Corporate Results Monitor

FNArena's All-Year Round Australian Corporate Results Monitor.

Currently monitoring August 2020.

TOTAL STOCKS:		318
Beats 114	In Line 143	Misses 61
35.8%	45.0%	19.2%

Total Rating Upgrades:	54
Total Rating Downgrades:	52
Total target price movement in aggregate:	5.00%
Average individual target price change:	6.49%
Beat/Miss Ratio:	1.87

Previous Corporate Results Updates

Company	Result	Upgrades	Downgrades	Buy/Hold/Sell	Prev Target	New Target	Brokers
ONT - 1300 Smiles	BEAT	0	0	1/0/0	6.93	6.99	1
Morgans saw 1300 Smiles' result as solid, driven by an unprecedented flow of both returning and new customers after the initial lockdowns. The broker believes this is likely due to patients re-prioritising health and a potential inflow from struggling smaller practices. Morgans highlights the company's capacity to respond and bounce back following recent interruptions, due to its network, scale and balance sheet capacity. Add retained.							
3PL - 3P Learning	BEAT	0	0	1/0/0	1.10	1.10	1
3P Learning's FY20 result did not surprise Morgan Stanley with revenue and operating income 2% and 5% better than the broker expected. The company did not provide any guidance for the year ahead, but stated the focus will be on sales execution. An all-cash takeover offer from IXL Learning came as a positive surprise. Morgan Stanley considers 3P Learning as a "compelling risk-reward play" with relatively cheap valuation and material upside potential.							
A2M - a2 Milk Co	IN LINE	1	1	3/1/3	18.22	18.46	7
Brokers saw a2 Milk's result as solid, landing towards the top of the guidance range. Morgans (Hold) had expected more. The company expects strong revenue growth to continue in FY21, while investment will be made into milk processing and IT. a2 Milk continues to execute strongly with accelerating revenue addition and strengthening margins, and there is scope for upside from new products/markets and capital deployment. Credit Suisse upgrades to Buy to match mostly positive views, but Citi (downgrade to Sell) believes that while a substantial path for growth continues, the outlook is considered increasingly risky amid a resurgence of Chinese brands and increasing geopolitical risks.							
ABP - Abacus Property Group	BEAT	0	0	3/1/0	2.81	2.88	4
Abacus Property reported marginally ahead of forecasts, driven primarily by one-off transaction profits and storage acquisitions. Rent collection was solid in the June quarter and rent relief has been minimal. No guidance was provided. Macquarie (Buy) suggests the balance sheet is intact and valuation is attractive. Citi (Hold) considers the outlook weak. The balance sheet appears in good shape to Credit Suisse (Buy), which notes the company's intention regarding the strategic investment in National Storage remains as a long-term hold in a key sector							
AX1 - Accent Group	IN LINE	0	0	2/1/0	1.72	1.81	3
Accent Group reported in line with recent guidance. Government subsidies propped up profitability in FY20 and have allowed the business to retain its workforce and generate sales during the re-opening phase. But the strength of the company's online capability was on show. Early FY21 has seen sales impacted by increased restrictions in Victoria and Auckland, but excluding those markets sales are up 16.6%. A net increase of 40 stores is planned for FY21 and the company envisages potential for 100 stores in the longer term.							

<table>
<tr><td>ACF - Acrow Formwork And Construction</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.38</td><td>0.38</td><td>1</td></tr>
<tr><td colspan="8">The FY20 result for Acrow Formwork & Construction Services was overall ahead of Morgans expectations. The broker identifies a key positive in improved Natform performance in the second half and the outlook remains strong with the current pipeline of hire opportunities up 63% on FY19 levels. On the negative side, Commercial & Residential Scaffold revenue fell -17% and remains under some pressure due to covid restrictions. Additionally, the dividend was below the broker’s forecast. Morgans earnings forecasts remain unchanged and the broker views the company as well managed with leverage to increasing civil infrastructure activity.</td></tr>
<tr><td>ADH - Adairs</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>2.59</td><td>3.55</td><td>2</td></tr>
<tr><td colspan="8">Adairs has reported ahead of schedule. Strong product execution, elevated demand for home-related products, JobKeeper, tight gross margin and cost management on top of a strong rebound in trading conditions following store closures all led to a solid beat. An 11c dividend came as a surprise. The company also reported a strong start to the first half, but no FY21 guidance was provided. The result benefited from an incremental contribution from Mocka, and the company's online platform is delivering growth akin to pure-play peers, while the store network remains very profitable.</td></tr>
<tr><td>ABC - AdBri</td><td>BEAT</td><td>1</td><td>0</td><td>1/4/2</td><td>2.38</td><td>2.50</td><td>7</td></tr>
<tr><td colspan="8">Adbri's result met or beat forecasts. It is considered a solid performance under the circumstances, aided by cost cutting and strong cash flows, backed by a strong balance sheet. A dividend was declared but guidance has been withdrawn due to Victorian uncertainty. Brokers agree the environment is difficult, and there are structural issues compounded by the loss of Alcoa lime revenues. The market is extremely competitive and the risk of price deflation remains high. Credit Suisse (Sell) sees limited effect from stimulus and little prospect for growth in 2021, while Morgan Stanley (Buy) considers the company well placed to benefit from the stimulus in infrastructure. UBS upgrades to Hold.</td></tr>
<tr><td>AMX - Aerometrex</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.99</td><td>1.83</td><td>1</td></tr>
<tr><td colspan="8">Morgans notes Aerometrex' revenue growth trajectory was preserved in the second half, despite covid impacts. There has been some impressive growth in the MetroMap product with annual recurring revenue going from $1.66m in June to $2.87m at the end of August. Additionally, the move towards subscription revenue is showing good progress, with success in key verticals such as insurance and utilities. Morgans believes the company trades at an excessive discount to listed competitor Nearmap.</td></tr>
<tr><td>APT - Afterpay</td><td>IN LINE</td><td>0</td><td>0</td><td>2/2/1</td><td>68.76</td><td>84.35</td><td>5</td></tr>
<tr><td colspan="8">Afterpay had been updating numbers all month so no surprises. The result demonstrates risk management capability and efficiencies despite virus concerns. Momentum is expected to continue and numerous initiatives are underway to improve the product and drive growth. Afterpay continues to innovate which supports margins. While UBS (Sell) concedes that strong operating momentum continues, the broker remains defiant with its negative view and $27 target. Ex UBS the consensus target is $86.77, and not all brokers have yet responded.</td></tr>
<tr><td>AGL - AGL Energy</td><td>MISS</td><td>1</td><td>0</td><td>1/3/3</td><td>16.45</td><td>14.84</td><td>7</td></tr>
<tr><td colspan="8">AGL Energy's FY20 result was in line with forecasts, but FY21 guidance was a big miss. Management's cited issues of lower electricity prices and the end of a gas contract were not themselves a surprise, but the pace is much faster than brokers feared. A special dividend program has nonetheless been announced to supplement ordinary dividends, taking the pay-out ratio effectively to 100% of profit in FY21-22. The electricity price cycle appears to be at a low and a recovery may take a long time. Electricity is in oversupply due to renewables and batteries, and a regulated lift in retail prices is at the expense of wholesale prices. Ord Minnett (upgrade to Buy) expects a wholesale price recovery, but is looking lonely.</td></tr>
<tr><td>AGI - Ainsworth Game Techn</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>0.44</td><td>0.45</td><td>1</td></tr>
<tr><td colspan="8">Ainsworth Game Technology reported a loss in the second half driven mostly by covid. Macquarie awaits more information. The broker expects lower demand to continue for outright sales machines across all geographies which is the source of the company's main earnings stream, and has increased FY21 loss forecasts. Macquarie expects Ainsworth to return to modest profitability in FY22.</td></tr>
<tr><td>AIZ - Air New Zealand</td><td>BEAT</td><td>0</td><td>0</td><td>0/0/3</td><td>0.00</td><td>0.00</td><td>3</td></tr>
<tr><td colspan="8">Air New Zealand's loss was not as bad as forecasts and guidance had implied, with domestic and cargo providing some support. Cash burn continues nonetheless, and will keep on continuing until the border is opened. No one has any idea when that might be, and even a vaccine won't ensure an immediate response. No guidance offered, and brokers have little confidence in earnings forecasts. A capital raising may be required.</td></tr>
</table>

<table>
<tr><td>AQG - Alacer Gold</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>9.70</td><td>9.40</td><td>1</td></tr>
<tr><td colspan="8">Alacer Gold's second-quarter operational result disappointed Macquarie, with production falling -7% short of forecasts and costs rising 6%. Net profit also took a hit as costs rose and sales decreased, leading to revenue falling short of forecast. Cash was in line. Macquarie cuts earnings forecasts but retains Hold, believing the company has the operational and financial capacity to weather the storm.</td></tr>
<tr><td>LEP - Ale Property Group</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/1</td><td>4.59</td><td>4.55</td><td>2</td></tr>
<tr><td colspan="8">Two brokers, one beat and one miss for ALE Property, hence we'll meet at in-line. Macquarie (Hold) notes rent collections were strong but earnings fell short due to higher corporate costs. Ord Minnett (Sell) was beaten on profit but expects a flat distribution profile through to FY22, despite stable earnings growth. Both acknowledge a rent review process underway, with 36 properties receiving 10% increases and 43 remaining under independent assessment, results of which are due in the December quarter.</td></tr>
<tr><td>ALU - Altium</td><td>MISS</td><td>1</td><td>1</td><td>1/4/0</td><td>35.80</td><td>35.35</td><td>5</td></tr>
<tr><td colspan="8">Altium's result goes down as a miss -- not because of FY20 earnings, which were slightly better than expected, but because brokers have all expressed disappointment management's projections out to FY25 imply a slower growth rate than previously guided. FY21 guidance thus missed. Revenue and subscriber guidance is maintained out to 2025 but management has pushed out the timeline by six to 12 months. This leads Macquarie to downgrade to Hold, while Ord Minnett had expected such and upgrades to Hold. Morgan Stanley (Buy) expects a strong net cash position will emerge despite virus headwinds.</td></tr>
<tr><td>AWC - Alumina</td><td>BEAT</td><td>0</td><td>0</td><td>4/1/1</td><td>1.87</td><td>1.89</td><td>6</td></tr>
<tr><td colspan="8">Alumina Ltd's result came in ahead of most forecasts and the dividend also surprised some to the upside. Management now expects the global alumina market to move into deficit while global consumption of aluminium is forecast to shrink in 2020. This stems from a contraction in the transportation sector and only modest growth in the packaging and electrical sectors. Norsk Hydro’s Alunorte refinery outage has pushed up the alumina spot price. Ord Minnett sees an attractive entry point, as supported by mostly Buy ratings. Macquaire (Sell) finds the dividend yield comparatively unattractive.</td></tr>
<tr><td>AMA - Ama Group</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.80</td><td>0.80</td><td>1</td></tr>
<tr><td colspan="8">AMA Group’s FY20 results were a material beat over UBS’s estimates, led by a strong second half. The broker notes the company has a long pipeline of acquisitions with high barriers to entry and assumes the panel-beater will benefit considerably from increased traffic volumes post-covid. UBS chooses to be conservative for now and has made minimal changes to its FY21 forecasts.</td></tr>
<tr><td>AYS - Amaysim Australia</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.64</td><td>1.00</td><td>1</td></tr>
<tr><td colspan="8">amaysim Australia's FY20 earnings were ahead of guidance. Both mobile and energy contributed to the outperformance compared with Macquarie's numbers. No FY21 guidance was provided. The company has commenced a competitive tender process for its mobile NSA, expected to be completed no later than June 2021. The sale of the energy business will complete a full circle, the broker observes, as amaysim Australia returns to a pure-play mobile operator. The sale to AGL Energy is due for completion on September 30.</td></tr>
<tr><td>AMC - Amcor</td><td>BEAT</td><td>0</td><td>0</td><td>5/2/0</td><td>16.08</td><td>16.84</td><td>7</td></tr>
<tr><td colspan="8">Amcor's result beat most expectations. The business is performing well against a difficult backdrop and has a defensive earnings stream that supports an attractive yield, which Morgan Stanley expects will be the focus given low interest rates going forward. The company continues to enjoy the benefits of home consumption under lockdowns, and is one of few companies to provide actual FY21 guidance, to the tune of 5-10% earnings growth. The key standout was the Flexibles division with strong organic improvement and, along with Bemis synergy benefits, driving a gain in margins. Credit Suisse (Hold) believes some of forecast growth is already priced in.</td></tr>
<tr><td>AMP - AMP Ltd</td><td>IN LINE</td><td>1</td><td>0</td><td>1/5/1</td><td>1.63</td><td>1.61</td><td>7</td></tr>
<tr><td colspan="8">AMP reported in line with recently released guidance. While the special dividend and buyback announced pleased the market, and have prompted Citi to upgrade to Hold, the $200m buyback is over 12 months so not a done deal, and AMP retained capital to fund its transformation. It also declared there will be no final dividend, which means firepower is now exhausted, and brokers fear future dividends may underwhelm as the wealth business is at risk of revenue falling faster than costs and there remains some regulatory uncertainty. Views are split between Credit Suisse (Buy) seeing value at the price, and Macquarie (Sell) seeing ongoing downside earnings risk across all of AMP’s divisions over the medium term, with management commentary only serving to suggest continuation through FY21.</td></tr>
</table>

ALD - AMPOL	IN LINE	0	0	3/2/0	27.53	29.06	5
Ampol reported in line, with the dividend a slight miss. Operating cash flow was weak due to a significant loss of inventory, while convenience retail disappointed. A recovery in domestic fuel volumes should mean earnings improve. While a decision to use property sale proceeds to reduce debt may disappoint some, there remains increasing scope for capital management as earnings stabilise. The key going forward is execution on the buyback which may take some time. This is dependent on an improved refining outlook and working capital flows. Valuation is viewed by most as undemanding.							
ANN - Ansell	BEAT	0	0	2/4/1	33.69	38.65	7
Ansell's result beat all forecasts. While the company was a clear beneficiary of PPE demand, the earnings boost is not as significant as the market might think, Ord Minnett (Hold) warns, as the benefit was mostly passed on to third party suppliers. Demand was weak in other core segments. This suggests, particularly to Macquarie (Sell), the stock is overpriced. Buy raters believe elevated demand for PPE will continue for some time yet and will likely prove to be a structural shift even after the crisis abates.							
APA - APA	MISS	1	0	3/4/0	11.50	11.24	7
APA Group's FY20 result came in at the top end the guidance range, but FY21 guidance has universally disappointed and that's enough for a "miss". Guidance includes lower CPI escalation, lower service revenues and less contribution from growth investments. The outlook is also dimmed by commissioning problems at Orbost. Citi (Buy) suggests some of the headwinds will reverse in FY22 and gas demand will resume as current weakness is cyclical, not structural. Macquarie upgrades to Buy, noting opportunities in North America. Ord Minnett (Hold) notes guidance implies this year will see the weakest earnings growth in 16 years and limited news on organic or inorganic growth suggests deployment of capital has been pushed back.							
AQR - Apn Convenience Retail Reit	BEAT	0	0	2/0/0	3.75	3.87	2
APN Convenience Retail REIT reported a solid result reflecting the resilience of the underlying portfolio, brokers note. An uplift in earnings was mainly driven by an increase in rental growth as well as contributions from 12 acquisitions (offset by three disposals during the period). FY21 distribution guidance in line with FY20 was provided. Ord Minnett is bullish on the service station market as it continues to gain traction. Morgans suggests the REIT remains well placed, boasts a strong balance sheet and offers an attractive distribution yield.							
ADI - APN Industria Reit	MISS	0	0	1/1/0	2.73	2.62	2
APN Industria REIT's funds from operations met Morgans (Buy) but fell short of Macquarie (Hold) on higher than expected rent relief. At 96%, cash collection was a positive, Macquarie notes, but leasing risk persists and uncertainty remains. There is otherwise upside on offer from leasing, deployment and the share buyback. Morgans points to near term uncertainty focused around the impacts from the code of conduct and virus on earnings and distributions, and the likely tougher leasing market.							
ATL - Apollo Tourism & Leisure	MISS	0	0	0/1/0	0.30	0.29	1
Apollo Tourism & Leisure's FY20 result reflected the significant impacts of covid and the bushfires, with fourth quarter revenue down -94% year-on-year. Morgans notes the company remains focused on growing its revenues from domestic travel, however this is unlikely to fully offset the significant impact of international travel restrictions. Nonetheless, the company believes it has sufficient liquidity to trade through a prolonged covid downturn. Morgans lowers earnings forecasts materially to reflect the lower FY20 result and likelihood of continued losses in FY21.							
APX - Appen	MISS	0	2	2/1/1	34.58	37.75	4
Appen's result missed almost all forecasts. Credit Suisse (downgrade to Sell) suggests the market had been standing by for a material 2020 earnings upgrade from Appen with yesterday's first half result, but now the focus has swung to whether full year guidance can even be achieved given a required second half skew. Ord Minnett finds the company's business relatively opaque and difficult to forecast but notes exposure to the AI sector should provide significant growth potential, and downgrades to Hold on valuation. UBS (Buy) believes Appen's long-term growth opportunity is the strongest it has been.							
ARB - ARB Corp	BEAT	0	0	0/3/0	18.39	23.10	3

ARB Corp posted ahead of forecasts driven by rapid recovery in demand and activity in June leading to record sales underpinning a robust order book. Currency movements also helped. July will see another record but no FY21 guidance was offered. Brokers suspect the first half will remain strong despite difficulty in filling orders given supply chain issues, but thereafter normalise as previously pent-up demand is satisfied and JobKeeper payments end. To that end all agree the market is not pricing in second half downside risk.							
ALG - Ardent Leisure	MISS	0	0	1/1/0	1.04	0.57	2
Ardent Leisure's FY20 profit was below Ord Minnett's (Hold) forecasts. The Main Event roll-out has been put on hold for the next two years with only one new centre to be opened in each of FY21 and FY22. The company has the liquidity to navigate the disruption from the pandemic, Citi (Buy) suggests, but growth has now been pushed out. This, and the adverse virus impact on Dreamworld, leads to lowered earnings forecast.							
ARF - Arena Reit	IN LINE	0	0	2/1/0	2.61	2.66	3
Arena REIT's earnings result was broadly in line while guidance while guided FY21 dividend growth of 3-4% exceeds expectations. A highlight was little impact from the virus, leading to little in the way of rent relief, and an increase in occupancy of only 5% compared to other listed REITs seeing 20%-plus. The re-lockdowns in Victoria are not expected to have a material impact. Morgan Stanley (Buy) sums up broker views by being impressed with the results, noting the company's ability to provide investors with steady and predictable yield and growth. This stems from, in part, government support for education tenants.							
AHY - Asaleo Care	BEAT	0	0	2/1/0	1.19	1.23	3
Asaleo Care's result beat Macquarie (Hold) while the others don't quantify, although 2020 guidance was tightened to the top of the prior range. The company increased market share across most categories in the first half, supported by a combination of increased brand investment and local manufacturing, although there are stranded costs continuing from discontinued operations and businesses that were previously offloaded. Having invested in brands and reduced net debt significantly, the stock now deserves a higher PE, suggests Citi. Catalysts going forward include earnings ahead of guidance and a resumption of dividends.							
ASX - ASX Ltd	BEAT	0	0	0/0/7	72.30	72.52	7
ASX beat all forecasts yet still every covering broker has a Sell rating, because the stock continues to trade at a highly elevated PE multiple. This is possibly because investors assume virus-driven equity volatility is a bonus, but while equity volumes are elevated, interest rate volumes are subdued due to the RBA's yield curve control and IPOs are thin on the ground, albeit secondary offerings continue to run rampant. No change to this pattern is foreseeable. Virus or no virus, operating expense outgrew revenue growth for the ninth consecutive half, leading to a contraction in the operating income margin.							
ALX - Atlas Arteria	BEAT	1	0	1/4/0	6.73	6.99	5
While Atlas Arteria has pre-released its earnings, a reinstated 11c dividend positively surprised. Traffic on Atlas Arteria's APRR toll road in France had bounced back to pre-virus levels by mid-August, only to be tempered by heat waves. Dulles Greenway nevertheless remains virus impacted and may not pay a dividend for some time. While an initial APRR traffic boost may ease, UBS (Hold) forecasts a 20c dividend in the second half helped by a proposal to reduce the French tax rate. Credit Suisse is now positive enough to upgrade to Buy.							
AMS - Atomos	IN LINE	0	0	2/0/0	1.09	1.16	2
Atomos' FY20 result was in-line with Morgans' expectations, with earnings materially impacted by virus restrictions, however revenue continues to improve monthly. August revenues are nevertheless still -40% below pre-pandemic sales run-rates. Cost-out initiatives leave the company well placed for a sales recovery, while new product launches/partnerships are expected to bolster revenues from September onwards. Ord Minnett remains positive on the stock and still envisages a significant opportunity							
AUB - AUB Group	BEAT	0	0	2/0/0	15.43	16.40	2
AUB Group's FY20 results were ahead of broker forecasts. Credit Suisse notes growth has returned in the core business at a time when many have questioned the sustainability of the insurance broking model during the pandemic. The sale of Allied Health has been confirmed, at a discounted price. Credit Suisse finds the valuation appealing. Macquarie, noting the guidance, upgrades FY21 earnings estimates.							
AIA - Auckland International	IN LINE	0	0	2/2/1	0.00	0.00	5

