

Markets

SFE 200 Futures (9.30am AEST)	7217	-6	-0.1
NZX 50	12645	-9	-0.1
DJIA Futures	34457	58	0.2
S&P 500 Futures	4294	6	0.1
NASDAQ Futures	14556	7	0.1

Local Markets Commentary

The Australian market commences a new financial year's trade with further key domestic and regional data due by late morning. Overnight international equities trade sentiment proved mixed.

Locally today, the Australian Bureau of Statistics (ABS) reports **May trade balance**, 11.30am AEST.

At the same time, the ABS releases **May job vacancies**.

Also this morning, June **residential property prices** are due from CoreLogic.

Pre-trade, AiG has released a robust 63.2 June **manufacturing activity** index. This, from 61.8 for May and following expectations of just a 0.2 rise during June.

Post-ASX trade, the Reserve Bank of Australia (RBA) publishes its monthly **commodity prices** report.

Regionally today, Caixin is due to report its June **manufacturing PMI** for **China** at 11.45am AEST.

Japan is expected to report Tankan indices. A 10-year government bond auction is also scheduled for today.

Meanwhile, **South Korea's** June trade figures are anticipated as **ASX trade commences**.

In overnight commodities trade, **oil** gained.

US **gold** futures turned modestly higher.

Qingdao **iron ore** (CFR China, 62% fines) rose by \$US1.75/t to \$US214.08/t.

Nymex iron ore (CFR China, 62%) also turned slightly higher.

LME **copper** settled higher after four consecutive declines. **Nickel** and **aluminium** swung lower.

The **\$A** traded within a narrow range, after falling beneath ~US75.05c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34502	210	0.6
S&P 500	4298	6	0.1
NASDAQ	14504	-24	-0.2
FTSE 100	7037	-50	-0.7
DAX 30	15531	-160	-1.0
Shanghai Comp	3591	18	0.5

* Rare earths exploration listing – 10.30am AEST – AR3 *

* Online property settlement listing – 1pm AEST – PXA *

Today's Stock Watch
Auckland International Airport (AIA)

Anticipating \$NZ25M - \$NZ35M FY22 retail income.

Operating costs are expected to tally \$NZ160M - \$NZ175M.

Retaining FY21 guidance for a \$NZ35M - \$NZ55M net loss.

Abacus Property Group (ABP) / Charter Hall Long WALE REIT (CLW)

ABP and CLW are each outlaying ~\$135.2M to each acquire a 33.3% interest in the Myer Melbourne property.

Additional CLW acquisitions and FY22 guidance also lodged.

Bod Australia (BDA)

FY21 medicinal cannabis product unit sales rose 212% to 12,187. Units sold during the June quarter rose 17% for the three months, to 4441.

APN Industria REIT (ADI)

Selling an Eight Mile Plains property for \$12.55M, representing a 24.2% premium to book value.

In addition, purchasing a suburban Melbourne Dandenong South property for \$12.85M.

Also outlaying \$24.1M for a Laverton North, Victoria property.

Stemcell United (SCU)

SCU has extended an initial milestone agreement with Temasek Polytechnic to a second stage binding collaboration agreement covering 12 months.

In association, SCU and Temasek Polytechnic will establish a laboratory on the Temasek campus, each contributing in kind distributions from the partners tallying a combined \$S550,000.

SCU will contribute \$S289,000 worth of salary and consumables expenses.

Resources
IGO Ltd (IGO)

IGO has appointed Michael Nossal as chair, effective today. As previously flagged, former chair Peter Bilbe is remaining with IGO as a non-executive director before retiring at the November AGM.

Meanwhile, IGO's proposed Australian lithium assets JV with Tianqi Lithium Corporation has completed, with IGO holding 49% and Tianqi 51%.

Details, including JV board and management appointees, lodged post-trade yesterday.

Talga Resources (TLG)

Heralding Vittangi anode project DFS results, including \$US240M estimated annual revenue and 2.5-year payback.



Overseas Markets Commentary

Most major European, UK and US equities markets featured early declines and vacillating sentiment in overnight end-of-quarter and half year trade, the DJIA proving the exception with positive and relatively stable sentiment throughout.

Investors were faced with several key indicator releases, central bank commentary and a rise in international tensions as the US foreshadowed extending the list of nations with which it conducted joint military exercises in the Asia-Pacific region as it continued a program with Japan in the South China Sea.

This came as China's Communist Party continued celebrations ahead of today's official centenary anniversary.

