

Markets

SFE 200 Futures (9.30am AEST)	5999	-35	-0.6
NZX 50	11556	-2	-0.0
DJIA Futures	25792	169	0.7
S&P 500 Futures	3132	3	0.1
NASDAQ Futures	11909	104	0.9

Local Markets Commentary

The Australian market opens a new week's trade with key domestic data due late morning, ongoing international Hong Kong disquiet, further domestic and international Covid-19 – related restriction renewals over the weekend and no overnight Friday equities and commodities leads from the US.

Locally today, ANZ publishes June national **job advertisements 11.30am AEST**.

Employment commentary is expected to feature through the day, ahead of the Reserve Bank of Australia (RBA) policy meeting scheduled for tomorrow.

The Melbourne Institute also releases a monthly inflation gauge report this morning.

Also today, **FPH** trades ex-dividend. *Please see p4 for details.*

Regionally, no key economic indicators are due today.

Hong Kong tensions remain, however, and any reactions from China to moves by the UK, US and Australia in response to the newly enforced national security law in Hong Kong are expected to add to international trade concerns, and hence global economic recovery prospects.

In overnight Friday commodities trade, Brent **crude** was pushed lower in shortened trade.

Prices also declined for WTI crude, but in limited electronic trade during the US public holiday, and no settlement was recorded.

The same applied to US **gold** futures (August) and **iron ore** (Nymex CFR China, 62% Fe).

LME **copper** and **aluminium** also turned to record session declines. **Nickel** continued a run of gains, however.

The **\$A** essentially trod water after trading at US69.40c early Friday evening.

Earlier this morning, the \$A traded at ~US69.32c before gaining again.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25827	Public	Holiday
S&P 500	3130	Public	Holiday
NASDAQ	10208	Public	Holiday
FTSE 100	6157	-83	-1.3
DAX 30	12528	-80	-0.6
Shanghai Comp	3153	62	2.0

Today's Stock Watch
Electro Optic Systems Holdings (EOS)

Planning to acquire 251 remote weapon stations from the Australian government under a \$270B Australian Defence Force (ADF) capability upgrade program. Negotiations are continuing, with EOS unable to provide additional details until a contract has been executed. EOS is resuming from a trading halt having recouped 13.68% Wednesday, before calling the halt pre-trade Thursday. EOS settled at \$5.32 Wednesday.

Event Hospitality & Entertainment (EVT)

EVT has refinanced debt facilities, increasing these by \$205M to \$750M, boosting available cash and undrawn debt to ~\$320M. Most of the group's cinemas, hotels and managed hotels have reopened, or largely remained open. Ahead of the 22 June Thredbo restricted season opening, EVT sold 100,000 lift passes within the first 24 hours of sales.

Also confirming job losses, including redundancies, up to 12.5% reductions in senior executive salaries and 20% - 100% voluntary waivers of board member fees.

Mayne Pharma Group (MYX)

Agreement secured to supply 13 Novast Laboratories generic oral contraceptive products.

Clearvue Technologies (CPV)

Agreement secured with US-headquartered Insulsteel Building Sciences, for Insulsteel to manufacture and sell CPV's IGU panels and finished windows in an exclusive combination with Insulsteel's IntelAwall composite steel, EPS insulated wall and construction system.

Nyrada Inc (NYR)

Preclinical testing using healthy donor human lymphocytes (white blood cells) indicates NYX-PCSKi can lower cholesterol as well as can two already US FDA-approved products.

Details, including comparative statistics, lodged this morning.

K2fly Ltd (K2F)

June quarter invoices totalled \$1.9M, 28% more than for the June quarter 2019, pushing the FY20 estimated invoice tally to \$6.626M, up 60% year-on-year.

\$2.9M cash at bank and \$1.13M worth of receivables at 30 June. Nil debt.

engage:BDR Ltd (EN1)

Record, 44% higher year-on-year \$9.04M 1H revenue for the six months to 30 June. June revenue grew 4% to \$1.25M.

Confirming employee pay cuts and furloughs since mid-March.

APN Convenience Retail REIT (AQR)

Outlaying \$10.5M for the Brisbane Airport link service centre which is leased for 15 years to Ampol (ASX: ALD).



Overseas Markets Commentary

Choppy trade featured across major European equities markets overnight Friday, key indices settling near session lows despite some encouraging data, but with ongoing reports of growing Covid-19 cases in select international regions, and with US markets closed for the US Independence Day public holiday.

