

Markets

SFE 200 Futures (9.30am AEST)	5941	28	0.5
NZX 50	11559	65	0.6
DJIA Futures	26752	260	1.0
S&P 500 Futures	3209	25	0.8
NASDAQ Futures	10715	69	0.7

Local Markets Commentary

The Australian market opens mid-week trade following ultimately positive overnight US equities sentiment, but mixed material commodities trade.

Regionally today, the **Bank of Japan** is due to announce policy meeting outcomes and release a quarterly outlook report **1pm** AEST, after earlier this week appointing a new head of the policy division.

Locally today, a monthly **consumer sentiment** report is scheduled for release from Westpac and the Melbourne Institute **10.30am** AEST.

A June new home sales report is also anticipated this morning.

In addition, **CKF** trades **ex-dividend** today.

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

US **gold** futures (August) settled little changed.

LME **copper** and other key base metals swung lower.

Meanwhile, China's January - June **iron ore** imports were reported 9.6% higher year-on-year, at 546.9Mt.

The **\$A** rose to ~US69.40c after trading at ~US69.35c early yesterday evening.

This morning, the \$A has been propelled as high as ~US69.90c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26643	557	2.1
S&P 500	3198	42	1.3
NASDAQ	10489	98	0.9
FTSE 100	6180	4	0.1
DAX 30	12607	-103	-0.8
Shanghai Comp	3415	-29	-0.8

Overseas Markets Commentary

Vacillating sentiment featured across major European and US equities markets overnight, but key US indices recovered to ultimately trend higher and settle at or near decidedly positive session peaks.

Trade was influenced by a cocktail of: optimism regarding potential agreement on new European Union fiscal support; geopolitical concerns, including the US president's signing of Hong Kong-related China sanctions legislation, China's Lockheed Martin sanctions

Today's Stock Watch
Immutep Ltd (IMM)

US patent granted to IMM and Novartis for IMM's IMP701 antibody.

Openpay Group (OPY) / 1st Group (1ST)

Record OPY active customers, merchants and total transaction value (TTV) growth achieved during the June quarter.

45% higher year-on-year, \$4.5M revenue, pushing FY20 revenue to \$18M, up 64% on FY19.

In addition, OPY will offer its buy now pay later (BNPL) option to the MyHealth1st platform and market the platform throughout the OPY merchant network., under a three-year agreement which will effectively commence during second-half 2020.

Resources
Cardinal Resources (CDV)

19.69% CDV shareholder Nord Gold is offering 66c cash-per-share for CDV in an on-market bid commencing 30 July.

CDV has traded at 56c – 61.5c over the past five trading sessions.

Talisman Mining (TLM)

TLM has appointed Jubilee Mines founder and 18% TLM shareholder Kerry Harmanis as non-executive chairman, effective today. Mr Harmanis has elected to receive no salary or additional TLM shares in relation to his new role.

Jeremy Kirkwood retires the chairman's role he held through yesterday, but remains with TLM as a non-executive director.

Energy
Woodside Petroleum (WPL)

A teleconference was scheduled to commence 9.30am AEST. Access details lodged post-trade yesterday.

June quarter output rose 7% for the three months and 28% year-on-year, to a record 25.9MMboe.

28% higher, 50.1MMboe January – June production also represented a record.

June quarter sales rose 13% for the three months, to 27.1MMboe.

In addition, WPL is anticipating \$US3.92B worth of impairments, plus a \$US447M Corpus Christi LNG provision for 1H 2020.

Impairment breakdown figures lodged post-trade yesterday.

In association, proved plus probable (2P) reserves have fallen to 1090 MMboe, from 1213 MMboe.

Senex Energy (SXY)

Produced a record 711,000boe during the June quarter, pushing FY20 production to 2.1MMboe, representing 73% growth.

June quarter sales revenue rose 1% for the three months to \$33.7M, supporting \$120.3M FY20 revenue. \$45.1M net debt.



announcement and a UK announcement barring Huawei from 5G participation; and a plethora of data releases.

This ahead of key data and three central bank policy meeting announcements to come this week.

Earlier yesterday, **China's** June **trade** figures included a trade surplus drop, but also sufficient imports growth to indicate economic recovery and likely ongoing demand.

Japan had also reported weaker-than-anticipated finalised May industrial production statistics.

Singapore in the meantime, recorded a record June quarter GDP decline which pushed the nation into technical recession.

Among a plethora of overnight **data** releases, **UK** May GDP was calculated to have grown 1.8% for the month, but came in 24.0% lower year-on-year.

For the three months to the end of May, average GDP dropped 19.1%.

The May trade surplus rose to £4.3B from £2.3B.