Covid-19 management also remained in focus, the UK's daily new diagnoses coming in at its highest since late January, at 26,068, bumping the seven-day tally to a 70% increase on that for the previous week.

Daily Covid-19 new case numbers in Japan and Indonesia also continued to rise significantly.

Also overnight, **Bank of England** (BoE) outgoing chief economist Andy Haldane ventured the UK inflation growth rate would be nearer 4% than 3% by year's end.

In that case, Mr Haldane asserted, the BoE could need to raise interest rates by more than it had anticipated

Among overnight **data** releases, the **UK** March quarter GDP was finalised as a 1.6% fall for the quarter and 6.1% year-on-year drop.

December quarter GDP had grown by 1.3% for the three months.

The **euro zone's** initial June CPI reading came in at 0.3% growth and the annualised rate at 1.9%.

Germany's June unemployment rate was calculated flat at 5.9%.

In the **US**, a private sector June employment report included an estimated 692,000 new jobs, following expectations of 450,000 – 600,000 positions, and the 886,000 reported for May.

The June Chicago PMI update fell to 66.1 from 75.2, following forecasts of a smaller decline, to 72.

May pending home sales rose 8% for the month, following a 4.4% April drop, and expectations of another 2% fall.

Weekly mortgage applications tumbled 6.9%. Mean average 30-year mortgage rates rose to 3.20% from 3.18%.

Tonight in the **US**, weekly new unemployment claims, a job cuts report, manufacturing activity indices from the ISM and Markit, and May construction spending are due.

Elsewhere, European Central Bank (ECB) president Christine Lagarde and Bank of England (BoE) governor Andrew Bailey are scheduled to speak publicly.

Companies scheduled to report earnings later today and tonight include: AO World, H&M and Walgreens Boots Alliance.

Meanwhile, the US is approaching a Monday public holiday weekend in celebration of 4 July.

US markets will be closed Monday 5 July.

Pre-Open Announcements

Dexus Property Trust (* DXSDB) / Dexus (DXS)

DXSDB is expected to commence ASX trade (with Group 2) on today's ASX open.

Each DXSDB security will comprise one unit in a newly-established Dexus Property Trust (DPT) and one Dexus Operations Trust (DXO) unit.

The current DXS staple securities have comprised one unit each of DXO, the Dexus Diversified Trust (DDF), the Dexus Industrial Trust (DIT) and Dexus Office Trust (DOT).

Under a change approved 22 June, DPT will comprise DDF, DIT and DOT.

Hence, the new DXSDB will essentially be the current DXS, performing the same DXS operations, but under a new stapled securities structure.

DXSDB trading will commence on a deferred settlement basis. Once normal (T+2) trade commences, likely 7 July, the ASX code will be DXS.

PEXA Group (* PXA)

Online property settlement company scheduled to list on the ASX **1pm** AEST, following a \$1.175B IPO at \$17.13 per share.

Trading will commence on a conditional and deferred settlement basis.

Normal (T+2) trade is expected to commence 5 July (Monday next week).

177.326M quoted shares.

Transurban Group (TCL)

S&P Global Ratings has changed the rating outlook for two TCL company ratings to stable from negative.

Details lodged post-trade yesterday.

BTC Health (BTC) / Pharmaxis Ltd (PXS)

BTC investee company BioImpact has acquired exclusive distribution rights from PXS for Bronchitol and Aridol in Australia, Hong Kong, Malaysia, New Zealand, Singapore and South Korea (Bronchitol only).

The agreement is for 10 years with automatic renewals for three-year terms. BioImpact is paying PXS \$2M.

BTC called a trading halt post-trade yesterday.

Air New Zealand (AIZ)

FY21-to-date passenger numbers, as at 31 May, were 40.8% lower than for FY20.

Breakdown statistics for May also lodged pre-trade.

Sigma Healthcare (SIG)

SIG has appointed Peter Robert Patterson as company secretary, effective today, following the resignation of Samuel Lawson from that role, effective yesterday.

