

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7914	45	0.6
<b>NZX 50</b>	12055	-3	-0.0
<b>DJIA Futures</b>	40131	42	0.1
<b>S&amp;P 500 Futures</b>	5643	3	0.1
<b>NASDAQ Futures</b>	20452	10	0.1

**Local Markets Commentary**

The Australian market commences Friday trade following overnight \$A swings and with influential data due out of China, ahead of some key corporate earnings releases in the US tonight.

US equities markets settled markedly mixed, and at best with a 0.1% gain, overnight.

**Locally** today, guidance updates and June quarter figures will be in focus.

No major domestic economic reports are anticipated.

Regionally, **China** is scheduled to publish June **international trade** statistics at **1pm** AEST.

**Japan's** markets will be closed **Monday**, due to a public holiday.

In overnight **commodities** trade, **oil** added to Wednesday's turn higher by 0.4% - 0.6%.

US **gold** (Comex) futures settled higher for a third consecutive session, closing above \$US2400/oz.

**Iron ore** (Nymex CFR China, 62% Fe) swung to a 0.8% gain, settling above \$US109.50/t.

LME (3mth evening) **copper** swung ~1% lower. **Nickel** and **aluminium** extended this week's declines.

The **\$A** maintained ~US67.60c after trading at ~US67.55c - ~US67.90c yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	39754	32	0.1
<b>S&amp;P 500</b>	5585	-49	-0.9
<b>NASDAQ</b>	18283	-364	-2.0
<b>FTSE 100</b>	8223	30	0.4
<b>DAX 30</b>	18535	127	0.7
<b>Shanghai Composite</b>	2970	31	1.1

**Overseas Markets Commentary**

Marked choppy trade featured across major European and UK equities markets overnight, amid some supportive data releases but also ongoing geopolitical uncertainty.

In the US, the NASDAQ and S&P 500 dropped decisively from early trade.

A US June CPI update had surprised, representing monthly

**Today's Stock Watch**
**Coventry Group (CYG)**

FY24 sales have been estimated at \$371.3M, representing 3.7% growth. Anticipating \$20.8M EBITDA, up 22.4%.

**Meridian Energy (MEZ)**

Agriculture, corporate, residential and small-medium business June sales fell year-on-year. Large business sales grew by 4.9%, however. Additional details lodged pre-trade.

**SKS Technologies (SKS)**

\$90M Melbourne data centre project contract secured.

**Resources**
**BHP Group (BHP)**

Suspending Nickel West and West Musgrave nickel project operations from October.

BHP plans to review the decision by February 2027.

Planning to offer 'frontline' employees another BHP position or a redundancy.

In addition, providing a \$A20M community fund to support affected Western Australian communities during the suspensions.

BHP is scheduled to report for the June quarter Wednesday next week.

**Lynas Rare Earths (LYC)**

BHP Nickel West is under contract to supply sulphuric acid to LYC's Kalgoorlie rare earth facility, for an initial term ending 30 June 2027.

BHP has committed to 'using reasonable efforts' to supply imported acid to LYC.

**Metals X (MLX)**

Planning an on-market purchase of 60M shares in LSE-listed First Tin at 4p per share.

This will deliver MLX ~23% of First Tin (LSE: 1SN) for an outlay of ~\$A4.64M.

MLX will also subscribe for 11.5M First Tin shares at the same price in a book build, but this will not change MLX's First Tin holding on completion of all shares to be issued by First Tin, pending shareholder approval.

MLX plans to nominate two directors to the First Tin board.

First Tin holds the Taronga tin development project in New South Wales and the Tellerhäuser tin development project in Saxony, Germany.

**Kingsgate Consolidated (KCN)**

RC drilling within prospects near KCN's operating Chatree gold mine has delivered additional significant-width and some high-grade gold intersections. Assays lodged this morning.

**deflation.**

This pushed the \$US index lower.

In addition, large US tech companies fell out of favour and some corporate earnings and outlooks disappointed.

Earlier yesterday, the Bank of Korea retained the central bank's base interest rate at 3.5% for a 12<sup>th</sup> consecutive meeting, citing residential property prices, household debt and forex market volatility, despite falling inflation.

