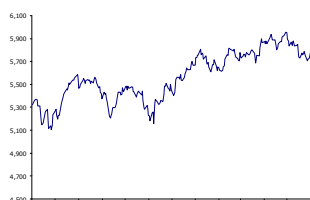


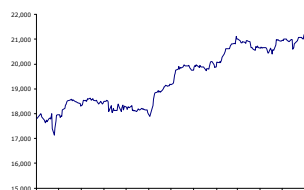
STATE ONE SPINNAKER

4 June 2017
Issue 368

12 month XJO chart



12 month Dow Jones chart



State One Research Products

Spinnaker Free Weekly
Market Opener Free Daily

Daily Resources [Clients Only](#)
Overview

For more research visit:

www.stateone.com.au/research

State One Stockbroking Ltd

Head Office
Level 14, State One House
172 St George's Terrace
Perth WA 6000
Perth Tel: (+61 8) 9288 3388
Sydney Tel: (+61 2) 9024 9105
Email: broker@stateone.com.au
Web: www.stateone.com.au

Global Wrap – 4 June 2017

World Markets	4/06/2017	28/05/2017	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	5788	5752	0.6%	-1.5%	10.0%
Dow Jones	21206	21080	0.6%	1.3%	21.3%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	2439	2416	1.0%	1.6%	18.8%
FTSE 100	7548	7548	0.0%	2.2%	18.4%
DAX30	12823	12602	1.8%	0.5%	34.7%
Shanghai Composite	3106	3110	-0.1%	1.4%	-7.8%
Nikkei 225	20177	19683	2.5%	1.1%	9.4%
Hang Seng	25924	25639	1.1%	3.6%	13.5%
Currency					
AUD/USD	0.7437	0.7439	0.0%	-0.2%	1.0%
Commodities					
Oil (\$/bbl)	47.7	50.0	-4.5%	-0.2%	-2.3%
Gas (\$/gal)	3.0	3.3	-9.4%	-11.0%	13.0%
Iron Ore (\$/t)	53.9	53.9	0.0%	6.9%	7.8%
Copper (\$/t)	5560	5671	-2.0%	0.9%	5.4%
Lead (\$/t)	2072	2090	-0.9%	-4.7%	19.4%
Zinc (\$/t)	2572	2623	-1.9%	-0.8%	50.0%
Aluminium (\$/t)	1917	1950	-1.7%	2.5%	29.5%
Nickel (\$/t)	8715	9005	-3.2%	-5.2%	-16.2%
Tin (\$/t)	20405	20500	-0.5%	2.8%	27.7%
Gold (\$/oz)	1280	1271	0.7%	5.0%	9.8%
Silver (\$/oz)	17.5	17.3	1.2%	8.2%	10.6%
Platinum (\$/oz)	953	963	-1.0%	4.5%	-5.8%
Wheat (\$/t)	429.500	438.250	-2.0%	-0.5%	-12.5%

Source: Iress

Global Wrap

In this week's Spinnaker, we look at some dividend plays and speculative stock buys for the week ahead, as well as reviewing the latest market news from Australia and the leading world economies.

US

President Donald Trump's big snub of the Paris climate deal drew condemnation from the CEOs of a range of household-name companies, but stocks weren't fazed by the worldwide outburst over his widely expected move.

US indexes closed at records on Friday, led by gains for technology shares as investors looked beyond the weaker-than-expected May jobs data.

The headline unemployment rate slipped one-tenth of a percentage point to a 16-year low of 4.3%, but the decline was largely due to shrinking labour force. Average wages rose 0.2% to \$26.22 an hour, in line with forecasts.

Earlier in the week, the Federal Reserve's Beige Book economic report said several sectors continued to expand slowly, while consumer spending had softened. The central bank said in most regions uncertainty around fiscal policy and tax reform was holding back investment across a range of sectors.

Meanwhile US companies including Apple, Facebook, Google, Intel and Microsoft have been arguing that withdrawal from the Paris agreement harms jobs and economic growth by limiting access to markets for innovative environmentally friendly technologies.

On Monday markets will watch for the release of April factory orders and May's services PMI figures.

The next Fed meeting is on June 13-14, with odds at 94% it will raise rates then.

However the tepid jobs numbers and wage growth puts into question further rate hikes this year.

China

After starting the short week on a positive note, the lower-than-expected manufacturing PMI reading - along with signs of more credit tightening - hit sentiment in Chinese markets on Thursday. The Shanghai Composite Index then ended the week almost flat.

