

Markets

SFE 200 Futures (9.30am AEST)	6004	2	0.0
NZX 50	11606	22	0.2
DJIA Futures	26558	38	0.1
S&P 500 Futures	3218	4	0.1
NASDAQ Futures	10639	17	0.2

Local Markets Commentary

The Australian market commences a new week's trade with additional Covid-19 – related business support plans proposed by the Australian Government over the weekend, anticipated progress this week on new fiscal support for the European Union and US, and a benchmark interest rates announcement expected out of China late morning.

European Union leaders convened a summit to debate a proposed additional €750B worth of regional economic recovery support, but commenced an additional, unscheduled day of talks without an agreed resolution.

European Central Bank (ECB) president Christine Lagarde offered yesterday that any agreement should not be forced within a given time frame at the expense of proving adequate.

Over the weekend, **G20** finance ministers and central bank presidents and governors met virtually and again discussed debt relief for nations struggling the most to support their citizens.

Also over the weekend, Hong Kong announced additional Covid-19 containment measures to come into effect this week.

Regionally today, China is scheduled to announce the outcomes of its monthly review of the one-year and five-year loan prime rates, **11.30am AEST**. China has not altered these rates since April.

The **Bank of Japan** releases the minutes of last week's policy meeting minutes just prior to the commencement of ASX trade. **June trade** statistics are also due for Japan pre-ASX trade.

Locally today, no major economic data releases are scheduled for release.

A plethora of quarterly reports and earnings guidance announcements is anticipated this week however, during the second last full trading week for July.

In overnight Friday commodities trade, **oil** was pushed lower for a second consecutive session.

US **gold** futures (August) closed with relatively moderate gains for both the session and the week.

Iron ore (Nymex CFR China, 62% Fe) closed just US2c higher, above \$US107.20c.

LME **copper** settled with another, but just slight, gain. **Nickel** dropped. **Aluminium** continued lower.

The **\$A** was pushed a little beyond US69.95c after trading at ~US69.90c early Friday evening.

China – loan prime rates – 11.30am AEST

Today's Stock Watch

Djerriwarrh Investments (DJW)

4.1% lower, \$32.92M full year NPAT. Operating revenue fell 28.2% to \$28.62M. Total income fell to \$37.15M, from \$45.83M. 5.25c fully franked final dividend, against 10c. Top-20 investments at 30 June also lodged.

Eclipx Group (ECX)

Planning to sell Right2Drive for up to \$26.5M. Details lodged this morning.

Sydney Airport (SYD)

Overall June passenger numbers plummeted 94.9% year-on-year, to 172,000. For the financial year-to-date, the passenger tally is estimated 56.6% lower.

Micro-X Ltd (MX1)

FDA clearance in hand for MX1's rover mobile x-ray product, designed to be deployed within military medical facilities.

Noxopharm Ltd (NOX)

Pre-clinical data, from two independent research groups, indicates NOX's Idronoxil (active ingredient in Veyonda) can boost cancer-fighting immune function.

Details lodged this morning.

In association, NOX has lodged final patent specifications.

Whispir Ltd (WSP)

June quarter cash receipts grew 36.5% year-on-year, and 27% for the three months, to \$11.3M.

Annualised recurring revenue rose 35.7% and 4.2% respectively to \$42.2M. WSP's customer tally grew by a record 72.

Tyro Payments (TYR)

Weekly update lodged this morning, highlighting 17% higher FY21-to-date total transaction value of \$1.047B.

Resources

South32 Ltd (S32)

Produced 1.358Mt of alumina and 245,000t of aluminium during the June quarter, delivering 4% alumina output growth for FY20, to 5.269Mt, and 986,000t for aluminium, against 982,000t.

FY20 metallurgical coal production also rose by 4%, to 5.549Mt. Statistics also lodged for other metals.

Realised prices across FY20 fell for most output.

Pensana Rare Earths (PM8)

HoA agreed with China Great Wall Industry Corporation for the potential co-operative development, including funding, of the Longonjo rare earths project, Angola.

PM8 settled at 36.5c Friday after closing out June at 26.5c.



Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26672	-63	-0.2
S&P 500	3225	9	0.3
NASDAQ	10503	29	0.3
FTSE 100	6290	40	0.6
DAX 30	12920	45	0.4
Shanghai Comp	3214	4	0.1

Overseas Markets Commentary

Chop and swing again featured across major European and US equities markets overnight Friday, underscoring prevailing disquiet.

