

Markets

SFE 200 Futures (9.30am AEST)	7210	49	0.7
NZX 50	12708	58	0.5
DJIA Futures	34477	77	0.2
S&P 500 Futures	4326	10	0.2
NASDAQ Futures	14747	24	0.2

Local Markets Commentary

The Australian market opens mid-week trade with two influential domestic economic indicator reports due late-morning, and some material regional reports in hand, following an overnight rally for major US equities indices and some key commodity prices.

Locally today, the Australian Bureau of Statistics (ABS) reports **preliminary June retail sales, 11.30am AEST.**

Westpac and the Melbourne Institute also publish their monthly **leading economic index** report this morning.

Regionally today, **Japan** reports **June trade** figures just prior to the ASX open.

At the same time, the Bank of Japan releases **June monetary policy meeting minutes.**

Earlier this morning, **South Korea** reported a 0.4% increase in **June producer prices**, following a 0.5% rise in May and forecasts of a 0.1% further increase for June.

Against June 2020, prices were up 6.4%.

In overnight commodities trade, **oil** turned higher.

US **gold** futures settled with a slight gain.

Qingdao (CFR China, 62% fines) **iron ore** prices were not officially reported due to a public holiday in Singapore yesterday. Nymex iron ore (CFR China, 62% fines) futures continued to decline a little, but remained above \$US219.30/t.

LME **copper** and other key base metals swung higher.

The **\$A** approached US73.30c, after trading at ~US73.20c early yesterday evening.

Japan's markets will be closed tomorrow and Friday, due to public holidays.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34512	550	1.6
S&P 500	4323	65	1.5
NASDAQ	14499	224	1.6
FTSE 100	6881	37	0.5
DAX 30	15216	83	0.6
Shanghai Comp	3537	-2	-0.1

Overseas Markets Commentary

Major European, UK and US equities markets bounced variously in

* Online marketplace listing – **10.30am AEST – GFN** *

* Cancer diagnostic specialist listing – **11.30am AEST – BDX** *

* Online property marketplace listing – **midday AEST – OPN** *

Today's Stock Watch
CIMIC Group (CIM)

42c, 20%-franked interim dividend, against no dividend a year ago. 34% lower, \$208M interim NPAT.

29% higher, \$7.13B revenue, including from JVs. \$3.16B cash and equivalents.

Whispir Ltd (WSP)

June quarter cash receipts grew 18.9% year-on-year, to \$13.5M. Annualised recurring revenue rose 28.5% to \$53.6M.

Customers rose 27.1% to 801. \$49.2M cash and equivalents.

Planning to lodge full year results 25 August.

Atlas Arteria (ALX)

June quarter weighted average traffic grew 68.5% year-on-year, but was 18.9% below that for the June quarter 2019.

Toll revenue rose 57.3% and was 13.6% short of that achieved for the June quarter 2019.

McPherson's Ltd (MCP)

Chair Graham Cubbin is stepping down and will retire from the MCP board on the appointment of a new director.

MCP independent non-executive director and deputy chair Ari Mervis has been appointed as MCP's new chairman.

Resources
South32 Ltd (S32)

Reporting record annual production from the Worsley Alumina and Brazil Alumina refineries.

June quarter and FY21 output statistics lodged pre-trade, for alumina, aluminium, coal (energy and metallurgical), lead, manganese, nickel, silver and zinc.

Updated Hermosa project Taylor deposit resource also lodged pre-trade.

Australian Strategic Metals (ASM)

A South Korean consortium is planning to subscribe for 20% of ASM, outlaying \$US250M, in association with Dubbo project development and proposed offtake.

Perseus Mining (PRU)

Produced a record 102,788oz of gold during the June quarter with a \$US1047/oz AISC.

January – June output tallied 191,246oz, and FY21 production 328,632oz.

Sold 106,899oz at \$US1652/oz during the June quarter.

\$US56.1M net cash.



early overnight trade, European and UK markets featuring ensuing marked vacillations and swings, but US sentiment warming further towards close.

