

Markets

SFE 200 Futures (9.30am AEST)	7237	-6	-0.1
NZX 50	12650	-21	-0.2
DJIA Futures	34823	-41	-0.1
S&P 500 Futures	4347	-5	-0.1
NASDAQ Futures	14769	-18	-0.1

Local Markets Commentary

The Australian market opens Friday trade with an overnight \$A depreciation and both Melbourne and Sydney in Covid-19 containment lockdowns.

Overnight international equities sentiment continued strained.

Locally today, National Cabinet convenes another meeting to discuss **Covid-19 containment and impact management**.

In addition, the Reserve Bank of Australia (RBA) publishes the June statement of liabilities and assets post-ASX trade.

Regionally today, the **Bank of Japan** holds a policy meeting from which outcomes are anticipated **1pm AEST**.

In overnight commodities trade, **oil** declined further.

US **gold** futures continued higher, but slightly so.

Iron ore prices rose, Qingdao (CFR China, 62% fines) adding \$US3.43/t to \$US222.09/t, and Nymex iron ore futures recording a modest gain.

LME **copper** and **nickel** turned decidedly higher. **Aluminium** continued lower.

The **\$A** dropped below US74.25c after trading at US74.70c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34987	54	0.2
S&P 500	4360	-14	-0.3
NASDAQ	14543	-102	-0.7
FTSE 100	7012	-79	-1.1
DAX 30	15630	-159	-1.0
Shanghai Comp	3565	36	1.0

Overseas Markets Commentary

Major European, UK and US equities markets fell on opening or in early trade overnight, vacillating trade ensuing amid mixed US data releases, catastrophic and fatal flooding in Germany and Belgium and a sell-down of major tech/communications stocks.

In addition, interpretations varied regarding a batch of influential economic indicators released by China yesterday.

Meanwhile, **US Federal Reserve** chair Jerome Powell discussions with the US Senate banking committee offered no new insights into Fed thinking following the House of Representatives financial

Today's Stock Watch
Ingenia Communities Group (INA)

Anticipating 30% FY21 EBIT growth, against previous guidance of a 15% - 20% improvement.

Results are attributed to a domestic travel boost.

Positive FY2022 outlook. Planning to lodge full year results 18 August.

Integrated Research (IRI)

Anticipating FY21 NPAT to be slightly above previous guidance of \$4.1M - \$7.1M.

Revenue is expected to come in at the top end of \$74.1M - \$79.1M. \$5.9M net cash at 30 June.

Planning to lodge full year results 19 August.

Crown Resorts (CWN)

Melbourne and Sydney operations are adversely impacted by Covid-19 – related lockdowns.

All Perth operations have resumed and are ramping to pre-lockdown normality.

Michael Hill International (MHJ)

8.6% higher FY21 same store sales. 7.5% June quarter same sales growth, and 116.3% all-stores.

Navigator Global Investments (NGI)

\$US20.9B AUM at 30 June.

Resources
Rio Tinto (RIO)

Covid-19 constraints continue to impact operations. January – June Pilbara iron ore shipments fell 3% to 154.1Mt, declining 12% year-on-year during the June quarter, to 76.3Mt.

Output fell 5% and 1% respectively.

Aluminium production grew 3% for 1H 2021, to 1,619Mt, bolstered by 816,000t for the June quarter, 4% more than for the June quarter 2020.

1H bauxite, mined copper and IOC iron ore pellets and concentrate came in respectively 4%, 11% and 5% lower.

Alumina Ltd (AWC)

AWC AWAC JV partner Alcoa reported in the US overnight.

AWC received \$74.9M in AWAC distributions for the June quarter, against \$62.0M a year earlier.

Evolution Mining (EVN)

Produced 169,146oz of gold, with a \$A1239/oz AISC during the June quarter. Sold 167,608oz at \$A2286/oz.

In addition, the EVN board has approved the NSW Cowal project underground development and plans for Red Lake project development.

Three-year outlook statistics also lodged this morning.



services committee talks Wednesday.