<table>
<tr><td colspan="8">Brokers were not fussed about the actual result of an airport hamstrung by a border closure. Auckland International is now targeting a -35% reduction in costs and has suspended all capex, suspended its dividend and has offered no guidance. Brokers agree that with an estimated cash burn of -NZ$20m in July, the balance sheet strength is sufficient to carry the business through a prolonged period of hibernation if necessary. Buy raters are hanging on to this factor, and the fact a recovery will be swift given Auckland's strategic tourism positioning. Credit Suisse notes the property business is performing well and the company is continuing to invest in developments, but remains on Sell.</td></tr>
<tr><td>AD8 - Audinate Group</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>6.75</td><td>6.72</td><td>3</td></tr>
<tr><td colspan="8">Audinate Group reported in line with recent guidance. Management forecasts suggest continued near-term headwinds, so a 185% increase in training on Dante year on year, a webinar increase of 14x and unique web visitor growth of 65% must reflect those headwinds, while the longer term outlook is intact. UBS (Buy) sees an opportunity for Audinate to build its competitive moat, which could pressure earnings. The company has emerged with a strong net cash position post raising. Credit Suisse (Hold) continues to like the business because of the market share opportunity, but in the short term anticipates revenue will remain challenged.</td></tr>
<tr><td>AMI - Aurelia Metals</td><td>IN LINE</td><td>1</td><td>0</td><td>2/0/0</td><td>0.65</td><td>0.68</td><td>2</td></tr>
<tr><td colspan="8">Aurelia Minerals' FY20 earnings were in line with Macquarie's expectations while the 1c dividend was unexpected. FY21 production guidance is in line with estimates although costs are higher than forecast. Macquarie expects Federation and Great Cobar to be the key sources of growth. Ord Minnett (upgrade to Buy) believes the stock remains misunderstood in terms of the quality of the portfolio. While operational risks continue, the broker advises buying any dips as Aurelia Metals trades at a discount relative to fundamentals & peers. The Federation project is a game changer and early exploration results warrant a re-rating.</td></tr>
<tr><td>AZJ - Aurizon Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>5/1/0</td><td>5.38</td><td>5.22</td><td>6</td></tr>
<tr><td colspan="8">Aurizon Holdings' result beat most forecasts and the dividend also beat. Network and Bulk were the key growth drivers. FY21 guidance was slightly disappointing, with Bulk expected to continue growing but coal volumes expected to be flat. The stock nevertheless remains defensive in the current environment, supported by an ongoing buyback and an under-geared balance sheet. This underpins Buy ratings, with only Morgan Stanley (Hold) suggesting valuation is fair.</td></tr>
<tr><td>AVG - Aust Vintage</td><td>BEAT</td><td>1</td><td>0</td><td>1/0/0</td><td>0.50</td><td>0.62</td><td>1</td></tr>
<tr><td colspan="8">Australian Vintage delivered a solid FY20 result slightly ahead of Morgans' forecasts. The broker highlights the UK/Europe business was the standout, while Australia also performed strongly. Conditions remain challenging in North America and Asia. FY21 outlook comments were positive and management is targeting a 48% improvement in return on capital employed (ROCE), with lower wine costs to provide a significant tailwind. Morgans upgrades to Add.</td></tr>
<tr><td>ASB - Austal</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/1</td><td>3.36</td><td>3.97</td><td>3</td></tr>
<tr><td colspan="8">Austal's result beat forecasts on strong numbers in both the US and A&NZ, with cash flow the highlight. Cash at hand now comprises some 20% of market cap, which supports growth initiatives and capital management, including debt reduction in FY21. Austal remains Citi's (Buy) top pick in small caps driven by the company's expansion into steel shipbuilding coupled with rising geopolitical tensions which could lead to a considerable amount of projects for the company. Ord Minnett (Sell) is cautious on the move to a (as yet un-awarded) new steel shipbuilding program from a mature but highly profitable aluminium shipbuilding program. Macquarie (Buy) believes that with good earnings visibility and upside risk in FY21, and a -40% discount to global peers, Austal is set for re-rating.</td></tr>
<tr><td>AFG - Australian Finance</td><td>BEAT</td><td>0</td><td>0</td><td>1/1/0</td><td>1.92</td><td>2.07</td><td>2</td></tr>
<tr><td colspan="8">Australian Finance Group reported in line with Morgans but beat Macquarie by 10%, supported by AFG Securitisation book settlements and net interest margins. Net cash flow was up 44% on FY19. Ongoing support is expected in FY21. The highlight for Morgans (Hold) is the percentage of virus hardships/arrangements in the loan book has reduced to 5.3% at August 21 from 9.6% at May 7. Macquarie (Buy) notes the company's Connective transaction remains subject to court approval, but if cleared could boost forecasts</td></tr>
<tr><td>ASG - Autosports Group</td><td>BEAT</td><td>1</td><td>0</td><td>2/0/0</td><td>1.25</td><td>1.58</td><td>2</td></tr>
<tr><td colspan="8">Strong support from original equipment manufacturers and JobKeeper led Autosports Group to a better result than Macquarie expected. Lead indicators of order writing are exceeding deliveries heading into FY21, making the broker more positive and prompting an upgrade to Buy. No guidance was provided due to uncertainty, but Macquarie suggests a swift bounce out of Victoria's lockdowns should provide a catalyst for re-rating. UBS still believes the luxury segment will take share and valuation is undemanding.</td></tr>
<tr><td>AVN - Aventus Group</td><td>IN LINE</td><td>1</td><td>0</td><td>3/0/0</td><td>2.30</td><td>2.66</td><td>3</td></tr>
</table>

Aventus Group's funds from operations were on forecast, albeit higher operating income was offset by higher interest costs. At 36%, gearing remains elevated, but Macquarie suggests this can be managed by retaining capital and reducing the dividend payout ratio. All brokers highlight 87% of rent collected in the June quarter, above peer average, and another 84% in July, underscoring a resilient tenant base with key tenants not subject to lockdowns. UBS suggests the REIT's resilient large-format retail assets, strong foot traffic and benefits from changing household spending patterns will more than offset the risk of any housing slowdown.							
BBN - Baby Bunting	**IN LINE**	0	0	3/0/0	3.56	4.69	3
Baby Bunting had pre-released its numbers, but brokers were impressed by the result and even more impressed by a 20% sales increase in the first six weeks of FY21 despite Melbourne's lockdown, having experienced accelerated growth through the second half because of elevated consumables demand. However, it does make it difficult to provide guidance, so management hasn't, as it is unclear to what extent this represents a pull-forward of sales. **T**he store network target has been upgraded to over 100 stores and an assessment of New Zealand is being undertaken. Brokers find the story too compelling not to be more cautious.							
BAP - Bapcor Limited	**BEAT**	0	0	6/0/0	6.97	7.86	6
Bapcor's result beat all forecasts and guidance. While no FY21 guidance was provided, sales accelerated in May-June and momentum has carried into July. Five-year growth targets have been reiterated. The company has been a virus winner as punters tinker with their cars, so there is expectation the sales surge will abate ahead. However, brokers all agree Bapcor will enjoy the benefits of a structural shift in consumer behaviour even after the virus has passed. Hence six from six Buys.							
BPT - Beach Energy	**BEAT**	0	0	3/3/0	1.84	1.88	6
Beach Energy's result beat most forecasts and met others. Management's near-term production outlook is lower but, according to an updated five-year plan, by FY24 production will be largely in line with prior disclosures. Credit Suisse (Buy) notes a lack of clarity on the outlook has weighed going into the update. The company announced drilling is planned to commence in the offshore Otway basin in December as well as an investment decision on Waitsia's second stage expansion. The Waitsia deal and an upgrade to reserves largely outweighed the miss to production estimates in the outlook.							
BLX - Beacon Lighting	**IN LINE**	0	0	2/0/0	1.40	1.51	2
Beacon Lighting recently updated guidance to confirm a surge in FY20 second half sales in line with the lockdown-induced home improvement spree. FY21 has begun in a similar fashion, although no guidance was offered. Presumably the surge must eventually ebb, but the company has set a long-term store target of 170 -- 50% higher than the current store network. Beacon Lighting remains one of Citi's top picks among small cap retail stocks.							
BEN - Bendigo And Adelaide Bank	**MISS**	0	1	0/4/2	7.60	6.59	6
Bendigo & Adelaide Bank's result missed all forecasts due to higher than expected costs, due to the virus, which have offset cost reduction measures, and defiant ongoing investment in business transformation. The dividend was deferred, only adding to uncertainty. The business plan centres on increasing market share, but UBS (Hold) for one believes more revenue per customer is needed, not more customers. The bank has high exposure to Victoria, and Citi (Hold) is not alone in suspecting more resources will be required to assist with pending customer loan stress and defaults. Morgan Stanley (Sell) suggests first half FY21 margin guidance is ambitious.							
BHP - BHP	**IN LINE**	0	0	4/3/0	39.09	39.49	7
BHP Group's result was broadly in line with expectations although the dividend could have been more impressive, on only a 67% payout. Brokers are enthusiastic about the company's plans to exit thermal coal and Bass Strait oil, which could boost expectations if the proceeds are returned to shareholders. FY21 production guidance is unchanged and higher capex was anticipated. Buy raters point to buoyant iron ore prices and solid earnings, while Hold raters note the stock is trading at the high end of its historical PE range.							
BIN - Bingo Industries	**BEAT**	0	1	2/3/0	2.44	2.56	5
Bingo Industries posted a net beat. Brokers nonetheless cut FY21 earnings forecasts as the company is using pricing to retain volumes and increase market share, pressuring margins. No formal guidance was provided other than an expectation of -200-300 basis point margin reduction which Citi believes could prove conservative. Credit Suisse is less sure of a demand recovery and downgrades to Hold. Macquarie (Hold) feels visibility has to improve markedly. Morgans (Hold) believes material downside risk pertains to FY21 earnings, but there is upside risk when the macroeconomic and in particular Sydney/Melbourne construction cycle improves.							

<table>
<tr><td>BKL - Blackmores</td><td>MISS</td><td>0</td><td>0</td><td>0/4/1</td><td>72.47</td><td>68.75</td><td>5</td></tr>
<tr><td colspan="8">Blackmores' result was weak but in line with forecasts and guidance. No dividend was declared and outlook commentary was weaker than expected. The company's cash flow performance was otherwise a highlight and the balance sheet is strong post raising. Ord Minnett (Hold) sees risk in the Braeside acquisition and integration of manufacturing into Blackmores, and is mindful of the re-setting of the company's China strategy. Morgan Stanley (Hold) notes plenty of longer-term margin potential amid cost reductions, while Credit Suisse retains Sell on valuation.</td></tr>
<tr><td>BSL - Bluescope Steel</td><td>BEAT</td><td>1</td><td>0</td><td>3/3/0</td><td>12.53</td><td>13.22</td><td>6</td></tr>
<tr><td colspan="8">BlueScope Steel's result slightly beat consensus. No explicit guidance was provided although North Star utilisation has been restored to 100%. Broker views are split on expectations for a steel price recovery, informing Buy or Hold ratings. Blast furnaces have restarted despite weak prices and demand and UBS (Hold) fears this could keep the market in surplus for longer. If iron ore prices remain elevated and coal prices recover, an increase in steel demand ex-China is critical. Macquarie (Buy) notes residential construction demand proved resilient in FY20 and lower steel feed prices and the company's regional cost program benefited margins. Morgan Stanley sees conditions gradually improving and upgrades to Hold.</td></tr>
<tr><td>BLD - Boral</td><td>IN LINE</td><td>0</td><td>0</td><td>1/3/2</td><td>3.87</td><td>4.01</td><td>7</td></tr>
<tr><td colspan="8">Boral had pre-released its numbers, showing profit down -58% compared to pre-virus midpoint guidance of -10%. The good news is operating earnings margins in July recovered to first half FY20 levels. The bad news is management warns one month does not a summer make. Citi (Hold) agrees earnings are moving in the right direction but investors should still be aware margin pressure will likely emerge as construction headwinds build in the coming months. Despite a sharp recovery in US new residential construction, Boral hasn’t benefited to the same extent as peers, but better conditions should eventually show up in better sales growth. UBS (Buy) believes there is value in the stock but unlocking it could be difficult and slow.</td></tr>
<tr><td>BXB - Brambles</td><td>IN LINE</td><td>0</td><td>0</td><td>4/2/0</td><td>12.47</td><td>12.26</td><td>6</td></tr>
<tr><td colspan="8">Brambles' result was in line with recent guidance. Cash flow has substantially improved and the buyback is to resume. The company benefits from exposure to pallet demand for consumables, making it resilient in a recession, and has provided FY21 guidance which is rare at this time. The range is nevertheless wide, reflecting some uncertainties, including rising lumber costs and the impact of wage subsidies falling off. Citi (Buy), for one, finds the company attractive due to its strong balance sheet, defensive portfolio, a move away from capital expenditure intensive growth and flexibility to reduce costs. Not much disagreement.</td></tr>
<tr><td>BVS - Bravura Solutions</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>6.00</td><td>5.50</td><td>1</td></tr>
<tr><td colspan="8">Macquarie does not qualify Bravura Solutions' FY20 result but remains positive on the company's business and services, believing the pandemic is a temporary disruption. Price target and forecasts have been reduced. There are strong structural drivers for the stock, although the broker acknowledges catalysts are needed to improve the clarity for investors. Guidance is for flat FY21 net profit growth. Bravura can meet demand by providing solutions for current and potential clients but timing on contracts is difficult.</td></tr>
<tr><td>BRG - Breville Group</td><td>IN LINE</td><td>0</td><td>0</td><td>3/3/0</td><td>23.97</td><td>26.79</td><td>6</td></tr>
<tr><td colspan="8">Breville Group's result was strong, all agree, but largely as expected. The share price reaction on the day reflects a solid run-up into the result. It appears that a slowing in growth rates in May/June was more about a struggle with inventories than a fall-off in demand, but management provided no trading update as usual. The question then is whether the virus has provided an ongoing structural benefit or just a temporary boost thanks to work from home, and whether the end of government job support might impact. Here broker views vary, which splits ratings into Buys and Holds. All nevertheless agree expansion to new countries in FY21 is a positive.</td></tr>
<tr><td>BWP - BWP Trust</td><td>IN LINE</td><td>0</td><td>0</td><td>1/1/1</td><td>3.61</td><td>3.60</td><td>3</td></tr>
<tr><td colspan="8">BWP Trust reported in line with forecasts but from here broker views diverge. With Bunnings as anchor tenant, the fund collected near 100% rent and increased earnings by 1%. Bunnings has been a virus winner to some extent, but a high level of leases expire in three years. UBS (Hold) thus believes the stock is expensive, and Citi (Sell) also believes risks have risen. Ord Minnett (Buy) nonetheless believes the portfolio is set to benefit from demand for industrial assets from e-commerce and logistics tenants. FY21 dividend guidance provided, but with a virus caveat.</td></tr>
<tr><td>BWX - BWX Ltd</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>4.20</td><td>5.05</td><td>1</td></tr>
</table>

BWX released preliminary revenue and earnings for FY20 last month, along with a $50m equity raising, leading Citi to update at the time Revenue was 23% above Citi's forecasts and earnings exceeded forecasts by 11%. The company is guiding to 'at least' 10% sales and earnings growth in FY21, which the broker considers conservative, partly due to the increasing rollout of Sukin stores in America. The company is targeting both organic growth and potential acquisitions with the funds from the capital raise. The broker raises FY20 earnings to reflect the earnings beat, while reducing FY21 earnings to reflect the conservative guidance. Post-result, the broker further increased its price target.							
CAJ - Capitol Health	**BEAT**	1	0	2/0/0	0.25	0.29	2
Capitol Health posted a big beat of forecasts due to greater than expected JobKeeper support and success in shifting to variable labour costs in a volatile June quarter. Operating cash flow was "excellent", Credit Suisse suggests. Capitol Health is some 80% exposed to Melbourne which had the broker forecasting -25% lower revenues in the first quarter FY21, but management has guided to a drop in the high teens. This, and extended JobKeeper, has Credit Suisse lifting its FY21 earnings forecast by 14%, while not yet forecasting any "catch-up" volumes post lockdown. Growth options abound, suggests Ord Minnett (upgrade to Accumulate), supported by a strong balance sheet.							
CDD - Cardno	**IN LINE**	0	0	1/0/0	0.57	0.63	1
Cardno reported FY20 earnings at the top end of recently provided guidance as the Americas division offset ongoing weakness in Asia Pacific. The company has guided to FY21 earnings of between $40-45m, which compares to the Morgans forecast of $42.7m. The broker retains an Add rating, as both capital management and acquisitions are expected and as the stock currently trades at a low valuation multiple.							
CDP - Carindale Property	**MISS**	0	0	0/1/0	3.50	3.40	1
Carindale Property Trust's -20% drop in funds from operations was -6% below Ord Minnett's forecast. No guidance provided. The REIT trades at a -55% discount to net tangible asset value which the broker puts down to assumptions property values will fall further, along with limited liquidity and a complex ownership structure. While the current price suggests valuation support, the broker does not see a re-rating until the clouds clear.							
CVN - Carnarvon Petroleum	**IN LINE**	0	0	1/1/0	0.37	0.29	2
Carnarvon Petroleum's "result" revealed the company is doing a good job of preserving cash ahead of a front end engineering design (FEED) decision for the high quality Dorado oil project, Macquarie (Buy) suggests. A final investment decision is targeted for 2021 depending on oil market conditions and Santos' priorities. Macquarie continues to see strong upside potential for net asset value and believes the stock has takeover appeal. Ord Minnett suggests the balance sheet could be supported during the construction phase from a farming down of Buffalo, but given the risk of a capital raising, retains Hold.							
CAR - Carsales.Com	**IN LINE**	0	1	1/5/0	16.54	19.34	6
Carsales' result was in line with guidance and considered by all to be solid in tough times. Dealer leads continue to track well into FY21 and are growing strongly in all states except Victoria. FY21 should not be as tough as FY20, Victoria aside, but the medium term is still dependent on how long the virus lingers. No guidance was provided. Strength lies in used car demand over new at a time household budgets are strained, and here Carsales is dominant. The pandemic is changing consumer behaviour and car ownership has increased. If this persists for some time, or becomes permanent, Morgan Stanley (Buy) suspects the market is underestimating upside. Otherwise valuation is an issue, with Morgans downgrading to Hold.							
CAT - Catapult Group	**IN LINE**	0	0	1/0/0	1.68	2.44	1
Catapult Group International reported results in-line with previous indications, however, a key highlight for Morgans was the company attaining positive free cashflow one year ahead of guidance. The broker notes there has been limited churn impact from covid and the release of 26 product enhancements during the year reinforces the value proposition of the product. Morgans believes the company has a long runway of growth ahead of itself, assuming it can execute well.							
CWP - Cedar Woods Properties	**IN LINE**	0	0	0/1/0	5.34	5.60	1
Cedar Woods Properties reported FY20 profit down -57% on the FY19, but the company expects a significant uplift in earnings in FY21, notes Morgans. The broker expects this is unlikely until post FY22. The company is benefiting from strong demand in Western Australia, buoyed by government incentive programs, but Victorian conditions remain difficult. A second half dividend of 6.5cps was declared and Morgans concludes the dividend is supported by a strong project pipeline, embedded earnings within existing projects, plus a strong balance sheet.							
CNI - Centuria Capital Group	**IN LINE**	0	0	2/0/0	2.07	2.16	2

Centuria Capital Group's result met UBS' forecast, fell short of Ord Minnett but beat guidance, so we'll net all that out to in-line. Assets under management rose 52% in FY20 which includes the acquisition of Augusta Capital and the Telstra Data Centre (via the company's industrial REIT). UBS anticipates investors will require meaningful organic growth from these newly integrated acquisitions before further M&A is pursued. FY21 dividend guidance reflects a lower payout ratio but this is considered sensible at this time. Lower expected performance fees have Ord Minnett cutting forecasts, but both brokers retain Buy.							
CIP - Centuria Industrial Reit	**IN LINE**	0	0	1/3/0	3.01	3.28	4
Centuria Industrial REIT's result was in line with recently updated guidance and considered resilient in the current circumstances. The fund has raised capital to move into the data centre space, acquiring Telstra's Melbourne centre and potentially three other assets. Portfolio adjustments over FY20 have led to a substantial increase in weighted average lease expiry. the trust remains one of the few listed REITs offering investors pure exposure to Australian industrial property which is leveraged to the key ecommerce/ logistics thematic. All four brokers have raised their targets, with Ord Minnett (Buy) most keen.							
COF - Centuria Office Reit	**BEAT**	0	0	3/0/0	2.33	2.31	3
Centuria Office REIT reported ahead of forecasts. Brokers believe the fund is being shunned by investors due to uncertainties around rent relief and relatively high gearing but at 92%, rent collections exceeded conservative expectations and covenant breaches are a long way off. The fund offered no guidance given uncertainty but will reduce its payout ratio to bring down debt. On total shareholder forecasts, brokers nevertheless agree the stock is undervalued.							
CGF - Challenger	**MISS**	1	0	1/5/0	5.05	4.26	6
Challenger's result came in at the low end of guidance and below consensus estimates, highlighting the difficulties of delivering annuity sales and balancing investment yield with capital needs. No final dividend was declared, however the company has retained a dividend policy of 45-50% of profit and intends to pay a dividend in FY21, subject to market conditions and capital priorities. Brokers have downgraded forecasts but agree value is emerging at the price, enough so to prompt Macquarie to upgrade to Buy. Others nevertheless believe that regardless of value, caution is required amidst sales headwinds and low bond yields and the potential for more near-term investment market volatility.							
CHC - Charter Hall	**BEAT**	0	2	4/2/0	10.95	12.75	6
Charter Hall Group's strong result caught everyone by surprise. "Extraordinary growth," says UBS, who nevertheless downgrades to Hold on valuation. "Quite remarkable," says Morgan Stanley (Buy), particularly against earlier guidance. The group's portfolio is set to suffer devaluations but Macquarie (Buy) does not see this upsetting funds under management inflows that are continuing into FY21. FY22 should benefit from an elevated level of acquisitions. The REIT has built a strong market share in service stations which Ord Minnett (Buy) believes will provide a secure income stream and add ownership optionality in the future. Charter Hall's strength is its capacity to grow funds under management without needing to raise capital, due to no debt and loads of cash, and a rental stream which has proven defensive during the virus. Credit Suisse also downgrades to Hold on valuation.							
CLW - Charter Hall Long Wale Reit	**IN LINE**	0	1	2/2/0	4.83	5.25	4
Charter Hall long WALE REIT reported in line with guidance. Ord Minnett (downgrade to Hold) was slightly disappointed with the dividend, but others suggest providing ongoing dividend guidance is a positive as few REITs are likely to do so this season. The fund carries a heavy debt burden, but the long lease expiry portfolio offsets this risk. Brokers even see acquisition potential. Rental income grew over the period as little relief was required by tenants.							
CQR - Charter Hall Retail	**BEAT**	0	1	3/1/2	3.39	3.37	6
Charter Hall Retail REIT's numbers beat most forecasts, although there is some surprise only a small proportion of uncollected rent was written off in the accounts compared to other retail landlords. Still, exposure to supermarkets and BP service stations as anchor tenants meant rent collections were solid on 84%, and June sales were actually up year on year. The trust provided no guidance due to uncertainty, and the same uncertainty has broker ratings split, with Citi downgrading to Sell on an assumption rents will have to be reduced. Buy raters see the REIT as relatively defensive in the retail space.							
CQE - Charter Hall Soc Infra Reit	**IN LINE**	0	0	1/0/0	2.80	2.90	1

<table>
<tr><td colspan="8">Charter Hall Social Infrastructure REIT's earnings were in line with Ord Minnett's estimates. FY21 guidance is for a distribution of 15c. The company is actively looking for opportunities and has highlighted government and tertiary education as areas with potential. The trust has agreed to -$5.4m in total rent relief across its portfolio, equivalent to -8% of FY20 net property income. No further relief in response to the stage 4 restrictions in Melbourne is envisaged, given increased government support being provided to Victorian child care operators. Accumulate retained.</td></tr>
<tr><td>CNU - CHORUS</td><td>IN LINE</td><td>0</td><td>0</td><td>0/2/1</td><td>0.00</td><td>0.00</td><td>3</td></tr>
<tr><td colspan="8">Chorus reported in line with forecasts and guidance. Investors remain concerned about a new regulatory structure due in 2022 but Macquarie (Hold) believes the basic framework is essentially in place, and believes the resilience of fibre as a delivery platform demonstrated in the lockdowns makes it preferred over wireless and 5G. The dividend is set for a step-change from FY22 on a new cash flow-based policy, albeit initially constrained by residual rollout capex. Credit Suisse (Hold) believes finalisation of regulatory and infrastructure partnership settings will influence long-term investment credentials.</td></tr>
<tr><td>CIM - Cimic Group</td><td>MISS</td><td>0</td><td>0</td><td>1/2/0</td><td>29.84</td><td>26.73</td><td>4</td></tr>
<tr><td colspan="8">Cimic Group's result fell short of all brokers. Lower than expected revenues in the construction and services businesses drove this miss. These divisions were impacted by virus-induced productivity disruptions, leading to a slowdown in revenue recognition and new awards. No dividend was declared and no guidance offered, although the sale of 50% of Thiess is progressing, the proceeds from which would strengthen the balance sheet and fund growth. Credit Suisse (Buy) suggests the bad news is fully priced in, while Ord Minnett is unable to provide a recommendation.</td></tr>
<tr><td>CCX - City Chic</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>3.84</td><td>3.87</td><td>3</td></tr>
<tr><td colspan="8">City Chic Collective had reported its numbers along with the early August capital raise. Rental relief and cost decisions in the face of the virus proved effective, leading to a reduction in the cost of doing business. All the growth came from the Avenue acquisition and while operating costs were well managed, the fall in gross margins for the City Chic brand may be difficult to fix in Citi's (Hold) view. An improving growth trajectory has continued into FY21 and the next catalyst is the completion of the Catherines acquisition. The raising has provided firepower for further M&A, possibly extending into Europe.</td></tr>
<tr><td>CWY - Cleanaway Waste Management</td><td>BEAT</td><td>0</td><td>0</td><td>4/3/0</td><td>2.33</td><td>2.48</td><td>7</td></tr>
<tr><td colspan="8">Cleanaway Waste Management's result beat most forecasts. The surprise was a strong performance in the solid waste business in the face of lockdowns, with at-home and office/commercial rubbish rather netting itself out. The beat was supported by lower overtime, shortened truck trips and strong cost control, leading to better margins. While management has not provided guidance due to ongoing Victorian uncertainty, an otherwise strong start to FY21 leaves brokers feeling this is a conservative stance. Ord Minnett (Accumulate) notes the Australian waste management industry is poised for structural change and the company is ideally positioned to take advantage.</td></tr>
<tr><td>CGR - CML Group</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.40</td><td>0.40</td><td>1</td></tr>
<tr><td colspan="8">CML Group reported underlying earnings and profit that met July guidance. A final dividend of 1.75cps was declared (no interim dividend). Whilst earnings were significantly impacted in the second half, Morgans notes the business has proven to be relatively resilient given the conditions and has a solid earnings base in its core division to build upon. The company enters FY21 with a lower cost base and improving demand (from the pandemic impacted lows in April/May), for financing products.</td></tr>
<tr><td>CCL - Coca-Cola Amatil</td><td>IN LINE</td><td>2</td><td>0</td><td>3/4/0</td><td>9.25</td><td>9.87</td><td>7</td></tr>
<tr><td colspan="8">Coca-Cola Amatil's result equally beat and missed forecasts, so we'll net to in-line. Notably, beats of Credit Suisse and Morgan Stanley forecasts have led both to an upgrade to Buy. The first half was impacted by bushfires and the second by the virus, the latter killing off higher margin on-the-go sales while lifting lower margin supermarket bulk buying. Management suggests volumes are bottoming and the general view is the company will recover quickly when the time comes, but with A&NZ suffering second waves and Indonesia in dire virus straits, there is variance in broker confidence of when this might be. Then there's the underlying structural theme of consumers shifting towards more healthy products.</td></tr>
<tr><td>COH - Cochlear</td><td>IN LINE</td><td>0</td><td>1</td><td>2/2/3</td><td>187.04</td><td>201.33</td><td>7</td></tr>
</table>