May industrial production improved 6% for the month, following a 23.8% April tumble. Year-on-year, output represented a 20% drop, however.

In the **euro zone**, May industrial production increased 12.4% for the month but represented a 20.9% year-on-year fall.

The July ZEW economic sentiment index rose one point to 59.6.

Germany's June CPI growth was confirmed at 0.6% for the month and 0.9% year-on-year.

The nation's July economic sentiment index, as calculated by ZEW, pulled back to 59.3 from 63.4. The current conditions component came in at -80.9 from -83.1.

Meanwhile a European Central Bank (ECB) lending survey revealed banks expected tighter credit requirements for loans to businesses due to the likely expiry of government guarantee schemes.

In addition, while business lending rose sharply during the June quarter, household demand dropped.

The ECB will hold a policy meeting from later tomorrow and announce outcomes before Friday ASX trade.

In overnight **US** data, June CPI growth was estimated at 0.6% following 0.1% May deflation. The rise was largely put down to 12.3% higher petrol prices.

The NFIB June business optimism index notably improved to 100.6 from 94.4.

Tonight in the **US**, the Federal Reserve's district by district economic update (beige book), a New York region business activity index, June import and export prices, June industrial production and weekly mortgage applications are due.

Elsewhere, the Bank of Canada announces outcomes from a policy meeting and the UK reports June CPI.

Companies listed to report earnings and or provide updates later today and tonight include: Alcoa, Burberry, Bank of New York Mellon, eBay, Goldman Sachs, IBM, Infosys, Premier Oil, United Healthcare and US Bancorp.

In overnight corporate news, both **Delta Air Lines** and **JPMorgan Chase** warned of adverse Covid-19 outbreak impacts that would persist for some time yet across their sectors.

Pre-Open Announcements

Contact Energy (* CEN)

CEN has appointed James Kilty to the new role of deputy CEO. In addition, CEN has appointed GM operations Jacqui Nelson as chief generation officer.

Regal Investment Fund (RF1)

Confirming an 18.59c final distribution after initially estimating 20.709c.

Resources

Alkane Resources (** ALK)

Produced 13,358oz of gold during the June quarter, at a \$A1368/oz AISC, delivering FY 33,507oz output at a \$1357/oz AISC.

Sold 12,992oz at \$A2327/oz, for \$A30.2M revenue.

Virtual conference presentation lodged post-trade yesterday.

ALK is presenting from **9.40am** AEST today.

ALK was pushed 6.17% lower yesterday, settling at \$1.14.

Saracen Mineral Holdings (* SAR)

Resuming trade announcing the passing of an underground contractor involved in Monday's WA Carosue Dam Dervish mine incident.

Aeris Resources (* AIS)

Virtual conference presentation lodged post-trade yesterday.

AIS is presenting today.

Mako Gold (* MKG)

Heralding significant-width, high-grade intersections delivered by Côte d'Ivoire Napié project Tchaga prospect RC drilling.

Assays lodged this morning.

Ongoing drilling.

Meteoric Resources (MEI)

Virtual conference presentation link lodged post-trade yesterday.

MEI is presenting 9.40am AEST tomorrow.

Hawkstone Mining (HWK)

Confirming an options exercise, flagged Thursday last week, has raised \$1.77M.

In addition, non-executive director Shaun Hardcastle has resigned from the HWK board.

Maximus Resources (MXR)

MXR has appointed Steven Zaninovich as a non-executive director, effective immediately.

Manuka Resources (* MKR)

Gold and silver producer completed a successful ASX listing yesterday, following a \$7M IPO at 20c per share.

Opened at 26c and traded at 25c – 28.5c before settling at 25.5c. ~6.33M shares were traded across 777 transactions.

72.46M quoted units.



This, as JPMorgan Chase reported \$US10B worth of June quarter loan loss charges, and Delta reacted to renewed lockdown measures by cutting its August flights by 50%.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1813.4	oz	-0.70	-0.0
Silver (NY) (Sep)	19.53	oz	-0.26	-1.3
Gold (LON) (13 Jul)	1808	oz		
Platinum	822	oz	0	0.0
WTI Crude (NYMEX Aug)	40.29	bbbl	0.19	0.5
Brent Crude (ICE EUR Sep)	42.90	bbbl	0.18	0.4
Iron Ore (NYMEX,CHN,62%) (13 Jul)	106.93	t		
Copper (LME,3mth Ind,PM)	6496	t	-84	-1.3
Nickel	13575	t	-120	-0.9
Aluminium	1682	t	-7	-0.4
Lead	1852	t	-30	-1.6
Zinc	2191	t	-60	-2.7
Tin	17285	t	-150	-0.9

Commodities Commentary

Oil – Overnight, OPEC’s monitoring committee commenced two days of meetings to assess oil market balance and the impacts of the OPEC+ production curb agreement.

