

Markets

SFE 200 Futures (9.30am AEST)	7463	25	0.3
NZX 50	12727	26	0.2
DJIA Futures	34984	-14	0.0
S&P 500 Futures	4424	-2	-0.1
NASDAQ Futures	15114	-11	-0.1

Local Markets Commentary

The Australian market commences today's trade with material domestic economic indicators due late morning, following lacklustre overnight international equities trade.

Sentiment across most key commodities trade proved negative.

Locally today, the Australian Bureau of Statistics (ABS) issues a finalised July **building approvals** report, containing additional information, 11.30am AEST.

Initial figures were released last month.

Also at 11.30am, NAB publishes the results of its July **business** survey, highlighting **conditions and confidence**.

Regionally today, Japan reports July bank lending just prior to the ASX open.

In overnight commodities trade, **oil** and US **gold** futures extended Friday's falls.

A holiday in Singapore yesterday, means no official Qingdao (CFR China, 62% fines) **iron ore** price. Nymex (CFR China, 62% fines) iron ore rose almost 1% however, to surpass \$US173.50/t.

LME **copper** and other key base metals fell further.

The **\$A** fell to ~US73.30c after trading at US73.45c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35102	-107	-0.3
S&P 500	4432	-4	-0.1
NASDAQ	14860	24	0.2
FTSE 100	7132	9	0.1
DAX 30	15745	-16	-0.1
Shanghai Comp	3495	36	1.1

Overseas Markets Commentary

Weak sentiment was evident from opening and early trade across major European, UK and US equities markets overnight.

Weekend bi-partisan progress on legislation supporting an up to \$US1.2 trillion planned infrastructure spend in the US appeared to support some sentiment.

A UN climate change report appeared to unsettle, however, as did talk of sooner-rather-than-later monetary policy tightening on strong July US jobs creation.

Today's Stock Watch
Novonix Ltd (NVX)

Phillips 66 is acquiring 16% of NVX, outlaying \$US150M for ~77.96M NVX shares.

In addition, Phillips 66 will nominate a representative to the NVX board.

NVX last traded at \$3.02 and is resuming from a trading halt.

Challenger Ltd (CGF)

10.5c fully franked final dividend, from no dividend a year ago.

\$592.3M full year NPAT from a \$416M FY20 net loss.

145.9% higher, \$2.79B revenue.

\$4.76 NTA from \$3.95.

In addition, MD and CEO Richard Howes plans to step down from these roles March 2022.

CGF has appointed CGF operations and technology head and Challenger Life Investment Committee chair Chris Plater as deputy CEO, effective Monday next week.

Mr Howes has been with CGF since 2003.

James Hardie Industries (JHX)

\$US121.M full year NPAT from \$US9.4M a year ago.

35% higher, \$US843.3M net sales.

\$US1.80 NTA from \$US1.59.

Mesoblast Ltd (MSB)

CFO Josh Muntner is leaving MSB 30 August.

MSB has appointed MSB finance head Andrew Chaponnel as interim CFO from then.

Megaport Ltd (MP1)

Outlaying up to \$US15M (50:50 cash and shares) for InnoEdge.

MP1 is also this morning reporting a \$55.00M full year net loss from a \$48.71M loss a year ago.

Revenue grew 35% to \$78.28M.

Reckon Ltd (RKN)

Flat, 3c fully franked interim dividend.

12.8% higher, \$5.3M continuing operations interim NPAT.

0.1% higher, \$37.5M continuing operations revenue.

Freelancer Ltd (FLN)

Task orders secured with the US Department of Commerce and the NASA Space Technology Mission Directorate, respectively worth \$US728,000 and \$US100,000.

Energy
Coronado Global Resources (CRN)

\$US96.06M full year net loss, from a \$US123.19M loss a year ago.

12% higher, \$US800.37M revenue.

Further, a US Federal Reserve district president claimed overnight that inflation growth had likely already met one condition for the Fed to consider raising rates.