Uncertainty clearly weighed on broker forecasts ahead of Cochlear's result as the numbers equally beat, met and missed and ratings remain split. The result was impacted by forced deferral of elective surgeries, with sales declining across all divisions, margins contracting, underlying profit falling by double digits and the dividend remaining suspended. Revenues beat expectations, more than offset by costs. Uncertainty continues to reign as while management highlighted increased market share due to competitor recalls and Cochlear's differentiated product offering, it warned not to expect elective surgery to come rushing back, and did not provided guidance.							
CDA - Codan	**BEAT**	0	0	1/0/0	9.00	11.20	1
Strong metal detection demand drove a beat for Codan, predominantly driven by gold mining but also supported by recreational, Macquarie notes. Management reports difficulty in replenishing inventories at a fast enough rate. Radio Communications was also strong, supported by several large military contracts. The balance sheet is solid, and the broker sees current momentum continuing into FY21.							
COL - Coles Group	**IN LINE**	0	1	3/4/0	18.19	19.47	7
Coles reported roughly in line with forecasts. June quarter sales dipped back from March quarter hoarding, but picked up again in July thanks to Melbourne. The online channel has become the key to the company's growth strategy, Macquarie (Buy) believes. In the first six weeks of FY21 online supermarket sales are up 60%. Key positives included a strong balance sheet, good cashflow realisation, and the ongoing benefit from increased demand for in-home consumption. A key negative was limited operating leverage due to higher incremental costs, despite solid sales growth. Buy raters see supermarkets as a good place to hide, while Hold raters see a full price.							
CBA - Commbank	**MISS**	0	0	0/5/2	66.51	66.94	7
Commonwealth Bank's profit number fell short of all forecasts, largely due to higher than expected costs. Not that it matters so much. More important at this time are dividends, bad debts and capital, and here CBA ticked all boxes by declaring a 98c final -- in line with or better than forecasts and providing relief -- and no additional bad debt provisions. A 70-80% payout is expected to hold from here, APRA willing. Ratings reflect a perennial call of overvaluation, with CBA trading well above peers by book value despite ongoing risk provided by heavy retail banking exposure.							
CPU - Computershare	**MISS**	0	0	2/2/2	12.94	13.34	6
Computershare reported in line with guidance recently lowered to a -20% earnings reduction year on year. The reason we'll call it a "miss" is guidance to a further -11% reduction in FY21 has disappointed brokers. Reduced margin income, incremental mortgage servicing rights amortisation and the UK assets resolution fixed-fee roll-off have offset cost savings and some operational earnings growth. Beyond that, brokers are completely polarised, underscoring the difficulty of forecasting at this time. Buy-raters point to underlying earnings growth. Sell raters point to ongoing headwinds. Take your pick.							
COE - Cooper Energy	**MISS**	0	0	2/2/0	0.49	0.43	4
Cooper Energy's result fell short of forecasts. Issues at the company's Orbost plant are weighing heavily on the company’s share price and until the company can sell gas on contract prices, brokers agree the stock will likely trade at a discount to full value. Ord Minnett (Accumulate) remains positive on the company due to its valuation and exposure to east coast gas prices. As the stock has pulled back, Macquarie (Hold) believes the risk/reward is looking more skewed to the upside, although it may be more than three months before the market appreciates the results of the absorber reconfiguration at the plant.							
CRN - Coronado Global Resources	**IN LINE**	0	0	3/0/0	1.77	1.71	3
Coronado Global Resources had pre-released its headline numbers, so no surprises in a net loss and no dividend in the face of a tough coal price environment. Uncertainty still reigns in the physical market for met coal, but some recent signals have been more encouraging for Morgans. UBS expects demand ex-China meeting lower global production will result in price rises for met coal over the next 3-6 months. Credit Suisse agrees. The biggest problem is the company's stretched debt position, leading brokers to contemplate how this might be addressed.							
CTD - Corporate Travel	**BEAT**	0	1	3/3/0	14.55	15.19	6
Corporate Travel Management had previously provided an understandably very ugly update back in early May. Yesterday's result blew that guidance, and subsequently broker forecasts, away, with cash flow and balance sheet strength the highlights. It was a much better June quarter than feared, and July has seen further improvement, driven by domestic travel (mostly essential services) and market share gains, with Europe also picking up. Yet, government wage subsidies have provided support and looking further ahead, the future of corporate travel remains uncertain. This keeps some brokers on Hold despite a low valuation, with Morgans downgrading.							
CGC - Costa Group	**MISS**	0	0	4/1/0	3.32	3.63	5

Costa Group was hit with everything under the sun in FY20 -- including drought and hail, and a virus increasing labour and freight costs. It was always going to be a hard one to guess, and as it was the result fell well short of most forecasts, but did not incite any anguish. The good news is those costs are not ongoing, and the international division put in a standout performance. Locally, droughts have been a major impediment, and the signs are more positive this year. An improving earnings outlook is underpinned by strong demand for grocery items due to increased at-home consumption and more normal supply. Macquarie retains Hold given the share price response.							
CCP - Credit Corp	IN LINE	0	0	3/0/0	19.47	20.65	3
Credit Corp had pre-released so no surprises. The result was broadly in line. Management has provided formal FY21 guidance. The company is left with significant capital to deploy, with no dividend being declared. Purchased debt ledger supply and pricing will be the key, with supply to improve through FY21 as loan forbearance and consumer support measures are reduced. While capital allocation remains the near-term risk to earnings, PDL sales are expected to accelerate through FY21. The US business will be a large swing factor, either positive or negative. Brokers find the long-term earnings potential outweighs near-term risks and a relatively uncertain earnings outlook.							
CMW - Cromwell Property	IN LINE	0	0	0/2/1	0.93	0.92	3
Cromwell Property's earnings came in below Macquarie's forecast but above pre-virus guidance. FY21 dividend guidance suggests flat growth from FY20. Gearing has increased due to asset devaluations, and the REIT is looking to sell its Polish retail assets. Australian tenants remain solid, but Macquarie (Hold) is concerned about the Polish sale, as well as weaker earnings. Ord Minnett (Lighten) saw positives in a result in line with its forecast, but is concerned about gearing and a deterioration in earnings quality. The dispute with ARA Asset Management also adds some instability. Morgans (Hold) suggests a solid result.							
CWN - Crown Resorts	IN LINE	0	0	4/2/0	10.43	10.56	6
Crown Resorts reported in line with recent guidance. No dividend or outlook were provided. Brokers agree the company has been one of the biggest victims of the virus, and to that end any attempt to accurately forecast earnings from here is largely a bet to nothing. It all comes down to how long borders, state and international, remain closed. The general feeling is it will be FY23 before business can return to normal. But when the recovery does come, it will be swift. Ratings leaning to the positive side reflect undemanding valuation.							
CSL - CSL	IN LINE	0	1	2/5/0	301.74	309.68	7
CSL reported in line with forecasts. Credit Suisse (Buy) believes the company remains a high-quality defensive stock commanding a dominant position in a niche industry. However, all agree the near term is at risk from a hit to plasma collections as a result of the virus. CSL is dipping into inventories to cover falling collections, thus difficulties may arise if the virus lingers. This risk keeps most brokers on Hold, including a downgrade from Citi. Macquarie (Hold) adds the risk of several catalysts for competitor pipeline products expected over the balance of 2020-21.							
DTC - Damstra Holdings	MISS	0	0	1/0/0	2.00	2.00	1
Damstra Holdings' FY20 earnings missed Morgan Stanley's estimates although FY21 guidance is ahead of expectations, which confirms the softness experienced previously was genuinely a timing issue, in the broker's view. The pandemic has impacted the timing of the conversion of several new opportunities as well as the commencement of contracts.							
DTL - Data#3	IN LINE	0	0	0/1/0	5.04	5.39	1
There were no surprises for Morgans in the Data#3 FY20 results, as they were pre-released. The second half dividend was in-line with the broker’s forecast. The company didn’t provide tangible guidance for FY21 but the broker assumes 9% EPS growth year on year, with a stronger than usual skew to the second half.							
DXS - Dexus Property	MISS	1	0	4/2/0	9.99	9.69	6
Dexus Property's result registered more misses than meets on higher than expected rent relief. Operationally the result was solid, but leasing completed in the June quarter was minimal and early signs in FY21 suggest it's getting hard out there for landlords. No guidance was offered. It then comes down to valuation, with brokers acknowledging a fear the virus will change offices for ever, with more work-from-home leading to lower occupancy, rents and asset values, but feeling fears are somewhat overblown. Ord Minnett upgrades to Accumulate.							
DHG - Domain Holdings	BEAT	1	2	3/3/0	3.14	3.58	6

Domain Holdings' result either met or beat forecasts and featured very similar online revenue trends to competitor REA Group. Trading in July has been strong with growth in listings in Sydney and Melbourne. Volumes outside of Melbourne are holding up and the experience from the first wave lockdowns is that volumes will rebound once Melbourne's restrictions are relaxed. Morgans upgrades to Hold on leverage to an improved listing environment, while Ord Minnett and UBS downgrade to Hold on valuation.							
DMP - Domino's Pizza	MISS	0	0	0/4/3	61.50	68.70	7
Japan finally coming good was the highlight of an otherwise disappointing result from Domino's Pizza under the circumstances. Macquarie (Hold) sums it up in noting the FY20 result was all about the second half. Restrictions drove significant sales growth across all regions that were able to remain trading but while revenues benefited, the cost of doing business in a covid world and the need to support locked down franchisees crunched margins and led to an actual earnings loss. The stock is thus not as much of a virus winner as the market seems to think it is, hence on valuation Domino's Pizza can't buy a Buy.							
DOW - Downer Edi	IN LINE	1	0	2/3/0	4.66	4.76	6
Downer EDI provided fresh guidance with its recent capital raising and the result held no surprises. No dividend was declared. The company will allocate -$150m towards restructuring, including winding down its non-core construction ventures and "hibernating" hospitality/events. Instead, the company is turning focus to urban services, which should carry lower risk and provide more stable cash generation led by high exposure to government-backed contracts. The process will nevertheless take time. Citi upgrades to Buy. Macquarie is on restriction.							
APE - EAGERS AUTOMOTIVE	IN LINE	0	0	3/2/0	8.00	9.58	5
Eagers Automotive is the renamed AP Eagers post acquisition and integration of Automotive Holdings. The company reported in line with recently updated guidance. Brokers agree the company has emerged from a virus-impacted FY20 as a stronger, more efficient business through cost cutting and restructuring. The decision to materially reduce the cost base and inventory has positioned the business well. A preference for used cars over new in a time of recession is supporting earnings heading into July, but will this hold up when stimulus rolls off? A bias to Buy ratings suggests this is the expected scenario.							
EBO - EBOS Group	IN LINE	0	0	3/1/0	24.54	24.29	4
Ebos Group's result was considered solid but in line with expectations. The company is not one for providing guidance and has only suggested flat margins in FY21 while sticking with a dividend payout of at least 69% of profit. July sales suggest the panic buying and pantry stocking of the first wave has not returned in the second. Diversification has meant little virus impact overall. M&A potential remains on the menu but as with many other companies, management is struggling to keep a lid on costs.							
ENN - Elanor Investors	MISS	1	0	1/0/0	2.27	1.77	1
Elanor Investors Group's earnings in FY20 were materially lower than Ord Minnett expected following the temporary suspension of several fund distributions. The highlight of the result was the growth in funds management, with revenue up 43%. The portfolio was obviously affected by the pandemic, given a concentration in retail and hospitality assets, but the capital position of each fund is stable, the broker notes. Ord Minnett also assesses the share price describes no value to the funds management business now and this is underpinned by recurring fees. Rating is upgraded to Buy from Accumulate.							
ELO - Elmo Software	IN LINE	0	0	1/0/0	9.00	9.00	1
Elmo Software's FY20 results were pre-guided and Morgan Stanley notes muted expectations for FY21 sales. The fact that the company was prepared to provide guidance for FY21 is considered a positive. An annual recurring revenue target of $200-300m provides scope to capture significant value for shareholders and implies $10-15m of incremental income. Buy retained.							
EHL - Emeco	IN LINE	0	0	2/0/0	1.65	1.53	2
Emeco Holdings' FY20 results were in line with expectations. The rental division was solid, Macquarie observes, and the outlook for FY21 is in line with prior forecasts, although the mix is different. The east region is softer due to weakness in coal, offset by the west and Pit N Portal, which is performing strongly and offers several growth opportunities. Morgans believes sector dynamics can improve sharply as steel-making capacity recovers outside of China. Brokers see value as undemanding.							
EHE - Estia Health	IN LINE	0	0	0/3/0	1.63	1.55	3

<table>
<tr><td colspan="8">Estia Health's earnings would have fallen -24% in the second half FY20 from the first were it not for government support, but that did not surprise. Headwinds will continue into FY21 given occupancy issues in Victoria. Aged care is one of the most challenged sectors dealing with the virus and thus the financial viability of the sector is a concern. Scale, and a strong balance sheet, make Estia Health most preferred in the space, and beyond that brokers pin their hopes on the virus prompting the Royal Commission into introducing supportive reforms. Until that is confirmed, Hold ratings are the go.</td></tr>
<tr><td>EVT - Event Hospitality</td><td>MISS</td><td>0</td><td>0</td><td>1/1/0</td><td>10.11</td><td>9.48</td><td>2</td></tr>
<tr><td colspan="8">Citi (Hold) was not surprised by material weakness in cinemas and hotels, revealed in the FY20 result for Event Hospitality & Entertainment. Underlying profit was -34% below consensus. The broker highlights some negatives including impairments and write-offs due to covid impacts and increased net debt. Additionally, property earnings were below the analyst's forecast due to provisions for rent receivables. Positive takeaways included Hotel earnings exceeding the broker's estimates and a stronger operating cash flow than anticipated. No quantitative outlook was provided by management for FY21, although Ord Minnett (Buy) sees an earnings trough ahead and notes Event's property assets remain highly sought after.</td></tr>
<tr><td>EVN - Evolution Mining</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/5</td><td>4.88</td><td>5.02</td><td>6</td></tr>
<tr><td colspan="8">Evolution Mining's (record) profit was in line with consensus forecasts. The dividend was larger than expected but on the other hand, FY21-22 guidance disappointed on lower production and higher costs. That said a big increase in the resource at Red Lake suggests the potential for a larger and longer-life operation than previously assumed. However this is offset by significant capex plans over the next three years and a long time frame. At the end of the day, everyone agrees the stock has run too hard and too far on gold price exuberance.</td></tr>
<tr><td>EXP - Experience Co</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.21</td><td>0.21</td><td>1</td></tr>
<tr><td colspan="8">Experience Co's FY20 net loss was worse than Ord Minnett expected but the company has repositioned the business to survive the crisis and pursue growth opportunities. The broker highlights the timely disposal of non-core assets and associate reduction in debt. The financial position is now solid and the company well-placed for a recovery in inbound holiday travel to Australia. Break-even was achieved in July, largely because of the realisation of annualised cost savings.</td></tr>
<tr><td>FCL - Fineos Corp</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>5.44</td><td>5.53</td><td>2</td></tr>
<tr><td colspan="8">While Fineos Corp's result was in line with recently updated guidance, it was a material beat of the recently listed company's prospectus. Record new customer gains in FY20 demonstrate pre-IPO deals were not just one-offs. Ord Minnett points to an addressable market in the billions, and while the pandemic presents some challenges, it is also driving a need for carriers to upgrade legacy systems. FY21 guidance is for revenue growth of 20% with 30% from growth in subscription fees. Macquarie believes the company is positioned to deliver on its forecasts.</td></tr>
<tr><td>FBU - Fletcher Building</td><td>IN LINE</td><td>0</td><td>0</td><td>0/5/0</td><td>3.68</td><td>3.66</td><td>5</td></tr>
<tr><td colspan="8">Fletcher Building reported in line with pre-released numbers. No dividend was declared, as expected, and no guidance will be provided before the AGM. NZ manufacturing revenue held up reasonably well in the second half, but Australia suffered from sustained revenue headwinds.The company is acting to preserve its balance sheet and FY21-22 volume forecasts for A&NZ are considered conservative. Residential, development and construction are expected to recover in FY21 but project delays in Australia are a lingering issue. FY22 should see an infrastructure pick-up, but uncertainty around immigration levels will persist.</td></tr>
<tr><td>FXL - Flexigroup</td><td>IN LINE</td><td>0</td><td>0</td><td>1/2/0</td><td>1.24</td><td>1.39</td><td>3</td></tr>
<tr><td colspan="8">Flexigroup reported in line with recently updated guidance. Of more significance is an announced $140m raising to improve the balance balance sheet and support a tilt towards the BNPL sector. The company will also be changing its name to Humm. While the stated intention of the raising makes sense to Credit Suisse (Hold), at this stage there is a lack of detail on exactly where and how the capital will be applied. Macquarie (Hold) notes it is highly dilutive, and the size raises the question about whether proceeds may be required to fund future losses as economic conditions deteriorate. UBS (Buy) nevertheless sees a favourable market opportunity for the group and views the stock as a value play in BNPL.</td></tr>
<tr><td>FLT - Flight Centre</td><td>IN LINE</td><td>0</td><td>1</td><td>3/3/1</td><td>13.47</td><td>13.34</td><td>7</td></tr>
<tr><td colspan="8">Flight Centre had kept the market informed, so no surprises in a big loss. The central issue from here is one of sufficient liquidity to see the company through. Brokers agree Flight Centre could last into FY22, but given an over-exposure to international travel, a capital raising cannot be ruled out down the track if borders don't open by then. If they do, the company will still take some time to return to pre-virus earnings. A spread of ratings reflects a mix of optimism and pessimism at current value. Morgans downgrades to Hold.</td></tr>
</table>

<table>
<tr><td>FMG - Fortescue</td><td>IN LINE</td><td>1</td><td>1</td><td>2/4/1</td><td>14.78</td><td>16.44</td><td>7</td></tr>
<tr><td colspan="8">Fortescue Metals Group reported in line with consensus. The $1 final dividend equally beat or missed broker forecasts, but no one's complaining about an almost 10% fully franked yield. A split of broker ratings is largely informed by variance on iron ore price forecasts, with FY21 production and cost guidance unchanged. A better than expected dividend leads Citi to upgrade to Hold. Credit Suisse asks how much upside is available when iron ore is over US$120/t and earnings may be close to peaking, and downgrades to Sell. The miner's growth projects remain on schedule and more projects are being explored with a key focus on commodities that support the decarbonisation and electrification of the transport sector.</td></tr>
<tr><td>FDV - Frontier Digital Ventures</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.22</td><td>1.34</td><td>1</td></tr>
<tr><td colspan="8">Frontier Digital Ventures had pre-reported a -13% drop in combined portfolio revenue in the first half, with the June quarter declining -43% due to lockdowns in all geographies. However, traffic in most businesses has rebounded strongly, Morgans notes, which bodes well for a meaningful recovery in the second half. The broker highlights businesses have used the crisis to significantly address their cost base and a focus on the likes of organic traffic growth may see more of the cost efficiencies retained than the analysts expected.</td></tr>
<tr><td>GEM - G8 Education</td><td>IN LINE</td><td>0</td><td>0</td><td>1/3/1</td><td>1.08</td><td>1.12</td><td>5</td></tr>
<tr><td colspan="8">We'll call G8 Education's result in line, as there is no option for "hard to tell". Rent concessions, government assistance and asset impairments all featured, making it difficult to discern actual performance, and no FY21 guidance was offered. Macquarie (Sell) notes 73% of its second half earnings forecasts represent the government's "transition payment" support package. This will lead to strong September quarter earnings, as well as a month of full JobKeeper (July), but the broker sees a decline in in the December quarter. Morgan Stanley (Hold) sums it up by suggesting beyond the subsidies, there is little clarity in the results. In an environment where JobKeeper may be scaled back and unemployment might rise, the broker envisages the range of outcomes is wide.</td></tr>
<tr><td>GXY - Galaxy Resources</td><td>BEAT</td><td>0</td><td>0</td><td>0/2/2</td><td>0.85</td><td>0.88</td><td>4</td></tr>
<tr><td colspan="8">With lithium previously in oversupply before the virus, and Chinese EV demand plunging in the meantime, lithium prices remain subdued. But Galaxy Resources has done a good job of reducing costs, brokers agree, so the loss was not as bad as expected, and prices are expected to recover soon enough. Achieved pricing in the first half was lower than the spot average, which suggests discounting in order to raise volumes. Sal de Vida offers both future upside and risk, and while EV demand growth is a longer term tailwind, right now brokers see over-valuation.</td></tr>
<tr><td>GDF - GARDA PROPERTY</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.07</td><td>1.19</td><td>1</td></tr>
<tr><td colspan="8">Garda Property Group's FY20 result was described as solid by Morgans, showing no material impact from the government's mandatory Code of Conduct. The broker highlights any upside relates to leasing success and revaluations on industrial projects in the pipeline. FY21 DPS guidance is for 7.2 cents, which the analyst calculates equates to a distribution yield of around 7%.</td></tr>
<tr><td>GDG - Generation Development Group</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.83</td><td>0.94</td><td>1</td></tr>
<tr><td colspan="8">The FY20 underlying profit for Generation Development Group was in-line with consensus. Morgans forecasts a similar level of funds under management growth for FY21 as for FY20, based on management guiding to similar sales growth for both years. The broker believes the company remains well positioned to deliver a compound earnings growth story over time.</td></tr>
<tr><td>GNX - Genex Power</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.37</td><td>0.36</td><td>1</td></tr>
<tr><td colspan="8">Genex Power's FY20 pre-tax loss slightly missed but revenues beat Morgans forecast by 15%. Jemalong's commissioning will be completed in March quarter FY21, while a financial close on K2-H should be achieved when a joint venture partner is selected and the Queensland government confirms a funding package for the transmission line. The Como battery project is early stage, but offers upside potential to the target price. Batteries will become an increasingly important part of the technology mix in the grid, the broker notes.</td></tr>
<tr><td>GMA - Genworth Mortgage Insur</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>2.90</td><td>2.70</td><td>1</td></tr>
<tr><td colspan="8">Genworth Mortgage Insurance Australia released a first-half result which included -$30.8m in additional reserves. Investment income, driven by a rally in equities and fixed income, was significantly ahead of Macquarie's estimate. The broker has increased earnings forecasts for FY20-22 led by better investment income, lower acquisition costs and stronger gross written premium growth. Even with choppy times ahead, the broker sees value in the company and retains Outperform.</td></tr>
<tr><td>GMG - Goodman Grp</td><td>BEAT</td><td>0</td><td>0</td><td>2/4/0</td><td>15.88</td><td>18.55</td><td>6</td></tr>
</table>

