

Markets

SFE 200 Futures (9.30am AEST)	6922	-104	-1.5
NZX 50	11548	-50	-0.5
DJIA Futures	31967	-296	-0.9
S&P 500 Futures	4014	-45	-1.1
NASDAQ Futures	12436	-185	-1.5

Local Markets Commentary

The Australian market opens a new week's trade on the third last trading day for August with the \$A trading below US68.80c, key new data in hand from China over the weekend, material domestic data due late morning, another batch of high-profile domestic stocks reporting earnings, and the UK observing a Monday public holiday.

US equities markets dropped overnight Friday.

Locally today, the Australian Bureau of Statistics (ABS) releases a preliminary **retail sales** report for July at 11.30am AEST.

At the same time the ABS publishes a **mineral and petroleum exploration** report for June.

Stocks trading **ex-dividend** today include **ANN, CGF, CRN, and WOR**. Please see pp3-4 for a detailed ex-dividends list.

Regionally today, no major new economic indicators are scheduled to be release.

Saturday, **China** reported a 1.1% year-on-year drop in **industrial profits** for January – July.

January – June industrial profits had been reported 1.0% higher than for 2021, and forecasters had anticipated a 1.3% increase for January – July, despite Covid-related restrictions in some key centres.

Since July, industrial production curbs have also been ordered to conserve power during ongoing drought and severe heat in south west China.

In overnight Friday commodities trade, **oil** turned variously higher, Brent crude settling above \$100.90/bbl.

US **gold** futures swung lower, closing below \$US1750/oz.

Iron ore (Nymex CFR China, 62% Fe) once again settled just slightly changed.

LME (3mth evening) **copper** recorded a modest gain. **Nickel** turned slightly lower. **Aluminium** rallied by more than 2.0%.

The **\$A** fell to ~US69.10c after trading at ~US69.65c - ~US69.75c early Friday evening, and has dropped below US68.75c this morning.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	32283	-1008	-3.0
S&P 500	4058	-141	-3.4
NASDAQ	12142	-498	-3.9

Today's Stock Watch
The A2 Milk Company (A2M)

Planning a 12-month, on-market, up to \$NZ150M share buy-back from late September.

52% higher, \$NZ122.62M full year NPAT. 19.8% higher, \$NZ1.45B revenue. \$NZ1.42 NTA from \$NZ1.37.

In addition, A2M has appointed China-based Buhler Asia Pacific president David Wang as a director.

McMillan Shakespeare (MMS)

Planning an up to \$86M off-market buy-back.

74c fully franked final dividend, from 31.1c a year ago.

15.2% higher, \$70.3M full year NPAT.

9.1% higher, \$594.14M revenue.

InvoCare Ltd (IVC)

13.5c fully franked interim dividend from 9.5c a year ago.

\$16.765M interim net loss. 9.4% higher, \$285.37M revenue.

Magellan Global Fund (MGF)

\$1.695B full year operating loss.

\$1.443B net investment (income) loss.

\$1.6588 net asset value (NAV) per unit against \$1.9303.

MACA Ltd (MLD)

Thies has raised its offer for MLD from \$1.025 cash per share to \$A1.075 cash per share.

MLD traded at \$1.055 - \$1.08 last week.

Resources
Fortescue Metals Group (FMG)

\$A1.21 fully franked final dividend from \$2.11 a year ago.

40% lower, \$US6.197B full year NPAT. 22% lower, \$US17.39B revenue. \$US5.55 NTA from \$US5.76.

Resources and reserves lodged late-trade Friday.

FY23 production guidance lodged this morning.

Mineral Resources (MIN)

\$1.00 fully franked final dividend from \$1.75 a year ago.

72.5% lower, \$349.2M full year NPAT. 8.5% lower, \$3.418B revenue. 16.67c NTA from 16.55c.

Northern Star Resources (NST)

11.5c fully franked final dividend from 9.5c a year ago.

58.4% lower, \$A429.8M full year NPAT. 35.3% higher, \$3.74B revenue. \$6.98 NTA from \$6.85.

