

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7207	-48	-0.7
<b>NZX 50</b>	12681	-71	-0.6
<b>DJIA Futures</b>	34286	-8	0.0
<b>S&amp;P 500 Futures</b>	4310	-3	-0.1
<b>NASDAQ Futures</b>	14700	-12	-0.1

**Local Markets Commentary**

The Australian market commences Friday trade with material data due from China late-morning, and domestic and international Covid-19 containment in focus, ahead of material data out of the UK tonight.

**Locally** today, National Cabinet meets again to discuss Covid-19 management policy.

A subsequent statement from the PM is anticipated this afternoon.

In data releases, post-ASX trade, the Reserve Bank of Australia (RBA) publishes a monthly liabilities and assets report, together with a weekly one.

**Regionally** today, **China** is scheduled to report June **producer prices** and **CPI**, **11.30am AEST**.

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

US **gold** futures turned to settle slightly lower.

Both Qingdao **iron ore** (CFR China, 62% fines) and Nymex iron ore (CFR China, 62%) fell, Qingdao by \$US4.35/t to \$US218.04/t.

LME **copper** turned and was pushed decidedly lower. **Nickel** continued higher, but modestly so. **Aluminium** extended this week's decline.

The **\$A** ultimately ended little changed after trading at ~US74.30c early yesterday evening.

**Overseas Markets.**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	34421	-260	-0.8
<b>S&amp;P 500</b>	4321	-37	-0.9
<b>NASDAQ</b>	14560	-105	-0.7
<b>FTSE 100</b>	7031	-120	-1.7
<b>DAX 30</b>	15421	-272	-1.7
<b>Shanghai Comp</b>	3526	-28	-0.8

**Overseas Markets Commentary**

Major European, UK and US equities markets fell on opening overnight, some sentiment improving during US trade, but insufficiently so to produce any convincing return of risk tolerance.

Yesterday, summer Olympics host Japan announced a state of emergency for Tokyo, due to the pace and extent of Covid-19

\* Mineral exploration listing – **11am AEST – CHR** \*

\* Integrated logistics listing – **midday AEST – SLH** \*

\* Engineering and project management listing – **1pm AEST – DRA** \*

**Today's Stock Watch**
**Rural Funds Group (RFF)**

\$30M, \$2.47 per unit institutional entitlement offer completed, in support of cattle property and water entitlement acquisitions plus macadamia orchards development.

A \$70M retail offer, at the same price, is scheduled for 14 – 28 July.

RFF traded at ~\$2.5564 - \$2.6361 the five sessions immediately prior to calling a halt to conduct the institutional offer.

**Objective Corporation (OCL)**

Unaudited 45% higher, \$16M FY21 NPAT.

36% higher \$95.1M revenue.

48% higher, \$48.4M cash balance.

Further, anticipating 'material' FY22 revenue and profit growth.

**Audinate Group (AD8)**

FY21 revenue rose 23% to \$US25M, bolstered by a 75.4% year-on-year June quarter revenue jump.

**AML3D Ltd (AL3)**

Establishing a R&D facility at the Flinders University and BAE Systems Maritime Australia innovation district, under development in Adelaide.

**Althea Group Holdings (AGH)**

AGH subsidiary Peak Processing Solutions has secured a minimum \$C1.25M manufacturing contract to supply four wellness brand products for 48North Cannabis Corp.

**Resources**
**Panoramic Resources (PAN) / Perenti Global (PRN)**

WA Savannah nickel project mining underway earlier than scheduled.

PAN is targeting an initial concentrate shipment by year's end. PRN has secured the mining contract, worth ~\$280M over four years.

**Fe Ltd (FEL)**

Geraldton port access, services and storage facility licence agreements in hand for the JWD JV iron ore project.

Crushing and screening has commenced with some product ready for haulage to port.



spread.

This, together with increasing daily case numbers and deaths in nations across several regions, fuelled broader international economic recovery angst.

In addition, geopolitical instability fears surrounding Afghanistan and Taliban regional takeovers continued to grow.

The \$US fell from three-month peaks, and treasury yields rose, as prices pulled back.

Also overnight, the **European Central Bank** (ECB) announced the results of a strategic review, these including a new medium-term 2% inflation target.

In overnight **data** releases, **Germany's** May trade figures included a €12.3B trade surplus, following €15.2B at the end of April. Forecasters had anticipated a rise to €17.4B.

