

Markets

SFE 200 Futures (9.30am AEST)	5971	95	1.6
NZX 50	11476	81	0.7
DJIA Futures	26084	107	0.4
S&P 500 Futures	3190	12	0.4
NASDAQ Futures	10890	53	0.5

Local Markets Commentary

The Australian market opens a new week's trade with additional data in hand from China, China-US-Hong Kong relations in focus, weekend reports of Covid-19 continuing to spread in several international regions, and quarterly/interim reporting season commencing tonight in the US.

Since Friday ASX trade, the US president has indicated there will be no follow-up anytime soon to the initial trade accord secured with China earlier this year.

Also over the weekend, a significant number of Hong Kong residents voted in an unofficial poll ahead of Legislative Council elections in September. In addition, Hong Kong officials warned additional Covid-19 containment measures may need to be reintroduced this week after closing schools late last week.

Meanwhile post-ASX trade Friday, **China** had reported 1810B yuan worth of June **new lending**, against 1480B for May.

China also revealed an 11.6% year-on-year rise in June **vehicle sales**, following a 14.5% May increase.

June foreign direct investment figures for China are anticipated anytime from later today, and **trade** statistics tomorrow.

Locally today, the Australian Bureau of Statistics (ABS) reports COvid-19 impacts on households for 24 – 29 June.

This week, the number of June quarter reports will increase, together with additional anticipated full-year and interim disclosures.

In overnight Friday commodities trade, **oil** swung higher.

US **gold** futures (August) settled slightly lower.

Iron ore (Nymex CFR China, 62% Fe) seesawed higher, surpassing \$US105.60/t.

LME **copper** and other key base metals rallied.

The **\$A** traded at ~US69.60c earlier this morning after trading at ~US69.45c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26075	369	1.4
S&P 500	3185	33	1.1
NASDAQ	10617	70	0.7
FTSE 100	6095	46	0.8
DAX 30	12634	144	1.2
Shanghai Comp	3383	-67	-2.0

China – new lending 22% higher in June than for May; vehicle sales up 11.6% against May 2019.

Today's Stock Watch

Credit Corp (CCP)

Expecting \$10M - \$15M FY20 NPAT. Pre-impairments and provisions, NPAT is anticipated at \$75M - \$80M. Nil debt at 30 June. Planning to lodge full year results and offer FY21 guidance 28 July.

Estia Health (EHE)

Anticipating a \$124M - \$148M FY20 impairment. \$99.4M net debt at 30 June. Planning to report full year results 18 August.

Praemium Ltd (PPS)

June quarter FUA grew 26% year-on-year to \$20.29B. Additional statistics and Covid-19 update lodged this morning.

FBR Ltd (FBR)

Structural walls completed by FBR's Hadrian X within 3.5 standard shifts at FBR's first display home, WA.

Platinum Asset Management (PTM)

\$21.385B FUM at 30 June, following \$21.759B 31 May. Anticipating \$9M in performance fees for the year to 30 June.

Pluto Income Maximiser (PL8)

Planning to pay three fully franked 0.4c-per-share dividends, one each in July, August and September.

Tyro Payments (TYR)

TYR's FY year-to-date total transaction value (TTV) was recorded 22% higher at close of business Friday, at \$0.631B.

Resources

Alkane Resources (ALK)

One kilogram of neodymium metal alloy (87% neodymium) has been produced in a laboratory by the research and development JV partner of ALK's Australian Strategic Materials (ASM). Larger quantities of this and other alloys are anticipated by the end of July from the commercial pilot plant. Additional details lodged this morning. ALK is planning to demerge ASM.

Galaxy Resources (GXY)

Three-year extension secured to a WA Mt Cattlin project spodumene concentrate off-take agreement with Sichuan Yahua International Investment & Development Co (Yahua), for at least 120,000tpa from January 2023. In addition, Yahua is purchasing an additional 30,000t during calendar 2020.

Energy

Oil Search (OSH)

Anticipating a \$US250M - \$US300M post-tax interim impairment. Planning to lodge half-year results 25 August.



Overseas Markets Commentary

Major European and US equities markets chopped some but generally trended high to decidedly positive settlements overnight Friday, despite US presidential comments suggesting he would not support further engagement with China regarding trade relations in the near term.