<table>
<tr><td colspan="8">We'll call Goodman Group's result a beat as while FY20 met high expectations, FY21 guidance is greater than expected and Goodman has a track record of being conservative. A flat FY20 dividend was a tad disappointing but Goodman is retaining capital to pursue developments. An acceleration in demand from major customers is being experienced, in particular those exposed to the digital economy. Earnings clarity is high given the large volume of development activity. Then it's just an issue of valuation. Even Macquarie (Buy) agrees current value is "challenging at best", but can't deny quality.</td></tr>
<tr><td>GPT - GPT Group</td><td>MISS</td><td>0</td><td>0</td><td>4/0/1</td><td>4.57</td><td>4.40</td><td>6</td></tr>
<tr><td colspan="8">GPT Group's earnings missed all bar Macquarie's estimate. The big loser was retail, where rents took a big hit. To that end the REIT has written off -$35m of rent billed but not received. The trust has also provided a dour rent outlook ahead, but brokers consider this a conservative stance vis a vis potential for rent to ultimately be recovered. On the positive side, logistics assets offer upside but are yet to be appreciated, and despite making acquisitions and developments over the period, GPT was able to reduce operating expenses and other expenditure. Some 45% of the portfolio is exposed to Melbourne, but all brokers bar Morgan Stanley see value.</td></tr>
<tr><td>GOZ - Growthpoint Prop</td><td>BEAT</td><td>0</td><td>1</td><td>1/2/0</td><td>3.23</td><td>3.31</td><td>3</td></tr>
<tr><td colspan="8">Growthpoint Properties reported ahead of forecasts on better than expected rental collections of 97%, thanks to a resilient tenant base weighted to government and big business and away from SMEs. Portfolio occupancy decreased to 93% as Botanicca, a newly completed project in Melbourne, was vacant on completion. Credit Suisse expects FY21 earnings will be lower because of the impact of the lease surrender payment received in FY20 and no further capitalised interest on the recently completed developments, but the broker retains Buy. Macquarie and Ord Minnett (downgrade to Hold) see fair value.</td></tr>
<tr><td>GTN - Gtn Ltd</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/0</td><td>0.53</td><td>0.47</td><td>1</td></tr>
<tr><td colspan="8">GTN's June quarter performance was heavily impacted by the virus (-62%), but Macquarie reports it was in-line with expectations. No explicit guidance was provided. Macquarie admits it's incredibly difficult to make any forecasts given weakness in advertising drops straight to the company's bottom line. The broker anticipates dividends returning in FY22.</td></tr>
<tr><td>GUD - GUD Holdings</td><td>BEAT</td><td>0</td><td>1</td><td>0/5/0</td><td>10.44</td><td>11.65</td><td>5</td></tr>
<tr><td colspan="8">GUD Holdings' result beat four of five covering brokers and demonstrates the resilience of the company's product portfolio coupled with management's strong execution. The second half brought significant volatility in sales, through lockdowns and then re-openings putting vehicles back on the road. While it was a case of catch-up and will likely ease off, "resilient" is the word most used by brokers to describe the auto aftermarket business, with average vehicle ages increasing and a shift to repair from replace in tough economic times. The only stumbling block is valuation, with Citi downgrading to Hold to join the pack.</td></tr>
<tr><td>GWA - GWA Group</td><td>MISS</td><td>0</td><td>0</td><td>1/3/0</td><td>2.91</td><td>2.62</td><td>4</td></tr>
<tr><td colspan="8">GWA Group's result fell well short of forecasts. It appears brokers had assumed the lockdown-driven home renovation spree would benefit GWA but it seems big ticket kitchen and bathroom renovations were not on the household agenda. Management expects conditions to remain challenging in FY21 due to weak construction markets, further exacerbated by virus uncertainty in all regions. Management had previously highlighted a strong balance sheet so DRP reinstatement was a surprise. While the outlook is gloomy, valuation is reflective.</td></tr>
<tr><td>HSN - Hansen Technologies</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>3.95</td><td>4.15</td><td>1</td></tr>
<tr><td colspan="8">Hansen Technologies' FY20 results were better than expected. No guidance was provided, but Ord Minnett suggests management has done a good job communicating confidence in the business going forward. This appears to be contrary to the way the stock was being priced ahead of the results. The broker continues to like the company because it is defensive and still attractively priced.</td></tr>
<tr><td>HVN - Harvey Norman Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>4/2/0</td><td>4.33</td><td>4.56</td><td>6</td></tr>
<tr><td colspan="8">Harvey Norman's 26% profit increase in FY20 surprised not just brokers but equally management, beating guidance by 20%. It was a high quality beat given strength in almost every division. Australian franchisee margins were the highest in 20 years. FY21 has kicked off in the same vein, benefiting from increased at-home consumption. A reduction in exposure to ancillary investments concentrates the company's focus on home-related spend. But, and it's a big but -- what happens when stimulus rolls off and households have bought what they were going to buy? The company has not outlined any capital management, but is in a solid cash position. The uncertain outlook splits ratings.</td></tr>
<tr><td>HLS - Healius</td><td>IN LINE</td><td>0</td><td>0</td><td>2/2/0</td><td>3.35</td><td>3.48</td><td>7</td></tr>
</table>

<table>
<tr><td colspan="8">Healius had pre-released so no surprises, albeit complicated due to factors including the sale of the GP component of its Medical Centres division and the impact of covid across divisions. Pathology held up better on government support and private billing fee increases, with Imaging posting double-digit profit declines and day hospitals remaining in the red. July numbers show strong growth in pathology and day hospitals, with imaging more subdued. No final dividend was declared but the dividend is expected to re-commence in the first half of FY21, with consideration of a special dividend after the receipt of $470m from the sale of the Medical Centre division. An improved balance sheet position provides flexibility for growth options both organic and inorganic.</td></tr>
<tr><td>HLO - Helloworld</td><td>MISS</td><td>0</td><td>0</td><td>2/0/0</td><td>2.46</td><td>2.26</td><td>2</td></tr>
<tr><td colspan="8">A "messy" result from Helloworld met Ord Minnett's expectations, but fell short of Morgans. Over the last three months the company's corporate business has shown signs of recovery and management expects further improvement as state borders reopen. Given its low-cost base, the company is targeting to be profitable from January 2021. However, earnings are not expected to recover to FY19 levels until FY24 given the company's greater exposure to international travel. Ord Minnett expects a material reduction in travel agent numbers, but while the size of the industry may be smaller, the demand for advice will not disappear and may become even more relevant.</td></tr>
<tr><td>HMC - Home Consortium Ltd</td><td>MISS</td><td>0</td><td>1</td><td>0/2/0</td><td>3.16</td><td>3.21</td><td>2</td></tr>
<tr><td colspan="8">Home Consortium's result met Credit Suisse but missed Ord Minnett on rental abatements and deferrals. FY21 guidance has been withdrawn in the light of uncertainty, but the company appears to be progressing well with its strategy, Credit Suisse suggests. Ord Minnett agrees the REIT's operational performance was solid with consistent occupancy gains, a long weighted average lease expiry (WALE) maintained, minor positive revaluations and all FY20 covid rent agreements negotiated. As the share price has rallied subsequent to an equity raising, Credit Suisse envisages better absolute value elsewhere and downgrades to Hold.</td></tr>
<tr><td>HPI - Hotel Property Investments</td><td>IN LINE</td><td>0</td><td>0</td><td>1/1/0</td><td>3.15</td><td>3.22</td><td>2</td></tr>
<tr><td colspan="8">Brokers an in-line FY20 profit for Hotel Property Investments. A full-year dividend of 20c was declared. No FY21 guidance was provided. The REIT has proven to be defensive through the pandemic, with a rent deferral agreed with key tenant QVC and only minor abatements given to SME tenants. Moreover, with a long weighted average lease expiry (WALE), brokers expect the REIT to benefit from investor demand. Rents across a number of hotels will be reset in FY21, but Ord Minnett (Hold) believes the market has already factored that in</td></tr>
<tr><td>HT1 - HT&E Limited</td><td>IN LINE</td><td>1</td><td>0</td><td>1/2/1</td><td>1.18</td><td>1.32</td><td>4</td></tr>
<tr><td colspan="8">HT&E's result beat Credit Suisse, who upgrades to Buy, but missed Morgan Stanley, who retains Sell, while Macquarie (Hold) only suggests the company is navigating a difficult ad market environment well, with a focus on costs helping offset the weak revenue environment. The spread of forecasts and ratings only underscores the feature of virus-driven uncertainty this season. Radio appears to have taken share in the second half, but surveys are currently suspended so Macquarie will hold off on confirmation. The balance sheet is strong, providing support in tough times, and capital management is ongoing. Morgan Stanley nonetheless believes the radio business is dealing with cyclical weakness and structural threats from streaming music services. and thus remains fundamentally negative.</td></tr>
<tr><td>HUB - HUB24</td><td>MISS</td><td>0</td><td>0</td><td>3/1/1</td><td>13.10</td><td>15.91</td><td>5</td></tr>
<tr><td colspan="8">Hub24's profit missed expectations primarily due to elevated one-off share based payments (SBP) and slightly higher cost growth versus expectations, but the core Platform segment delivered largely in-line with expectations. Funds under management guidance to FY22 implies 75% growth. The stock trades at a discount to peer Netwealth because of its smaller scale, margins and balance sheet but Ord MInnett (Buy) sees this as equating to compelling value. Macquarie (Sell) disagrees on valuation.</td></tr>
<tr><td>ICQ - Icar Asia</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.42</td><td>0.39</td><td>1</td></tr>
<tr><td colspan="8">The second quarter for iCar Asia was impacted by varying degrees of lockdown restrictions in all geographies, while the first half revenue was up 4% year on year helped by the Camudi acquisition, notes Morgans. Cost control measures have seen positive earnings maintained in two of three regions. Morgans sees a likely boost from the pandemic for product development and adoption and there are positive signs of recovery post the second quarter.</td></tr>
<tr><td>IEL - IDP Education</td><td>BEAT</td><td>0</td><td>1</td><td>4/1/0</td><td>16.46</td><td>20.11</td><td>5</td></tr>
</table>

IDP Education basically blew everyone out of the water, mostly due to strong cost control. Clearly there was an assumption the overseas student market would be severely hit, but Macquarie (Buy) points to an inventory of 82,000 applicants intending to go destinations for study when they can, compared to 51,000 placements in FY20. This implies a pull-forward of market share gains and pent-up demand ahead of restrictions easing. Challenges are set to persist as there is no visibility on the recommencement of studies or the availability of transport. Ord Minnett (Buy) suggests this is a distraction from the opportunity that exists beyond the pandemic. Morgans downgrades to Hold on the share price response.							
IGO - IGO Co	IN LINE	0	1	2/3/0	4.77	5.09	5
IGO had provided FY20 numbers at its June quarter update. A 5c final to make 11c for the year came in at the top end of management's dividend payout range. This will be reviewed in FY21. Brokers assume this will be to shareholders' advantage. FY21 production and cost guidance is unchanged. The miner is hoping to expand across various metals, likely through M&A, with lithium and rare earths now on the radar, and has plenty of cash to throw around. Credit Suisse upgrades to Hold.							
ILU - Iluka Resources	IN LINE	0	0	2/3/0	9.59	9.69	6
Iluka Resources' result was broadly in line with forecasts. No surprise there was no dividend announced, deemed a prudent move at this time. The market for high-grade rutile and zircon seems to be stabilising but the miner remains cautious on the outlook due to the risk of secondary lockdowns. All hinges on the pending (yet to be ATO approved) spin-off of MAC royalties expected next month, with management electing to retain 20% instead of 15% due to virus uncertainties. While Morgan Stanley (Buy) suggests this won't impact the premium afforded by the market, Ord Minnett (Hold) wonders if the demerger should just be scrapped altogether.							
IMD - Imdex	BEAT	0	1	0/1/0	1.30	1.45	1
Imdex's FY20 operating income beat UBS's forecast. The broker highlights a strong start to FY21 with tools to hire exceeding last year. Progressive recovery is expected across FY21 and FY22. Earnings growth forecasts are downgraded for FY21-23 driven by higher D&A charges which offset operational upgrades across the period. UBS downgrades to Neutral from Buy while increasing its target.							
IPD - Impedimed	BEAT	0	0	1/0/0	0.14	0.15	1
ImpediMed's FY20 net loss was not quite as bad as Morgans had forecast. The broker highlights an improving SaaS revenue base and expectations of SOZO gross margins to increase to over 90% in FY21. A key catalyst is the release of meta-analysis data which feeds into the National Comprehensive Cancer Network inclusion and private payer on-boarding, and further details as the Heart Failure program commercialises. A Speculative Buy rating is maintained.							
IFM - Infomedia	IN LINE	0	0	2/0/0	2.33	2.33	2
Infomedia reported in line, and the number of contracts won remains huge, with a strong pipeline of opportunities. However, the pandemic impacted the second half FY20 rollout. This will continue into the first half of FY21 before recovery in the second half. Uncertainty faced by automotive original equipment manufacturers could create some potential short-term headwinds. Credit Suisse sums it up by suggesting the stock offers an attractive proposition with a sticky customer base and a multi-year organic growth outlook, as well as accretive M&A potential.							
ING - Inghams Group	MISS	0	0	2/4/0	3.56	3.62	6
Inghams Group's result was a little worse than feared, albeit brokers suggest not too bad under the circumstances. While retail sales were boosted by stay-at-home, weak higher margin wholesale sales to restaurants and others more than offset. Virus disruptions led to higher input costs. A&NZ volumes declined in the June quarter and with Melbourne and Auckland back in lockdown, FY21 has not seen any improvement. The theme is expected to continue for now, until input prices decline in FY22. Given a strategy of increasing capex while maintaining the dividend, debt is becoming a focus.							
IAG - Insurance Australia	IN LINE	0	0	4/3/0	5.93	5.89	7
Insurance Australia Group had pre-released its numbers in July so no surprises. Underlying profitability was impacted by higher re-insurance costs, lower investment returns and a deterioration in the company's Australian commercial lines portfolio. Headwinds will persist in the current economic climate, and brokers expect FY21 to be a trough year in terms of margins. In the near term, a positive outcome on business interruption test cases would be a catalyst. The extent of cases is a critical unknown at this point, and virus-dependent. A new CEO suggests the potential for earnings guidance re-basing.							
ITG - Intega Group	IN LINE	0	0	1/0/0	0.49	0.50	1

<table>
<tr><td colspan="8">Intega Group reported earnings at the top end of the $30-31m range provided in July. The company saw its backlog grow 26% during the period, which positions the business well over coming years and management has guided to FY21 trading being ahead of FY20. As expected no final dividend was declared. Along with the pipeline, Morgans expects to see the company continue to win key projects.</td></tr>
<tr><td>IDX - Integral Diagnostics</td><td>BEAT</td><td>1</td><td>0</td><td>3/0/0</td><td>4.51</td><td>4.69</td><td>3</td></tr>
<tr><td colspan="8">Integral Diagnostics' earnings were ahead of forecasts, aided by cost control. Momentum has returned across most areas and brokers comment the speed at which volumes bounced back have underscored the defensive qualities of the industry. With Victoria and NZ locked down, growth is expected in other regions, but both should see a swift recovery once restrictions ease. Credit Suisse upgrades to Buy suggesting relative valuation appeal will not last for long.</td></tr>
<tr><td>IVC - Invocare</td><td>MISS</td><td>0</td><td>1</td><td>1/4/1</td><td>11.98</td><td>10.79</td><td>6</td></tr>
<tr><td colspan="8">InvoCare posted a notable miss. The irony at this time is that deaths declined in the period, no doubt given everyone was locked indoors and extremely health conscious. The big hit was otherwise funeral restrictions impacting on a high fixed cost base and this will continue until restrictions are lifted. Thereafter long term fundamentals remain strong, and the company did pay a dividend and will pay the deferred interim despite not offering guidance. Prevailing uncertainty leads to a split on ratings.</td></tr>
<tr><td>IFL - IOOF Holdings</td><td>IN LINE</td><td>0</td><td>0</td><td>1/2/0</td><td>4.86</td><td>4.80</td><td>4</td></tr>
<tr><td colspan="8">IOOF Holdings' underlying FY20 profit reduction of -35% was pre-guided. The result is overshadowed by the anticipated announcement of a significant equity raising to fund the acquisition of MLC Wealth from National Australia Bank for $1.4bn. The deal will be funded 72% by equity and 28% by debt. Morgan Stanley (Hold) notes this is a large deal with compelling synergies, although there are some execution risks as IOOF needs to turn around MLC outflows. Credit Suisse (Buy) points out this is a long-dated deal with approval likely to take up to 10 months and full integration a further three years. Credit Suisse downgrades FY21 estimates by -40% to account for the equity raising, noting the mismatch with the closure of the deal. Macquarie is on restriction.</td></tr>
<tr><td>IPH - IPH Limited</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>9.15</td><td>8.57</td><td>2</td></tr>
<tr><td colspan="8">IPH Ltd's result was ahead of consensus, according to Morgans, but slightly missed Macquarie, so we'll say in-line. Management pointed to some domestic weakness due to office closures in Victoria and lower filings, but believes this is temporary in nature and expects revenues to bounce back in FY22. Organic growth of the Australian business was hindered by the virus and lower client filings, but strong revenue growth was driven by the acquisition of the Xenith IP and currency tailwinds. With these virus disruptions carrying into FY21, and a now stronger A$ providing a headwind, Macquarie sees earnings skewed to the second half. Relative resilience in the business model and the potential for added earnings through acquisitions remains attractive as a defensive play in the broker's view.</td></tr>
<tr><td>IRE - Iress</td><td>IN LINE</td><td>0</td><td>1</td><td>1/2/0</td><td>12.15</td><td>11.43</td><td>4</td></tr>
<tr><td colspan="8">Iress' result missed Credit Suisse (Buy) but met Morgans, who downgrades to Hold. Ord Minnett suggests it was "good". The company did not reinstate previous guidance, given continued potential disruptions (primarily related to project implementations) from the virus. Morgans concludes the company has a strong recurring earnings base and pipeline of opportunities, but investment for growth remains high and the broker is looking for a clearer point at which operating leverage will materialise. Iress considers the current environment is no more certain that it was back in April. Macquarie is on restriction.</td></tr>
<tr><td>ISD - Isentia</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.33</td><td>0.36</td><td>1</td></tr>
<tr><td colspan="8">FY20 underlying earnings for iSentia Group were in line with Morgans' forecast and company guidance from July. By division, ANZ revenues fell -12.8% and Asia fell -2.6%. The company announced the exit of its North Asian business in June, 2020. No guidance was provided given covid uncertainties and the upcoming Copyright Tribunal hearings. Morgans suggests the company is well placed as new products are released and costs are further optimised.</td></tr>
<tr><td>JHX - James Hardie</td><td>IN LINE</td><td>0</td><td>1</td><td>5/1/0</td><td>32.63</td><td>34.88</td><td>6</td></tr>
<tr><td colspan="8">James Hardie's result was in line with forecasts. What impressed most brokers, and clearly the market on the day, was the strength of FY21 guidance. The company saw volume growth in the US offsetting severe weakness in the domestic housing market, and North American margins at 10-year highs helped by lower pulp/freight costs and better operating leverage. Ord Minnett believes the company tops the sector with substantial opportunity to take market share, and there's little disagreement, except Citi (downgrade to Hold) suggests the stock is now priced for perfection.</td></tr>
<tr><td>JHC - Japara Healthcare</td><td>MISS</td><td>0</td><td>0</td><td>0/4/0</td><td>0.67</td><td>0.53</td><td>4</td></tr>
</table>

Japara Healthcare posted lower than forecast FY20 recurring earnings due to lower occupancy and higher costs. The key issue facing the company, and the industry, is that government funding increases are well below operating cost increases, resulting in many operators becoming marginal. Given its size, Japara is likely to be in a relatively stronger position compared with smaller peers, Macquarie suggests, and the current operating environment will lead to more distressed assets which could reduce bed supply and/or create potential for increased funding to the sector. Morgans places a -15% discount on the valuation to reflect the uncertainty around the Royal Commission outcomes and industry headwinds.							
JBH - JB Hi-Fi	**BEAT**	0	0	0/6/1	41.70	46.65	7
It's just like JB Hi-Fi to upgrade guidance going into a result and then beat it. Management also reported on acceleration in sales early in FY21. However, this time it's different, because the company has been a major virus winner. The question is to what extent do strong sales represent a pull-forward of demand over the lockdown periods, such that demand will falter once lockdowns end, government support reduces/expires and lingering unemployment hits home. Brokers have again stood and applauded, but no Buy ratings underscores a common view of enjoy it while you can.							
JIN - Jumbo Interactive	**BEAT**	0	0	2/0/0	12.04	14.11	2
Jumbo Interactive's result exceeded both forecasts and guidance which was a strong performance given a significantly weaker jackpot environment. Customer spending levels are currently elevated. Morgans believes the virus will continue to accelerate digital take-up by both consumers and charities, which positions the company well for FY21 and beyond. The company has announced a ten year license extension agreement with Tabcorp Holdings. Morgan Stanley has concerns pertaining to decreasing customer count and cash conversion but retains Buy.							
JMS - JUPITER MINES	**MISS**	0	0	1/0/0	0.35	0.35	1
The distribution from Tshipi, in which Jupiter Mines has a 49.9% share, was softer than Macquarie expected in the first half as cash was retained for the expansion study. The broker expects a more depressed dividend in FY21, with a yield of 9%. Still, Jupiter Mines' dividend yield remains attractive on forecasts, at 11-17% for FY22-24.							
KPG - Kelly Partners	**IN LINE**	0	0	1/0/0	1.17	1.26	1
Kelly Partners Group reported underlying FY20 profit up 25% on the previous corresponding period. Morgans does not compare this to forecasts but notes three acquisitions were executed for the year, which in combination are expected to deliver \$3.2-\$3.9m in annualised group revenue. Total dividends for the year were 5.39cps including a 0.55cps special. Dividend guidance was provided, with the company expecting to pay 5.32cps in ordinary dividends in FY21. The stock is seen as trading on a relatively undemanding 11x forward PE and is paying a solid dividend yield of around 4.5% which is targeted to grow at 10% pa.							
KSL - Kina Securities	**MISS**	0	0	1/0/0	1.67	1.41	1
Kina Securities' first half profit result was up 24% on the previous corresponding period, but around -15% below Morgans' estimate. The miss was mainly driven by higher than expected operating expenses, with the company investing in the organisational structure/business capability - after the acquisition of ANZ Bank PNG. Revenue was actually 9% above the broker's expectation. The analyst sees 24% profit growth in the first half as a solid performance in the current economic climate. A first half dividend of 4cps was declared, which Morgans calculates represents an 8% annualised yield.							
KGN - Kogan.Com	**IN LINE**	0	0	0/2/0	20.25	20.59	2
Kogan updated guidance in July so no surprises from a solid result. UBS suggests Kogan is a strong business boasting acquisition opportunities, superior data capabilities and increased earnings from capital alternative profit streams. Credit Suisse nevertheless believes, while sales growth is likely to be sustained by household income support, there is less certainty with respect to consumer expenditure after the JobKeeper payments step down in September. Both agree the stock looks fairly valued.							
LLC - Lendlease	**IN LINE**	0	0	4/1/0	14.16	13.95	6
Lendlease posted an earnings result in line with previously pre-released numbers. The company typically doesn't provide guidance so brokers await the upcoming strategy day to determine just what impact the virus has had. Yet improvement in the second half of FY21 is anticipated and the pending sale of the engineering business supports valuation, as does a balance sheet now notably de-geared. The sale will focus the market more closely on the company's core business. Ratings imply valuation is not seen as demanding. Morgan Stanley is on restriction.							
360 - Life360	**IN LINE**	0	0	1/0/0	4.40	4.80	1