Seasonally adjusted, exports rose 0.3% and imports by 3.4%, against respective expectations of 0.6% and 0.4% increases.

Exports had been reported 0.2% higher for April, and imports 1.4% lower.

In the **US**, weekly new unemployment claims rose by 2000 to 373,000, following forecasts of a fall to 320,000.

May consumer credit change was estimated at \$US35.28B from \$YS20.04B for April.

**Tonight** in the US, May wholesale inventories are due.

Elsewhere, the **UK** reports trade figures and a GDP update for May.

In addition, **Bank of England** (BoE) governor Andrew Bailey is scheduled to participate in an online panel discussion.

The **European Central Bank** (ECB) president is scheduled to speak publicly again.

In overnight corporate news, **Stellantis**, the manufacturer of several brands including Fiat, Jeep, Opel, Peugeot, Ram and Vauxhall, announced a planned €30B further investment in electric vehicles for 2021.

Plans include a minimum of five battery facilities in Europe and the US, and a launch of hydrogen fuel-cell commercial vans.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Aug)</b>	<b>1800.2</b>	oz	-1.9	<b>-0.1</b>
<b>Silver (NY) (Sep)</b>	<b>25.99</b>	oz	-0.14	<b>-0.5</b>
<b>Gold (LON)</b>	<b>1805</b>	oz		
<b>Platinum</b>	<b>1068</b>	oz	-12	<b>-1.1</b>
<b>WTI Crude</b> (NYMEX Aug)	<b>72.94</b>	bbbl	0.74	<b>1.0</b>
<b>Brent Crude</b> (ICE EUR Sep)	<b>74.12</b>	bbbl	0.69	<b>0.9</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>216.32</b>	t	-1.79	<b>-0.8</b>
<b>Copper</b> (LME Ind)	<b>9332</b>	t	-125	<b>-1.3</b>
<b>Nickel</b>	<b>18355</b>	t	45	<b>0.3</b>
<b>Aluminium</b>	<b>2454</b>	t	-45	<b>-1.8</b>
<b>Lead</b>	<b>2303</b>	t	11	<b>0.5</b>
<b>Zinc</b>	<b>2937</b>	t	-22	<b>-0.8</b>
<b>Tin</b>	<b>31630</b>	t	-60	<b>-0.2</b>

## Pre-Open Announcements

### Silk Logistics Holdings (\* SLH)

Integrated logistics company scheduled to list on the ASX **midday** AEST, following a \$70M IPO plus share transfer at \$2.00 per share.

75.76M quoted shares.

### DRA Global (\* DRA)

Engineering and project and operations management firm scheduled to list on the ASX **1pm** AEST, following an ~\$11.67M IPO at \$3.95 per share.

~54.23M quoted shares.

### 8VI Holdings (8VI)

June quarter revenue rose 36.6% to \$S7.6M for the three months.

Cash receipts rose 25.6% to \$S7.1M.

### Aerison Group (\* AE1)

Industrial services specialist scheduled to list on the ASX **1pm** AEST **Monday**, following a \$13.5M IPO at 20c per share.

305.94M quoted shares.

## Resources

### Charger Metals (\* CHR) / Lithium Australia (LIT)

Mineral explorer CHR is scheduled to list on the ASX **11am** AEST, following a \$6M IPO at 20c per share.

32M quoted shares.

LIT holds 19.05%.

### Kirkland Lake Gold (\* KLA)

Reporting significant-width, high-grade intersections from Detour Lake project drilling, such that KLA anticipates significant resource growth.

Assays lodged pre-trade.

### Challenger Exploration (\* CEL)

Acquiring 100% of the Argentina Hualilan gold project.

Details lodged this morning.

CEL holds 25% and was planning to earn up to 75%.

### Talisman Mining (TLM)

TLM has appointed interim CEO Shaun Vokes as CEO, and former Rio Tinto (RIO: ASX) senior adviser studies and technology Russell Gregory as exploration manager.

### Lion One Metals (LLO)

Fiji Tuvatu gold project drilling has produced additional high-grade intersections.

Assays lodged pre-trade.

### Locksley Resources (LKY)

NSW copper and gold-focused explorer completed a successful ASX listing yesterday, following a \$5M IPO at 20c per share.

Opened at 22c and traded at 21c – 23c before settling back at its opening price.