Ramelius Resources (RMS)

Flat, 2.5c fully franked final dividend. 90% lower, \$A12.40M full year NPAT. 5% lower, \$603.89M revenue.

Silver Lake Resources (SLR)

21% lower, \$A77.68M full year NPAT. 6% higher, \$634.57M revenue. 99c NTA from 82c. \$33.815M cash and bullion.



FTSE 100	7427	-52	-0.7
DAX 30	12971	-300	-2.3
Shanghai Comp	3236	-10	-0.3

Overseas Markets Commentary

Major European, UK and US equities markets mostly tumbled overnight Friday.

The **US Federal Reserve** chair Jerome Powell's address to the central bank-hosted annual Jackson Hole economic forum, themed *Reassessing Constraints on the Economy and Policy*, warned of a potential 'sustained period of below-trend growth' as the Fed continued to attempt to tame inflation with higher interest rates.

The chair vowed the central bank 'must keep at it until the job is done, also forecasting some likely 'softening of labour market conditions'.

Even while he offered his view of 'strong underlying momentum' for the US economy, the overall comments hosed equities sentiment in late European and early US markets trade.

The \$US jumped on the comments and US 10-year bond yields were reported temporarily at ~15-year peaks.

Two Fed regional presidents subsequently supported the chair's comments and ventured rates would need to remain elevated for some time.

Also overnight Friday, media reports cited five un-named sources claiming some **European Central Bank** policy makers were keen to discuss a significant rate increase at next week's policy meeting.

Earlier Friday afternoon (AEST), the **UK energy regulator** had raised the price cap on gas and electricity bills by 80%.

Further overnight Friday, as European gas prices continued at record peaks, fertiliser manufacturers association Fertilizers Europe maintained ~70% of overall output had been cut due to energy costs.

Meanwhile, reports emerged quoting six anonymous bankers that the **People's Bank of China** had been urging banks to prioritise boosting lending to business above financial investment.

In overnight Friday **data** releases, **euro zone** lending to individuals and businesses in July was reported 4.5% and 7.7% higher respectively than for July 2021.

Germany's -36.5 September consumer confidence reading, as calculated by GfK, represented a further deterioration, against -30.9 for August.

In the **US**, July income and spending rose 0.2% and 0.1% respectively for the month undershooting expectations for 0.5% and 0.2% respective increases.

July wholesale inventories were estimated 0.8% higher for the month after growing by 1.9% during June.

Meanwhile, the personal consumption expenditure (PCE) index declined by 0.1% during July after a 1.0% June increase.

Against July 2021, the PCE was up 6.3%.

A 58.2 final August consumer sentiment reading from the University of Michigan represented a 6.7-point improvement for the month, exceeding the 4.4-point expected climb.

The expectations component index notably rose 10.7 points to

Pre-Open Announcements

Pro Medicus (PME)

Minimum \$A16.5M anticipated from three newly-secured contracts.

In addition, PME has renewed a University of Florida contract for seven years, worth a minimum \$A15.5M.

Johns Lyng Group (JLG)

3c fully franked final dividend from 2.8c a year ago.

35.3% higher, \$25.12M full year NPAT.

57.5% higher, \$895.02M sales revenue.

23.53c NTA from 12.28c.

Michael Hill International (MHJ)

4c final dividend from 3c a year ago.

13.9% higher, \$46.71M full year NPAT.

7.0% higher, \$595,21M revenue. 47c NTA from 43c.

Aussie Broadband (ABB)

\$5.32M full year NPAT from a \$4.49M FY21 net loss.

56% higher, \$546.94M revenue.

Tyro Payments (TYR)

\$29.62M full year net loss from a \$29.82M FY21 net loss.

36.7% higher, \$326.14M revenue.

Weekly trading update also lodged this morning.

Adore Beauty (ABY)

181% higher, \$2.38M full year NPAT.

11% higher, \$199.66M revenue.

Supply Network (SNL)

20c fully franked final dividend from 12c a year ago.

44.6% higher, \$20.018M full year NPAT.