<table>
<tr><td colspan="8">Life360's first half numbers had been pre-released. Full year guidance has led Credit Suisse to slightly cut earnings assumptions, by less than -5%. The first full month post the launch of the new membership offering has seen more than 40,000 new or up-sold members, with management expecting new members to make up 20-25% of the US base by the end of 2020. This suggests to the broker a possible step-change after a virus-impacted half, with the business performing very well until lockdowns.</td></tr>
<tr><td>LAU - Lindsay Australia</td><td>BEAT</td><td>0</td><td>0</td><td>0/1/0</td><td>0.38</td><td>0.39</td><td>1</td></tr>
<tr><td colspan="8">Lindsay Australia delivered FY20 underlying earnings slightly ahead of Morgans' forecast. The broker notes key highlights were the performance of Rural and continued strong organic growth in Rail. A fully franked final dividend of 0.5cps was declared. While no FY21 guidance was provided, the broker understands fourth quarter 2020 operating headwinds have eased and expects further growth is targeted in FY21.</td></tr>
<tr><td>LNK - Link Administration</td><td>BEAT</td><td>0</td><td>1</td><td>4/1/1</td><td>4.69</td><td>4.55</td><td>7</td></tr>
<tr><td colspan="8">Link Administration's operating profit result beat forecasts. The virus made this a challenging period for the company, compounded by account losses, regulatory pressures and customer remediation costs in the UK. Sooner than expected capital returns from PEXA were supportive. Gearing remains elevated but not necessarily capital raise-inducing, and the pending divestment of the South Africa business will help. Brokers agree FY21 should bring brighter skies, and believe the stock to be too cheap. Except Morgan Stanley (Sell). Morgans downgrades to Hold and awaits FY22.</td></tr>
<tr><td>LVH - Livehire</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.57</td><td>0.50</td><td>1</td></tr>
<tr><td colspan="8">Morgans believes Livehire is poised to deliver significant growth in the medium-term, with a greatly enhanced strategy and ability to execute. Churn in FY20 on the permanent hire product remains elevated and is a slight concern, but this should improve in FY21 and beyond, given the majority of the client base has now moved to the full product suite and a large (greater than 70%) proportion of new sales in FY20 were on multi-year arrangements. Morgans predicts the US direct sourcing opportunity should dwarf the current business and notes the company has secured a couple of very prospective customers quite quickly.</td></tr>
<tr><td>LOV - Lovisa</td><td>MISS</td><td>0</td><td>0</td><td>1/2/1</td><td>6.66</td><td>7.27</td><td>4</td></tr>
<tr><td colspan="8">Lovisa Holdings' result missed forecasts despite recent partial guidance. Current trading is showing a wide divergence among geographies because of variability in the level of restrictions. The store roll-out is delayed, while eight new stores have been opened in the first half to date. While a sales recovery trajectory is hard to predict, Morgans (Buy) is comfortable the impact won’t be enduring and the global rollout opportunity is unchanged. The company has historically relied on shopping centre foot traffic to drive sales. Citi (Sell) is concerned the pandemic has accelerated the structural shift to online and visits to shopping centres will be less frequent. In the absence of Lovisa achieving rental reductions, this may result in the company having to increase marketing expenditure to achieve the same levels of sales per store.</td></tr>
<tr><td>LYC - Lynas Corp</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>3.65</td><td>3.53</td><td>2</td></tr>
<tr><td colspan="8">Lynas Corp will be raising about $425m equity to fund its restructure to move front processing to Australia from Malaysia. UBS considers this a good move but notes the size of the raising is larger than expected, and Ord Minnett was similarly surprised. UBS considers the company's exposure to growing electric vehicle demand and the realigning of its global supply chain outside China as favourable. No mention made of whether the actual result was good or bad. Targets falls on dilution.</td></tr>
<tr><td>M7T - Mach7 Technologies</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.43</td><td>1.49</td><td>1</td></tr>
<tr><td colspan="8">Mach7 Technologies' result has beaten Morgans forecasts and highlights strong growth, despite the operating environment. The broker suggests FY20 marked a pivotal year with six new customer orders, nine successful deployments and maiden profits, and followed up with the recent acquisition of its front-end viewing platform, Client Outlook. The pipeline remains solid and the analyst notes key risks to the target price are extended delays in signing new contracts and integration issues with Client Outlook.</td></tr>
<tr><td>MFG - Magellan Financial Group</td><td>IN LINE</td><td>0</td><td>0</td><td>0/5/2</td><td>57.50</td><td>60.41</td><td>7</td></tr>
<tr><td colspan="8">Brokers describe Magellan Financial Group's result as "strong", but that's what they all expected. The fund manager announced a series of new products and management has an excellent track record in this regard. This involves restructuring retail global equities products by consolidating three global funds into a single global fund, leaving both open-ended and closed-ended offerings. Morgan Stanley (Sell) considers this poses an upside risk to its retail flow forecasts, despite a move to a listed structure building the financial services firm's brand and increases its bargaining power versus the platforms. UBS (Hold) notes maintaining net inflows for the group is becoming increasingly capital intensive as the fund manager enters a mature growth phase. No one wants to Buy at the price.</td></tr>
</table>

<table>
<tr><td>MAI - Mainstream Group Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.74</td><td>0.83</td><td>1</td></tr>
<tr><td colspan="8">Mainstream Group's FY20 result was slightly above consensus expectations for revenue and earnings. Morgans views the performance as resilient and highlights a strong second half earnings margin, the US business becoming profitable and funds under administration growing 14% on the previous corresponding period. Management provided FY21 guidance which Morgans sees as conservative. The broker suggests the stock is too cheap for its long-term growth profile.</td></tr>
<tr><td>MYX - Mayne Pharma Group</td><td>MISS</td><td>0</td><td>0</td><td>0/4/0</td><td>0.41</td><td>0.38</td><td>4</td></tr>
<tr><td colspan="8">Mayne Pharma posted a net miss of forecasts on a -27% reduction in earnings. The company has flagged launch costs for Nextstellis in FY21 and as a result, forecast group operating income is effectively flat on last year. UBS feels a meaningful recovery in base business performance is needed to drive operating income growth. If approved and successful, Citi suggests Nextstellis could represent significant upside to forecasts but excludes this from estimates as it is not yet approved by the US FDA. Credit Suisse believes there is still significant opportunity for Mayne Pharma to gain significant market share in NuvaRing, albeit at a weaker price because of competition.</td></tr>
<tr><td>MMS - Mcmillan Shakespeare</td><td>IN LINE</td><td>1</td><td>0</td><td>2/2/0</td><td>9.92</td><td>10.10</td><td>4</td></tr>
<tr><td colspan="8">McMillan Shakespeare's result was roughly in line with forecasts albeit at the bottom of the guidance range. Salary packaging performed relatively well, and a reasonable trajectory is noted in novated leasing sales into the month of June. While a recovery may be lumpy, July novated lease volumes are considered encouraging and tracking ahead of last year, Credit Suisse (upgrade to Buy) notes. The company has retained 100% of its workforce thanks to JobKeeper. No dividend surprised but is understandable in ongoing challenging conditions.</td></tr>
<tr><td>MCP - Mcpherson'S</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>3.50</td><td>3.40</td><td>1</td></tr>
<tr><td colspan="8">McPherson's FY20 underlying net profit was up 14% and ahead of Ord Minnett's forecasts. Company-owned core brands delivered sales growth of 16%, which validates management's strategy. A dividend of 7c in the second half is considered a positive signal for trading conditions. Emerging brand write-downs of -$10.6m were the negative surprise and Ord Minnett reduces its target to account for this. A Buy rating is maintained, supported by a strong balance sheet and opportunities for additional market share.</td></tr>
<tr><td>MPL - Medibank Private</td><td>IN LINE</td><td>0</td><td>0</td><td>1/5/0</td><td>2.85</td><td>2.80</td><td>6</td></tr>
<tr><td colspan="8">Medibank Private drew a mix of meets, slight beats and slight misses which we'll net off to in-line. For FY21, the health insurer expects premium increases will remain low with flat policyholder growth across the industry. Claims growth are expected to be in line with FY20 which will keep margins under pressure. Policyholder growth expectations and cost improvements represent upside risk to forecasts. Health insurance margin compression remains as a near-term issue, although management is working hard to pull levers under its control including cost-outs. Medibank Private is not a stock that will deliver significant earnings growth, Citi (Buy) suggests, but the downside risk is not extreme and there is an opportunity for favourable reforms in the October budget.</td></tr>
<tr><td>MDC - MEDLAB CLINICAL</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.36</td><td>0.32</td><td>1</td></tr>
<tr><td colspan="8">Medlab Clinical's FY20 results were a miss of Morgans' forecast, reflecting a difficult trading period of pandemic lockdowns and an acceleration of R&D programs. Nutraceutical product ranges have been rationalised and an increased focus on digital sales and marketing channels continues to be refined to optimise the division. Morgans suggests investor focus will be on a number of catalysts in the next few months, including depression trial results and potential partnership for a phase 3 trial in cancer pain treatment. Morgans adjusts forecasts to reflect delays in clinical timeframes.</td></tr>
<tr><td>MP1 - Megaport</td><td>IN LINE</td><td>0</td><td>0</td><td>0/3/0</td><td>13.63</td><td>14.93</td><td>3</td></tr>
<tr><td colspan="8">Megaport's loss was largely as expected given pre-released revenue numbers. The company ended FY20 with 366 data centres installed and 699 enabled, up 66 year on year. Cost investment was pulled forward into the second half of FY20. UBS observes FY21 is now likely to yield the benefit from data centre expansions. The company intends to slow this rate of installation in FY21 to concentrate on new product offerings, including the Megaport Virtual Edge platform which will extend the reach of Megaport's business into enterprise offices.</td></tr>
<tr><td>MX1 - Micro-X</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.32</td><td>0.34</td><td>1</td></tr>
<tr><td colspan="8">Micro-X had a solid end to FY20 with sales momentum for Nano building, as the health crisis drives demand for x-ray equipment, notes Morgans. The underlying net loss was less than forecast. The broker calculates the company can fund growth comfortably for at least 12 months after a successful $15m capital raising and points out a few key catalysts, including first orders from the US defence force for the Rover and the decision on a grant funding application to develop a scanner to be used for imaging stroke patients.</td></tr>
</table>

<table>
<tr><td>MWY - Midway</td><td>MISS</td><td>0</td><td>0</td><td>0/2/0</td><td>1.21</td><td>1.16</td><td>2</td></tr>
<tr><td colspan="8">Midway has endured difficult conditions and posted a net loss in FY20 against Ord Minnett's expectations for a profit, while meeting Morgans forecast. Ords remains cautious about the coronavirus backdrop and the soft volume outlook. A substantial turnaround in volumes is not expected in FY21, although as supply costs are renegotiated through the first half, this should offset some of the export price decreases experienced from customers in China and Japan. Morgans believes operating conditions may be bottoming, and notes the company has proactively reduced its cost base, is focused on diversifying the business and has ruled out the need for further equity.</td></tr>
<tr><td>MCR - Mincor Resources</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.00</td><td>1.00</td><td>1</td></tr>
<tr><td colspan="8">Mincor Resources' small FY20 earnings loss was broadly in-line with Macquarie's expectations, while cash balances had been previously disclosed. The company is close to securing an around $50m debt facility, which will allow development to commence on Cassini and Durkin North, while maintaining a strong exploration spend. Formal approval of the Kambalda re-start plan is a key catalyst.</td></tr>
<tr><td>MIN - Mineral Resources</td><td>IN LINE</td><td>0</td><td>0</td><td>1/1/1</td><td>22.67</td><td>24.87</td><td>3</td></tr>
<tr><td colspan="8">The Mineral Resources' result netted out to in line on weaker than forecast earnings balanced by a better than expected cash flow performance leading to an increased dividend on a higher payout. The company is both a mining services provider and iron ore miner, hence FY21 guidance is notably strong, with iron ore production set to increase but so too capex. (Lithium mining is on hold). The company remains confident of shipping first ore from West Pilbara in two years although Ord Minnett (Lighten) suspects this is a little optimistic.</td></tr>
<tr><td>MGR - Mirvac</td><td>MISS</td><td>0</td><td>0</td><td>4/2/0</td><td>2.55</td><td>2.49</td><td>6</td></tr>
<tr><td colspan="8">Mirvac Group's result missed everyone due to conservative provisioning for rental abatements, particularly for retail. No FY21 guidance provided other than a 65-75% dividend payout ratio. FY20 was setting up to be a trough year for earnings pre-virus, but FY21 residential earnings are already lower than Macquarie's (Hold) forecast, and HomeBuilder-eligible properties have now all been sold. The group is nevertheless still growing positively due to profits on development completions and the broker believes the growth profile is attractive. UBS (Buy) notes a focus on urbanisation at a time when people are avoiding cities puts Mirvac in a challenging position as investors will likely avoid the thematic in the near term. Citi (Buy) points to over $20bn in development providing significant options.</td></tr>
<tr><td>MSV - Mitchell Services</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.98</td><td>0.91</td><td>1</td></tr>
<tr><td colspan="8">Mitchell Services showed impressive operational flexibility and resilience to covid-19 disruption, Morgans suggests, which saw the company meet unchanged FY20 guidance. No dividend was expected or declared, and formal FY21 guidance won't be issued until the first half result in February. The broker suggests an improving balance sheet should put the company on the radar of a broader suite of investors, and brings acquisition and capital management flexibility. Speculative Buy maintained.</td></tr>
<tr><td>MNF - MNF Group</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>6.20</td><td>6.30</td><td>1</td></tr>
<tr><td colspan="8">MNF Group posted in line with Morgan Stanley but composition was higher quality than expected, with recurring revenue growing 27%. Collaboration usage is stabilising at 175% above pre-pandemic levels, partly offset by conferencing, SME and mobile roaming. Management typically withholds guidance until the AGM.</td></tr>
<tr><td>MOE - Moelis Australia</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>4.65</td><td>5.17</td><td>1</td></tr>
<tr><td colspan="8">Moelis Australia's first half results were in line with Ord Minnett's estimates. Asset management enjoyed net inflows of $150m with minimal redemptions. The broker observes activity levels are high, ensuring the business is well-placed to capitalise on opportunities. A strong rebound is expected in 2021 and 2022, delivering 20% growth in earnings per share before the deployment of cash.</td></tr>
<tr><td>MND - Monadelphous Group</td><td>BEAT</td><td>2</td><td>0</td><td>2/4/0</td><td>10.53</td><td>10.93</td><td>6</td></tr>
<tr><td colspan="8">Monadelphous posted a result that took most by surprise to the upside, except Ord Minnett. The broker nevertheless upgrades to Hold. Macquarie upgrades to Buy, despite seeing management's suggestion of operating income margins returning to pre-virus levels as too optimistic. No actual guidance was forthcoming. Credit Suisse (Hold) suspects a good portion of FY21 revenue from construction is covered by work in hand and while, as ever, there is still work to be won, management commentary on iron ore opportunities was upbeat. The year ahead is expected to be strong but a court claim of -$500m from Rio Tinto provides an overhang.</td></tr>
<tr><td>MVF - Monash IVF</td><td>IN LINE</td><td>0</td><td>0</td><td>0/0/0</td><td>0.67</td><td>0.00</td><td>0</td></tr>
</table>

Monash IVF Group's result was pre-released and Morgans notes the highlights were a strong balance sheet and market share growth in NSW, QLD and SA, which were offset by a weaker result in Vic and Malaysia. The broker points out pent-up demand from the suspension of services in April and May is likely to result in record cycle numbers in July, August and September. No final dividend was declared, although the deferred interim dividend of 2.1cps will be paid on October 2. Although the Australian government has allowed IVF to re-start, Morgan Stanley believes social distancing measures will still cause a delay to a full market recovery.							
MME - Moneyme	**BEAT**	0	0	2/0/0	1.60	1.91	2
It was a solid beat from MoneyMe on nearly all key prospectus metrics. Management has raised FY21-22 cash profit estimates by over 100% and 50% respectively, on improved margin assumptions and better operating leverage. Recent product launches into new key verticals, accompanied by a potential drop in funding costs from an expected new warehouse facility, will provide tailwinds for the company's loan growth and profitability in the medium term, Morgans suggests. Automation in loan processing coupled with high customer ratings reassures Ord Minnett of the capability of MoneyMe to keep growing.							
MTO - Motorcycle Holdings	**BEAT**	0	0	1/0/0	2.12	2.50	1
Motorcycle Holdings' FY20 earnings result was 6% above Morgans forecast, with second half revenue growth of 18% a highlight. A recent market concern has been alleviated by a reduction in debt, notes the broker. While trading conditions are clearly elevated given current government stimulus, and have continued thus far in FY21, new bike volumes are still -33% below their 2016 peak. Significant structural cost-out activity undertaken in recent years provides increased flexibility for any future volatility, the broker suggests.							
MGX - Mount Gibson Iron	**BEAT**	0	0	1/1/0	0.88	0.88	2
Mt Gibson's FY20 revenue, earnings and free cash flow were all around 5% ahead of Macquarie's forecast. Accelerated waste stripping at Koolan Island is expected to continue over FY21, after which ore production increases and cash costs decline significantly. The company's cash balance is currently worth 36cps and the stock offers significant leverage to iron ore prices.							
NAN - Nanosonics	**IN LINE**	0	0	2/0/0	6.24	7.03	2
Nanosonics' FY20 result reflected material covid-related impacts on both capital sales and consumables, but no more than expected. Highlights included revenue now represented by 70% of consumables, installed base up 13%, lower expenses and a growing cash balance. Commentary suggests a reduction in market access and a slower consumables recovery. This has prompted UBS to defer revenue expectations back by 12 months. The commercial launch of the next generation product has also been delayed until FY22, but beyond that Morgans expects Japan to become an important market and also expects further products to be launched. The longer term growth story remains intact, as far as broker views are concerned.							
NSR - National Storage	**IN LINE**	0	0	1/2/1	1.69	1.77	4
National Storage REIT reported in line with forecasts and guidance. Softer than expected income was offset by lower income expense. July and August have seen improvement, with enquiries and move-ins almost back to pre-pandemic levels. Further acquisitions are likely following the recent capital raising. Macquarie (Sell) remains cautious on returns achieved in the stabilised portfolio and new acquisitions, given earnings growth has been elusive once adjusted for financial leverage. Ord Minnett (Accumulate) expects FY21 earnings to be at or above the top end of the company's guidance range.							
NTD - National Tyre & Wheel	**BEAT**	0	1	0/1/0	0.50	0.63	1
National Tyre & Wheel's FY20 earnings result was 8% above Morgans' forecast thanks to a strong surge in demand in the June quarter. Earnings from the company's Tyres4U acquisition are key to the future performance, the broker suggests, hence the findings of a strategic review due in September are eagerly awaited. However, it does mean elevated debt, and this, combined with a solid share price run, has the broker downgrading to Hold.							
NGI - Navigator Global Investments	**IN LINE**	1	0	2/0/0	1.49	2.26	2
We'll call Navigator Global Investments' "result" in line on the basis that a slight miss on FY20 forecasts is overshadowed by the announced acquisition of minority economic interests in six established and specialised alternative asset management boutiques from Dyal Capital Partners. Macquarie highlights this will increase the company's earnings diversification and the additional cash flow derived should support future dividends. Ord Minnett upgrades to Buy on the news, seeing a compelling economic and strategic opportunity.							
NEA - Nearmap	**IN LINE**	0	0	3/0/0	2.51	2.68	3

<table>
<tr><td colspan="8">Despite the negative market reaction, Nearmap actually posted in line with forecasts and company guidance with regard the critical annualised contract value (ACV) metric. The issue for the market was elevated churn rates and new business slowing marginally in the second half due to the virus. The company has nevertheless reiterated a goal to break even on cash flow over the year. Nearmap has not offered formal guidance, but noted the first seven weeks were consistent with the growth for the previous corresponding period. Brokers remain positive, highlighting tailwinds and growth in insurance, government and roofing verticals.</td></tr>
<tr><td>NWL - Netwealth Group</td><td>IN LINE</td><td>1</td><td>0</td><td>0/2/2</td><td>8.41</td><td>10.92</td><td>4</td></tr>
<tr><td colspan="8">Netwealth Group's result was in line with recent guidance. In FY21, management expects $8bn in net flows but flags back-book re-pricing and lower margins on cash may impact revenues. Macquarie (Sell) anticipates more margin pressure and cost growth as the platform's funds under management continues to grow. Credit Suisse sees revenue margin pressure as manageable given the strong growth in FUA and upgrades to Hold. Advisor transitions continue to assist FUA growth, with the company expecting the end of grandfathered commissions (December 2020) to further increase these transitions. Otherwise, valuation is the concern.</td></tr>
<tr><td>NCM - Newcrest Mining</td><td>IN LINE</td><td>0</td><td>0</td><td>2/4/1</td><td>34.54</td><td>34.81</td><td>7</td></tr>
<tr><td colspan="8">We'll net out Newcrest Mining's result to "in line" because while earnings and the dividend both exceeded forecasts, this was offset by disappointing FY21 guidance. Challenges at Lihir are likely to continue beyond the current year and push back the ever elusive target of 1mozpa. Brokers question whether Lihir will ever post a consistent performance. FY21 guidance for Lihir points to both an unexpected drop in grade and mill recoveries. The miner has a strong pipeline of growth projects which will help diversify the company away from the troubled asset, keeping UBS on Buy. Macquarie saw no reason to move from Sell.</td></tr>
<tr><td>NWS - News Corp</td><td>BEAT</td><td>0</td><td>0</td><td>3/0/1</td><td>22.58</td><td>24.14</td><td>4</td></tr>
<tr><td colspan="8">News Corp posted a slight beat, part of which was down to a beat for REA Group, in which the company has a majority stake. Books performed better than expected, and lower costs for cable also contributed. The pandemic continues to present challenges for earnings trends because of the impact on advertising revenue, news-stand circulations and pay-TV adoption in the face of streaming. All brokers welcome a new reporting segment for Dow Jones. Brokers retain Buy on valuation except Morgan Stanley, who sees too many challenges.</td></tr>
<tr><td>NXT - Nextdc</td><td>IN LINE</td><td>2</td><td>0</td><td>4/2/0</td><td>11.34</td><td>13.07</td><td>6</td></tr>
<tr><td colspan="8">NextDC reported in line with guidance, but two brokers nevertheless upgrade to Buy. Macquarie (Hold) sums it up in noting the company is seeing strong demand from both its hyperscale and enterprise customers and is one of the few businesses to benefit from the virus both short and long-term. Despite a premium valuation, Macquarie believes the stock remains an attractive exposure. Morgans (upgrade to Buy) realises how uncorrelated digital infrastructure is to economic cycles and what a high quality the company’s business model and earnings streams are. If there is any issue, it's that the S2 and M2 centres may fill up before new centres come on line.</td></tr>
<tr><td>NHF - nib Holdings</td><td>MISS</td><td>1</td><td>0</td><td>3/3/0</td><td>5.09</td><td>5.08</td><td>6</td></tr>
<tr><td colspan="8">It was a miss of consensus earnings and dividend for nib Holdings, albeit two of six brokers called a beat depending on what metric you focus on. The result was affected by large moving parts due to the virus, with underlying gross margins under pressure and significant losses in travel. Management has indicated sales have picked up in FY21, although this is countered by a catch-up in hospital & ancillary claims. Ord Minnett (Accumulate) notes the company faces broadly similar trends to Medibank Private in health insurance, but with greater flexibility to reduce costs given a higher starting maximum event retention and a greater ability to cut back on marketing spend. While the outlook remains uncertain, valuation, including the day's share price response, has ratings on the positive side, including an upgrade to Buy from Macquarie.</td></tr>
<tr><td>NCK - Nick Scali</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>6.70</td><td>9.50</td><td>2</td></tr>
<tr><td colspan="8">Deliveries for orders ahead of the pandemic lockdowns and store closures, as well as cost savings and government support, helped Nick Scali to beat both guidance and forecasts. A strong result in the first half of FY21 is expected, but visibility beyond the support of stimulus packages is challenging, and depends on how long consumer trends towards at-home categories remain elevated, Macquarie notes. Citi suggests the disruption caused by the pandemic may also provide acquisition opportunities and the market is ascribing little value to the $75m in land and buildings on the balance sheet.</td></tr>
<tr><td>NIC - Nickel Mines</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.75</td><td>0.80</td><td>1</td></tr>
</table>