## Commodities Commentary

**Oil** – prices were pushed and pulled overnight by OPEC+ speculation, new US data, currency swings and fears of a longer wait for global economic recovery from Covid-19 impacts.

In the meantime, OPEC was estimated to have boosted June production by 480,000bbl/d to 26.19MMbbl/d.

Weekly US petroleum inventories, as calculated by government agency the EIA, included a 6.87MMbbl fall in stored crude and 6.08M fewer barrels of petrol.

Further, refiners were estimated to have operated at 92.2% capacity.

Daily net crude imports rose by 558,000bbl.

A weekly US petroleum rig count is due tonight.

**Gold** – volatile trade featured overnight, Comex futures trading as high as \$US1819.5/oz before falling on reported profit-taking.

US weekly unemployment figures disappointed and the \$US fell from three-month peaks, but overall risk sentiment ultimately proved weak.

**Base metals** – overnight LME trade reacted for the first time to the US Federal Reserve policy meeting minutes released post-LME trade Wednesday. Fed views were seen as likely impacting market liquidity.

Following expectations of tightening, news out of China that some policy could be eased sparked concerns that China's administration had become concerned at the republic's economic growth prospects.

China's inflation figures, due today, could influence some of tonight's trade.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7428	-0.0033	<b>-0.44</b>
<b>EUR – USD</b>	1.1843	0.0037	<b>0.31</b>

### Australian Data Today

RBA	Liabilities and assets (4.30pm AEST)	Jun
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### US Data Tonight

Wholesale inventories	May
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### Other Overseas Data Today & Tonight

<b>China</b>	CPI	Jun
China	PPI	Jun
<b>UK</b>	Trade balance	May
UK	GDP	May Q
UK	Industrial production	May

~6M shares changed hands across 301 transactions.

~28.95M quoted shares.

### Pacgold Ltd (PGO)

Gold explorer completed its ASX listing yesterday, following a \$6M IPO at 25c per share.

Opened at 24c and traded at 23.5c - 25.5c before settling back at 24c.

~1.13M shares changed hands across 82 transactions.

32.42M quoted shares.

### Resource Base (\* RBX) / Navarre Minerals (NML)

Mineral exploration company scheduled to list on the ASX 11.30am AEST **Monday**, following a \$5.5M IPO at 20c per share.

33.95M quoted shares.

Developing the western Victoria Black Range base metal exploration tenement EL 4590 formerly held by NML.

NML holds 17.43% of RBX, and Melbourne-headquartered Asipac Group 7.33%.

## Energy

### Buru Energy (\* BRU)

Operations update, including Currajong 1 drilling, and seismic surveying planned to commence by month's end, lodged this morning.

In addition, the lifting and sale of 74,000bbl of WA Canning Basin Ungani oil was completed yesterday.

### Trading Halts

Company	Code	Resuming
Crater Gold Mining	CGN	9 Jul
BMG Resources	BMG	12 Jul
Food Revolution Group	FOD	12 Jul
KneoMedia Ltd	KNM	12 Jul
Okapi Resources	OKR	12 Jul
Sayona Mining	SYA	12 Jul
Talon Energy	TPD	12 Jul

### Suspensions (select)

Company	Code	Since
Gold Mountain	GMN	21 Jun

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ICS	Mon	23	0	2.05
KAT	Tue	0.5	100	1.90
TRA	Tue	5.63	85	6.54
DBF	Thu (15 Jul)	6.2	0	0.00
EZL	19 Jul	13.5	100	4.36

**Need More Information?**

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

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**Reports & Events**

(selected; all times AEST)

When	Company	Report/Event
<b>Thu</b> (15 Jul)	AST	AGM
	WPL	Jun Q
<b>Fri</b> (16 Jul)	RIO	Jun Q
<b>20 Jul</b>	BHP	Jun Q
<b>21 Jul</b>	SYR	Jun Q
<b>22 Jul</b>	NCM	Jun Q
	STO	Jun Q
<b>23 Jul</b>	MIN	Jun Q
<b>27 Jul</b>	OZL	Jun Q
<b>28 Jul</b>	RIO	Interim
	SBM	Jun Q
<b>29 Jul</b>	CCP	Full year
	FMG	Jun Q
	IGO	Jun Q
	IRE	Investor day
	JHG	Jun Q
<b>30 Jul</b>	FFG	AGM
	ICI	AGM
	OGC	Jun Q
	ORG	Jun Q