evening, and this morning has been pushed past US79.45c.

Over the weekend, **China's** July industrial profits were reported 16.5% higher year-on-year. January - July profits rose 21.2% on an annual basis.

North Korea fired short-range missiles into the Japan Sea as US and South Korea continued annual military exercises.

Locally today, major reporting season enters its last week, with many high-profile and large-cap stocks yet to lodge results.

Stocks trading ex-dividend include **AZJ**, **CCL** and **SGR**. Please see p3 for a detailed list.

Among data releases, a weekly capital city house price report is due pre-trade.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21814	30	0.1
S&P 500	2443	4	0.2
NASDAQ	6266	-6	-0.1
FTSE 100	7401	-6	-0.1
DAX 30	12168	-13	-0.1
Shanghai Comp	3332	60	1.8

Overseas Markets Commentary

Major European and US equities markets largely chopped and swung their way through overnight Friday trade.

Since then, a major hurricane which crossed the Texas coast has caused severe damage to households and civil and industrial infrastructure.

At the annual Jackson Hole central banker forum, US Federal Reserve chair Janet Yellen and European Central Bank (**ECB**) president Mario Draghi offered no policy change hints.

Today's Stock Watch

Commonwealth Bank of Australia (CBA)

The Australian Prudential Regulation Authority (APRA) is commencing an independent inquiry into CBA's accountability, culture and governance. APRA has confirmed its view that CBA is financially sound and holds sufficient capital.

Qantas Airways (QAN)

Broad executive changes announced this morning, including the promotion of freight, catering and airports manager Alison Webster to CEO of QAN International. Current QAN International CEO Gareth Evans will be Jetstar CEO.

CSL Ltd (CSL)

CSL Behring is paying \$91M upfront for US biotech firm and gene therapy specialist Calimmune.

Lendlease Corporation (LLC)

8.7% higher, \$A758.6M full-year NPAT. 10.4% higher, \$16.7B revenue. 33c final dividend. \$8.14 NTA. AGM 17 November.

Austal Ltd (ASB)

\$15.4M full-year NPAT. 2.2% lower, \$1.3B revenue. 2c fully-franked final dividend. \$1.30 NTA. \$19.3M net cash. Anticipating \$1.3B - \$1.4B FY 2018 revenue. Teleconference scheduled to commence 10.30am AEST.

Reliance Worldwide Corporation (RWC)

Reporting its first set of full-year results since listing on the ASX late-April 2016. \$A65.6M NPAT, against a \$1.6M net loss for FY 2016. Revenue totalled \$601.7M, following \$98.3M. Paying a 3c fully-franked final dividend. 9c NTA. \$235.4M net debt. Anticipating \$145M - \$150M FY 2018 EBITDA.

Japara Healthcare (JHC)

2.2% lower, \$29.7M full-year NPAT. 10.7% higher, \$362.2M revenue. 5.75c, 70%-franked final dividend. 27.2c NTA. 11.18c EPS. \$41.4M cash and equivalents.

Amaysim Australia (AYS)

6.5% lower, \$11.5M full-year NPAT. 28.7% higher, \$326.8M revenue. 5.1c fully-franked final dividend. Teleconference scheduled to commence 10am AEST.

Chorus Ltd (CNU)

\$NZ113M full-year NPAT, following \$NZ91M a year ago. NZ12.5c fully-franked (in NZ) final dividend. Anticipating \$NZ625M - \$NZ650M FY 2018 EBITDA and dividends totalling NZ22c.

Asia Pacific Data Centre Group (AJD) / 360 Capital Group (TGP) / Nextdc Ltd (NXT)

TGP is re-assessing its proposal to acquire 100% of AJD and says it will complete due diligence this week and may consider raising its offer price.

Cann Group (CAN)

Office of Drug Control approval in hand for samples of CAN's initial medicinal cannabis harvest (in Victoria) to be sent for full analysis.

Resources

Northern Star Resources (NST) / Poseidon Nickel (POS)

MoU established to investigate processing NST gold ore at POS's Black Swan facilities.

Ms Yellen, however, promoted adjustments, rather than the loosening of financial sector regulation to the extent promoted by some legislators and administrative officials.

For his part, Mr Draghi promoted a mutual international trade approach in addition to sounding a warning on financial regulation considerations.

Meanwhile, a US presidential tax reform speech was also promised for Wednesday this week.

In **US** data releases, headline July durable goods orders surprised some on the downside, dropping 6.8% for the month, representing the largest monthly drop since August 2014. Further, this followed a 6.4% rise in June. However, the June gain was attributed to orders received by Boeing and aircraft sector variations often swing the monthly figures.

In Germany, key business indices mostly fell slightly for the month.

Tonight in the US, July wholesale inventories and a trade balance update are due.

Major UK markets, including the LME, will remain closed tonight, due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1298	oz	6	0.5
Silver (NY) (Sep)	17.1	oz	0.1	0.5
Gold (LON)	1285	oz	-4	-0.3
Platinum	972	oz	-5	-0.5
WTI Crude (Oct)	47.9	bbl	0.4	0.9
Brent Crude (Aug)	52.4	bbl	0.4	0.7
Iron Ore (CHN port 62%)	78.8	t	1.6	2.1
Copper	6666	t	-22	-0.3
Nickel	11485	t	-260	-2.2
Aluminium	2070	t	-36	-1.7
Lead	2325	t	-32	-1.4
Zinc	3064	t	-54	-1.7
Tin	20325	t	-165	-0.8
CBT Wheat (Sep)	4.10	bshl	0.01	0.3

Commodities Commentary

Oil – Texas was in focus overnight Friday, with a hurricane having already forced offshore activity and some refinery operations to shut down.