The organisation’s monthly oil market report, published overnight, in the meantime included a prediction that international demand would pick up by a daily 7MMbbl next year, pending Covid-19 containment.

This year’s overall crude demand was likely to come in 8.95MMbbl/d lower than for 2019, OPEC also offered.

Further, OPEC revealed members had produced a combined 1.89MMbbl fewer barrels per day during June, delivering 22.27MMbbl/d output.

2020 OPEC demand was estimated at 1.5MMbbl/d more than the output recorded for June.

Earlier yesterday, China’s June crude imports were reported at 12.9MMbbl/d, 14% higher than for May, and tallying a record 53.18Mt.

For January – June, China’s oil imports rose 9.9% year-on-year, to 268.75Mt.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

Overnight, an industry report has estimated an 8.3MMbbl draw on crude stocks.

Gold – Comex futures settled almost flat following swinging overnight trade impacted by a raft of economic indicators from earlier yesterday through overnight trade, an ~0.29% \$US (ICE index) pullback and geopolitical rumbling.

In the meantime, customs data from Russia revealed \$US3.55B revenue from gold exports during April – May, against \$US2.4B for gas exports.

Base metals – China’s June trade figures, reported yesterday, included a \$US46.42B trade surplus, against \$62.93B for May. Exports rose 0.5% following a 3.3% May fall.

Trading Halts

Company	Code	Resuming
Aldoro Resources	ARN	15 Jul
Ardiden Ltd	ADV	15 Jul
Caravel Minerals	CVV	15 Jul
Lindian Resources	LIN	15 Jul
Magnum Mining & Exploration	MGU	15 Jul
Marmota Ltd	MEU	15 Jul
AnteoTech Ltd	ADO	16 Jul
GI Dynamics	GID	16 Jul
Leaf Resources	LER	16 Jul
PNX Metals	PNX	16 Jul
Sabre Resources	SBR	16 Jul
Scout Security	SCT	16 Jul
Artemis Resources	ARV	17 Jul
Challenger Exploration	CEL	17 Jul
Respiri Ltd	RSH	17 Jul
Theta Gold Mines	TGM	17 Jul
Azure Minerals	AZS	20 Jul
SciDev Ltd	SDV	20 Jul

Suspensions (select)

Company	Code	Since
9 Spokes International	9SP	30 Jun
Blossomvale Holdings	BLV	7 Jul
Bluechiip Ltd	BCT	14 Jul
Cougar Metals	CGM	1 Jul
Freedom Foods Group	FNP	26 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CKF	Today	10.5	100	1.04
PL8	Tomorrow	0.4	100	5.66
AIQ	Fri	0.28	0	0.00
PMV	30 Jul	34	100	2.29

Reports & Events

(selected)

When	Company	Report/Event
Today	ALK	Jun Q (conf presn 9.40am)
	CPT	Q&A (teleconf 4pm)
	HRZ	Jun Q
	SXY	Jun Q (teleconf 10am)
	WPL	Jun Q (teleconf 9.30am)
Tomorrow	AST	AGM (2pm)



Imports grew by 2.7% after dropping 16.7% in May, helping support some demand optimism, but the detail in both exports and imports proved mixed.

Unwrought copper imports rose 50% for the month to 656,483t, in part due to cheaper prices and reduced scrap availability.

Copper concentrate imports (1.59Mt) fell 6% for the month however, despite representing an 8.4% increase on the 2019 June tally.

Aluminium exports were revealed down 7.5% for the month, at 354,038t, and 30% lower than for June 2019.

China is due to report June quarter **GDP** plus June updates for **industrial production**, **retail sales** and **fixed asset investment** tomorrow.

Meanwhile in Chile, industrial action, pending mediation this week, is looking possible at the Antofagasta Centinela copper operation.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6984	0.0009	0.12
EUR – USD	1.1409	0.0009	0.08

Australian Data Today

Westpac/MelbInstitute	Consumer sentiment	Jul
HIA	New home sales	Jun

US Data Tonight

Fed Reserve beige book	Jul
New York Fed (Empire State) manufacturing	Jul
Industrial production	Jun
Import & export prices	Jun
MBA mortgage applications	10 Jul

Other Overseas Data Today & Tonight

Japan	BoJ policy meeting outcomes	Jul
Japan	BoJ outlook report	SepQ
Japan	Tankan survey indices	Jul
UK	CPI	Jun

Need More Information?

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	S32	Jun Q
Fri	ISX	AGM (2.30pm)
	OGC	Waihi update (teleconf 7.30am)
	RIO	Jun Q (teleconf 8.30am)
21 Jul	BHP	Jun Q; FY operations review

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