Some trade was attributed to bargain-hunting following Monday's decisive drops.

ThyssenKrupp revealed its German flat steel business had been disrupted, due to the Rhine-Westphalia flooding preventing shipments of feedstock between company sites. The company declared force majeure, entirely due to the logistics disruption.

This raised fears of broader adverse impacts on industrial and retail supplies.

Among Covid-19 developments, Singapore announced the reintroduction of tougher restrictions from tomorrow through 18 August.

In overnight **data** releases, **Germany's** June producer prices rose 1.3% for the month, against forecasts of a 1.0% increase and following a 1.5% May rise.

Against June 2020, prices were 8.5% higher.

In the **US**, June building permits dropped 5.1%, defying forecasts of a 0.5% pickup after falling 2.9% in May.

June housing starts jumped 6.3% after a 2.1% May rise. Forecasters had anticipated a new 0.8% increase.

Tonight in the US, weekly mortgage applications are due.

A 20-year bond auction is also scheduled.

Elsewhere, Germany hosts a 30-year bond offering.

Companies scheduled to report earnings later today and tonight include: Akzo Nobel, ASML Holding, Coca-Cola, CSX, Daimler, Johnson & Johnson, Kinder Morgan, Las Vegas Sands, Nidec Corp, Novartis, SAP, Texas Instruments, Tokyo Steel Manufacturing and Verizon.

In overnight corporate news, **UBS** logged a 63% rise in June quarter net profit, buoyed by the banking group's investment management business.

Commodities

COMMODITY	CLOSE	\$/US	+/-	%
Gold (NY) (Aug)	1811.4	oz	2.2	0.1
Silver (NY) (Sep)	24.99	oz	-0.15	-0.6
Gold (LON)	1815	oz		
Platinum	1059	oz	-9	-0.8
WTI Crude (NYMEX Aug)	67.42	bbbl	1.00	1.5
Brent Crude (ICE EUR Sep)	69.35	bbbl	0.73	1.1
Iron Ore (NYMEX,CHN,62%)	219.36	t	-0.14	-0.1
Copper (LME Ind)	9326	t	105	1.1
Nickel	18690	t	230	1.2
Aluminium	2447	t	22	0.9
Lead	2328	t	44	1.9
Zinc	2960	t	-18	-0.6
Tin	33530	t	154	0.5

Commodities Commentary

Oil – prices turned higher overnight, despite a buoyant \$US and no change in the Covid-19 scenarios from the previous session.

Industry watchers attributed at least some of the push higher to

Pre-Open Announcements

Gefen International AI (* GFN)

Online marketplace scheduled to list on the ASX **10.30am** AEST, following a \$25M IPO at \$1.00 per share.
~54.82M listed shares.

BCAL Diagnostics (* BDX)

NSW-headquartered breast cancer blood-based diagnostic test developer scheduled to list on the ASX **11.30am** AEST, following a \$10M IPO at 25c per share.
~131.53M quoted shares.

Openn Negotiation (* OPN)

Holding company operating a business for online property negotiation and sales scheduled to list on the ASX **midday** AEST, following a \$9M IPO at 20c per share.
114.725M quoted units.

Qantas Airways (* QAN)

Benjamin Jones has been appointed as a QAN company secretary, effective yesterday, in association with the resignation of Nicole Malone.

Resources

BBX Minerals (* BBX)

Conversion notice in hand for 20.6M shares at 8c each, delivering \$1.65M.

Syrah Resources (* SYR)

Produced 29,000t of Mozambique Balama graphite during the June quarter.

Sold 15,000t for a weighted average \$US474/t (CIF).

C1 cash costs (FOB) tallied \$US537/t.

\$US85M cash balance.

29 Metals (* 29M)

June quarter production statistics lodged pre-trade.

Woomera Mining (* WML) / Cazaly Resources (CAZ)

WML is resuming from a trading halt with promising shallow gold intersections from Mt Venn JB project drilling.

WML had flagged drilling results releases through July and August and following a 22.7% price jump in relatively high-volume trade Monday, called the halt.