Nickel Mines declared a maiden 1c interim dividend which, in Macquarie's view, overshadowed a mixed earnings result. The broker considers the payment a positive de-risking event, nonetheless, and lifts the target 7% to $0.80. Buoyant nickel prices are underpinning strong earnings momentum and a spot price scenario would generate 2020 and 2021 earnings that are 76% and 139% above Macquarie's forecasts, respectively.							
NEC - Nine Entertainment	**IN LINE**	0	0	5/0/0	1.90	2.05	5
Nine Entertainment reported in line with July guidance. A better performance for Metro Media and lower corporate costs offset weakness in TV and publishing, while Stan proved to be a lockdown winner, enjoying strong subscription growth in the half. This should allow Nine to chase more content and increase its Premium Plan price to a level still below that of Netflix, Credit Suisse suggests. Stan, Domain and 9Now offer structural growth, along with cost out plans, and further upside may exist if the company can unlock an increased revenue stream from Google/Facebook under the new News Media bargaining code. FY21 is expected to be a trough year post virus, with material upside expected in FY22 as the ad market bounces back.							
NTO - Nitro Software	**BEAT**	0	0	1/0/0	1.80	2.60	1
Nitro Software's annual recurring revenue (ARR) result blasted Morgan Stanley's forecast. The company appears very much on track with sales momentum ahead of prospectus. Only 2% growth is needed in the second half to hit the prospectus ARR forecast, and earnings loss is tracking well below. The broker has lifted ARR estimates for FY21 and lowered its operating loss forecast.							
NST - Northern Star	**MISS**	1	0	1/2/2	14.00	13.77	6
Northern Star Resources' FY20 result fell well short of consensus, although the company did offer a placatory special dividend of 10c thanks to the surging gold price. This was in addition to the 9.5c final dividend. The result is nevertheless outweighed by the announced purchase of the KCGM Superpit with Saracen Minerals, which increases group reserves and improves prospects in the near term and long term. Negative leaning ratings nonetheless reflect market over-exuberance with respect gold. On a superior growth profile to peers, Credit Suisse upgrades to Buy.							
NWH - NRW Holdings	**BEAT**	0	0	2/0/0	2.97	2.95	2
NRW Holdings delivered a strong result and earnings beat UBS estimates. The company does not foresee a coal volume downturn and expects growth opportunities will present in FY21. Still, UBS believes negative coal sentiment will remain in the short term. Valuation is nevertheless attractive and the broker highlights upside risks in civil contracts and mining technologies. Citi believes maintenance work should see Mining Technology revenue at least double to $500mpa over the next two years.							
OSH - Oil Search	**IN LINE**	2	0	4/2/0	3.55	3.56	6
Oil Search's underlying result was in line, but two upgrades to Buy indicate brokers are positive about the future. After over-promising and under-delivering for some time, Credit Suisse (Hold) welcomes the company's signalling of a reversal of this tendency. PNG LNG expansion is on the back burner, and the highlight was news the company is working on a new development plan in Alaska, with plans evolving materially as it seeks to optimise capital efficiency. Unless there is another sharp contraction in the oil price, Citi believes Oil Search has raised enough equity, although a top up may be required for the final investment decision on Alaska.							
OML - oOh!media	**BEAT**	0	1	2/1/0	1.24	1.25	3
In a difficult environment, oOh!media managed to beat broker forecasts on standout cost reductions. The company's drop in revenue was less than the sector average despite greater exposure to highly lockdown-impacted airport and rail advertising. Credit Suisse (Buy) is comforted by the outlook, as while August revenue is down around -40%, forward bookings indicate improvements are occurring. Macquarie (Buy) is focused on the longer term. Ord Minnett downgrades to Hold as the company's segments continue to be affected by macro weakness, pandemic restrictions and reduced audiences							
OPC - Opticomm	**IN LINE**	0	0	0/1/0	5.26	5.42	1
Opticomm's FY20 results were in line with expectations and prospectus forecasts. Ord Minnett notes the medium-longer term outlook has improved with recent contract gains in new segments of the market. Despite some uncertainty in the housing market, the broker believes the company has a capacity to compete and grow share in greenfield fibre-to-the-premises.							
ORG - Origin Energy	**MISS**	0	1	4/3/0	6.77	6.46	7

While Origin Energy's FY20 result was in line with expectations, weak FY21 guidance suggests a "miss" (as did the share price response). The final dividend also underwhelmed. Guidance implies both electricity and gas profits fall year on year, but even as the outlook remains challenging, UBS (Buy) maintains the company's portfolio is flexible and well placed to benefit from increasing price volatility. Citi (Buy) awaits a jump in cash flow in FY22, while Macquarie suggests upside relies on a rally in oil and/or gas prices amid the company's ability to shorten its exposure to falling power prices, and downgrades to Hold.							
ORE - Orocobre	IN LINE	0	0	1/3/1	2.85	2.81	5
Orocobre reported in line, although write-downs at the profit line to inventory and other items were a bit more than expected. Despite an improving macro environment, particularly in Europe, the supply chain is still oversupplied and inventory remains high, depressing prices. But FY20 is no indicator of future earnings capability, Credit Suisse (Hold) points out, and an announced capital raising should buy some time to support the business until there is a price recovery in the lithium market. Citi (Buy) has in the meantime pushed out its assumed timing on Olaroz stage 2 commissioning to FY23. Macquarie (Sell) believes a more positive environment is still some time away.							
ORA - Orora	IN LINE	0	0	1/5/0	2.69	2.63	6
Orora's "messy" result equally beat and missed forecasts slightly in what was a transition year amid the sale of the domestic fibre business. The company remains committed to improving its North American business rather than selling and is open to adjacent growth opportunities in A&NZ. Management did not provide any FY21 earnings guidance, but notes operations in North America to be stabilising. This is encouraging given A&NZ growth is expected to be modest in FY21. A buyback was announced, but caution keeps brokers on Hold.							
OTW - Over The Wire Holdings Ltd	BEAT	0	0	0/1/0	4.33	4.38	1
Over the Wire Holdings' FY20 result was ahead of Morgans' forecasts. The broker highlights the 4% half-on-half revenue growth flowing to 21% half-on-half recurring earnings. A fully franked 2.25c final dividend was declared. FY20 saw around 10% year-on-year organic growth in the recurring business and this has continued into the start of FY21. No guidance was provided. Morgans upgrades its profit forecast.							
OZL - Oz Minerals	IN LINE	0	2	3/2/2	12.71	14.04	7
Inventory accounting led to a beat on profit for OZ Minerals, but the underlying result was in line with forecasts while the dividend exceeded expectations. While 2020 production and cost guidance is unchanged, the company is now re-accelerating its pro-growth agenda by stepping up capital spending at Prominent Hill and in Brazil. This, along with ongoing copper and gold price strength, underpins positive ratings. Credit Suisse (Sell) sees demand reductions for copper and aluminium across the world ex-China of -10-12%.							
PAC - Pacific Current Group	IN LINE	0	0	1/0/0	7.47	7.60	1
Pacific Current Group managed to reach the top of FY20 guidance despite the pandemic. Ord Minnett welcomes this resilience which provides a reasonable level of certainty over the forward profit profile. The broker expects compound growth in earnings per share of 9% out to FY23 and dividend growth of 13%, thanks to an increased pay-out ratio.							
PSQ - Pacific Smiles Group	BEAT	0	0	1/0/0	2.00	2.00	1
Pacific Smiles' FY20 operating earnings were ahead of guidance. Morgan Stanley notes strong growth has accelerated into July and all Melbourne metro centres remain operational, albeit at reduced hours and for emergency procedures only. Cash conversion remains strong at 120%.							
PGH - Pact Group	BEAT	0	0	1/3/0	2.50	2.67	4
Macquarie reports a 20% beat on its Pact Group forecast thanks to a 97% lift in earnings from Contract Manufacturing, which will boost the price of this business the company is looking to sell, while Ord Minnett reports a 7% beat. Pact Group surprised the market by resuming its dividend. Jalco benefited from strong at-home consumption and the group was quick to expand equipment and supply lines to meet demand for hand sanitiser and hygiene products, although demand is unlikely remain as elevated in the next half. Management advises the company's turnaround will take time, and longer than Credit Suisse (Buy) anticipated.							
PAL - Palla Pharma	MISS	0	0	1/0/0	1.23	1.02	1

A first half underlying net loss for Palla Pharma was softer than Morgans' expectations. The result was impacted by a major UK customer manufacturing license loss and the early jettison of a non-opiate manufacturing organisation contract. Additionally, the supply chain was affected by covid disruptions. Full year guidance is unchanged. Morgans revises down 2020 and 2021 earnings by -72% and -28%, respectively, after lowering sales assumptions and re-basing costs. Execution remains paramount, Morgans warns, with the pieces in place for significant growth acceleration from the second half, 2020.							
PAN - Panoramic Resources	MISS	0	0	0/1/0	0.07	0.07	1
Panoramic Resources' FY20 financial result, with a loss of -$87.4m, was softer than Macquarie expected. The broker expects Savannah to restart in late FY21, with production recommencing in early FY22. Completion of ventilation works will be the near term catalyst. Macquarie expects the company to remain loss-making until FY25.							
PAR - Paradigm	BEAT	0	0	0/0/1	1.74	1.72	1
Paradigm Biopharmaceuticals reported a FY20 result with featuring research and development expenses lower than Morgans' forecast, as clinical timeframes continue to extend due to covid. No detail or commentary was provided in the report and the broker reminds the company is a catalyst-driven story with the timing, structure and cost of the Phase 3 OA trial uncertain. For now a Reduce rating is retained.							
PPC - Peet & Company	IN LINE	0	0	0/1/0	0.95	1.04	1
Peet & Co's FY20 operating profit was down -68%, albeit in line with Macquarie's expectations. The business was affected by a fall in settlements and a declining margin. Following federal and state stimulus, enquiries have increased and as a result of momentum in the first quarter Peet now has 2098 contracts on hand. Gearing remains at the top end of the target, thus the broker suspects the company needs to take a more cautious approach to future capital expenditure.							
PPE - People Infrastructure	BEAT	0	0	2/0/0	2.82	3.28	2
People Infrastructure's result beat forecasts. At the peak of the first wave of the pandemic there were concerns around the impact on employment and this appears to have been well-founded in some areas, however Ord Minnett suggests the company's sector focus has proven highly valuable. More than 50% of profit is accounted for by the disability and nursing segments. Revenue was assisted by a combination of acquisitive and organic growth. The company is in a strong cash position and reported a fully franked final dividend of 4.5cps							
PRN - Perenti Global	BEAT	0	0	1/0/0	2.00	1.90	1
Perenti Global delivered a solid result, featuring a stronger second half underground and surface mining performance. UBS highlights the company has already secured $1.7bn of revenues for FY21 and expects another circa $250m from expected contract rollovers. The company anticipates FY21 revenue and operating margins to be similar to FY20. FY22 is expected to see solid growth. While the broker's earnings forecasts have been reduced for FY21-23, UBS sees risks skewed to the upside if the pandemic dissipates faster than expected.							
PPT - Perpetual	IN LINE	0	0	1/5/0	36.13	36.29	6
Perpetual reported in line with pre-released numbers. Corporate Trust was the star revenue performer and Citi (Hold) expects continued growth. Morgan Stanley (Buy) believes the fund manager has the building blocks in place after the recent acquisition of Trillium to build a global platform, and the proposed Barrow Hanley deal will provide scale in the US. It's all down to execution. Citi suggests uncertainty remains around Trillium and Barrow as full profit and loss for acquisitions is unavailable, obscuring visibility. Perpetual Private is in a sweet spot but is yet to bear fruit. Perpetual has not yet decided on a level of dividend, adding to uncertainty.							
PRU - Perseus Mining	BEAT	0	0	0/1/2	1.38	1.40	3
Perseus Mining's result beat two of three brokers. Reserves across the group saw incremental growth largely from pit optimisations at Edikan, while depletion was the main factor at Sissingue. The miner has nevertheless recently acquired the Bagoe project near to Sissingue, which will boost reserves. Growth is expected to continue as the third mine, Yaoure, commences in the second half. Poor ratings reflect over-valuation prompted by strength in the gold price.							
PLS - Pilbara Minerals	MISS	0	0	1/0/1	0.31	0.36	2

Pilbara Minerals' performance didn't quite meet Citi's (Sell) expectations, and that was before inventory write-downs. Write-downs have become a common theme among listed lithium miners in Australia, as they all are battling soft market conditions and have been for a while, Citi notes. Credit Suisse (Buy) considers the FY20 result a formality, providing no news to change the outlook or the broker's investment view. The de-risking of Pilgangoora was achieved, and the upcoming refinancing and cash position should support the business through another 12 months of weak markets, the broker suggests.							
PNI - Pinnacle Investment	**BEAT**	0	0	3/0/0	5.22	6.20	3
Pinnacle Investment Management beat broker forecasts on strong affiliate profits and solid performance fees. Despite market turbulence in the period, funds under management rose 8% on the year and brokers are confident about further growth in FY21. Short-term market direction will likely determine short-term sentiment but brokers retain Buys on a longer term positive view.							
PTM - Platinum Asset Management	**IN LINE**	0	0	0/1/4	3.20	3.19	5
Platinum Asset Management beat on the profit line but broker responses are pretty dour. The fund manager's dividend pay-out was the lowest in six years. Meagre absolute investment returns, combined with ongoing outflows, mean monthly average funds under management declined -6% over FY20. Citi (Sell) believes a resumption of material inflows is some time away. Ord Minnett (Hold) sees Platinum's International Fund performance record precipitating further outflows, especially when comparisons are made to peers. Morgan Stanley (Sell) believes the stock is too expensive.							
PBH - Pointsbet Holdings	**BEAT**	0	2	0/1/1	6.33	10.05	2
Pointsbet Holdings reported a loss less than Ord Minnett (Buy) assumed, while Credit Suisse does not comment, being more focused on an announced five year partnership with NBCUniversal, whereby the company has committed to spend US$393m over five years. As part of the deal, NBCUniversal will be issued shares and options. Importantly, the value of the shares and options will offset against the committed marketing spend and significantly reduce the cash commitment, notes Ord Minnett. The deal is nevertheless so large the company is unlikely to deliver operating earnings in the US until at least FY25, Credit Suisse points out, before downgrading to Sell. Ords downgrades to Hold on the share price response.							
PNV - Polynovo	**IN LINE**	0	0	1/0/0	2.60	2.55	1
FY20 sales of Polynova's NovaSorb BTM met recently updated guidance. Macquarie also notes an improved operating cash-flow trajectory as well as sufficient near-term funding. The company is well positioned to increase share in approved markets based on a differentiated product offering, the broker suggests, with expansion into new geographies presenting additional upside. Macquarie also sees expanded uses for the product into greater addressable markets.							
PRT - Prime Media	**IN LINE**	0	0	0/0/1	0.08	0.08	1
Prime Media's FY20 results were broadly in line with Morgan Stanley's estimates. The company has indicated the regional TV advertising market remains depressed. The broker notes Prime Media has moved to net cash in the absence of paying a dividend and this should support the valuation somewhat. The bull case, Morgan Stanley contends, depends on industry consolidation.							
PME - PRO Medicus	**BEAT**	1	0	2/0/0	30.42	30.04	2
Morgans saw a "strong" result from Pro Medicus, albeit in line with expectation, while UBS claims a beat. The company has seen relatively minor virus impacts and organic growth from existing customers continues, Morgans points out. A large deal signed in June gives the broker confidence that further delays to new contracts are easing. The pipeline continued to build through covid and the company has plenty of tendering opportunities, notes UBS. Cash flow was strong.							
PGL - Prospa Group	**IN LINE**	0	0	0/2/0	1.17	0.89	2
Prospa Group's FY20 results were in line with a recent trading update. Macquarie's forecasts are largely unchanged and losses are still expected over FY21-23. No financial outlook was provided although the company did indicate costs would fall -20% compared with FY19, and provision for credit losses was lower than anticipated due to higher customer repayments. Management hinted originations were unlikely to return to pre-virus levels in the near-term, leading UBS to expect a materially slower pace of recovery. However, the broker remains confident in an eventual SME market recovery.							
PTB - PTB GROUP	**IN LINE**	0	0	1/0/0	0.77	0.86	1

PTB Group's FY20 $8m profit result met Morgans' expectations. The company managed the difficult trading conditions in the second half by shifting towards engine and parts sales. FY21 guidance is for a profit of between $11m-$13m. The broker continues to forecast a fully franked 5cps total dividend in FY21, but notes in the medium-term dividends may need to be partially franked.							
PWH - PWR Holdings	**BEAT**	0	0	1/0/0	4.70	5.10	1
PWR Holdings' result was slightly above Morgans expectations. The main drivers were British sales -10%, US sales up 14% and Australian dollar sales up 13%. Also a number of cost initiatives assisted earnings along with government assistance in both Australia and the United States. The result was driven by very strong sales growth in Emerging Technologies, up 62%, and original equipment manufacturer (OEM), up 60%. No formal guidance was provided, but management said the outlook for the remainder of FY21 looks positive, with the key unknown of covid. A dividend of 5.9cps was declared, which was lower than the 7.7cps forecast. Morgans remains confident in the medium-term growth outlook, despite a tough second half FY20.							
QAN - Qantas Airways	**IN LINE**	0	1	3/2/1	4.23	4.09	6
Qantas dropped a sly two bill' in FY20, but no one was surprised. Forecasts for FY21 have nevertheless been lowered due to fresh state border closures thanks to premiers Alan Joyce would like to see shot. As to how long they will persist is anyone's guess, quashing prior assumptions of a domestic-led recovery with international borders expected to remain closed for some time. Brokers applaud cost reduction efforts and a now solid balance sheet, and three Buy ratings suggest valuation is not demanding at the price. Amidst the uncertainty, not everyone agrees.							
QBE - QBE Insurance	**IN LINE**	0	0	5/0/1	11.07	11.52	6
QBE Insurance had pre-released its result. A 4c first half dividend was a pleasant surprise given none was expected, but brokers were most relieved by clarity over virus-related claims for which the insurer is amply protected. Momentum continues for the premium rate and the attritional claims ratio, with management optimistic this can continue for more than 12 months. QBE appears well-placed to grow revenue and expand underlying margins, hence five Buys. Stick in the mud Macquarie (Sell) remains concerned that large portions of the group remain non-core to the company's DNA.							
QUB - Qube Holdings	**IN LINE**	0	0	2/2/1	3.05	2.97	5
Qube Holdings' result was largely in line and considered solid under the circumstances, given variability in trade volumes over the half. Conditions have stabilised somewhat from June and many customer categories, such as soft commodities and bulk resources, are experiencing strong demand. The outlook nevertheless remains challenging, and no quantitative guidance was offered. Ord Minnett (Buy) notes diversification does provide some "insulation". Moorebank is expected to be sold by the end of the year, which would crystalise value and turn focus to freight market share and growth in port-rail.							
RHC - Ramsay Health Care	**BEAT**	0	0	3/3/1	68.45	68.67	7
Broker forecasts for Ramsay Healthcare were clearly all over the shop, given a mix of responses, but net of accounting changes it appears the beats won after a -45% drop in earnings. With a forced smile, Ramsay Health Care turned over its services to the government to assist with the virus for no profit while elective surgery was on hold. The French government was more supportive. A recovery is now underway other than in Victoria, but management has highlighted headwinds from higher costs and slower recovery at mental health and rehabilitation facilities. Credit Suisse (Buy) has faith pent-up demand will provide a boost through to FY22, but Morgans (Hold) believes the psychological impact of the pandemic is a misunderstood headwind that is negatively impacting procedural mix, leading to lower margins.							
REA - REA Group	**BEAT**	0	1	1/5/0	101.02	106.63	6
REA Group's result beat expectations on a stronger than expected rebound in listings once restrictions were eased, with volumes up for the second half for both Sydney and Melbourne markets. Such resilience suggests that while re-lockdowns in Melbourne present a clear risk for the start of FY21, volumes should again return once restrictions are relaxed. The company's current focus on operational efficiencies and cost containment sets up the prospect of material margin accretion if resilience post lockdowns proves the case. Ord Minnett downgrades to Hold on valuation.							
RDY - Readytech Holdings	**BEAT**	0	0	1/0/0	2.20	2.40	1

ReadyTech's 30% increase in FY20 earnings beat Macquarie by 3%. FY21 guidance is for mid-teens percentage revenue growth. The fact the company has provided quantitative guidance reflects a high degree of revenue visibility from its largely subscription-based business, the broker notes, and insights into its customer base. Macquarie believes the stock should re-rate as it continues to deliver against its growth strategy, including winning larger value clients.							
RKN - Reckon	**BEAT**	0	0	0/1/0	0.76	0.76	1
Reckon's first half results were ahead of Morgan Stanley's estimates. The broker saw a resilient trading performance and firm cash conversion. The merger with Zebraworks is considered a catalyst for earnings and risk mitigation. Significant virus impact for onsite deployment of APS solutions is continuing into the second half, while the joint venture will need additional investment and Morgan Stanley expects it to remain unproven through FY21, but Equal-weight retained.							
RBL - Redbubble	**BEAT**	1	0	1/0/0	0.54	4.33	1
Morgans bypasses a Hold rating and gives a double increase in rating for Redbubble to Add from Reduce. The broker highlights momentum is strong and growth rates since the end of FY20 have accelerated beyond an already impressive final quarter. Additionally, the business model should provide a fair degree of leverage, is capital light and considered in the right place at the right time. The only incremental information from a pre-announced result was August trading had continued a similar trend to July (up 132%). This, rather than the actual result, informs a "beat", as does a big target price increase.							
RDC - Redcape Hotel	**BEAT**	0	0	1/0/0	0.92	1.08	1
Redcape Hotel Group's FY20 results beat expectations. Ord Minnett welcomes the quality result, considering significant levels of disruption were experienced because of the pandemic. Asset revaluations were modest and only a marginal decline in net asset value was noted. This demonstrates the resilience of the business, in the broker's opinion.							
REH - Reece	**BEAT**	0	0	0/1/1	8.92	9.20	2
Reece has a habit of outperforming and FY20 was no exception, boosted by strong sales as householders redecorated their prisons. A dividend was declared when none was expected. Debt is now reduced because of a capital raising and lower working capital, which puts the company in a position to withstand the tough conditions. But the redecoration spree is expected to wane and give way to falling house prices and a collapse in migration, curbing apartment demand. Citi downgrades to Sell.							
REG - Regis Healthcare	**IN LINE**	0	0	0/3/1	1.66	1.27	4
Given the current state of aged care, brokers seemed non-plussed about Regis Healthcare's loss and whether it beat or missed. It was just bad, as expected. Nothing much is expected to change in the first half FY21. Uncertainties abound with regard the ongoing Victorian lockdown, the level of government support versus costs, Royal Commission outcomes, and how many Australians will from now steer well clear of residential aged care in any form. Two Holds suggests a cheap looking share price is not going anywhere in the absence of a solution to the sector's predicament.							
RRL - Regis Resources	**IN LINE**	0	0	2/2/2	5.55	5.52	6
Regis Resources' operational result was in line although cash flows were weaker than expected. Reserves and resources fell as expected due to mine depletion. The miner has nevertheless made a considerable step forward in increasing reserve potential through acquisitions of new tenements and deposits and stepping up underground intensity. Duketon evaluation and McPhillamys approval are offering key catalysts in FY21. A maiden resource/reserve at Garden Well underground is expected this year. Regis Resources does not enjoy as much leverage to the gold price as peers and brokers are in disagreement about current valuation.							
RWC - Reliance Worldwide	**BEAT**	0	0	4/2/0	3.31	3.72	6
Reliance Worldwide's result smashed all forecasts, driven by good execution and a focus on core opportunities, with further cost efficiencies to come, leading to better than expected margins and revenue growth in the US. No earnings guidance was provided due to ongoing uncertainty, but the company notes robust activity in the US and EMEA for July and August. The deferred first half dividend will be paid in October along with the final dividend. Despite a big share price response, Macquarie retains Buy, noting the rally followed very low expectations. The market environment is uncertain, but a comparatively defensive exposure to repair activity should stand the company in good stead if construction activity continues.							
RAP - Resapp Health	**IN LINE**	0	0	1/0/0	0.24	0.24	1