Among overnight **data** releases, **US** weekly new unemployment claims tallied 360,000, against 386,000 the previous week and following forecasts for 368,000.

June import and export prices were reported 1% and 1.2% higher, respectively, for the month.

Against June 2020, respective prices were 11.2% and 16.8% higher.

June industrial production rose 0.4% for the month, following a 0.7% May increase.

Output was 9.9% higher than for June 2020.

The Philadelphia Fed manufacturing index dropped to 21.9 from 30.7, following expectations of a more modest decline to 29.

The New York (Empire State) Fed manufacturing index jumped to 43 from 17.4, against forecasts for a 0.6-point improvement.

The number of people claiming unemployment in the **UK** fell by 114,800 during June, after declining by 92,600 in May.

Forecasters had anticipated a 120,000 drop for June.

The number of jobs available during the June quarter was calculated at 862,000, 77,500 more than for the March quarter 2020.

The May unemployment rate was also reported overnight, this rising 0.1% to 4.8%.

May average earnings, excluding bonuses, rose 6.6% after a 5.5% May improvement.

Tonight in the US, an initial July consumer sentiment estimate is anticipated is anticipated from the University of Michigan.

June retail sales and May business inventories are also due.

Companies scheduled to report earnings later today and tonight include: Atlas Copco, Charles Schwab, Ericsson, Honeywell, Samsung Electro-Mechanics and Sandvik.

In overnight corporate news, the Reserve Bank of India prohibited **Mastercard** from issuing new cards from 22 July, citing a breach of data storage rules.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1829	oz	15.14	0.2
Silver (NY) (Sep)	26.39	oz	0.12	0.5
Gold (LON)	1814	oz		
Platinum	1133	oz	11	1.0
WTI Crude (NYMEX Aug)	71.65	bbl	-1.48	-2.2
Brent Crude (ICE EUR Sep)	73.47	bbl	-1.29	-1.7
Iron Ore (NYMEX,CHN,62%)	218.68	t	0.74	0.3
Copper (LME Ind)	9422	t	80	0.9
Nickel	18765	t	182	1.0
Aluminium	2515	t	-10	-0.4
Lead	2329	t	29	1.3
Zinc	2964	t	37	1.3
Tin	32120	t	494	1.5

Commodities Commentary

Oil – OPEC's monthly market report, published overnight, included

Pre-Open Announcements

MGC Pharma (* MXC)

Patent application lodged with Slovenia's Intellectual Property Office for the SNEDDS drug delivery system.

Swift Media (SW1)

Company secretary Stephen Hewitt-Dutton has resigned.

SW1 has subsequently appointed former Threat Protect Australia (ASX: CFO, company secretary and COO) Simon Whybrow as company secretary.

Mr Hewitt-Dutton had been SW1's company secretary since 2014.

United Overseas Australia (UOS) / Advanced Share Registry (ASW)

Mourning the passing of chairman and company secretary Alan Winduss.

UOS has appointed long-term UOS and ASW corporate advisor and Mr Winduss' alternate (ASW director) Stuart Third as company secretary.

ASW has appointed Mr Winduss as a director.

UOS is yet to appoint another director.

Resources

Dreadnought Resources (* DRE)

Heralding WA Mangaroon Ni-Cu-PGE project surface sampling results.

1km strike length determined.

Assays lodged pre-trade.

Mt Monger Resources (MTM)

Australia-focused mineral explorer completed its ASX listing yesterday, following a \$5M IPO at 20c per share.

Opened at 20c and traded as high as 21c before settling at its day one low of 19.5c.

2.64M shares changed hands across 178 transactions.

27.75M quoted shares.

Trading Halts

Company	Code	Resuming
Los Cerros	LCL	16 Jul
Proteomics International Laboratories	PIQ	16 Jul
Whitefield Ltd	WHF	16 Jul
Aeon Metals	AML	19 Jul
Digital Wine Ventures	DW8	19 Jul
GBM Resources	GBZ	19 Jul
Heron Resources	HRR	19 Jul
Predictive Discovery	PDI	19 Jul
RareX Ltd	REE	19 Jul
Selfwealth Ltd	SWF	19 Jul



a prediction crude demand would return to pre - Covid-19 levels during 2022.