The Caixin/Markit Manufacturing Purchasing Managers' index fell to 49.6 in May, lower than a 50.1 forecast by analysts polled by Reuters and lower than April's 50.3.

A reading above 50.0 indicates expansion in manufacturing, and a reading below that level points to a contraction in activity.

Amid some recent mixed signals on the economy, the market is now looking forward to the release of trade balance data, scheduled for Thursday, and CPI and PPI for May on Friday.

Japan

Stocks closed higher on Friday, with the Nikkei Stock Average shooting through 20,000-point barrier for the first time since December 2015.

Retail sales in Japan rose 3.2% year-on-year in April from a 2.1% gain in March, beating market estimates of 2.3%. It was the sixth straight month of improvement in retail sales and the fastest since April 2015.

Manufacturing growth was also up, reaching a three-month high in May.

The Nikkei-Markit purchasing managers' index rose to 53.1 in May from 52.7 in April, coming in just below February's three-year high. Companies said growth was supported by firmer demand domestically and from overseas.

The unemployment rate stood at 2.8% for April, the same as in the previous two months, remaining at its lowest level since June 1994.

According to government data published on Tuesday, the ratio of open jobs to applicants hit 1.48 in April, the highest figure since February 1974.

On Wednesday, Japan's first quarter GDP revision will be released, with analysts forecasting an annualized rate of 2.4%.

Europe

The FTSE 100, which rallied to an intraday record high of 7,598.99 in early trade, short of crossing the landmark 7,600 level, retreated after the US jobs report.

However it remained in positive territory, buoyed by pound weakness. Pressure on the currency mounted last week as opinion polls pointed to a tighter-than-expected result in Thursday's general election.

Late last week it was revealed Prime Minister Theresa May's Conservative Party could lose 20 of the seats it holds and the Labour Party could gain 30 extra seats, according to a YouGov poll. This would

result in a loss of the Tories' overall majority, The Times reported. It is not yet clear how the polls will react to the horrific tragedy in London over the weekend.

Across Europe positive data lifted stocks, with banks leading the way and car makers in hot pursuit.

Business confidence is strong while unemployment, though still too high, is at its lowest level in almost eight years.

Eurozone unemployment undershot estimates on Wednesday, coming in at 9.3% for April.

Economists had predicted a rate of 9.4% for the 19-country bloc, which would still have been a drop on March's reading of 9.5%.

Despite this, European Central Bank president Mario Draghi again resisted calls to tighten monetary policy ahead of the Bank's policy meeting next week.

He repeated that low underlying inflation and minimal wages growth still risked sustainable regional progress.

As well as the UK election on Thursday, also affecting trade this month will be reaction to the weekend attack, and parliamentary elections in France on June 11 and 18.

Australia

Strong performances across most sectors helped stocks recoup losses made earlier in the week after the release of mixed economic data.

Australian housing investor credit continued to expand in April, according to data released by the RBA on Wednesday.

The Bank said credit to investors grew by 0.6% in seasonally adjusted terms. This put total growth over the year at 7.3%, the fastest rise since January 2016 and an increase on the 7.1% of March.

The growth suggests measures introduced by Australia's banking regulator, APRA, to cool investor activity have yet to have an impact.

Activity levels across Australia's manufacturing sector also continued to improve in May, albeit at a slower pace than April.

The latest Performance of Manufacturing Index released by Ai Group fell 4.4 points to 54.8, the lowest reading since January this year.

Anything above 50 signals activity levels are improving while a reading below suggests they're deteriorating.

Australian building approvals rebounded in April, recovering around half the fall reported in March, largely driven by volatility in apartment approvals.

ABS figures revealed total new approvals rose by 4.4% to 17,414, seasonally adjusted, beating expectations of 3%.

House prices fell heavily in May, continuing a pattern of recent years.

According to data released by Corelogic last week, prices fell by 1.1% in weighted terms across Australia's capital cities in May, led by drops of 1.3% and 1.7% in Sydney and Melbourne.

Retail sales grew by 1% in April, coming in above forecast growth of 0.3% and falls in three of the past four months. Analysts say the result could have been affected by seasonal factors such as sales.

The week starts with data releases including ANZ job ads for May, March quarter inventories and services PMI for May.

This will be followed by the RBA policy meeting Tuesday, with most economists expecting the Bank to stand pat on rates.

Australia's GDP for the March quarter will be released this Wednesday. Economists polled by Bloomberg were expecting a tepid 0.3% rise on the December quarter.

March quarter current account and housing finance data for April will come out on Thursday and Friday respectively.