Market analysts pointed to optimism in relation to Gilead Sciences again reporting positive results from remdesivir testing as a Covid-19 treatment, in particular virus recovery data from a phase three study.

Further, Friday post-ASX trade, China had reported encouraging June lending and vehicle sales figures.

This was followed early overnight Friday with **France** reporting a 19.6% rise in June industrial output for the month, following a 20.6% drop in May.

Further, **Italy** revealed June industrial production had jumped 42.1% for the month, against a 20.5% May decline. Against May 2019 however, industrial output was 20.3% lower.

In the **US**, June producer prices came in 0.2% lower for the month, following a 0.4% May increase. Prices represented a 0.8% fall from a year earlier.

Tonight in the **US**, the national June budget statement is anticipated.

In addition, **quarterly/interim reporting season** commences in the US, with PepsiCo among companies due to report earnings ahead of key financial stocks from tomorrow night.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1801.9	oz	-1.9	-0.1
Silver (NY) (Sep)	19.053	oz	0.09	0.5
Gold (LON)	1803	oz		
Platinum	812	oz	-6	-0.7
WTI Crude (NYMEX Aug)	40.55	bbl	0.93	2.4
Brent Crude (ICE EUR Sep)	43.24	bbl	0.89	2.1
Iron Ore (NYMEX,CHN,62%)	105.61	t	0.98	0.9
Copper (LME,3mth Ind,PM)	6415	t	108	1.7
Nickel	13515	t	290	2.2
Aluminium	1685	t	29	1.7
Lead	1851	t	14	0.8
Zinc	2190	t	40	1.9
Tin	17310	t	50	0.3

Commodities Commentary

Oil – an International Energy Agency (IEA) monthly oil market report, published overnight Friday, included a 92.1MMbbl/d 2020 overall demand forecast, up a daily 400,000bbl from the previous prediction. The IEA offered this was due to international daily demand falling by fewer barrel than expected during the June quarter.

The IEA warned however, that risk remained due to Covid-19 remaining ‘not under control’.

Pre-Open Announcements

archTIS Ltd (* AR9)

Two software maintenance and services contracts renewed with Australian Government agencies.

AR9 estimates the contracts are worth a combined \$400,290.

Race Oncology (* RAC)

Resuming trade with firm commitments in hand from three biotech investors a for a \$A3M share issue at 60c each.

RAC says the funds were unsolicited.

Details lodged this morning.

RAC traded at 75.5c – 84.5c before calling a trading halt last week.

OpenLearning Ltd (* OLL)

Multiple agreements secured with Open Universities Australia.

Details lodged this morning.

EVE Investments (* EVE)

Second-half FY20 (unaudited) revenue estimated at \$3.1M, representing 67% year-on-year growth.

~\$1.7M June quarter revenue, up 113% year-on-year and 21% for the quarter.

Beam Communications Holdings (* BCC)

JV partner ZOLEO Inc has placed a third order, for 5000 ZOLEO units.

In addition, India-headquartered reseller partner Station Satcom has placed an additional order, worth \$300,000, for Beam-branded equipment.

Murray River Organics (* MRG)

25% higher fresh table grape harvest volume tallying 1,021t.

The dried vine harvest delivered 651t against 557t the previous season.

The citrus harvest is ~35% complete.

In addition, MRG has secured a five-year water lease at \$360/ML, equivalent to ~95% of MRG's current water needs.

Cann Global (CGB)

~705.80M shares and ~31.14M options will be released from escrow 19 July (Sunday next week).

Zelira Therapeutics (ZLD)

Proposing to issue 12.5M performance rights (0.01c each) to chairman Osagie Imasogie and non-executive director Lisa Gray, pending shareholder approval.

Resources

Pensana Rare Earths (* PM8)

Heralding additional high-grade drilling results, including at surface, from Longonjo NdPr project drilling, Angola.

Assays lodged this morning.



In addition, the IEA lowered its forecast for oil refiner output, due in no small part due to expected ongoing reduced product demand from the airline sector.

The IEA also recognised OPEC+ had been demonstrating more than 100% compliance with the agreed output cuts

A weekly US petroleum drill rig count also released overnight Friday, included a 181 tally for operational oil rigs, against 185 the previous week.