Other overnight trade considerations, however, included international economic recovery uncertainty, given ongoing reports of Covid-19 containment struggles across large populated and major trade regions.

China reported additional daily diagnoses, and Malaysia and Thailand record new daily cases, as Japan extended and broadened containment measures.

In overnight **data** releases, **Germany's** June trade figures included a €16.3B trade surplus from €12.5B for July, following forecasts for €16.8B.

Seasonally adjusted, exports rose 1.3% for the month, and imports by 0.6%, following respective expectations for 0.4% and 3.4% increases.

A **euro zone** investor sentiment index as calculated by Sentix, dropped to 22.2 from 29.8. Forecasters had anticipated 29.0.

In the **US**, a June job opportunities report estimated ~10.1M job openings, against expectations of 9.0M, following 9.48M in May.

A consumer inflation expectations report included an anticipated overall 4.8% CPI increase from July survey participants.

Tonight in the US, a small business optimism index plus productivity and labour cost figures are due.

Elsewhere, the UK hosts a 10-year treasury gilt auction.

Companies scheduled to report earnings later today and tonight include: Asahi Group Coinbase, HelloFresh, Inpex Corp, Kirin Holdings, SoftBank Group and Sysco Corp.

In overnight corporate news, **Deliveroo's** stock price benefited from German competitor **Delivery Hero's** revelation of a 5% holding, accompanied with comments suggesting Deliveroo remained 'undervalued'.

Earlier, **Saudi Aramco** reported \$US25.5B June quarter net income, supported by increased global demand and higher prices.

Barrick Gold's quarterly profit exceeded expectations, as did **Tyson Foods'** outlook.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1726.5	oz	-36.6	-2.1
Silver (NY) (Sep)	23.266	oz	-1.06	-4.6
Gold (LON)	1763	oz		
Platinum	975	oz	-1	-0.1
WTI Crude (NYMEX Sep)	66.48	bbbl	-1.80	-2.6
Brent Crude (ICE EUR Oct)	69.04	bbbl	-1.66	-2.4
Iron Ore (NYMEX,CHN,62%)	173.52	t	1.51	0.9
Copper (LME Ind)	9374	t	-96	-1.0
Nickel	18595	t	-621	-3.2
Aluminium	2549	t	-29	-1.1
Lead	2263	t	-2	-0.1
Zinc	2955	t	-30	-1.0
Tin	34600	t	-130	-0.4

Commodities Commentary

Pre-Open Announcements

Vonex Ltd (* VN8) / MNF Group (MNF)

VN8 has completed the \$20M cash acquisition of select MNF direct business.

MNF plans to focus on CPaaS and UCaaS voice services and to expand outside of Australia.

SUDA Pharmaceuticals (SUD)

SUD has appointed former Novartis and Celgene medical affairs and clinical development specialist Debora Barton as an independent non-executive director.

Cobram Estate Olives (* CBO)

Olive farmer, and olive oil producer and retailer scheduled to list on the ASX 11am AEST **tomorrow**.
387.44M quoted shares.

Resources

Core Lithium (* CXO)

Conducting a \$A91M fully underwritten 31c-per-share institutional placement, in support of the Northern Territory Finniss lithium project.

CXO will also conduct a \$15M capped SPP, at the same price.

In addition, CXO has secured a \$34M, 33.8c-per-share investment from Ganfeng Lithium, plus a binding offtake agreement with Ganfeng for 75,000tpa of Finniss spodumene concentrate over four years.

The Ganfeng investment is conditional on shareholder and Chinese regulatory approvals.

CXO has previously announced a 75,000tpa-over-four-years offtake agreement with Yahua.

The two agreements account for 80% of anticipated Finniss production over the initial four years of mine life.

Presentation lodged post-trade yesterday.

CXO remains in a trading halt while conducting the institutional placement.

CXO traded at 27c – 36.5c last week.

Lucapa Diamond Company (LOM)

Attributable January – June revenue tallied \$A35.1M.