Commodities

Oil

Oil traded at the lowest level in three weeks on Friday as traders digested the US rejection of the Paris climate agreement and put aside bullish US Energy Information Administration inventory data.

The EIA reported a strong drawdown of 6.43 million barrels from crude oil inventories. However, weekly US oil production continues to climb. Also, OPEC-cut-exempt Libyan oil production broke new highs for the year. Oil might trade between \$45 and \$50 per barrel for quite a while, a range that is "the path of least resistance," Bill O'Grady, chief market strategist at Confluence Investment Management, told Bloomberg.

Gold

On Friday the reaction on gold markets was swift in response to the softer-than-expected US jobs report and a weaker US dollar. The metal jumped \$20 an ounce to a near six-week high.

Gold futures in New York for delivery in August, the most active contract, touched a high of \$1,281.80 in heavy volume of more than 24m ounces, up from \$1,261.30 before the US job numbers were released. Gold is up 11.3% so far in 2017.

Iron Ore

The Northern China import price of 62% Fe content ore enjoyed a rare day of gains on Friday to trade up 2% at \$56.30 per dry metric tonne, according to data supplied by The Steel Index.

The rebound comes after news on Thursday of a fire that suspended operations at BHP Billiton's Mt Whaleback mine in WA.

Mt Whaleback is one of the largest iron ore mines in the world, producing 43 million tonnes last year of 62.7% iron content.

However any market effects of the suspension are likely to be short-lived and limited.

Earlier in the week BHP said China's multi-billion dollar Belt and Road infrastructure Initiative could add about 150 million tons to global steel demand.

Copper

July Comex High Grade Copper futures traded sharply lower on Friday in reaction to a plunge in prices in London. There are concerns over weakening demand and oversupply, despite industrial strife earlier in the week at mines in Chile and Papua. Some traders are also saying investors are dumping commodities to move money into equities.

Nickel

Nickel bounced off its weakest point in nearly a year on Friday. Zinc also hit a two-week low, both metals pressured by weaker iron ore and oil prices as well as concern about demand in top consumer China as it attempts to rein in its shadow credit sector.

In this week's Spinnaker we introduce a new section of stock picks:

Dividend plays

Below are some quality, blue chip stocks from a range of sectors which pay dividends, and which we believe are fairly priced and offer limited downside. These include:

Tabcorp Holdings Limited (TAH)

Share price: A\$4.63

FY17/FY18E DPS: A\$0.25

Dividend Yield: 5.4%

TAH offers a range of gambling and entertainment products, with its business units including wagering, gaming, Keno and media activities across Australia. Customer brands include TAB, Keno, Luxbet, Tabcorp Gaming Solutions, Trackside animated racing game, Sky Racing and Sky Sports Radio.

Harvey Norman Holdings (HVN)

Share price: A\$3.77

FY17/FY18E DPS: A\$0.31

Dividend Yield: 8.2%

HVN engages in franchising operation, integration and retail business, property development and digital systems. It operates under a franchise system in Australia and operates wholly owned or controlled stories in overseas markets.

Telstra Corporation Ltd (TLS)

Share price: A\$4.49

FY17/FY18E DPS: A\$0.31

Dividend Yield: 6.8%

TLS is a provider of telecommunications and information products and services through its Australian and offshore operations. It has a range of businesses, namely fixed broadband, mobile, data and IP, network applications and services (NAS), digital media and international.

Fortescue Metals (FMG)

Share price: A\$5.07

FY17/FY18E DPS: A\$0.27

Dividend Yield: 5.3%

FMG is an iron ore production and exploration company with assets in WA's Pilbara region.

Bank of Queensland (BOQ)

Share price: A\$11.49

FY17/FY18E DPS: A\$0.77

Dividend Yield: 6.7%

BOQ is an Australian entity engaged in retail banking, leasing finance and insurance products. The bank operates in two segments – banking and insurance. At December 30, 2016, the bank had completed the acquisition of Centrepoint Alliance Limited's (ASX:CAF) Premium Funding business. BOQ's operations comprise banking, BOQ Finance, BOQ Specialist, St Andrew's insurance and Virgin Money Australia. BOQ has 77 corporate and 126 owner-managed branches, eight transaction centres, 548 BOQ branded ATMs, 2432 REDI ATMs and 3537 brokers' networks across Australia.

National Australia Bank (NAB)

Share price: A\$30.00

FY17/FY18E DPS: A\$1.96

Dividend Yield: 6.5%

One of Australia's "big four" banks, NAB provides a comprehensive and integrated range of banking and financial services, including wealth management throughout Australia, New Zealand, Asia, the UK and US.