In geopolitical developments, Ukraine bemoaned restrictions on the use of US-supplied missiles and the waiting times for new support.

Among overnight **economic data** releases, the **US** June **CPI** reading represented 0.1% deflation for the month, following consensus for 0.1% inflation growth following May's flat result.

On an annualised basis, the reading represented 3.0% inflation growth following 3.3% recorded for May.

Weekly new unemployment claims tallied 222,000, against consensus for 236,000 following 239,000 for the previous week.

The June budget statement included a \$US66B deficit against consensus for an \$US83B shortfall.

**Germany's** final June CPI reading confirmed 0.1% inflation growth for the month and 2.2% on an annualised basis. Respective May figures had been recorded at 0.1% and 2.4% respectively.

**UK** May GDP surprised on the upside, growing by 0.4% against expectations for a 0.2% rise, following no change in April.

On an annualised basis, GDP growth was up 1.4% from 0.7% for April.

The NIESR GDP tracker indicated 0.6% GDP growth for June.

May industrial production rose 0.2%, in line with expectations, following a 0.9% April fall.

Against May 2023, output was up 0.4% from a 0.7% annualised April decline.

May international trade figures included a £4.89B deficit from a £6.42B April shortfall.

Among debt offers, a 30-year US bond auction delivered a 4.405% yield from 4.403%.

Earlier a seven-year UK treasury gilt auction produced a 4.074% yield from 4.218%.

A 20-year government bond auction hosted by Japan resulted in a 1.913% yield from 1.843%.

**Tonight** in the US, the initial July consumer sentiment estimate, as calculated by the University of Michigan is due, together with June producer prices.

Companies scheduled to report earnings or provide trading updates later today or tonight include Aeon, (The) Bank of New York Mellon, Citigroup, Ericsson, JPMorgan Chase, Sakata Seed Corp and Wells Fargo.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold</b> (COMEX 100 Aug)	2421.9	oz	42.2	1.8
<b>Silver</b> (COMEX 5000 Sep)	31.67	oz	0.66	2.1
<b>Platinum</b>	1005	oz	13	1.3
<b>WTI Crude</b> (NYMEX Aug)	82.62	bbl	0.52	0.6

**Pre-Open Announcements****GR Engineering (\* GNG)**

Anticipating an \$80M FY25 reduction in West Musgrave project contract revenue than that initially anticipated.

**Infratil Ltd (\* IFT)**

\$NZ426.2M worth of applications received in the \$NZ10.15-per-share retail offer initially targeting \$NZ150M.

IFT is accepting \$NZ125M worth of additional subscriptions.

IFT has traded on the ASX at \$10.04 - \$10.33 this week.

**Immutep Ltd (\* IMM)**

Webcast presentation lodged this morning.

**Dimerix Ltd (DXB) / EBR Systems (EBR) / PYC Therapeutics (PYC)**

Biotech summit presentations lodged this morning.

DXB, EBR and PYC are due to present today.

EBR has closed lower for the past five sessions, settling at 99c yesterday.

**BCAL Diagnostics (BDX)**

Biotech summit presentation lodged post-trade yesterday.

BDX is scheduled to deliver the presentation in Fremantle, Western Australia, tomorrow (13 July).

**Resources****Lunnon Metals (\* LM8)**

Alternative processing options, given BHP's Nickel West suspension decision, lodged this morning.

**Canterbury Resources (CBY) / Rio Tinto (RIO)**

RIO-funded drilling is underway within PNG Manus Island copper-gold targets.

**Summit Minerals (SUM)**

SUM 6.78% Wednesday and 9.09% yesterday.

Pre-trade Wednesday, SUM resumed from a trading halt, having raised \$2.5M in support of the Brazil, Equador niobium and tantalum project.

The placement shares were offered at 25c each.

SUM had traded at 26c – 38c across the five sessions prior to calling the halt, and settled at 25c yesterday.

The company has scheduled a webinar for Tuesday next week. Access details lodged post-trade yesterday.

**Anson Resources (ASN)**

An X (formerly Twitter) post from ASN yesterday did not disclose any new information, but ASN has offered to the ASX that it may have helped propel ASN's price forward on a day of general support for the lithium sector.