The FY20 result for ResApp Health was in-line with Morgans forecasts, excluding performance shares expenses for the handheld and wearable device development. The company closed the period with $5.8m in cash and no debt. Morgans continues to suppress expectations for the potential value of the company's SleepCheck product and ResApp-DX verticals outside of TeleHealth, noting their early nature and a number of commercial questions still to be answered.							
RMD - Resmed	**BEAT**	0	1	1/4/2	24.73	24.96	7
The share price might have tumbled on the day but ResMed's result beat more brokers than otherwise on significant ventilator sales, gross margin expansion and lower operating expenses driving strong operating leverage, offsetting a loss in core sleep product sales due to lockdowns. Ventilator sales are expected to ease back in the first half FY21 but the company has increased its investment in out-of-hospital platforms which means it can benefit from any behavioural shift post the pandemic. Potentially, there is greater demand for home health care. Valuation and near versus longer term views inform divergent ratings.							
RSG - Resolute Mining	**MISS**	0	0	2/0/0	1.65	1.63	2
Resolute Mining's FY20 profit was below Macquarie's estimate, while cash flows were better than expected. FY21 production and cost guidance is unchanged. Syama Sulphides' recent momentum is adding confidence to the broker's longer term expectations. Continued incremental improvement is nevertheless required over the second half to meet the broker's forecasts. A life-of-mine update is expected during the period.							
RHP - Rhipe	**BEAT**	0	0	1/0/0	2.45	2.35	1
Solid cost control led Rhipe to a beat of Ord Minnett's forecast, and a 2c dividend was declared. The company saw a sharp reduction in its licensing margins over FY20 as a result of lower Microsoft incentives and the changing product mix. The broker expects current margins to stabilise in the short term, and maintains a positive outlook on the growth in the business, particularly across the Cloud Solution Provider program and the Japan joint venture.							
RIO - Rio Tinto	**BEAT**	0	1	2/4/1	101.93	101.92	7
Rio Tinto's result beat all comers. Not all brokers were thrilled with the dividend, despite it being in line with historical payout ratios. Persistent strength in iron ore had some expecting more, and Morgans had assumed an additional special and downgrades to Hold. Copper and aluminium, while weak, beat expectations, and copper has since seen a price recovery. Copper and iron ore should lead to more strong numbers ahead, although the risk is earnings are concentrated in these two divisions. Management is determined to push ahead with Simandou, and is looking into Jadar lithium. Brokers are split on ratings, and the target range is wide.							
RFF - Rural Funds Group	**IN LINE**	0	1	0/1/0	2.30	2.35	1
Rural Funds Group's FY20 result was devoid of any impact from covid with earnings up 3%. Dividend guidance for FY21 is for 4% growth with earnings down -13% year on year due to an increased capital expenditure profile on long-dated projects such as Macadamias. UBS downgrades its rating to Neutral from Buy on valuation.							
SFR - Sandfire	**BEAT**	0	0	3/4/0	5.55	5.38	7
Beats slightly outweighed misses for Sandfire Resources but it does come down to which metric brokers single out. The dividend definitely did beat expectations. What's left of DeGrussa's mine life offers clear cash flow visibility and the company is carrying a load of cash ready for investment in new developments. Such investment nonetheless puts the future dividend payout at risk, and brokers are not overly sure of the economics of the company's growth projects at this stage and their timing. Progress on the Black Butte project in the US and the T3 project in Botswana is critical, with updates expected in coming months. Positive ratings nevertheless suggest the risk is well priced.							
STO - Santos	**IN LINE**	0	0	5/1/0	6.44	6.61	6
Santos' result equally beat, met and missed forecasts. A highlight was solid first half free cash flow, which the company will use to de-leverage after multiple accretive acquisitions in recent years. Santos continues to benefit from low spot LNG exposure, with around 90% sold into medium and long-term contracts. A sour share price reaction likely reflected a drop in dividend payout ratio. Citi (Buy) notes Santos has the greatest potential earnings growth and return on investment capital given its projects can deliver in a sub-US$50/bbl oil environment and a strong balance sheet to fund capital expenditure.							
SAR - Saracen Mineral	**IN LINE**	0	0	1/2/1	5.57	5.53	5

<table>
<tr><td colspan="8">Saracen Mineral Holdings' result was in line with pre-released numbers. All focus is on the company's new dividend policy, which precludes any dividend until cash reaches $150m, and thereafter a payout of 20-40% of profit. This is due to Saracen forking out for its share of the Super Pit and suggests no dividend in FY21, but potentially returning in FY22. The Super Pit provides future growth on the one hand but near term cost on the other, which leads brokers to be split on their views.</td></tr>
<tr><td>SCG - Scentre Group</td><td>MISS</td><td>0</td><td>0</td><td>2/3/1</td><td>2.40</td><td>2.34</td><td>6</td></tr>
<tr><td colspan="8">Scentre Group's -45% drop in funds from operations was worse than feared, due to higher than expected rent waivers and provisions, although brokers note it was a difficult one to forecast. No dividend declared, no guidance offered. Morgan Stanley (Buy) is positive despite gearing being a concern. The broker believes the REIT's asset locations, exposure to the population and long term value potential suggest upside. Credit Suisse (Buy) believes the company can reposition its portfolio to adapt to changing consumer preferences/market conditions. On possible asset sales or equity raising to combat the debt issue, Citi retains Sell.</td></tr>
<tr><td>SLK - Sealink Travel</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>5.14</td><td>5.73</td><td>2</td></tr>
<tr><td colspan="8">Sealink Travel's FY20 results were ahead of forecasts. Ord Minnett notes the business is transforming into a utility/infrastructure-style company with defensive qualities and growth options. The UK bus business acquired in mid-January has potential to drive a significant re-rating in FY21. Several potential catalysts are envisaged going forward. Exposure to defensive assets expected to benefit from the eventual recovery underpins Macquarie's rating.</td></tr>
<tr><td>SEK - Seek Ltd</td><td>MISS</td><td>1</td><td>1</td><td>3/3/0</td><td>21.63</td><td>20.68</td><td>6</td></tr>
<tr><td colspan="8">Seek reported in line with recently updated guidance but while no formal FY21 guidance was offered, brokers were taken aback by the weakness of management's near term outlook, hence a "miss". While volumes have improved since April/May, clearly the job ad market is lacking the recovery of internet peers in real estate and motor vehicles, thus brokers have taken the hatchet to earnings forecasts. Yet longer term positive views lead to little change in target and positively leaning ratings. Ord Minnett (downgrade to Hold) is upbeat on China from FY22 onwards and believes the company's recovery will be led by its Zhaopin division. The large end markets the company is attempting to dominate appeals to Morgans (upgrade to Hold).</td></tr>
<tr><td>SXY - Senex Energy</td><td>BEAT</td><td>0</td><td>0</td><td>6/0/0</td><td>0.40</td><td>0.38</td><td>6</td></tr>
<tr><td colspan="8">A result at the top end of only recently revised guidance is enough to call Senex Energy's performance a beat. Production growth combined with cost savings is expected to generate strong cash flow and a reduction in debt over the next two years. With FY21 set to be a transition year, Macquarie suggests focus should be on FY22, with Surat's growth trajectory to that point remaining intact as production rises. Peak debt will be seen in FY21 but by end-FY22 the energy producer is expected to be net cash, allowing for a maiden dividend. In the face of a weak oil price environment, six from six Buys tell the tale.</td></tr>
<tr><td>SRV - Servcorp</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>3.80</td><td>4.00</td><td>1</td></tr>
<tr><td colspan="8">Servcorp declared a better than expected result and outlook, suggests UBS, despite a challenging market backdrop. The broker expects FY21 will also be a challenging year and expects profit down -72% before a recovery in FY22. While UBS highlights uncertainty around potential structural changes to demand (occupancy rates & pricing) for physical office space post-covid, valuation is seen as undemanding.</td></tr>
<tr><td>SSM - Service Stream</td><td>MISS</td><td>0</td><td>0</td><td>2/0/0</td><td>2.77</td><td>2.64</td><td>2</td></tr>
<tr><td colspan="8">Service Stream's FY20 result was in line with Ord Minnett but missed Macquarie. Virus-related headwinds were present in the second half but did not appear to escalate through June, Ord Minnett notes. The FY21 outlook, while measured, demonstrates resilience. The company did not receive JobKeeper or other assistance packages. Given these challenges, Macquarie considers the unaided performance proves the company's resilience and defensive strength. Qualitative guidance was provided rather than quantitative. Earnings will be dependent on work volumes and resumption of delayed work. Macquarie sees a skew to the second half in FY21.</td></tr>
<tr><td>SVW - Seven Group</td><td>BEAT</td><td>0</td><td>0</td><td>3/1/0</td><td>18.66</td><td>20.85</td><td>4</td></tr>
<tr><td colspan="8">Seven Group's earnings and revenue beat forecasts thanks to a standout result from WesTrac and a solid result from Coates under the circumstances. Credit Suisse (Buy) points out the result met FY20 guidance provided with the FY19 result, which was later withdrawn due to the virus, ahead of collapsing oil and coal prices, disruption to construction and a plunge in advertising for the media business. So not bad. Looking ahead, energy continues to provide a headwind and Coates will struggle in Victoria, and more generally with a lack of events and delays in infrastructure builds. Macquarie (Buy) sees quality exposure to resources and infrastructure and an attractive valuation. Credit Suisse (Buy) expects double-digit earnings growth over the next three years.</td></tr>
<tr><td>SWM - Seven West Media</td><td>MISS</td><td>0</td><td>0</td><td>2/2/0</td><td>0.21</td><td>0.16</td><td>5</td></tr>
</table>

<table>
<tr><td colspan="8">Seven West Media clearly missed forecasts. Challenges remain, both cyclical (sharply lower TV advertising market) and structural (falling print and TV audiences) and gearing amplifies risk. That said, Ord Minnett (Buy) suggests Seven West Media has done a "remarkable" job with its video-on-demand strategy, although much still needs to be done. Macquarie (Buy) notes the company has executed on a number of asset sales to reduce the debt burden. UBS (Hold) believes the biggest catalyst for the company, apart from a turnaround in the ad market, remains potential asset sales in order to de-gear.</td></tr>
<tr><td>SZL - Sezzle Inc</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>9.00</td><td>11.80</td><td>1</td></tr>
<tr><td colspan="8">Sezzle’s first half 2020 result showed strong numbers and low bad debts. Ord Minnett views 2020 guidance as conservative. The broker highlights net transaction losses of 0.7% are low and reflect a lower risk profile to the underlying product along with a strong internal credit function.</td></tr>
<tr><td>SGF - SG Fleet</td><td>BEAT</td><td>1</td><td>0</td><td>1/1/0</td><td>1.93</td><td>1.96</td><td>2</td></tr>
<tr><td colspan="8">SG Fleet's result met Morgan Stanley but well exceeded Macquarie, who upgrades to Buy. Trading improved in June and has continued into the first half of FY21, along with better than expected novated leads, but no guidance was offered. While the outlook appears to be improving, there remains uncertainty surrounding the lockdowns, putting earnings at risk as the company is more leveraged to the macro backdrop than peers.</td></tr>
<tr><td>SSG - Shaver Shop</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.92</td><td>1.26</td><td>1</td></tr>
<tr><td colspan="8">Ord Minnett found Shaver Shop's growth exceptional in FY20 in the face of lockdowns, through which the need for grooming was minimised. While there is an element of demand being pulled forward, the broker is confident of continued growth as the closure of beauty clinics/hair salons drives the purchase of at-home grooming solutions. There is also the matter of a structural acceleration in the trend to online, which for Shaver Shop is already strong.</td></tr>
<tr><td>SHJ - Shine Justice</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.23</td><td>1.44</td><td>1</td></tr>
<tr><td colspan="8">Shine Justice reported a solid FY20 result, ahead of Morgans' forecasts across most measures. Earnings exceeded growth guidance by around 10%. The broker upgrades earnings expectations as the company forecasts growth in FY21 to be in the high single-digit range. Litigation has traditionally been a defensive business, says the broker, with the strong result in pandemic times seen as evidence. The final dividend of 2.75cps was ahead of forecast.</td></tr>
<tr><td>SCP - Shopping Centres Aus</td><td>IN LINE</td><td>0</td><td>0</td><td>1/4/1</td><td>2.27</td><td>2.29</td><td>6</td></tr>
<tr><td colspan="8">Shopping Centres Australasia reported largely in line with forecasts, with the result impacted by additional cleaning, rent waivers and provisions. It was a relatively resilient performance nonetheless, with supermarket tenants offsetting discretionary retail and highlighting defensiveness. The dividend represented a 99% payout ratio thanks to an under-geared balance sheet. No guidance provided, given ongoing risk from Victoria's re-lockdowns, along with lower management fees and exposure to a stake in Charter Hall Retail REIT. Morgan Stanley (Buy) sees value nonetheless, while Citi (Sell) highlights ongoing retail risk.</td></tr>
<tr><td>SLR - Silver Lake Resources</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.60</td><td>2.60</td><td>1</td></tr>
<tr><td colspan="8">Silver Lake Resources' FY20 result met Macquarie's forecasts on an operational level while a $124m tax windfall boosted net profit after tax. The company's debt-free balance sheet continued to strengthen, and group reserves grew year on year by 37%, inclusive of mine depletion. The broker raises earnings forecasts in FY22-23. The strong operational performance will continue to strengthen the company's capital positions as reserves continue to grow.</td></tr>
<tr><td>SGM - Sims</td><td>BEAT</td><td>1</td><td>0</td><td>3/3/0</td><td>8.82</td><td>9.23</td><td>6</td></tr>
<tr><td colspan="8">Sims did not lose as much in FY20 as most, but not all, had feared. No dividend was declared. The good news involves signs of improvement in July, such that management believes a cash balance low has been seen, but a low cash balance leaves the company vulnerable to any further trade disputes or geopolitical tensions freezing scrap markets. Macquarie (upgrade to Buy) is impressed by how the group managed to reduce its costs while winning four important contracts in FY20 and another three for FY21. Morgan Stanley (Hold) believes the worst has passed for the company, but finds it difficult to have conviction on earnings in the short term.</td></tr>
<tr><td>SKC - SKYCITY ENTERTAINMENT</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>0.00</td><td>0.00</td><td>3</td></tr>
<tr><td colspan="8">Skycity Entertainment's FY20 earnings were down -38% but within guidance. The share price has recovered quickly from its lows in late March amid successful control of the pandemic in New Zealand and Australia, but UBS (Hold) believes it is too early to incorporate earnings that are materially above pre-pandemic levels until the second half of FY22. A recent capital raising has alleviated leverage concerns and cash flow should improve from FY22. The company intends to resume dividends with a final in FY21. Adelaide has reopened and is trading ahead of management's expectations. There is also strong momentum evident in online registrations.</td></tr>
</table>

<table>
<tr><td>SIQ - Smartgroup</td><td>IN LINE</td><td>0</td><td>1</td><td>2/3/0</td><td>7.01</td><td>6.93</td><td>5</td></tr>
<tr><td colspan="8">Smartgroup Corp reported in line with recent guidance. Novated lease volumes showed further recovery into June/July, but not to the same extent as competitors, Morgans (downgrade to Hold) notes. A relatively low organic growth profile suggests capital will likely need to be deployed into M&A for growth. Yields are lower but the drivers are mostly cyclical, and salary packaging and novated leasing are proving resilient. Credit Suisse (Buy) believes the stock offers a high-quality, cheap exposure to a post-pandemic recovery.</td></tr>
<tr><td>SOM - Somnomed</td><td>BEAT</td><td>1</td><td>0</td><td>1/0/0</td><td>1.33</td><td>2.02</td><td>1</td></tr>
<tr><td colspan="8">SomnoMed posted an impressive result according to Morgans, considering the impact the virus was supposed to have on the business. Strict cost containment and government assistance provided the offset. The broker is willing to back a recovery over the medium-term, with revenues returning to pre-covid levels by FY22. Despite lockdowns in many of the jurisdictions, North American sales were up 3%, although Europe was down -6% and Asia Pacific was down -6%. Morgans highlights a number of positives including a strong thematic of sleep, a solid underlying business with a wide distribution network, net cash with minimal debt and quality market leading products and new product launches due shortly. An upgrade to add follows.</td></tr>
<tr><td>SHL - Sonic Healthcare</td><td>BEAT</td><td>0</td><td>1</td><td>2/4/1</td><td>31.23</td><td>33.85</td><td>7</td></tr>
<tr><td colspan="8">The capacity to provide virus testing saved the day for Sonic Healthcare given core radiology and pathology businesses fell victim. The company posted a beat of guidance updated in June. Management provided no second half guidance due to virus unpredictability, but pointed out that revenue growth was up circa 5% year on year in July across the majority of divisions. Virus testing is expected to continue to grow in the September quarter before tailing off thereafter. Despite positive signs, uncertainty is still the case and reflected in a split of ratings.</td></tr>
<tr><td>S32 - South32</td><td>IN LINE</td><td>0</td><td>0</td><td>6/0/1</td><td>2.53</td><td>2.59</td><td>7</td></tr>
<tr><td colspan="8">It appears South32's result beat "consensus" but was otherwise in line with FNArena database brokers, after a tough year for metal prices. A strong cash balance was the highlight, yet the buyback remains suspended until a rethink in September and a 1c dividend is considered "token". While brokers are not happy about this, valuation is undemanding and an exit from the South Africa Energy Coal business is the key catalyst over the next year or so, albeit subject to timing/pricing risk. Macquarie (Sell) is the dissenter, pointing to what it sees as material downside risk from metal spot prices.</td></tr>
<tr><td>SXL - Southern Cross Media</td><td>IN LINE</td><td>0</td><td>0</td><td>1/1/1</td><td>0.17</td><td>0.17</td><td>3</td></tr>
<tr><td colspan="8">An underlying earnings plunge of -41% for Southern Cross Media was as expected. Macquarie (Hold) saw a reasonable result, supported by cost controls and regional diversity amidst a virus-impacted ad market. Morgan Stanley (Sell) notes the company is dependent on a recovery in both the broader market and Australian radio advertising and suspects the latter may never return to pre-pandemic levels. UBS agrees there is a long way to go, but retains Buy.</td></tr>
<tr><td>SKI - Spark Infrastructure</td><td>BEAT</td><td>0</td><td>0</td><td>2/4/0</td><td>2.19</td><td>2.29</td><td>6</td></tr>
<tr><td colspan="8">Spark Infrastructure's result was ahead of most forecasts. The earnings result was somewhat overshadowed by a high one-off cash tax bill, but full year guidance implies a yield of 6.1% which appears attractive, although dividends have continued to fall as lower interest rates affect regulated returns. Despite a strong growth outlook, Spark Infrastructure has to balance capital returns with debt management, but can fund its equity share of capex over 2021-24 with its operating cash flow. Macquarie (Buy) believes current momentum offsets the risk associated with the company moving into renewables.</td></tr>
<tr><td>SPK - Spark New Zealand</td><td>IN LINE</td><td>0</td><td>0</td><td>0/3/0</td><td>0.00</td><td>0.00</td><td>3</td></tr>
<tr><td colspan="8">Spark New Zealand's result met forecasts and guidance. Full year earnings rose 23% and an NZ25c dividend was declared, despite the virus impacting on high margin roaming revenue, retail stores, overage fees and sport revenue, Macquarie notes. FY21 guidance is for flat earnings on FY20, inclusive of an estimated NZ$75m of ongoing virus impact, and for a dividend of NZ23-25c, which Credit Suisse believes suggests conservatism in the current environment. Headroom for an A-credit rating is less than UBS previously believed.</td></tr>
<tr><td>SBM - St Barbara</td><td>MISS</td><td>0</td><td>0</td><td>3/1/1</td><td>3.59</td><td>3.67</td><td>5</td></tr>
<tr><td colspan="8">St Barbara missed on the profit line due to increased D&A and corporate costs. There was no change in reserves, with depletion across all operations confirmed. FY21 thus becomes an important year for the gold miner, with a final investment decision pending for Simberi sulphides, an updated development outlook for Atlantic now complete and a "new normal" for Gwalia to be established. While three brokers see these key catalysts as offering opportunity ahead, Macquarie (Sell) sees an uncertain path.</td></tr>
</table>

<table>
<tr><td>SGR - Star Entertainment</td><td>BEAT</td><td>2</td><td>0</td><td>6/1/0</td><td>3.43</td><td>3.58</td><td>7</td></tr>
<tr><td colspan="8">Brokers feared the worst but in the end Star Entertainment surprised to the upside thanks to excellent cost control and good customer management reducing cash burn. Macquarie notes there is a high level of demand that cannot be matched by supply because of the impact of social distancing but remains cautious about extrapolating any trends, while reinstated restrictions in Sydney are slowing recovery timing. Planned asset sales and further cost-outs, along with no dividend, underscore a focus on balance sheet improvement. Only Morgan Stanley (Hold) is not looking ahead to better days just yet.</td></tr>
<tr><td>SPL - Starpharma</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>1.75</td><td>1.75</td><td>1</td></tr>
<tr><td colspan="8">Starpharma's FY20 net profit was below Macquarie's expectations because of lower VivaGel and royalty revenue. The timing of the US approval of VivaGel is uncertain although the roll-out is progressing. Macquarie observes the pandemic has affected progress in key products and clinical trials that are crucial to near-term earnings and cash flow. A coronavirus antiviral remains a potential catalyst.</td></tr>
<tr><td>SDF - Steadfast Group</td><td>IN LINE</td><td>0</td><td>0</td><td>5/0/0</td><td>3.92</td><td>3.96</td><td>5</td></tr>
<tr><td colspan="8">Steadfast Group's result came in at the top end of guidance. The company has made $70m worth of acquisitions in recent months and on Credit Suisse' calculations there appears to be headroom for a further $100m in cash-funded acquisitions. Ongoing IT investment is setting the company up for future growth and will assist with further acquisitions. Management is still guiding for 5-10% earnings growth in FY21, one third of which Ord Minnett estimates is organic, which the broker considers quite reasonable in a tough environment. Citi welcomes a return to providing guidance and believes this should be enough to drive outperformance in the stock.</td></tr>
<tr><td>SGP - Stockland</td><td>BEAT</td><td>0</td><td>1</td><td>1/5/0</td><td>3.68</td><td>3.93</td><td>6</td></tr>
<tr><td colspan="8">Stockland's result beat forecasts and highlighted the impact of recent government stimulus in the new housing market. Residential, particularly master-planned communities, appears to be an area of strength within the real estate sector. The improving residential outlook is encouraging and Stockland's retail portfolio has been less affected than some peers. The balance sheet is in good shape, but further retail devaluations are expected. No guidance offered. Gearing levels were helped by residential strength and asset sales and UBS (Hold) expects this to fall more, ensuring distributions return to the 75%- 85% payout range. Credit Suisse downgrades to Hold on valuation.</td></tr>
<tr><td>SUN - Suncorp</td><td>BEAT</td><td>2</td><td>0</td><td>2/4/0</td><td>9.57</td><td>10.43</td><td>6</td></tr>
<tr><td colspan="8">Suncorp beat forecasts on better than expected margins, although all brokers warn the story for FY21 will be about margin pressure. The benefits of the company’s significant reinsurance protection were highlighted by natural hazards being in-line with allowances, despite significant events (eg bushfires). The bank's half net interest margin bucked the trend in rising slightly. That said, Macquarie (Hold) notes the beat was driven by low quality market trading income, as well as a lack of bad weather in NZ along with lockdowns. Australian underwriting was weaker than expected. Credit Suisse upgrades to Hold, admitting its forecast was too weak, while UBS (Buy) looks forward to margin improvement post virus.</td></tr>
<tr><td>SUL - Super Retail</td><td>BEAT</td><td>0</td><td>0</td><td>6/1/0</td><td>9.93</td><td>11.14</td><td>7</td></tr>
<tr><td colspan="8">While Super Retail's result was in line with recent guidance, it still managed to beat net broker forecasts thanks to a strong rebound out of lockdown depths for Super Cheap Auto and Rebel. Stores were able to remain open (except in NZ) and the company required little support from wage subsidies or rent relief. Management responded quickly to the situation, both in preserving liquidity and keeping stores open with click-and-collect to meet online demand for stay-at-home categories. A strong balance sheet post-raising will support inventory rebuild and market share gains. Brokers believe the demand for the company's products can remain robust, being a mass-market retailer with direct leverage to a couple of strong virus trends that will not immediately vanish post crisis.</td></tr>
<tr><td>SLC - Superloop</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>1.16</td><td>1.27</td><td>3</td></tr>
<tr><td colspan="8">Superloop's result met recent guidance. With the network now completed, some of the leverage from the fibre assets is starting to be realised as utilisation increases. Two key highlights are new annualised fibre sales growth and the underlying earnings trajectory in the business. No guidance was provided but Morgans (Add) calculates the company starts FY21 with around 45% year on year earnings growth already locked in. Morgan Stanley (Hold) warns the balance sheet is stretched.</td></tr>
<tr><td>SYD - Sydney Airport</td><td>IN LINE</td><td>2</td><td>0</td><td>3/3/1</td><td>6.13</td><td>5.75</td><td>7</td></tr>
</table>