Specifically, OPEC forecast overall 2022 demand to rise 3.4% to a mean average 99.86MMbbl/d, bolstered by average 100MMbbl/d demand during 2H 2022.

OPEC offered no further information on UAE-Saudi Arabia output curb negotiations.

A weekly US petroleum drill rig count is due tonight.

Gold – prices settled higher for a third consecutive session overnight, but trade appeared relatively lacklustre amid no major new international monetary policy or geopolitical developments.

Base metals – overnight trade appeared largely influenced by new material data out of China, together with some commentary anticipating further supportive monetary and fiscal policy moves in China.

In addition, US Federal Reserve chair Jerome Powell declared the Fed was in no rush to tighten US monetary policy, hence supporting liquidity and metals demand outlooks.

Other overnight considerations included reports China was planning to release 10Mt of coal from reserves, to stabilise supply, after releasing 5Mt across four tranches earlier this year.

Further, Jiangxi Copper Co announced a proposed 11.4B yuan (\$US1.76B) investment to manufacture an ultimate 100,000tpa of copper foil for lithium batteries.

China's June quarter GDP, plus June updates for industrial production, fixed asset investment and retail sales, reported yesterday, proved close to forecasts.

June quarter GDP rose 1.3% for the three months, and 7.9% year-on-year, following 0.4% growth for the three months to 31 March. June industrial production grew by 8.3% year-on-year, and retail sales by 12.1%.

In additional June trade information released yesterday, China's aluminium output was reported at 3.29Mt, and January – June production at 19.64%, up 10.1% year-on-year.

Output was down from May to June, but this was attributed to power use restrictions in Yunnan.

In the meantime, emissions controls were cited as the main reason China produced 5.6% fewer tonnes of crude steel in June than for May, June output tallying 93.88Mt.

Despite declaring 2021 crude steel output would be constrained to a maximum 1.065Bt, January – June production came in at 563.33t, 11.8% higher than for January through June 2020.

In industry news, Freeport McMoRan announced a scrapping of plans to construct a copper smelter in Indonesia with Tsingshan Holding Group.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7424	-0.0053	-0.71
EUR – USD	1.1811	0.0045	-0.27

Australian Data Today

RBA	Liabilities and assets statement (4.30pm AEST)	Jun
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Suspensions *(selected)*

Company	Code	Since
Cirralto Ltd	CRO	14 Jul
Crater Gold Mining	CGN	9 Jul
Field Solutions Holdings	FSG	14 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BIN	Today	11.7	100	0.87
AIQ	Mon	0.34	0	0.00
EZL	Mon	13.5	100	4.30
PL8	Mon	0.45	100	3.79
TLT	Tue	NZ7.65	0	0.00
KPG	Wed	0.36	100	1.36

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	EVN	Jun Q
	RIO	Jun Q
Tue	BHP	Jun Q
Wed	SYR	Jun Q
Thu	NCM	Jun Q
	STO	Jun Q
Fri (23 Jul)	MIN	Jun Q
27 Jul	OZL	Jun Q
28 Jul	RIO	Interim
	SBM	Jun Q
29 Jul	CCP	Full year
	FMG	Jun Q
	IGO	Jun Q
	IRE	Investor day
	JHG	Jun Q
30 Jul	FFG	AGM
	ICI	AGM
	OGC	Jun Q
	ORG	Jun Q

**US Data Tonight**

Uni of Michigan consumer sentiment (prelim)	Jul
Retail sales	Jun
Business inventories	May

Other Overseas Data Today & Tonight

Japan	BoJ policy meeting outcomes	16 Jul
Japan	Outlook report	Sep Q
Euro zone	Trade balance	May
Euro zone	Domestic vehicle registrations	Jun

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