Integrated Research (IRI)

COO Matt Glasner has left IRI in association with an executive leadership restructure.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1770.6	oz	7	0.4
Silver (NY) (Sep)	26.255	oz	0.35	1.4
Gold (LON)	1755	oz		
Platinum	1064	oz	2	0.2
WTI Crude (NYMEX Jul)	73.47	bbbl	0.49	0.7
Brent Crude (ICE EUR Aug)	75.13	bbbl	0.37	0.5
Iron Ore (NYMEX,CHN,62%)	214.55	t	0.19	0.1
Copper (LME Ind)	9403	t	66	0.7
Nickel	18205	t	-159	-0.9
Aluminium	2519	t	-33	-1.3
Lead	2271	t	-49	-2.1
Zinc	2972	t	19	0.6
Tin	31480	t	-449	-1.4

Commodities Commentary

Oil – reports emerged overnight that OPEC+ could consider extending production cuts beyond April 2022.

OPEC and OPEC+ member meetings are scheduled to commence later today, with a decision on production curbs from 1 August keenly anticipated.

A US weekly petroleum inventories report, released by government agency EIA overnight, included a 6.72MMbbl fall in stored crude and 1.52MMbbl rise in petrol stocks.

The fall in crude inventories represented a sixth consecutive weekly draw down.

Petrol production was calculated down by 749,000bbl/d.

Net crude imports fell 603,000bbl/d.

The Brent crude August delivery contract expired on overnight close, the September contract rising 34c for the session to \$US74.62/bbl.

Gold – short covering and bargain hunting were noted by analysts in overnight end-of-quarter and half-year trade, as the \$US continued higher.

Base metals – overnight trade was influenced by end-of-quarter positioning, new data out of China and a yet relatively strong \$US.

Meanwhile, the UK flagged added five steel products to its list of 19 steel products already attracting import tariffs.

Among the forecasters, Morgan Stanley proffered copper prices to average slightly higher than \$US9000/t for second-half 2021.

China's official (NBS) June PMIs, reported yesterday, came in mixed, the manufacturing sector index rising to 50.9 from 50.1, in line with expectations, but representing the slowest growth in four months.

The services PMI was estimated at 53.5 from 55.2, following expectations of a much smaller decline to 55.0.

Caixin is scheduled to release its June manufacturing PMI for China today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7499	-0.0018	-0.23

Raiz Invest (RZI)

RZI has promoted Instreet Investment finance and operations manager Weiwei (Alex) Gao to be the company's CFO, effective today.

Regeneus Ltd (RGS)

Company secretary Sandra McIntosh has resigned, effective yesterday.

Ms McIntosh had been with RGS since 2009.

RGS has appointed Hang Ling (Helen) Leung as the company's new company secretary.

Candy Club Holdings (CLB)

Debt facility amendment agreement secured with Venture Lending & Leasing IX, for a facility announced in April.

Details lodged post-trade yesterday.

Namoi Cotton (NAM)

Quarterly activity report and cash flow statement lodged post-trade yesterday.

Customer receipts tallied \$43.8M. Manufacturing and operating costs reached \$42.0M.

FBR Ltd (FBR)

In receipt of ~\$2.5M from Radium Capital, secured against anticipated FBR FY21 R&D tax incentive refund.

Loan interest is set at 14%pa.

FBR says the loan has pushed the company's gross cash balance to ~\$11.1M.

Hydrix Ltd (HYD)

AngelMed Guardian presentation lodged post-trade yesterday.

Clean TeQ Water (* CNQ) / Sunrise Energy Metals (SRL)

Water treatment and resource recovery specialist CNQ will commence ASX trade 10.30am AEST **tomorrow**.

CNQ has been demerged from SRL.

44.666M quoted shares.

BlueBet Holdings (* BBT)

Online betting service scheduled to list on the ASX 11am AEST **tomorrow**, following an \$80M IPO at \$1.14 per share.

200.11M quoted shares.

Washington H Soul Pattinson & Company (ASX: SOL) holds 1.096%.

Resources**Australian Rare Earths (* AR3)**

Mineral explorer scheduled to list on the ASX **10.30am** AEST, following a \$12M IPO at 30c per share.

44.78M quoted shares.

Gold Road Resources (GOR)

Monday's revelation that Gruyere gold project processing plant repairs would impact June quarter production has not only pushed GOR's stock price from \$1.42 at last week's close to a \$1.26 settlement yesterday, but also prompted an 'aware' query from the ASX. GOR lodged the company's ASX reply



EUR – USD 1.1856 -0.0040 -0.34

Australian Data Today

AIG	PMI	Jun
ABS	Trade balance	May
ABS	Job vacancies	May
CoreLogic	Residential property prices	Jun
RBA	Commodity prices	Jun

US Data Tonight

Initial jobless claims	26 Jun
Challenger job cuts	Jun
ISM manufacturing PMI (final)	Jun
Markit manufacturing PMI (final)	Jun
Construction spending	May

Other Overseas Data Today & Tonight

China	Caixin manufacturing PMI	Jun
Japan	PMI manufacturing (final)	Jun
Japan	Tankan large manufacturing index	Q2
South Korea	Trade balance	Jun
UK	PMI manufacturing (final)	Jun
Germany	Retail sales	May
Germany	PMI manufacturing (final)	Jun
Euro zone	PMI manufacturing (final)	Jun
Euro zone	Unemployment	May

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post-trade yesterday.