Qantas (QAN)

Qantas has finished the week off at \$5.16 as it continues to climb, adding \$1.00 to its share price since the end of April. Qantas is expecting to report a full-year underlying profit before tax in the range of \$1.35 billion to \$1.40 billion. This would represent the second highest result in Qantas's history and is due to improving performance from its domestic operations, and a slight moderation with its international market due to challenging conditions.

Below are some strictly speculative buys:

Syntonic is a Seattle-based software company which has developed new technology that allows free of charge, mobile internet access on smartphones. Two months ago SYT announced it had licensed its Freeway platform technology to Verizon Wireless for use in sponsored data applications, with revenue guarantees starting from this quarter. Significant income is likely to appear in their next quarterly report, due at the end of July. Price: 2.9c

Buddy Platform (BUD)

Buddy has recently bounced off lows after the announcement of a major pivot in their business. After a very disappointing first year as a listed company, including two failed acquisitions, Buddy has now launched an end-to-end product solution that shortens the purchasing cycle for customers by making the buying decision easier. Initial sales of the new Buddy Ohm suite of products look way beyond what Buddy's expectations were. Buddy will also have other revenue streams from the sale of "alternative information" as well as the original platform. Price: 7.2c

Aruma Resources (AAJ)

Aruma Resources is a junior explorer with a market capitalisation of about \$3M, with roughly \$1.5M in cash. Aruma has recently pegged some tenements 40km east of Kalgoorlie, where it has identified a massive gold anomaly with a very high tenor of over 200 ppb. To provide some perspective, the anomaly is larger than the "Super Pit" in Kalgoorlie, with similar sedimentary hosted structure. Aruma will begin a drilling program as soon as there is final resolution of Native Title matters. The expectation is that this will occur in June. Price: 0.9c.

Kidman Resources (KDR)

KDR has experienced a spike in traded volume recently. Closing at 54c, Kidman has been trading as low as 47c and a high of 60c on the back of ongoing legal proceedings with Marindi Metals (MZN) for the rights of Earl Grey lithium deposit. Though the proceedings have concluded, the Supreme Court has reserved its judgement, with the final decision to be handed down in due course.

Economic Calendar 5/06/2017 – 9/06/2017

Monday June 05 2017	Actual	Previous	Consensus	Forecast	
10:00 PM  US ISM Non-Manufacturing PMI MAY		57.5	57	57.2	
Tuesday June 06 2017	Actual	Previous	Consensus	Forecast	
12:30 PM  AU RBA Interest Rate Decision		1.5%	1.5%	1.5%	
10:00 PM  CA Ivey PMI s.a MAY		62.4		62	
Wednesday June 07 2017	Actual	Previous	Consensus	Forecast	
09:30 AM  AU GDP Growth Rate QoQ Q1		1.1%	0.2%	0.3%	
09:30 AM  AU GDP Growth Rate YoY Q1		2.4%	1.6%	1.9%	
05:00 PM  IN RBI Interest Rate Decision		6.25%	6.25%	6.25%	
Thursday June 08 2017	Actual	Previous	Consensus	Forecast	
09:30 AM  AU Balance of Trade APR		A\$3.11B	A\$1.9B	A\$2B	
10:00 AM  CN Balance of Trade MAY		\$38.05B		\$40B	
10:00 AM  CN Exports YoY MAY		8.0%			
10:00 AM  CN Imports YoY MAY		11.9%			
05:00 PM  EA GDP Growth Rate QoQ 3rd Est Q1		0.5%	0.5%	0.5%	
05:00 PM  EA GDP Growth Rate YoY 3rd Est Q1		1.8%	1.7%	1.7%	
07:45 PM  EA ECB Interest Rate Decision		0%	0%	0%	
08:30 PM  EA ECB Press Conference					
 GB Parliamentary Elections					
Friday June 09 2017	Actual	Previous	Consensus	Forecast	
09:30 AM  CN Inflation Rate YoY MAY		1.2%		1.1%	
02:00 PM  DE Balance of Trade APR		€25.4B		€25.1B	
04:30 PM  GB Balance of Trade APR		£-4.90B		£-3.6B	
08:30 PM  CA Employment Change MAY		3.2K		17.4K	
08:30 PM  CA Unemployment Rate MAY		6.5%		6.5%	