ASN closed at its session high of 16c, thereby adding 28% for the day following ~1.96M trades across which ~13.2M shares changed hands.



<b>Brent Crude</b> (ICE EUR Sep)	85.40	bbbl	0.32	0.4
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	109.58	t	0.84	0.8
<b>Copper</b> (LME 3mth Evening)	9795	t	-120	-1.2
<b>Nickel</b>	16828	t	-87	-0.5
<b>Aluminium</b>	2478	t	-8	-0.3
<b>Lead</b>	2202	t	18	0.8
<b>Zinc</b>	2963	t	-8	-0.3
<b>Tin</b>	34691	t	-346	-1.0

### Commodities Commentary

**Oil** – US June CPI figures raised hopes for an initial interest rate reduction in September, in turn supporting demand prospects and pushing the \$US lower, and hence pushing overnight prices higher.

The International Energy Agency's (IEA) monthly report, published overnight, included a 710,000bbl/d June quarter crude demand growth estimate, the least growth for a quarter since first half 2023.

China's June trade figures, due today, will influence some of tonight's trade.

A weekly US petroleum drill rig report is also due tonight from Baker Hughes.

**Gold** – a 0.48% drop in the \$US index, following a US June CPI reading which represented deflation for the month and the slowest annualised inflation growth in a year, supported overnight gold prices. Comex futures traded at six-week peaks. Silver was back at five-week highs.

US producer prices and a consumer sentiment reading could influence tonight's trade.

**Base metals** – overnight trade considerations included: caution ahead of influential China data, due today and Monday; three days of Communist Party economically-focused annual central committee meetings commencing Monday; and a \$US index fall.

In addition, a media report highlighted China smelters selling excess copper stock to LME-approved warehouses.

Copper inventories in overall LME warehouses were estimated to have doubled since mid-May.

**China** is expected to publish June international trade figures today. These will influence at least some of tonight's trade.

China's June quarter GDP, plus June fixed asset investment, industrial production and retail sales updates are house prices are anticipated Monday.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6763	0.0003	0.04
<b>EUR – USD</b>	1.0866	0.0032	0.29

### US Data Tonight

Producer prices	Jun
Uni of Michigan consumer sentiment (prelim)	Jul

### Energy

#### Piche Resources (\* PR2) / (\* PR2O)

Multi-mineral explorer scheduled to list on the ASX midday AEST, **Monday**, following a \$10M IPO at 20c per share.

~80.29M quoted shares; ~29.89M quoted options.

Exploration assets in Western Australia and Argentina.

Targeting uranium, and also precious metals and critical minerals.

### Reports & Events

(selected; all times AEST)

When	Company	Report/Event
<b>Today</b>	<b>MEZ</b>	Jun
<b>Tue</b>	RIO	Jun Q
<b>Wed</b>	AEF BHP	Jun Q Jun Q
<b>Thu</b>	MIR STO	Full year (webinar 10.30am) Jun Q
<b>Fri</b> (19 Jul)	WDS	Jun Q

### Trading Halts

Company	Code	Resuming
Cygnus Metals	CY5	15 Jul
Mineral Commodities	MRC	15 Jul
Nimy Resources	NIM	12 Jul

### Suspensions (selected)

Company	Code	Since
Besra Gold	BEZ	19 Jun
Beston Global Food Company	BFC	3 Jul
Calidus Resources	CAI	1 Jul
Calima Energy	CE1	3 Jul
Indiana Resources	IDA	4 Jul
Linius Technologies	LNU	8 Jul
Magellan Global Fund	MGF	12 Jul
NSX Ltd	NSX	27 Jun
OZZ Resources	OZZ	20 Jun

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>PTL</b>	Today	<b>7</b>	100	29.79



**Other Overseas Data Today and Tonight**

<b>China</b>	International trade	Jun
<b>Germany</b>	Wholesale prices	Jun
<b>Russia</b>	International trade	May

**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)

MTS	Tue	8.5	100	5.95
GVF	Wed	1	100	5.22
TRA	Wed	6.87	85	3.73

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