Additional unaudited interim financial statistics lodged pre-trade.

Trading Halts

Company	Code	Resuming
Marvel Gold	MVL	10 Aug
African Gold	A1G	11 Aug
Core Lithium	CXO	11 Aug
Great Southern Mining	GSN	11 Aug
Gryphon Capital Income Trust	GCI	11 Aug
ikeGPS Group	IKE	11 Aug



Oil – overnight trade appeared impacted by a continuing strong \$US, global demand uncertainty and China's trade figures, reported over the weekend.

China's July crude imports tallied 41.24Mt (~9.71MMbbl/d) during July, from 9.76MMbbl/d in June.

Meanwhile, among the forecasters, China demand growth predictions were reduced by the likes of Goldman Sachs, JPMorgan and Morgan Stanley.

On the flip side, overall July fuel demand was reported higher for India, following an easing of the nation's Covid-19 emergency restrictions.

Overnight crude prices recovered from session lows, Brent having traded ~4% lower intra-session.

Gold – Friday's strong US jobs figures appeared to continue to influence overnight trade, bolstering views of sooner-rather-than-later monetary policy tightening.

In association, the \$US traded at ~three-week peaks.

Base metals – \$US strength and China's July trade statistics, reported over the weekend, and inflation figures, released yesterday, influenced overnight LME trade considerations.

China's producer prices were estimated 9% higher than for July 2020.

The CPI rose 0.3% during July, in line with expectations, and following 0.4% June deflation.

Against July 2020, the CPI represented 1.0% inflation.

Among China's July trade figures, *copper* imports (unwrought plus products) were reported lower for a fourth consecutive month, and down 1.0% from June, at 424,280t.

This was in part due to China's price control measures, which have included state reserve releases (50,000t of copper during July) and higher scrap metal purchases.

Copper concentrate imports grew 13.0% for the month however, to 1.887Mt.

July *iron ore* imports fell to 88.51Mt from 89.42Mt for June.

Among exports, China reported exporting ~469,030t of unwrought *aluminium* and products during July, 3.2% more than for June.

Meanwhile, a report estimated international copper production had risen 2% during the June quarter.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7329	-0.0029	-0.39
EUR – USD	1.1736	-0.0022	-0.19

Australian Data Today

ABS	Building approvals (final)	Jun
NAB	Business conditions and confidence	Jul

US Data Tonight

NFIB small business optimism	Jul
Productivity and costs	Jun Q

Kangaroo Island Plantation Timbers	KPT	11 Aug
Rhinomed Ltd	RNO	11 Aug
Roto-Gro International	RGI	11 Aug
Tian Poh Resources	TPO	11 Aug

Suspensions (selected)

Company	Code	Since
Fargo Enterprises	FGO	26 Jul
Rewardle Holdings	RXH	6 Aug
Salt Lake Potash	SO4	29 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
WOT	Today	3	0	5.04
AFI	Tomorrow	14	100	2.80
NEW	Tomorrow	3	0	3.43
MFD	Thu	2.47	100	1.74
RIO	Thu	~760	100	3.10
SSR	Fri	5.07	0	0.43

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	CGF	Full year
	CRN	Interim
	JHX	Jun Q (1Q FY22; 9am)
	MP1	Full year
	RKN	Interim
Tomorrow	CBA	Full year
	CNI	Full year
	CPU	Full year
	IAG	Full year
	MIN	Full year
	Thu	AGL
AMP		Interim
CQR		Full year
DOW		Full year
GMG		Full year
MGR		Full year
NAB		Q3
QBE		Interim
TLS		Full year
WPL		Interim
XRO	AGM	
Fri	BBN	Full year



Other Overseas Data Today & Tonight

Japan	Bank lending	Jul
Japan	Eco watchers survey (3pm AEST)	Jul
Germany	ZEW current conditions	Aug
Euro zone	ZEW economic sentiment	Aug

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