Gold – US futures settled slightly lower overnight Friday, but finished with a weekly gain (~0.7%) for a fifth consecutive week.

Silver notably settled ~4% higher for the week.

US quarterly/interim reporting season commences this week, and is expected to influence some trade sentiment, adding to a cocktail of key data reports, geopolitics and Covid-19 developments.

Base metals – China's June new bank lending figures, reported post-ASX trade Friday, pointed to ongoing recovery for China's economy, and hence base metals demand.

In addition, a fall in US producer prices fuelled optimism that the US Federal Reserve would keep supporting the US economy.

China not only reported 1810B worth of new lending during June, against 1480B for May, but also revealed post-ASX trade Friday, but also an 1.6% year-on-year increase in June vehicle sales following a 14.6% May increase.

Japan's June producer prices, reported early Friday, rose 0.6% for the month, but were down 1.6% year-on-year.

China's June foreign direct investment update is anticipated anytime from later today.

June **trade** statistics, scheduled for release tomorrow, could produce some caution during tonight's LME trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6949	-0.0005	-0.07
EUR – USD	1.1310	0.0004	0.04

Australian Data Today

ABS	Covid-19 household impacts	24 – 29 Jun
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US Data Tonight

Budget statement	Jun
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Other Overseas Data Today & Tonight

Japan	Tertiary industry index (2.30pm AEST)	May
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Need More Information?

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Liontown Resources (LTR)

Heralding WA Moora project PGE and nickel assays from in-fill and extensional auger sampling.

Figures lodged this morning.

Metals X (MLX)

MLX has appointed Peter Gunzburg as a non-executive director and nominated him as chairman.

Patrick O'Connor remains with MLX as a non-executive director, but Brett Lambert and Tony Polglase have resigned as MLX directors.

Grahame White has been appointed as a non-executive director.

Meanwhile, Renison JV project FY 20 output tallied 7182t of tin-in-concentrate during FY20.

Anticipating 8200t – 8700t for FY21.

MLX 50%.

Terramin Australia (TZN)

CEO Richard Taylor has stepped down from this role, but will continue with TZN as a consultant for the Bird in Hand gold project mining lease application.

TZN has appointed former senior employee Martin Janes as an executive with overall responsibility for day-to-day operations. Feng Sheng remains TZN executive chairman.

Manuka Resources (* MKR)

Gold and silver producer scheduled to list on the ASX 10.30am AEST tomorrow, following a \$7M IPO at 20c per share.

72.46M quoted units.

Energy

Peninsula Energy (PEN)

PEN has appointed former Vimy Resources (ASX: VMY) and Paladin Energy (ASX: PDN) CFO Ron Chamberlain as CFO and joint company secretary, effective today.

Trading Halts

Company	Code	Resuming
Metlifecare Ltd	MEQ	13 Jul
Blaze International	BLZ	14 Jul
Bluechiip Ltd	BCT	14 Jul
Quantify Technology Holdings	QFY	14 Jul
Trek Metals	TKM	14 Jul
Los Cerros	LCL	15 Jul
Magnum Mining & Exploration	MGU	15 Jul
Marmota Ltd	MEU	15 Jul
Gateway Mining	GML	16 Jul
Navarra Minerals	NML	16 Jul
Scout Security	SCT	16 Jul

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Suspensions *(select)*

Company	Code	Since
9 Spokes International	9SP	30 Jun
Blossomvale Holdings	BLV	7 Jul
Cougar Metals	CGM	1 Jul
Estrella Resources	ESR	9 Jul
Freedom Foods Group	FNP	26 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
KAT	Today	0.5	100	2.08
TRA	Today	5.61	85	3.48
CKF	Wed	10.5	100	1.04
PL8	Thu	0.4	100	tbc
PMV	30 Jul	34	100	2.33

Reports & Events*(selected)*

When	Company	Report/Event
Today	CCP	FY guidance update
	PPS	Jun Q
Wed	SXY	Jun Q (teleconf 10am)
Thu	AST	AGM
	S32	Jun Q
Fri	RIO	Jun Q (teleconf 8.30am)
21 Jul	BHP	Jun Q; FY operations review