

Markets

SFE 200 Futures (9.30am AEST)	6463	-9	-0.1
NZX 50	10635	9	0.1
DJIA Futures	26009	-28	-0.1
S&P 500 Futures	2885	-5	-0.2
NASDAQ Futures	7585	-14	-0.2

Local Markets Commentary

The Australian market opens today's trade with a return to positive overnight US equities leads, ahead of material domestic data today and influential US data tonight, and as 30 June domestic earnings season produces yet more high-profile results on the second last trading day for August.

Locally today, the Australian Bureau of Statistics (ABS) publishes June **private capital spending**, 11.30am AEST.

Several high-profile and/or large-cap stocks trade **ex-dividend** today. *Please see p3 for a detailed list.*

In overnight commodities trade, **oil** rallied.

US **gold** futures (December) swung to a slight fall.

Iron ore (Nymex CFR China, 62% Fe) continued this week's decline, settling below \$US91.65/t.

LME **copper** traded higher. **Nickel** jumped.

The **\$A** traded sub-US76.35c after falling below US67.45c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26036	258	1.0
S&P 500	2888	19	0.7
NASDAQ	7857	30	0.4
FTSE 100	7115	25	0.4
DAX 30	11701	-29	-0.3
Shanghai Comp	2894	-8	-0.3

Overseas Markets Commentary

Major European equities markets struggled for traction overnight, but after a generally jittery start, key US indices rallied.

Yesterday, the **UK** PM revealed plans to suspend parliament for some weeks, leaving what is considered insufficient time for MPs to enact any legislation that might prevent the UK leaving the **European Union** (EU) without agreement by the end of 31 October.

This prompted calls for a 'no-confidence' vote when parliament resumes and speculation of a potential national election.

The British pound dropped against the \$US.

US and European bond yields continued to fall for a time, as sufficient ongoing safe-haven demand for bonds pushed prices

Second last trading day for August

Today's Stock Watch
Crown Resorts (CWN)

Melco has pushed back its proposed acquisition of 19.99% of CWN from Consolidated Press Holdings. Melco purchased 9.99%, the first tranche of the proposed 19.99%, on 6 June. The second tranche will not go ahead without a positive conclusion to an inquiry by the NSW Independent Liquor & Gaming Authority and regulatory approvals for Melco in NSW, Victoria and Western Australia.

Woolworths Ltd (WOW)

56.1% higher, \$2.69B full year NPAT. 5.3% higher, \$59.98B revenue. 57c fully franked final dividend. \$2.986 NTA, against \$3.058 a year ago.

Ramsay Health Care (RHC)

40.5% higher, \$545.5M full year NPAT. 25.9% higher, \$11.55B operating revenue. 91.5c fully franked final dividend, up 5c (5.8%).

Atlas Arteria (ALX)

\$A87.55M interim net loss. 44.5% higher, \$86.07M continuing operations income.

Ausdrill Ltd (ASL)

\$181.33M full year NPAT. 89.1% higher, \$1.64B revenue. 3.5c fully franked final dividend. 97c NTA, against \$2.14 a year ago.

Link Administration Holdings (LNK)

125% higher, \$318.98M full year NPAT. 17% higher, \$1.40B revenue. Flat, 13.5c fully franked final dividend. Proposing to outlay ~\$262M for a 10% (~53M shares) on-market buy-back.

AP Eagers (APE)

12.5% lower \$58.7M interim NPAT. 1.8% lower, \$2.06B revenue. 14c fully franked interim dividend.

Cromwell Property Group (CMW)

22% lower, \$A159.9M full year NPAT. 15% lower, \$457.3M revenue.

Village Roadshow (VRL)

Proposing to sell Edge Loyalty Systems for \$A32.3M, conditions including FIRB approval. November completion anticipated. Proceeds are earmarked for debt reduction.

Resources
Lynas Corporation (LYC)

50.7% higher, \$A80.03M full year NPAT. 2.8% lower, \$363.54M revenue. 79.72c NAT, against 65.58c a year ago.



higher.

Ten-year US yields fell 0.28% to 1.4567%, again below two-year yields; 30-year US yields slipped to 1.9072%, a record low; and 10-year Italy yields fell beneath 1.0%, the least ever.

As US equities risk sentiment grew however, and as a resolution to a political crisis in Italy appeared possible, yields appreciated some again.

In **Italy**, negotiations between parliamentary party leaders achieved a new government agreement between the centre-left Democrats and anti-establishment Five Star Movement (M5S), denying the far-right any effectual influence.

Meanwhile in overnight data releases, a GfK consumer confidence reading for **Germany** was calculated flat, at 9.7.

July import prices fell 0.2% for the month and were 2.1% lower than a year ago. Prices dropped 1.4% during June.

US weekly mortgage applications dropped 6.2% following a 0.9% fall the previous week. 30-year mortgage rates averaged 3.94% from 3.90%.

Tonight in the US, the second reading (of three) of June quarter GDP growth is keenly anticipated.

July pending home sales and weekly new jobless claims are also due.

Elsewhere, Germany publishes an initial August CPI estimate.

Companies scheduled to report earnings later today and tonight include Abercrombie & Fitch, Anyang Iron & Steel, Best Buy, China Construction Bank, Dell Technologies, Dollar General, Dollar Tree, Ganfeng Lithium, Hays, Pernod Ricard, PetroChina and Yunnan Aluminium Co.