WML has also lodged a response to an ASX price query received in relation to Monday's trade.

WML last traded at 2.7c.

Western Mines Group (WMG)

Mineral exploration company completed its ASX listing yesterday, following a \$5.5M IPO at 20c per share.

Opened at 18.5c and traded at 18c – 19.5c before settling at 19c.

~2.63M shares changed hands across 124 transactions.

~31.66M quoted shares.



traders taking advantage of prices at ~two-month lows.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

A weekly report from the American Petroleum Institute (API), published overnight post-US trade, has estimated an 806,000 bbl rise in crude stocks last week.

WTI August futures expired on settlement overnight, September futures gaining US94c for the session, to settle 1.4% higher, at \$US67.29/bbl.

Gold – the \$US traded at 3.5-month peaks overnight, with another small rise, and US bonds remained in demand.

Comex futures settled with a slight gain however, this attributed to some additional mixed US economic indicator releases.

Base metals – overnight LME trade was influenced by some bargain-hunting, currency considerations, inventories and corporate updates and politics.

In Peru, the socialist candidate who campaigned on raising mining sector taxes was named president.

Vale revealed industrial action and significant weather events would likely impact ultimate 2021 *copper* and *nickel* output, and that the group was reviewing guidance.

In other industry news, Nornickel reported a 30% drop in June quarter nickel production to 32,644t.

LME - registered warehouse on-warrant *copper* was reported at its most since May 2020.

In the meantime, the International *Aluminium* Institute estimated global June primary production at 5.549Mt, against 5.75Mt for May.

Yesterday, the Bank of China retained one-year and five-year loan prime rates at 3.85% and 4.65% respectively.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7334	0.0011	0.15
EUR – USD	1.1779	-0.0005	-0.04

Australian Data Today

ABS	Retail sales (prelim)	Jun
Westpac/MelInst	Leading index	Jun

US Data Tonight

MBA mortgage applications	16 Jul
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Other Overseas Data Today & Tonight

South Korea	Producer prices	Jun
Japan	Trade balance	Jun
Japan	BoJ policy meeting minutes	Jun
UK	Public sector borrowing	Jun

[Need More Information?](#)

Victory Goldfields (* 1VG)

Mineral explorer to list on the ASX 1pm AEST **tomorrow**, following a \$5M IPO at 20c per share.
~31.67M quoted shares.

Trading Halts

Company	Code	Resuming
Helios Energy	HE8	21 Jul
Jervois Mining	JRV	21 Jul
Kula Gold	KGD	21 Jul
Ragnar Metals	RAG	21 Jul
Total Brain	TTB	21 Jul
Acrow Formwork & Construction Services	ACF	22 Jul
Boab Metals	BML	22 July
Incannex Healthcare	IHL	22 Jul
Pivotal Systems Corporation	PVS	22 Jul

Suspensions (selected)

Company	Code	Since
Cirralto Ltd	CRO	14 Jul
Crater Gold Mining	CGN	9 Jul
Field Solutions Holdings	FSG	14 Jul
Heron Resources	HRR	16 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
KPG	Today	0.36	100	1.37
MIR	28 Jul	8.5	100	2.61
MIRNA	28 Jul	4.25	100	0.00

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	29M	Jun Q
	ALX	Jun Q
	CIM	Interim
	PRU	Jun Q
	S32	Jun Q
	SYR	Jun Q
Tomorrow	WSP	Jun Q
	NCM	Jun Q
Fri	STO	Jun Q
	MIN	Jun Q



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Mon (26 Jul)	AFI	Full year (NB: webinar 27 Jul 3.30pm)
	LYC	Jun Q
	NUH	Jun Q (webinar midday)
Tue	AND	Full year (webinar 11.15am))
	OZL	Jun Q
28 Jul	RIO	Interim
	SBM	Jun Q
29 Jul	CCP	Full year
	FMG	Jun Q
	IGO	Jun Q
	IRE	Investor day
30 Jul	JHG	Jun Q
	FFG	AGM
	ICI	AGM
	OGC	Jun Q
	ORG	Jun Q