Since then, the impact of the hurricane across the coast, and severe flooding for a significant distance inland, has impacted much more petroleum sector business. Further flooding and storms are expected.

A weekly US petroleum drilling rig count revealed four fewer oil rigs in operation.

Gold – a \$US softening supported overnight Friday gold settlements. This was in part due to no new rate rise talk from US Federal Reserve chair Janet Yellen.

Key data, including a US GDP update and new monthly job figures, will influence some trade this week.

US emergency response and tax policy are also likely to be considered by traders.

Base metals – some positioning noted overnight Friday.

Nickel was notably pushed lower after significant gains over recent sessions.

Japan's July core CPI, reported Friday, rose the most, on an annual basis, in 28 months.

Pre-Open Announcements

Quickstep Holdings (QHL)

Full-year results lodged pre-trade, highlighting 4% higher, \$51.9M sales revenue.

Sky & Space Global (* SAS)

\$14.9M full-year net loss, following a \$5.8M loss a year ago. \$54,376 revenue, against \$9217. \$1.02 NTA.

Capitol Health (CAJ)

\$4.1M full-year net loss, following a \$4.7M loss a year ago. 2.6% higher, \$162.5M revenue.

Boom Logistics (BOL)

\$22.6M full-year net loss, following a \$30.2M loss a year ago. 10% lower \$150.1M revenue. 31c NTA.

Clean TeQ Holdings (CLQ)

\$12.2M full-year net loss. 10% higher, \$1.6M revenue. 17.87c NTA.

Scout Security (* SCT)

Home security specialist completed a successful ASX listing Friday following a \$5M IPO at 20c per share. Opened at 22.5c and traded at 20.5c – 24c before settling at 23.5c. 1.24M shares were traded across 74 transactions. Amazon.com held 2.68% on listing.

Energy

Sundance Energy (SEA)

~75% of Eagle Ford production shut-in Friday last week, ahead of Hurricane Harvey.

Santos Ltd (STO)

Non-executive director Greg Martin retired from the STO board Friday, for personal reasons. Mr Martin had been an STO director for eight years.

Trading Halts

Company	Code	Resuming
Hawthorn Resources	HAW	28 Aug
Mithril Resources	MTH	28 Aug
Cougar Metals	CGM	29 Aug
Magnetic Resources	MAU	29 Aug
Mesoblast Ltd	MSB	29 Aug
Thundelarra Ltd	THX	29 Aug
Marmota Ltd	MEU	29 Aug

Suspensions (selected)

Company	Code	Since
BBX Minerals	BBX	23 Aug
Capital Mining	CMY	14 Aug
Eastern Goldfields	EGS	16 Aug
LWP Technologies	LWP	14 Aug
Northern Mining	NMI	1 Aug
Surefire Resources	SRN	1 Aug
ZipTel Ltd	ZIP	11 Aug



Yesterday, China reported industrial profits, that represented slower growth than for the two previous months. China's PMIs will likely influence some of this week's trade

*In the meantime, the **London Metals Exchange (LME)** will remain **closed tonight**, due to a public holiday.*

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7946	0.0021	0.27
EUR – USD	1.1957	0.0012	0.10

Australian Data Today

CLogic	Capital city house prices	26 Aug
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US Data Tonight

Trade balance	Jul
Wholesale inventories	Jul

Need More Information?

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Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AZJ	Today	8.9	50	4.40
CCL	Today	21	70	5.46
SGR	Today	8.5	100	3.03
SNZ	Today	3.07	0	1.48
AHY	Tomorrow	4	50	6.27
ATL	Tomorrow	2	100	1.73
AUF	Tomorrow	1.1	100	1.67
AWC	Tomorrow	4.2	0	3.83
BGA	Tomorrow	5	100	1.45
BVS	Tomorrow	4.5	0	2.96
FID	Tomorrow	8.9	100	3.61
KSL	Tomorrow	1.7	0	5.81
NST	Tomorrow	6	100	1.78
PNC	Tomorrow	5.28	100	3.72

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	ALU	Full-year
	AYS	Full-year
	ASB	Full-year
	CNU	Full-year
	FWD	Full-year
	JHC	Full-year
	LLC	Full-year
	RCG	Full-year
	RWC	Full-year
	SKI	Interim
Tomorrow	AGI	Full-year
	BKL	Full-year
	CAB	Full-year
	CTX	Interim
	DOW	Full-year
	MTR	Full-year
	RFG	Full-year
	SCO	Full-year
	SFH	Full-year
Wed	BBG	Full-year
	BLD	Full-year
	DCG	Full-year
	GTY	Full-year
	IGO	Full-year
	MTS	AGM
	RHC	Full-year
	SFR	Full-year
	Thu	AAD
CKF		Full-year
HVN		Full-year
MQA		Interim
NXT		Full-year
ORE		Full-year
WEB		Full-year