22.1% higher, \$198.5M revenue.

\$1.453 NTA from \$1.209.

Argo Global Listed Infrastructure (ALI)

Planning a 12-month on-market buy-back of up to ~8.377M securities from tomorrow.

Flat, 4.5c fully franked final dividend.

58.9% higher, \$A29.87M full year NPAT.

49.3% higher, \$49.0M investment income.

Megaport Ltd (MP1)

Updated full year investor presentation lodged post-trade Friday.

Resources

IGO Ltd (IGO)

IGO has appointed IMB CEO Trace Arlaud as an independent non-executive director, effective today.

AIC Mines (A1M) / Rumble Resources (RTR)

AIC has earned a 50% interest in RTR's Lamil project and has accordingly issued 544,573 shares to RTR and outlaid \$250,000 for 962,094 RTR shares.

A1M ultimately added 5.94% Friday after lodging full year



58.0.

Tonight in the US, the Dallas Fed (Texas region) manufacturing index is due.

Companies expected to report earnings later today or tonight include the Agricultural Bank of China, CITIC Securities, and Gazprom.

NB: UK markets are closed tonight due to a public holiday. US markets will be closed Monday next week.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1749.8	oz	-21.60	-1.2
Silver (NY) (Sep)	18.75	oz	-0.37	-2.0
Platinum	861	oz	-21	-2.4
WTI Crude (NYMEX Oct)	93.06	bbbl	0.54	0.6
Brent Crude (ICE EUR Oct)	100.99	bbbl	1.65	1.6
Iron Ore (NYMEX CHN port;62%Fe)	105.49	t	0.14	0.1
Copper (LME 3mth Evening)	8166	t	31	0.4
Nickel	21625	t	-45	-0.2
Aluminium	2496	t	59	2.4
Lead	1987	t	9	0.5
Zinc	3576	t	19	0.5
Tin	24790	t	440	1.8

Commodities Commentary

Oil – overnight Friday trade considerations included reports of likely production scenarios, the US Federal Reserve chair’s vow for the central bank to keep raising rates even in the face of an economic slowdown, reports some European Central Bank policy makers are also promoting this, and a jump higher for the \$US.

Reports emerged that the United Arab Emirates also agreed with the early-week comments that OPEC could cut overall current production, if deemed necessary, especially if Iran was enabled to resume petroleum exports.

OPEC+ monthly output-decision meetings are scheduled for Thursday.

A weekly US petroleum drill rig report, released overnight Friday, included four additional operational oil rigs.

Gold – \$US and 10-year US bond yield jumps following the US Federal Reserve chairman’s address to the annual Jackson Hole economic forum pushed gold prices lower overnight Friday.

The chair confirmed an ongoing commitment to control inflation levels, even at the risk of weakening the domestic labour market (which he ventured was ‘out of balance’ with other economic signals), and while economic indicators were already pointing to softening economic growth.

US monthly employment figures are due Friday.

Base metals – overnight Friday price gains were mostly attributed to supply scenarios.

China’s industrial profits, released Saturday, revealed January – July profits had fallen 1.1% compared with those for January – July 2021.

Official August PMIs are due out of China Wednesday.

The **LME** will be **closed tonight**, due to a UK public holiday.

results intra-session.

Suvo Strategic Minerals (SUV)

Investor briefing presentation lodged post-trade Friday.

SUV traded as high as 7.3c Friday before settling at 6.6c, representing an ~1.54% gain for the week.

Mt Monger Resources (MTM)

Investor briefing presentation lodged post-trade Friday.

MTM was scheduled to present Saturday.

MTM settled at 14.5c Friday after closing out the previous week at 19c.

Genesis Minerals (GMD) / Dacian Gold (DCN)

GMD is extending the period of its off-market, recommended takeover bid for DCN until 19 September.

GMD had secured 27.18% of DCN as of Wednesday last week.

Energy

Strike Energy (STX) / Warrego Energy (WGO)

STX and WGO are reporting that onshore WA Perth Basin EP469 West Erregulla-3 flow testing has confirmed the well as a ‘major’ producer of high-quality, low-impurity gas.