Overnight Friday, **EU** leaders debated a common **recovery plan**, but with differing views, including regarding grants and loans, the initial two-day summit was expected to perhaps be continued this week.

Also, this week, the **US** parliament is expected to recommence deliberations regarding **further stimulus**, this also bolstering some positive sentiment overnight Friday.

Among overnight Friday **data** releases, the **euro zone's** final June CPI reading confirmed 0.3% growth for the month and also year-on-year.

May regional construction output was estimated to have dropped 11.9% year-on-year, but this exceeded expectations following April's 31% slide.

In the **US**, June housing starts jumped 17.3% following an 8.2% May gain.

Building permits rose 2.1% after a 14.1% May increase.

The initial estimate for July consumer sentiment from the University of Michigan undershot expectations, coming at 73.2, from 78.1 for June.

Tonight in the **US**, no major economic indicators are due.

Elsewhere, Germany reports producer prices.

Halliburton, IBM, Philips and Logitech are among companies scheduled to report earnings tonight.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1810	oz	9.70	0.5
Silver (NY) (Sep)	19.764	oz	0.19	1.0
Gold (LON)	1807	oz	-0.35	-0.0
Platinum	831	oz	16	2.0
WTI Crude (NYMEX Aug)	40.59	bbl	-0.16	-0.4
Brent Crude (ICE EUR Sep)	43.14	bbl	-0.23	-0.5
Iron Ore (NYMEX,CHN,62%)	107.20	t	0.02	0.0
Copper (LME,3mth Ind,PM)	6434	t	12	0.2
Nickel	13130	t	-335	-2.5
Aluminium	1664	t	-3	-0.2
Lead	1812	t	-29	-1.6
Zinc	2183	t	-36	-1.6
Tin	17260	t	-110	-0.6

Pre-Open Announcements

Orbital Corporation (* OEC)

OEC has settled a historical debt dispute and no longer holds any interest in Remsafe, which OEC divested in 2017.

OEC appreciated 19.25% Friday, settling at \$1.27 after trading as high as \$1.36 intra-session.

OEC last week hosted a visit by Australian defence minister Linda Reynolds to its WA production and design facilities.

In April, OEC announced a hybrid UAV propulsion system development contract with Northrop Grumman.

Catapult Group International (CAT)

Anticipating \$10M - \$101M FY20 revenue.

EBITDA is expected to come in at \$11.5M – \$12.5M.

In addition, CAT achieved positive cash flow (net free cash improved by \$24.1M) during FY20, one year earlier than forecast.

\$27.5M cash at bank at 30 June.

MyFiziq Ltd (MYQ)

Planning to boost its holding in the Body Technologies JV with Gold Quay to 54.5%. Details lodged this morning.

Further, MYQ is anticipating receiving a combined \$450,000 worth of licence fee and development services revenue by the end of the week.

Pushpay Holdings (PPH)

Independent non-executive director Justine Smyth has resigned from the PPH board, effective today.

PPH plans to appoint another director.

Mercury NZ (MCY)

June quarter operational update lodged pre-trade, highlighting improving demand and sales yields.

Euroz Ltd (EZL)

Ahead of their proposed merger, EZL and Hartleys have agreed a binding bid implementation agreement under which EZL will offer ~3.303 EZL shares for each Hartleys share.

EZL is consequently likely to hence issue ~33M shares.

Hartleys shareholders will hold ~17% of the combined proposed 'Euroz Hartleys'.

Additional details, including transaction conditions, lodged post-trade Friday.

EZL trades ex-dividend (6c) today, after trading higher the past three sessions to settle at \$1.15 Friday.

Resources**Resolute Mining (* RSG)**

Heralding an updated life of mine plan for the Senegal Mako gold project.

The update has delivered a 39% increase in anticipated production to 1.24Moz, and extended the expected mine life by two years.



Commodities Commentary

Oil – Covid-19 resurgences, further impacting international economic recovery outlooks and associated fuel demand appeared a major factor keeping prices in check overnight Friday.

A weekly US petroleum drill rig count, published overnight Friday, revealed one fewer operational oil rig.

One analyst ventured the overall petroleum drill rig tally (253) could bottom at ~250 before rising to 270 by year's end.