Black Rock Mining (BKT)

MoU secured with US-headquartered graphite processing specialist Urbix, for collaborative supply and processing.

Urbix has processed some anode material from BKT Mahenge project graphite concentrate, for assessment by BKT development partner and shareholder POSCO.

Salt Lake Potash (SO4)

WA Lake Way process plant practical completion achieved.

Ora Banda Mining (OBM)

OBM has appointed CEO Peter Nicholson as MD, effective today.

As previously flagged, former MD David Quinlivan will remain with OBM as a non-executive director.

Centrex Metals (CXM)

CXM has appointed Peter Hunt as non-executive chair, effective yesterday.

Graham Chrisp stepped down from his CXM executive chairman role, in favour of other business interests.

Mr Chrisp will remain with CXM as a non-executive director.

He has also agreed to offer technical support as required.

Lindian Resources (LIN) / Volt Resources (VRC)

LIN and VRC Chief operating officer (COO) and CFO David Sumich has resigned in favour of other opportunities.

LIN intends to share the COO duties between existing board members.

VRC's MD will take over COO responsibilities, also with support from board members.

LIN accounting will be managed by an internal consultant.

VRC CFO duties will be shared between the MD and financial controller.

Theta Gold Mines (TGM)

Chin Haw Lim has retired as TGM company secretary and CFO.

TGM has appointed solicitor Heath Roberts as company secretary and accountant Philip Rankin as acting CFO, effective today.

Terramin Australia (TZN)

TZN has secured a standby term facility restructure with major shareholder Asipac Group.

Eastern Iron (EFE)

A DFS update is underway for the Nowa Nowa iron project, Victoria.

The update will focus on high-grade iron ore only.

The initial DFS was completed in September 2014.

29Metals Ltd (* 29M)

Gold and copper producer and broader minerals explorer scheduled to list on the ASX midday AEST **tomorrow**, following a \$527.79M IPO at \$2.00 per share.

Trading will commence on a conditional and deferred settlement basis.

Normal (T+2) trade is expected to commence 7 July



(Wednesday next week).

Assets include the WA Golden Grove, Queensland Capricorn Copper and Chile Redhill projects.

480.455M quoted shares.

Lode Resources (* LDR)

Mineral explorer scheduled to list on the ASX 12.30pm AEST **tomorrow**, following a \$5.115M IPO at 20c per share.

35.936M quoted shares.

Energy

NexGen Energy (Canada) (* NXG)

Uranium explorer scheduled to list, as foreign exempt, on the ASX 1pm AEST **tomorrow**, following a \$2.24M IPO at \$5.60 per CDI.

400,000 common shares to be settled in the form of CDIs.

Trading Halts

Company	Code	Resuming
Applyflow Ltd	AFW	1 Jul
Leigh Creek Energy	LCK	1 Jul
rhip Ltd	RHP	1 Jul
Agua Resources	AGR	2 Jul
Arcadia Minerals	AM7	2 Jul
AVZ Minerals	AVZ	2 Jul
Kinetiko Energy	KKO	2 Jul
NeuroScientific Biopharmaceuticals	NSB	2 Jul
N1 Holdings	N1H	2 Jul
Novatti Group	NOV	2 Jul
BTC Health	BTC	5 Jul

Suspensions *(select)*

Company	Code	Since
Creso Pharma	CPH	29 Jun
Mineral Commodities	MRC	29 Jun
Proteomics International Laboratories	PIQ	29 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MGF	Today	3.66	0	0.00
MHH	Today	2.25	0	2.88
MTS	Today	9.5	100	3.63
NBI	Today	1.73	0	4.69
PE1	Today	2.5	0	2.07
TGA	Tomorrow	1	100	0.00
CAM	Mon	1.25	100	4.76
MEC	Mon	2.5	100	2.00
SGLLV	Tue	33	100	4.59
CKF	Wed	12.5	100	1.83



GNC	Wed	8	100	1.36
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