In France, Prime Minister Edouard Philippe and his government resigned ahead of a new PM appointment by the president.

June services sector activity indices featured in overnight Friday **data** releases, the **euro zone's** services PMI improving markedly to come in at 48.3 from 30.5.

Germany's services sector activity index also advanced significantly, to 47.3 from 32.6.

France's services PMI notably returned to an expansionary 50.7 from 31.1.

In the **UK**, the services PMI was estimated at 47.1 from 29.0.

Earlier Friday, Caixin had reported a particularly strong services PMI for **China**.

Tonight in the **US**, the ISM's influential services sector activity index for June is keenly anticipated. The services sector traditionally accounts for ~67% of US GDP calculations.

Elsewhere, the euro zone is scheduled to report May retail sales. Germany's May factory orders are also due.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1790	oz	Public	Holiday
Silver (NY) (Sep)	18.322	oz	"	"
Gold (LON) (2 Jul)	1777	oz	"	"
Platinum	801	oz	"	"
WTI Crude (NYMEX Aug)	40.65	bbl	"	"
Brent Crude (ICE EUR Sep)	42.76	bbl	-0.38	-0.9
Iron Ore (NYMEX,CHN,62%)	97.71	t	-1.23	-1.3
Copper (LME,3mth Ind,PM)	6024	t	-68	-1.1
Nickel	12995	t	45	0.4
Aluminium	1614	t	-10	-0.7
Lead	1788	t	12	0.7
Zinc	2037	t	-5	-0.3
Tin	16840	t	-25	-0.2

Commodities Commentary

Oil – Brent settled at ~\$US42.75/bbl overnight Friday, after trading beneath this level in a shorter than usual session (trade closed 1330h ET/ 1830h GMT).

No official settlement was recorded for limited US electronic trade overnight Friday, due to the US Independence Day holiday.

Late Thursday, OPEC June output had been reported in a survey at 22.69MMbbl/d, down 1.92MMbbl/d from May, and the least production in a month since 1991.

In addition, June production for Russia, a member of the OPEC+ alliance, was estimated to come in under Russia's agreed cap.

Meanwhile, among the late-week forecasters, Capital Economics

Pre-Open Announcements

Fisher & Paykel Healthcare (* FPH)

Trading ex-dividend (~A14.5c) today.

FPH settled at \$32.91 Friday, trading as high as \$33.20 intra-session, after settling at \$29.63 the previous week.

Australian Foundation Investment Company (* AFI)

AFI's top 25 investments as at 30 June lodged post-trade Friday.

Sunland Group (* SDG)

Selling the , Main Beach, Queensland Mariners Cove marina for \$28M.

City Chic Collective (* CCX)

Confirming the company is looking at growing internationally, but warning of media speculation regarding a pending deal and potential associated fundraiser.

Advanced Braking Technology (* ABV)

5% higher year-on-year, \$2.1M June quarter operating sales pushed estimated FY20 operating sales to \$8.35M, up 22% year-on-year.

ABV appreciated 36% Friday, settling at 3.4c after trading as high as 13.2c, following news of a technology licence agreement in association with the Thales Hawkeye protected mobility vehicle project (light).

SelfWealth Ltd (* SWF)

June quarter operating revenue grew 101% quarter-on-quarter, to \$4.18M.

Total active traders joining SWF's platform grew 44% quarter-on-quarter, to 46,445.

Tyro Payments (TYR)

Weekly update lodged pre-trade, highlighting 40% July year-to-date total transaction value (TTV) growth to \$0.198B.

June TTV rose 7% year-on-year, to \$1.656B.

Reliance Worldwide Corporation (RWC)

Appointing interim CFO Andrew Johnson as CFO and former Virgin group and Saatchi and Saatchi executive Ian Rowden as an independent non-executive director.

eSense-Lab Ltd (ESE)

ESE has appointed Erlyn Dale and Winton Willesee as joint company secretaries, effective today, taking over from James Bahen who has resigned.

WiseTech Global (WTC)

21,025 WTC shares are due to be released from escrow Saturday 11 July.

OpenLearning Ltd (OLL)

708,429 OLL shares are due to be released from escrow in varying amounts 18 – 26 July.



ventured Brent crude prices at ~\$US60/bbl come late 2022.

Gold – no settlement was recorded for limited US electronic trade overnight Friday, due to the US Independence Day holiday.

In electronic trade Comex futures were pushed ~0.2% lower, at \$US1787.2/oz.