Meanwhile, Phillips 66 reported growing numbers of Covid-19 diagnoses among employees across California, Louisiana, Oklahoma and Texas, but maintained these were mostly due to transmission and contraction outside of Phillips 66 workplaces.

Brent crude closed 0.2% lower for the week and WTI down 0.1%.

Gold – US futures recorded a sixth consecutive weekly rise overnight Friday.

Nothing definitive came out of the first of two days of a European Union leaders' summit to debate a proposed €750B regional support package, but optimism for ultimate consensus, plus international economic prospects disquiet supported sentiment sufficiently to swing prices to a sessional gain also.

Silver notably settled 3.7% higher for the week against gold's 0.5% weekly rise.

Any outcomes from planned US parliamentary debate on further support as national Covid-19 cases surge could swing gold sentiment this week.

Base metals – China-US relations, rising international Covid-19 diagnoses and the associated reintroduction of some restrictions, plus supply indications appeared the major influences on overnight Friday trade.

Earlier Friday, Rio Tinto (ASX: RIO) had reported June quarter copper production tallying 132,800t, well exceeding expectations of 114,000t.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6998	0.0011	0.16
EUR – USD	1.1438	0.0020	0.17

Overseas Data Today & Tonight

China	Loan prime rates	Jul
Japan	BoJ policy meeting minutes	14 Jul
Japan	Trade balance	Jun
Germany	Producer prices	Jun

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RSG expects ongoing regional exploration will further boost mine life.

Australian Potash (* APC)

Lake Wells sulphate of potash project five-year 30,000tpa K-Brite off-take agreement secured with Mitsui & Co.

This is the third off-take agreement secured by APC for the Lake Wells project.

APC describes additional Lake Wells off-take discussions as 'advanced', indicating some supply could also go the Europe and the Americas.

Altura Lithium (AJM) / Civec Ltd (CVL)

CVL has launched WA Supreme Court action against AJM, after unsuccessfully seeking final payment for work completed for AJM at the Pilgangoora lithium project, WA.

Talga Resources (TLG)

Non-executive director Andrew Willis has resigned from the TLG, due to his responsibilities as co-managing partner of The Pallinghurst Group.

Orminex Ltd (ONX)

Non-executive directors Daryl Henthorn and John Correia have resigned from the ONX board, effective Friday.

Energy

Strike Energy (* STX) / Talon Petroleum (* TPD)

STX will farm out 45% of the Perth Basin Walyering EP447 to TPD, pending regulatory approvals, for \$6M worth of costs associated with the drilling and completion of one well.

TPD will also pay STX \$1M security.

STX will remain operator with 55%.

Trading Halts

Company	Code	Resuming
Genetic Technologies	GTG	20 Jul
HeraMED Ltd	HMD	20 Jul
Jameson Resources	JAL	20 Jul
Metgasco Ltd	MEL	20 Jul
Resolution Minerals	RML	20 Jul
S2 Resources	S2R	20 Jul
Aurora Minerals	ARM	21 Jul
Canterbury Resources	CBY	21 Jul
Eagle Mountain Mining	EM2	21 Jul
Equus Mining	EQE	21 Jul
Reward Minerals	RWD	21 Jul
Sporthero Ltd	SHO	21 Jul
Reffind Ltd	RFN	22 Jul
Sayona Mining	SYA	22 Jul
BPH Energy	BPH	23 Jul
Rhythm Biosciences	RHY	23 Jul

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Suspensions *(select)*

Company	Code	Since
9 Spokes International	9SP	30 Jun
Blossomvale Holdings	BLV	7 Jul
Factor Therapeutics	FTT	17 Jul
Freedom Foods Group	FNP	26 Jun
Leaf Resources	LER	16 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
EZL	Today	6	100	5.87
EYE	Tomorrow	13.5	100	0.00
MIR	30 Jul	6.5	100	3.77
PMV	30 Jul	34	100	2.22

Reports & Events*(selected)*

When	Company	Report/Event
Today	DJW	Full year
	MCY	Jun Q
	S32	Jun Q
	SYD	Jun
	WSP	Jun Q
Tomorrow	BHP	Jun Q; FY operations review
Wed	LYC	Jun Q (teleconf 11am)
Thu	NST	Jun Q (teleconf 9.30am)