Source: www.tradingeconomics.com

Economic Calendar 12/06/2017 – 16/06/2017

Monday June 12 2017		Actual	Previous	Consensus Forecast	
03:00 PM	🇹🇷 TR GDP Growth Rate QoQ Q1		3.8%	1.1%	
03:00 PM	🇹🇷 TR GDP Growth Rate YoY Q1		3.5%	3.8%	
Tuesday June 13 2017		Actual	Previous	Consensus Forecast	
09:30 AM	🇦🇺 AU NAB Business Confidence MAY		13	10.31	
04:30 PM	🇬🇧 GB Inflation Rate YoY MAY		2.7%	2.5%	
05:00 PM	🇩🇪 DE ZEW Economic Sentiment Index JUN		20.6	21.66	
Wednesday June 14 2017		Actual	Previous	Consensus Forecast	
08:30 AM	🇦🇺 AU Westpac Consumer Confidence Change JUN		-1.1%		
08:30 AM	🇦🇺 AU Westpac Consumer Confidence Index JUN		98		
04:30 PM	🇬🇧 GB Claimant Count Change MAY		19.4K	15.5K	
04:30 PM	🇬🇧 GB Unemployment Rate APR		4.6%	4.7%	
08:30 PM	🇺🇸 US Core Inflation Rate YoY MAY		1.9%	2.2%	
08:30 PM	🇺🇸 US Inflation Rate YoY MAY		2.2%	2.2%	
08:30 PM	🇺🇸 US Retail Sales MoM MAY		0.4%	0.29%	
Thursday June 15 2017		Actual	Previous	Consensus Forecast	
02:00 AM	🇺🇸 US Fed Interest Rate Decision		1%	1.25%	
02:00 AM	🇺🇸 US FOMC Economic Projections				
02:30 AM	🇺🇸 US Fed Press Conference				
09:30 AM	🇦🇺 AU Employment Change MAY		37.4K	15.4K	
09:30 AM	🇦🇺 AU RBA Bulletin				
09:30 AM	🇦🇺 AU Unemployment Rate MAY		5.7%	5.7%	
03:30 PM	🇨🇭 CH SNB Interest Rate Decision		-0.75%	-0.75%	
07:00 PM	🇬🇧 GB BoE Quantitative Easing		£435B	£435B	£435B
07:00 PM	🇬🇧 GB MPC Meeting Minutes				
07:00 PM	🇬🇧 GB BoE Interest Rate Decision		0.25%	0.25%	0.25%
Friday June 16 2017		Actual	Previous	Consensus Forecast	
11:00 AM	🇯🇵 JP BoJ Interest Rate Decision		-0.1%	-0.1%	
10:00 PM	🇺🇸 US Michigan Consumer Sentiment Prel JUN		97.1	95.3	

Source: www.tradingeconomics.com

All Ords Top 10 Week Ending 2 June 2017

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
HGGDA	Henderson Group	11.5	GXY	Galaxy Resources	-8.5
SIG	Sigma Health Ltd	9.9	BKL	Blackmores Limited	-8.1
SVW	Seven Group Holdings	8.7	DMP	Domino Pizza Enterpr	-7.1
FXL	FlexiGroup Limited	7.9	TPM	TPG Telecom Limited	-6.8
SUL	Super Ret Rep Ltd	7.6	VOC	Vocus Group Ltd	-6.1
CWY	Cleanaway Waste Ltd	7.4	BPT	Beach Energy Limited	-6.1
MTS	Metcash Limited	6.9	STO	Santos Ltd	-6.0
PRY	Primary Health Care	6.8	ACX	Aconex Limited	-6.0
NEC	Nine Entertainment	6.5	IFN	Infigen Energy	-4.5
SHL	Sonic Healthcare	6.1	AGL	AGL Energy Limited.	-4.3