Meanwhile, US markets are heading towards a Monday public holiday weekend.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1549.1	oz	-2.70	-0.2
Silver (NY) (Sep)	18.318	oz	0.165	0.9
Gold (LON)	1537	oz	4	0.3
Platinum	901	oz	37	4.3
WTI Crude (Oct)	55.78	bbl	0.85	1.6
Brent Crude (Oct)	60.49	bbl	0.98	1.7
Iron Ore (CHN port 62%)	91.63	t	-0.43	-0.5
Copper (LME,3mth,PM)	5698	t	31	0.5
Nickel	16250	t	585	3.7
Aluminium	1748	t	-12	-0.7
Lead	2061	t	-37	-1.8
Zinc	2267	t	-5	-0.2
Tin	15780	t	50	0.3

Commodities Commentary

Oil – WTI crude traded as high as \$US56.75/bbl overnight, following an encouraging report out of the US indicating improved demand.

A weekly US petroleum stockpiles report, published by government agency the EIA overnight, included an ~10MMbbl drop in stored crude and 2.1MMbbl draw on petrol stocks.

Pre-Open Announcements

Reece Group (* REH)

10.0% lower, \$A202.10M full year NPAT.

103.2% higher, \$5.46B sales revenue.

Flat, 14.25c fully franked final dividend.

40c NTA, against \$2.88 a year ago.

\$127.71M cash and equivalents.

Appen Ltd (APX)

32.5% higher, \$18.60M interim NPAT.

60.5% higher, \$245.12M revenue.

4c, 2.9c-franked interim dividend.

43.71c NTA, against 19c a year ago.

Fleetwood Corporation (FWD)

\$6.24M full year net loss, following a \$13.46M loss a year ago.

18% higher, \$315.31M revenue.

\$1.38 NTA, against \$2.09 a year ago.

Reports & Events

(selected)

When	Company	Report/Event
Today	APE	Interim
	APX	Interim
	ALX	Interim
	ASL	Full year
	CMW	Full year
	HVN	Full year
	LNK	Full year
	LYC	Full year
	RHC	Full year
	VRL	Full year
WOW	Full year	
Tomorrow	ASB	Full year
	BUB	Full year
	DDR	Full year
	SFR	Full year

Trading Halts

Company	Code	Resuming
Argent Minerals	ARD	29 Aug
Crowd Media Holdings	CM8	29 Aug
Platina Resources	PGM	29 Aug
BidEnergy Ltd	BID	30 Aug
Lustrum Metals	LRM	30 Aug
Macquarie Bank	MBL	30 Aug
Macquarie Group	MQG	30 Aug



The crude tally came in a 427.8MMbbl, on par with the seasonal five-year average.

Net daily crude imports fell by ~1.5MMMbbl to 2.9MMbbl, and exports rose beyond 3MMbbl/d.

Output rose a daily 200,000bbl to a record peak of 12.5MMbbl/d.

Key data releases from tonight through the end of the week, including from the US, euro zone and China, are expected to keep oil trade active.

Meanwhile, among the overnight forecasters, Morgan Stanley has predicted \$US60/bbl for Brent and \$US55/bbl for WTI for the remainder of 2019, against previous forecasts of \$US65/bbl and \$US58/bbl respectively, due to falling demand expectations.

Gold – prices turned lower when US equities trade appeared more positive overnight.

Silver extended its current rally to four consecutive sessions, the most active December contract settling at \$US18.456/oz. **Platinum** jumped.

Among the forecasters, TF Global Markets predicted \$US1600+/oz for gold, on its way towards potentially \$US1800/oz.

A second US June quarter GDP reading **tonight**, plus other key figures prior to the Monday public holiday weekend, are anticipated to influence sentiment over the next two sessions at least.

Base metals – LME inventories control and Indonesia ore export ban speculation pushed **nickel** higher overnight.

In the meantime, reports emerged a Metallurgical Corporation of China operation in PNG reported suffered a nickel facility waste spill into the Basamuk Bay last weekend.

Zinc production would be reduced by 20,000t – 30,000t at a refinery in Canada, following an equipment outage, Teck Resources revealed Tuesday.

In **aluminium** news, Aluminium Corp of China (Chalco) was reported to have produced ~8% fewer tonnes year-on-year January through June, this mostly attributed to lower prices.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6738	0.0005	0.07
EUR – USD	1.1084	0.0006	0.06

Australian Data Today

ABS	Private capital expenditure	Jun
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US Data Tonight

GDP (2 nd reading, of three)	Jun Q
Pending home sales	Jul
Initial jobless claims	24 Aug

Novita Healthcare	NHL	30 Aug
Silver Chef	SIV	30 Aug

Suspensions *(select)*

Company	Code	Since
Alita Resources	A40	14 Aug
Freedom Oil & Gas	FDM	8 Aug
Freehill Mining	FHS	28 Aug
Golden Cross Resources	GCR	19 Aug
Gold Mountain	GMN	28 Aug
Great Boulder Resources	GBR	26 Aug
Heron Resources	HRR	16 Aug
Homestay Care	HSC	20 Aug
Macmahon Holdings	MAH	28 Aug
Moreton Resources	MRV	23 Aug
Pioneer Credit	PNC	28 Aug
Redbank Copper	RCP	7 Aug
SciDev Ltd	SDV	28 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BAP	Today	9.5	100	2.37
BBN	Today	5.1	100	1.11
BPT	Today	1	100	0.87
CDA	Today	7.5	100	1.82
GCI	Today	0.77	0	4.82
HLS	Today	3.4	100	1.16
JIN	Today	21.5	100	1.16
MYS	Today	14.5	100	2.99
OML	Today	3.5	100	2.45
PCI	Today	0.4	0	0.42
QRI	Today	0.74	0	2.43
REA	Today	63	100	0.52
SKC	Today	9.54	0	5.05



Other Overseas Data Today & Tonight

Japan	Consumer confidence (3pm AEST)	Aug
Germany	CPI (preliminary)	Aug
Germany	Unemployment	Aug
Euro zone	Economic confidence	Aug

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