<table>
<tr><td colspan="8">Sydney Airport's results equally beat and missed estimates in what was basically a guessing game in the circumstances. No dividend was declared as expected, and Morgans (Buy) for one does not envisage one until 2023 while UBS (Buy) suggests second half 2021. All agree Sydney Airport is a quality asset that will enjoy a swift recovery as soon as travel restrictions are lifted, but as to when that might be is completely unknown. That uncertainty is reflected in the company's decision to implement a dilutive capital raising that will keep the debtors from the door in the mean time. And it is reflected in a mix of ratings, with two upgrades to Hold.</td></tr>
<tr><td>TAH - Tabcorp Holdings</td><td>BEAT</td><td>1</td><td>0</td><td>2/4/1</td><td>3.58</td><td>3.84</td><td>7</td></tr>
<tr><td colspan="8">Tabcorp pre-released its result earlier this month which was considered a beat, reflecting better than expected racing results and strong lottery ticket sales. The company has written down the value of wagering, media & gaming services due to the impact of the pandemic, a possible acceleration in the retail contraction and competitive intensity in the wagering market. It has also announced a capital raising and lowered its payout ratio for when dividends resume, alleviating its debt issue. Macquarie downgraded to Hold on the initial release. Credit Suisse has upgraded to Buy.</td></tr>
<tr><td>TGR - Tassal Group</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>4.63</td><td>4.57</td><td>2</td></tr>
<tr><td colspan="8">Tassal Group's result met UBS but slightly beat Credit Suisse. The virus led to a 27% increase in retail sales offsetting a -25% drop in wholesale. Similar trends are likely to prevail in FY21, with UBS expecting an uptick in prawn sales. Credit Suisse considers the company has a good mix of growth options and valuation is seen as attractive. UBS notes free cash flow has improved post raising, resolving one negative.</td></tr>
<tr><td>TLS - Telstra Corp</td><td>MISS</td><td>0</td><td>2</td><td>3/2/1</td><td>3.79</td><td>3.45</td><td>6</td></tr>
<tr><td colspan="8">Telstra's result goes down as a miss as while FY20 numbers met forecasts, FY21 guidance is a big disappointment and may put the dividend at risk. Looking ahead, NBN payments run out in FY23. Trends for the mobile division turned out weaker than expected and were impacted by no overseas travel, while the virus also impacted on cost-out plans while other operational issues were problematic. The absolute focus is on the dividend, and what Telstra can do to support it. Buy raters have some optimism at current valuation, but Morgans and Ord Minnett downgrade to Hold and Morgan Stanley retains Sell.</td></tr>
<tr><td>TPW - Temple & Webster</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>6.70</td><td>8.80</td><td>1</td></tr>
<tr><td colspan="8">Temple & Webster's FY20 revenue and earnings were in line with expectations. Trends remain supportive and Macquarie notes category tailwinds continue. Furniture and homewares have been big lockdown winners as homeowners despair of their tired old interiors. Macquarie believes investors understand current growth rates will not continue for an extended period, but the company's cash balance provides options for M&A and other opportunities.</td></tr>
<tr><td>TRS - The Reject Shop</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>10.06</td><td>10.07</td><td>2</td></tr>
<tr><td colspan="8">The Reject Shop reported in line. A reduced inventory burden has unlocked efficiency gains across the business, demonstrated by a reduction in store labour costs. Morgan Stanley believes the market will be focused on a very strong balance sheet, an easing of virus-driven demand in early FY21, and the operational outlook (in lieu of no guidance). Seems the market focused on the middle one. More savings are achievable in store and throughout the supply chain, Ord Minnett suggests, while rental renegotiations have potential for additional gains.</td></tr>
<tr><td>TPG - TPG Telecom</td><td>IN LINE</td><td>2</td><td>1</td><td>3/2/1</td><td>8.49</td><td>8.34</td><td>6</td></tr>
<tr><td colspan="8">Given the merger with Vodafone was completed only four days before the end of the interim period, brokers agree TPG Telecom's result was messy -- in line, but mixed. The company flagged a number of headwinds that impacted profitability in the half including Vodafone revenue and margins declines due to lower handset sales, lower subscribers and reduced roaming charges. TPG Corporation saw lower margins because of the ongoing transition to the NBN. Broker responses are also messy, given ratings changes in both directions and a resultant split of ratings. Macquarie upgrades to Buy on a reduction in capex, along with solid execution on fixed line, and recent share price weakness. UBS (Sell) expects a further virus impact in the first half, likely to increase in the second half.</td></tr>
<tr><td>TCL - Transurban Group</td><td>MISS</td><td>1</td><td>0</td><td>3/2/2</td><td>13.73</td><td>14.31</td><td>7</td></tr>
<tr><td colspan="8">Try this quick quiz: When will Australia's (and US) lockdowns finally end? No idea? Broker's have no idea either, as is evidenced in a split of ratings for Transurban. The result missed most forecasts but forecasting was mostly a guess. The company has paid a dividend but can't put a number on the next dividend, with Melbourne currently the major stumbling block. Brokers agree that if lockdowns do end, traffic should bounce back swiftly. But when?</td></tr>
<tr><td>TWE - Treasury Wine Estates</td><td>IN LINE</td><td>1</td><td>0</td><td>2/3/1</td><td>11.39</td><td>12.98</td><td>6</td></tr>
</table>

Treasury Wine Estates result was in line with recently updated guidance. The market was thrilled by news Chinese sales are improving, but while brokers agree this is a positive, they are far more circumspect about FY21 and beyond. The Americas remain tough hence a plan is to halve the size of the Americas volume and exit lower-margin commercial wines. Higher grape costs are expected to hurt for longer than just FY21 and the company still needs to trade through the short-term disruptions. Yet, positive signs in Asia are sufficient for Macquarie to upgrade to Buy, while Ord Minnett (Sell) warns the shape of the recovery may be uneven and customs issues could re-emerge.							
TYR - Tyro Payments	**MISS**	0	0	2/0/1	3.60	3.48	3
Tyro Payments posted a miss against forecasts, with revenues impacted by lower merchant services fee margins. Management highlighted the importance of JobKeeper for the company, but Ord Minnett (Accumulate) believes the business is well placed to execute on its merchant acquisition strategy. Morgan Stanley (Buy) remains positive about the business, although expects transaction value over the short term will be sharply lower because of the negative impact of the lock-down, particularly in hospitality/retail. Macquarie (Sell) is unconvinced.							
UWL - Uniti Group	**IN LINE**	0	0	1/0/0	2.06	2.03	1
Uniti Group's FY20 underlying operating earnings were in line with expectations. Regulatory changes have delivered positive vertical integration, Ord Minnett observes. The stand-out contributors were Fuzenet, 1300 Australia and Fonedynamics. Uncertainty continues in the broad-acre and multi-dwelling unit housing market so the broker tapers the rate of broadband activation growth in FY21, while retaining Buy.							
VCX - Vicinity Centres	**MISS**	0	0	1/4/1	1.56	1.46	6
Vicinity Centre's -24% drop in earnings met some forecasts but seriously missed others, despite the REIT managing to offset a portion of income reduction with lower overheads and interest expense savings, underscoring the uncertainty provided by the virus. The outlook remains challenging at best, and a prolonged recovery for assets exposed to international visitors/CBD shoppers, and Melbourne in particular, is expected. No guidance was offered.							
VOL - Victory Offices	**BEAT**	0	0	1/0/0	0.86	0.71	1
Victory Offices' FY20 net profit was ahead of Ord Minnett's estimates. No explicit guidance was provided, but the company did note 15 Victorian locations were closed for the duration of the second lockdown. Nevertheless, management is "cautiously optimistic" regarding a steady increase in occupancy from October onwards. Ord Minnett, too, continues to believe the industry can benefit from the demand for greater workplace flexibility. Still, this is a high-risk proposition and the broker maintains a Speculative Buy rating.							
VRL - Village Roadshow	**IN LINE**	0	0	0/1/0	3.16	2.20	1
If ever there were a company to be hit hard by the virus, Village Roadshow was it. Improvements in the first half were more than offset by the forced closure of theme parks and cinemas in the fourth quarter. The result is academic, as Ord Minnett does not envisage a huge improvement in circumstances any time soon hence recommends holders take advantage of market valuation underpinned by the BGH takeover offer.							
VRT - Virtus Health	**MISS**	0	0	2/1/0	3.64	3.64	3
A mixed and virus-impacted result from Virtus Health fell short of consensus forecasts. No dividend was declared as expected, but the deferred interim will now be paid. Despite the miss, UBS (Buy) perceives a turnaround opportunity for investors, seeing scope for an acceleration in revenues and improved profitability as the company optimises domestic and international assets and deleverages the balance sheet. Morgans (Buy) likes the company's solid operating cash flow, the reasonable position of the balance sheet and believes pent up demand is likely to continue for some time.							
VEA - Viva Energy Group	**IN LINE**	0	1	3/2/0	2.08	2.10	5
Viva Energy had pre-released its numbers so the focus was on $530m worth of capital management via a special dividend and share consolidation (reduced count). This move should support valuation in the near term. Brokers otherwise agree the outlook for refining margins remains uncertain and margins fell short of guidance in FY20. On the positive side, catalysts going forward include clarity on the Geelong energy hub and the prospect of an update on government discussions to store more refined product in Australia. Morgans downgrades to Hold on recent share price strength, which doesn't appear to have deterred other brokers.							
VVA - Viva Leisure	**BEAT**	0	0	1/0/0	4.00	4.25	1

Ord Minnett believes Viva Leisure's business is well-positioned for growth heading into FY21. FY20 results beat forecasts with the most pleasing aspect being the more than 95% retention of members and the re-engagement of members in terms of visits in July. The broker retains a high conviction Buy rating, believing the quality of management has been reinforced throughout the crisis. The business remains the dominant consolidator in a highly fragmented fitness industry.							
VOC - Vocus Group	IN LINE	0	0	3/3/0	3.53	3.48	6
Vocus Group reported in line with guidance. Much stronger free cash flow was the highlight. Morgan Stanley (Buy) suggests guidance to a flat FY21 should be well received against a backdrop where other telcos are downgrading forecasts. On the downside, retail earnings slumped -22%. While management guides to a recovery in the second half, business earnings are expected to drag, leaving Vocus with zero annual earnings growth. Still, the company believes it is now in a better position to consider strategic options for NZ/retail.							
WGN - Wagners Holding	IN LINE	1	1	1/2/0	1.08	1.22	3
Wagners' result was in-line with expectations, and brokers suggest second half trends clearly illustrate that an earnings recovery is underway, highlighted by the resumption of cement supply to Boral and the commencement of the Carmichael mine and rail contract. Management is depending on an infrastructure-driven activity boost to offset the softer residential market and anticipates stable concrete demand. Macquarie believes margins have now reset at structurally lower levels, but upgrades to Hold. Morgans (Buy) expects elevated gearing can be managed through no dividends and moderating capital expenditure. No guidance provided. Credit Suisse chooses to be conservative and downgrades to Hold.							
WPR - WAYPOINT REIT	IN LINE	0	0	2/0/1	2.70	2.74	3
Waypoint REIT's result was deemed to be solid but in line with expectations. An increase in earnings was driven by increased rental income from annual fixed rate increases of circa 3%, as well as income from recent acquisitions, which offset higher management and administration fees and funding costs. Morgan Stanley's Sell rating is driven by a longer-term (negative) view on service stations as well as the risk of negative leasing spreads relating to foundation assets. Morgans (Buy) notes the REIT is, ultimately, beholden to bond yields.							
WEB - Webjet	MISS	0	0	2/2/1	4.07	3.91	5
Webjet's result appears a miss but not all brokers have qualified, probably because they had no idea what to expect. It was all smooth sailing up to February, and then everything collapsed. Brokers agree with management that the company is looking at a more prolonged recovery than first hoped as border restrictions linger on. Earnings forecasts have been lowered as a result and no guidance was offered. Ord Minnett (Buy) nevertheless believes the company's capital raising has positioned Webjet for a "bright future", some day. UBS (Buy) highlights a pent-up demand for leisure travel. It should be noted that as of last week, Webjet was the most shorted stock on the ASX.							
WES - Wesfarmers	BEAT	0	0	0/5/2	41.65	44.22	7
Earlier signs had been of Bunnings and Officeworks being virus beneficiaries of stay-at-home themes but Bunnings in particular still managed to surprise in a forecast-beating group result from Wesfarmers. Yet no one has a Buy rating given while both franchises should continue to be solid, the hazy crazy days will eventually abate, and then, of course, there's the problem child. The newly named Kmart Group, inclusive of Target, continues to drag and management has decided to gradually close some Target stores on lease expiry rather than take more proactive action. As unemployment begins to bite, the outlook for cyclicals looks dour.							
WAF - West African Resources	IN LINE	1	0	1/0/0	1.10	1.10	1
West African Resources reported a profit of $3.7m in the first half with a net debt position of -$204.1m. This is in-line with Macquarie's estimate. The company also noted its first earnings from Sanbrado and the broker expects production to progressively grow over the next year. Even so, Macquarie decides to take a more conservative view and predicts production of 275koz between the third quarter 2020 to second quarter 2021 compared to management's 300koz plus outlook, while upgrading to Buy nonetheless.							
WSA - Western Areas	IN LINE	1	0	4/2/0	2.78	2.66	6
Western Areas' underlying result was largely in line. FY21 guidance is slightly weak, on a mix of higher nickel production than expected and higher costs. The Odysseus project is advancing well with new underground development commencing, which is a focus going forward. Buoyant nickel prices underpin upgrade momentum and the balance sheet is strong. Credit Suisse upgrades to Buy. In the longer term, nickel prices should be supported by EV demand.							
WGX - Westgold Resources	IN LINE	0	0	1/0/0	2.80	2.90	1

<table>
<tr><td colspan="8">Westgold Resources' FY20 results were in line with Macquarie's estimates. The broker notes another heavy investment year but expects capital expenditure to reduce over FY21. Improving production expectations are largely based on Big Bell continuing to ramp up over the year.</td></tr>
<tr><td>WSP - Whispir</td><td>BEAT</td><td>0</td><td>0</td><td>0/1/0</td><td>2.80</td><td>4.40</td><td>1</td></tr>
<tr><td colspan="8">Ord Minnett notes Whispir's revenue and operating earnings were both ahead of prospectus. The stock no longer appears cheap but if the company can deliver on its geographic ambitions and vision for the platform, then over the medium term the broker believes there could be upside to forecasts.</td></tr>
<tr><td>WHC - Whitehaven Coal</td><td>MISS</td><td>0</td><td>0</td><td>5/0/2</td><td>2.00</td><td>1.56</td><td>7</td></tr>
<tr><td colspan="8">We'll call Whitehaven Coal's weak result a "miss" despite earnings being roughly in line, as free cash flow was well below consensus hence net debt has increased significantly as coal prices remain depressed. The company’s interest cover covenant looks likely to be tested in FY21, although technical breaches are occurring industry-wide and the company looks to have bank support. Whitehaven Coal may need to sell down Vickery to fund development but who will buy? This keeps Macquarie and Ord Minnett on Sell, while Buy raters have faith in recovery from the depths for thermal coal prices.</td></tr>
<tr><td>WTC - Wisetech Global</td><td>BEAT</td><td>0</td><td>1</td><td>1/2/2</td><td>21.52</td><td>24.87</td><td>5</td></tr>
<tr><td colspan="8">WiseTech Global's FY20 results were ahead of expectations, driven by lower costs, management has guided to a better than expected FY21. The company finished the year strongly, and July volumes surpassed pre-covid levels. Metrics appear solid, with customer acquisitions strong and spending from existing customers rising. The company is expected to deliver operating efficiencies, boosting operating leverage, and the supply chain appears to be recovering. Morgan Stanley (Buy) saw as important confirmation WiseTech is experiencing a step-up in demand for its software from global freight forwarders. Other brokers baulk at the valuation post sharp share price response.</td></tr>
<tr><td>WPL - Woodside Petroleum</td><td>IN LINE</td><td>0</td><td>0</td><td>3/3/0</td><td>23.76</td><td>23.11</td><td>6</td></tr>
<tr><td colspan="8">Brokers appear none too fussed about Woodside Petroleum's actual result, so we'll assume a -28% drop in profit was largely as expected amidst substantial weakness in spot LNG prices and increased operating costs due to a strengthening currency and lower labour productivity during the pandemic, leading to weak cash flow. LNG prices run on a lag to oil, so the trough is still ahead. Management has signalled the dividend payout ratio will be maintained at 80% till the second half of FY20 but Credit Suisse (Buy) expects this will stretch till FY22. Project delays have reduced gearing. Production expectations for Scarborough have been lifted but questions remain over whether the project is economic. Net positive ratings reflect share price weakness.</td></tr>
<tr><td>WOW - Woolworths</td><td>IN LINE</td><td>0</td><td>0</td><td>2/4/0</td><td>37.64</td><td>41.27</td><td>7</td></tr>
<tr><td colspan="8">Woolworths reported in line with forecasts and guidance, but a lack of profit leverage, due to higher costs of operating in the virus environment, didn't exactly wow the punters. That said, early FY21 sales growth has surprised to the upside, ahead of Coles, and could it be that Big W can post its first profit in six years? Momentum suggests it just may. Thereafter, brokers are split on whether the virus-related supermarket boost will extend through FY21 or whether shoppers will soon start to settle down. Macquarie (Buy) at least believes costs will begin to fall as further virus experience brings more efficiency.</td></tr>
<tr><td>WOR - Worley</td><td>BEAT</td><td>0</td><td>0</td><td>4/1/1</td><td>11.38</td><td>11.74</td><td>6</td></tr>
<tr><td colspan="8">Worley's result beat forecasts as cost reductions have occurred much faster than expected. Higher FY21 earnings are anticipated despite flat revenue forecasts. The outlook for FY21 remains uncertain, and Morgan Stanley (Sell) is unsure if the stock will trade on 15-year average multiples when the outlook for energy itself is unclear. Other brokers nevertheless point to resilience in the company's revenue mix, with Macquarie (Buy) suggesting the market is too focused on weak oil prices when the Jacobs ECR acquisition has provided diversity. Citi (Buy) considers the stock is too cheap in the context of more resilient earnings and strong cash conversion. A return to a 75% pay-out ratio in FY21 is forecast, resulting in a 7% dividend yield.</td></tr>
<tr><td>Z1P - Zip Co</td><td>MISS</td><td>0</td><td>1</td><td>2/0/3</td><td>6.20</td><td>6.75</td><td>5</td></tr>
<tr><td colspan="8">Zip Co's result appeared to miss broker forecasts but there are a lot of moving parts to select from. The QuadPay acquisition and capital raise has given the company the ammunition to ramp up its offshore expansion, and Morgans (Add) notes the launch of ZipBiz and the partnership with eBay Australia has potential positive revenue yield impacts, due to product mix shifts. Non-believer Macquarie (Sell) suggests that with a higher cost to consumer and limited product differentiation compared with more established competitors, the risk is the customer number gap to peers will widen. Citi downgrades to Sell on share price appreciation.</td></tr>
</table>

Total: 318

ASX50 TOTAL STOCKS:		44
Beats 11	In Line 21	Misses 12
Total Rating Upgrades:		13
Total Rating Downgrades:		13
Total target price movement in aggregate:		3.14%
Average individual target price change:		1.64%
Beat/Miss Ratio:		0.92

ASX50 TOTAL STOCKS:		162
Beats 52	In Line 77	Misses 33
Total Rating Upgrades:		38
Total Rating Downgrades:		43
Total target price movement in aggregate:		4.49%
Average individual target price change:		2.90%
Beat/Miss Ratio:		1.58

Yet to Report

Indicates that the company is also found on your portfolio

Monday	Tuesday	Wednesday	Thursday	Friday
7 September	8 September	9 September	10 September	11 September
FNP earnings result		AU housing finance, Jul	SIG earnings result	
MYR earnings result				
Monday	**Tuesday**	**Wednesday**	**Thursday**	**Friday**
14 September	15 September	16 September	17 September	18 September
	US housing market sentiment, Sep			JP CPI, Aug
				EZ CPI, Aug
				CLV earnings result
Monday	**Tuesday**	**Wednesday**	**Thursday**	**Friday**
21 September	22 September	23 September	24 September	25 September
BKW earnings result	US existing home sales, Aug	AU retail sales, Aug (preliminary)	AU population, Q1	**KAR** earnings result
PMV earnings result		US FHFA house prices, Jul	EZ Germany IFO investor sentiment, Sep	
		KMD earnings result	US new home sales, Aug	
		NUF earnings result	**LVT** earnings result	

Listed Companies on the Calendar

Date	Code	
09/09/2020	AU	housing finance, Jul
23/09/2020	AU	retail sales, Aug (preliminary)
24/09/2020	AU	population, Q1
21/09/2020	BKW	earnings result
18/09/2020	CLV	earnings result
18/09/2020	EZ	CPI, Aug
24/09/2020	EZ	Germany IFO investor sentiment, Sep

Date	Code	
07/09/2020	FNP	earnings result
18/09/2020	JP	CPI, Aug
25/09/2020	KAR	earnings result
23/09/2020	KMD	earnings result
24/09/2020	LVT	earnings result
07/09/2020	MYR	earnings result
23/09/2020	NUF	earnings result

Date	Code	
21/09/2020	PMV	earnings result
10/09/2020	SIG	earnings result
15/09/2020	US	housing market sentiment, Sep
22/09/2020	US	existing home sales, Aug
23/09/2020	US	FHFA house prices, Jul
24/09/2020	US	new home sales, Aug