Source: IRESS

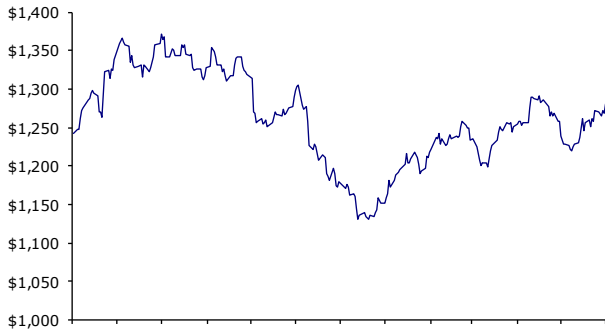
S & P Indices Week Ending 2 June 2017

S&P Indices	4/06/2017	28/05/2017	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	9340	9555	-2.3%	-2.2%	3.2%
S&P 200 Materials	9836	9792	0.4%	2.1%	19.9%
S&P 200 Industrials	5902	5767	2.3%	2.4%	24.2%
S&P 200 Consumer Disc.	2224	2205	0.9%	-1.6%	21.3%
S&P 200 Consumer Staples	9389	9358	0.3%	-2.5%	7.1%
S&P 200 Healthcare	23327	23036	1.3%	-1.8%	29.1%
S&P 200 Financials	6417	6374	0.7%	-3.9%	5.6%
S&P 200 Info Technology	879	873	0.6%	-2.7%	22.2%
S&P 200 Telecommunicatic	1560	1563	-0.2%	0.7%	-21.1%
S&P 200 Utilities	9029	9126	-1.1%	-1.2%	34.2%
S&P 200 Property Trusts	1422	1402	1.5%	0.2%	12.3%
S&P 200 Financials ex PT	7157	7109	0.7%	-3.9%	2.9%