During the coming week, trade relations and broader geopolitics, together with Covid-19 developments, and any further central bank moves or comments, are expected to prove greater gold sentiment influencers than new data and associated reports.

Base metals – Shanghai Futures associated copper warehouse inventories were reported higher for the first time in seven weeks Friday, capping sentiment based on China's recovering demand.

Italian consultancy T-Commodity proffered copper prices could fall further, not just due to the strength of recent gains but also on account of a historic pullback on construction during China's summer.

Nickel trade also appeared influenced by China considerations, continuing to gain after Shanghai stainless futures traded at six-week peaks Friday.

China's Caixin June services PMI reported Friday, jumped beyond expectations to a robust 58.4 from May's 55.0.

Services sector activity updates for Japan, the UK and euro zone also generally exceeded forecasts Friday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6944	0.0013	0.19
EUR – USD	1.1247	0.0001	0.01

Australian Data Today

ANZ	Job advertisements	Jun
Melb Institute	Inflation gauge	Jun

US Data Tonight

ISM non-manufacturing	Jun
Markit services PMI (final)	Jun

Other Overseas Data Today & Tonight

UK	New car sales	Jun
UK	Construction PMI	Jun
Germany	Factory orders	May
Germany	Construction PMI	Jun
Euro zone	Retail sales	May
Euro zone	Sentix investor confidence	Jul
Euro zone	Construction PMI	Jun

Resources

Red 5 (* RED)

June quarter production estimated at 20,707oz.

Holding \$A122.3M cash and bullion at 30 June.

Musgrave Minerals (* MGV)

Additional high-grade and significant-width assays lodged pre-trade from ongoing WA Cue gold project Break of Day Starlight lode drilling.

Redstone Resources (RDS)

Geochemical assaying has confirmed anomalous copper (up to 0.06%) was intersected continuously for 95m from 66m down hole in a West Musgrave project RC drill hole.

RDS says the copper mineralisation remains untested in all directions.

PolarX Ltd (PXX)

Zackly copper-gold project Zackly East prospect follow-up drilling is expected to commence by the end of next week.

Metalicity Ltd (MCT)

Recent results have prompted MCT to plan an expanded WA Kookynie gold project drilling program.

Pioneer Resources (PIO)

Heralding WA goldfields Golden Ridge project gold targets identified during field reconnaissance.

Venturex Resources (VXR)

Additional WA Sulphur Springs copper-zinc project exploration drilling is expected to commence next month.

Krakatoa Resources (KTA)

Applying for four contiguous exploration licences which host historic high-grade gold mines, NSW Lachlan Fold belt region.

EHR Resources (EHR)

Co-founding (as Cott Oil & Gas) director David Bradley has resigned from the EHR board.

EHR has subsequently appointed McCarthy Tetrault business law group partner Marc Dorion as a director.

Trading Halts

Company	Code	Resuming
Euro Manganese	EMN	6 Jul
Mandrake Resources	MAN	6 Jul
Manhattan Corporation	MHC	6 Jul
Red Mountain Mining	RMX	6 Jul
Alara Resources	AUQ	7 Jul
Carbonxt Group	CG1	7 Jul
Cipherpoint Ltd	CPT	7 Jul
Gage Roads Brewing	GRB	7 Jul
GTI Resources	GTR	7 Jul

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Hydrix Ltd	HYD	7 Jul
Marquee Resources	MQR	7 Jul
Ora Banda Mining	OBM	7 Jul
Zenith Minerals	ZNC	7 Jul
Matador Mining	MZZ	8 Jul
Accelerate Resources	AX8	9 Jul
Spectur Ltd	SP3	9 Jul

Suspensions *(select)*

Company	Code	Since
AIC Mines	A1M	3 Jul
Avenira Ltd	AEV	3 Jul
9 Spokes International	9SP	30 Jun
Cougar Metals	CGM	1 Jul
Freedom Foods Group	FNP	26 Jun
Tilt Renewables	TLTDA	2 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
FPH	Today	~A14.5	0	0.35
MTS	Tomorrow	6.5	100	4.63
SGLLV	Tomorrow	33	100	0.00
AGD	Thu	0.9	0	0.00
MEC	Thu	1	100	2.15
CAM	Fri	1.05	100	6.20

Reports & Events*(selected)*

When	Company	Report/Event
Today	SWF	Jun Q (11am)
	VEA	AGM (11am)
Thu	CYC	AGM (11.30am)