STX 50% and operator; WGO 50%.

Trading Halts

Company	Code	Resuming
Elixir Energy	EXR	29 Aug
Invictus Energy	IVZ	29 Aug
Magnum Mining & Exploration	MGU	29 Aug
Matsa Resources	MAT	29 Aug
AD1 Holdings	AD1	30 Aug
Australian Pacific Coal	AQC	30 Aug
Eclipse Metals	EPM	30 Aug
Splitit Payments	SPT	30 Aug
Lithium Australia	LIT	31 Aug

Suspensions (selected)

Company	Code	Since
ColorTV Ltd	CTV	8 Aug
Complii Fintech Solutions	CF1	24 Aug
Invigor Group	IVO	25 Aug
Registry Direct	RD1	24 Aug
TEK-Ocean Group	T3K	22 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ANN	Today	45.27	0	3.41
CGF	Today	11.5	100	3.34
CRN	Today	7.57	0	4.65
GAP	Today	1	75	6.06
HSN	Today	5	30	2.00

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6872	-0.0040	-0.58
EUR – USD	0.9944	-0.0022	-0.22

Australian Data Today

ABS	Retail sales (preliminary)	Jul
ABS	Mineral & petroleum exploration	Jun

US Data Tonight

Dallas Fed manufacturing index	Aug
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Other Overseas Data Today & Tonight

Japan	Leading economic index (final)	Jun
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INA	Today	5.8	0	1.15
PCG	Today	8	100	10.70
PNI	Today	17.5	100	3.17
SIV	Today	6	100	0.00
VG8	Today	5	51.4	5.47
WOR	Today	25	0	3.24
BAP	Tomorrow	11.5	100	3.07
BPT	Tomorrow	1	100	1.14
CAA	Tomorrow	20	100	8.70
DMP	Tomorrow	68.1	70	1.34
DOW	Tomorrow	12	0	2.27
ECP	Tomorrow	2.75	100	4.64
EVN	Tomorrow	3	100	3.20
GCI	Tomorrow	1.06	0	4.83
KKC	Tomorrow	1.09	0	6.18
MAF	Tomorrow	6	100	1.99
MXI	Tomorrow	2.5	100	0.00
NWL	Tomorrow	10	100	1.46
PCI	Tomorrow	0.47	0	4.48
SDG	Tomorrow	5.93	100	5.90
TCF	Tomorrow	3	0	6.56
TGP	Tomorrow	8	0	6.52
TIP	Tomorrow	0.3	100	0.44
VNT	Tomorrow	7.47	80	0.52
WTN	Tomorrow	0.96	0	0.00

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	A2M	Full year
	ABY	Full year (tele 9.30am)
	ALI	Full year
	ABB	Full year (tele 11am)
	DCG	Full year
	DBI	Interim (tele 10.30am)
	FMG	Full year
	IVC	Interim (w/cast 9.30am)
	JLG	Full year (tele 10am)
	LOV	Full year (tele 10.30am)
	M7T	Full year (webinar 9am)
	MMS	Full year
	MHJ	Full year
	MIN	Full year (webcast 10am)
	MTO	Full year (tele & Q&A 3pm)
	NST	Full year (a/webcast 9am)
	RMS	Full year
SLR	Full year	
SYM	Full year (webinar 9am)	
Tomorrow	ART	Full year (webinar 11am)
	BWX	Full year (w/cast tele 9.30am)



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DDR	Interim (w/cast tele 2pm)
DUB	Full year (webinar & Q&A 9.15am)
GDG	Full year (webinar & Q&A 2pm)
HLS	Full year (w/cast tele 11am)
IGO	Full year (w/cast 10am)
LNK	Full year (w/cast tele 9.30am)
MX1	Full year
NTD	Full year
OPY	Full year (webinar & Q&A 9.30am)
SFR	Full year (w/cast tele midday)
WDS	Interim (w/cast tele & Q&A 9.30am)