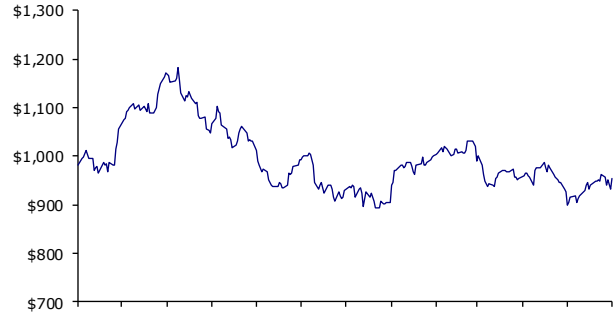
Source: IRESS

1 Year Commodity Price Charts

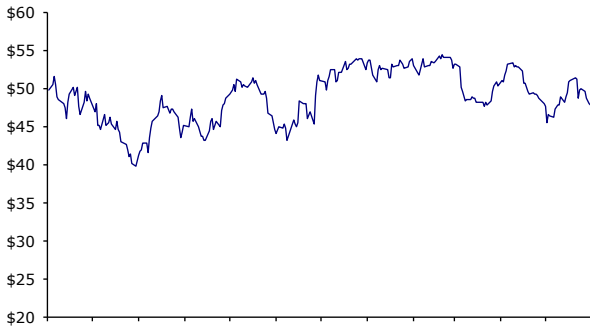
1 Year Gold



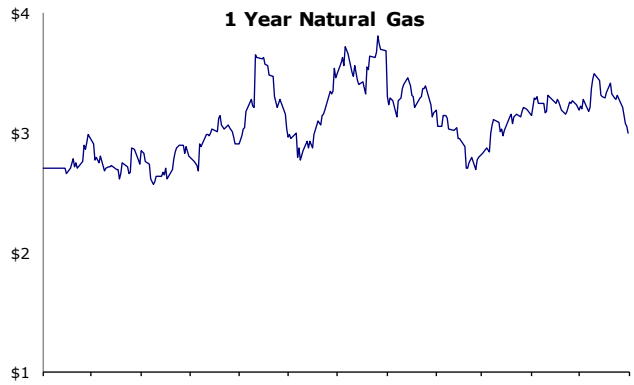
1 Year Platinum



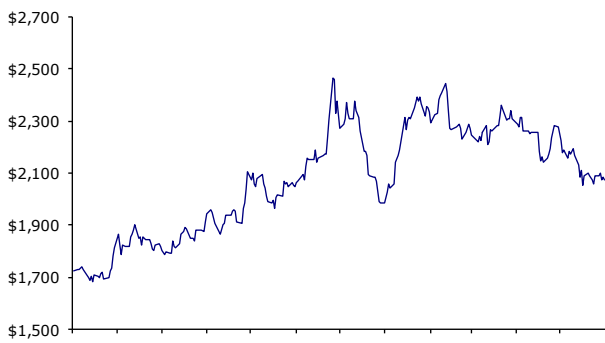
1 Year Oil



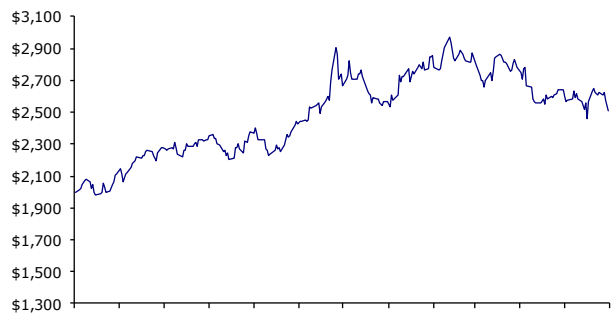
1 Year Natural Gas



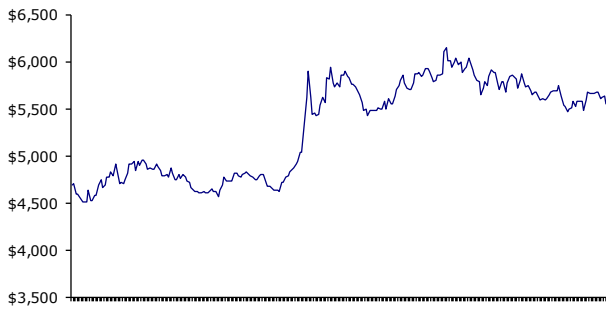
1 Year Lead



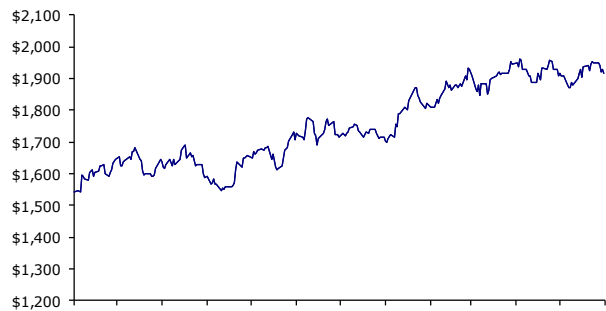
1 Year Zinc



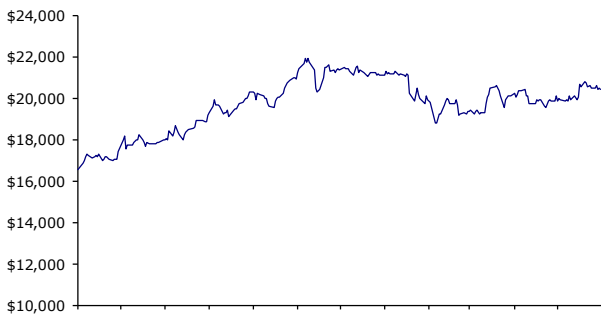
1 Year Copper



1 Year Aluminium

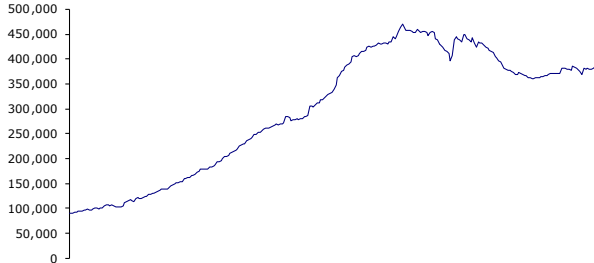


1 Year Tin

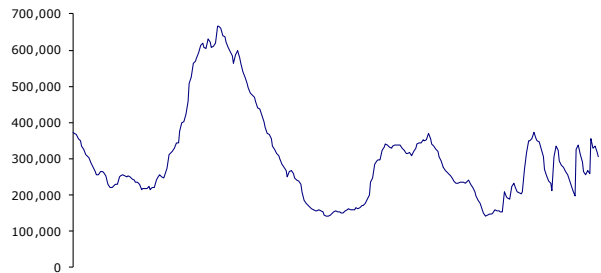


5 Year Metals Stockpiles

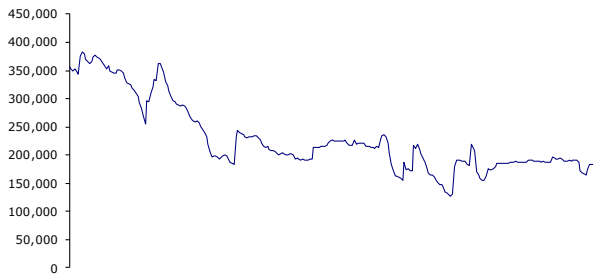
Nickel LME Stockpiles - 5 Year



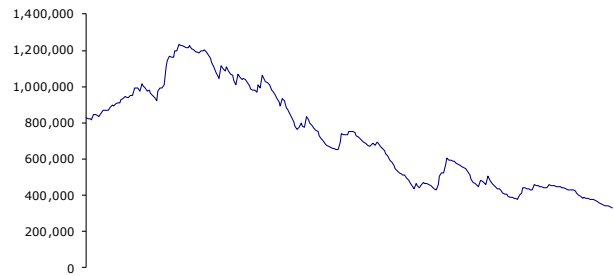
Copper LME Stockpiles - 5 Year



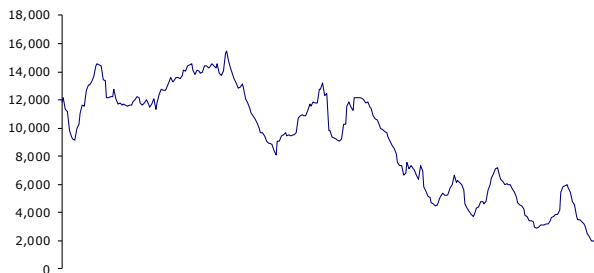
Lead LME Stockpiles - 5 Year



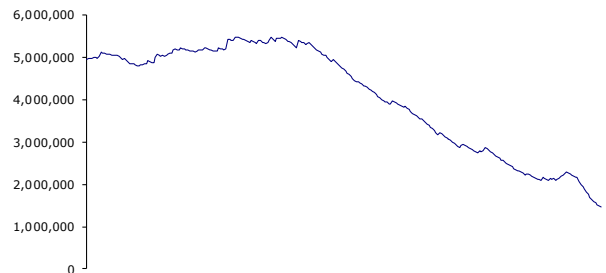
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year



Peter Curtis
Head of Institutional Sales
Phone: +61 2 9024 9106
gjohnson@stateone.com.au

Alan Hill
Executive Chairman
Phone: +61 8 9288 3388
ahill@stateone.com.au

Mark Sullivan
Institutional Dealer
Phone: +61 2 9024 9134
msullivan@stateone.com.au

Yitz Barber
Equities Advisor
Phone: +61 2 9024 9107
ybarber@stateone.com.au

Karen Tan
Equities Advisor
Phone: +61 8 9288 3303
ktan@stateone.com.au

David Zhang
Equities Advisor
Phone: +61 2 9024 9130
dzhang@stateone.com.au

Alexander Bax
Equities Advisor
Phone: +61 8 9288 3340
abax@stateone.com.au

Tammie Wong
Equities Advisor
Phone: +61 2 9024 9133
twong@stateone.com.au

Ric Heydon
Equities & Derivatives Advisor
Phone: +61 8 9288 3307
rheydon@stateone.com.au

Robert Chen
Equities Advisor
Phone: +61 2 9024 9132
rchen@stateone.com.au

Morris Levitzke
Equities Advisor
Phone: +61 8 9288 3315
mlevitzke@stateone.com.au

David Brennan
Senior Investment Analyst
Phone: +61 2 9024 9142
DBrennan@stateone.com.au

Graeme Johnson
Equities & Derivatives Advisor
Phone: +61 8 9288 3316
gjohnson@stateone.com.au

General Advice Warning

The contents of this document have been prepared by State One Stockbroking Ltd (ABN 95 092 989 083, Australian Financial Services Licence ("AFSL") 247100) from research provided by Morningstar Australasia Pty Ltd ABN 95 090 665 544; AFSL 240 892 ("Morningstar") without taking account of your objectives, financial situation or needs. To the extent that any of the content constitutes advice, it is general advice. You should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

Whilst State One Stockbroking Ltd and Morningstar believe the data and content contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One Stockbroking Ltd, Morningstar or any of their officers, agents or employees. Some material is copyright and published under licence from ASX Operations Pty Limited ACN 004 523 782 ("ASXO").

If applicable, you should obtain the Product Disclosure Statement relating to the relevant financial product mentioned in this document (which contains full details of the terms and conditions of the financial product) and consider it before making any decision about whether to acquire the financial product.

Please refer to the State One Stockbroking Ltd Financial Services Guide (FSG) at http://www.stateone.com.au/downloads/financial_services_guide.pdf and the Morningstar FSG at www.morningstar.com.au/fsg for more information.

Disclosure

The directors and associated persons of State One Stockbroking Ltd may have an interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Morningstar, its officers, employees, consultants or its related bodies corporate may hold positions in any financial products included in this document and may buy or sell such securities or engage in other transactions involving such financial products. Morningstar declares that from time to time they may earn fees or other benefits from financial products mentioned in this document.

This research at all times remains the property of State One Stockbroking Ltd and Morningstar and is not for public circulation or reproduction whether in whole or in part and is not to be disclosed to any person other than the intended recipient, without obtaining prior written consent.

The information contained in this publication must be read in conjunction with Morningstar's Legal Notice contained in their Terms and Conditions which can be located at <http://www.morningstar.com.au/About/Terms>