

Markets

SFE 200 Futures (9.30am AEST)	6689	12	0.2
NZX 50	11264	-6	-0.1
DJIA Futures	31967	-28	-0.1
S&P 500 Futures	3987	-4	-0.1
NASDAQ Futures	12553	-19	-0.1

Local Markets Commentary

The Australian market opens Friday trade with new material regional data in hand, ahead of a batch of international PMI updates today and tonight, and following another international interest rate rise overnight.

US equities markets rose for a second consecutive session.

Locally today, no major economic reports are scheduled for release.

Foot-and-mouth disease concerns continue, as does commentary regarding national Covid management and health care capacity.

Regionally today, **Japan** has reported June **CPI**, this representing no change following 0.2% inflation during the month for May.

The CPI reading represented an annualised rate of 2.4% against May's 2.5%.

Japan's initial July **PMI** readings are also due today, at 10.30am AEST.

Earlier this morning, **South Korea** reported a 0.5% increase in **producer prices** in June, following forecasts for no change after May's 0.7% appreciation.

Against June 2021, prices were up 9.9%.

In overnight commodities trade, **oil** extended Wednesday's turn lower.

US **gold** futures swung higher, trading beyond \$US1710/oz.

Iron ore (Nymex CFR China, 62% Fe) also turned to record a gain, settling above \$US105.0/t.

Overnight LME (3mth evening) **copper** and **aluminium** turned variously lower. **Nickel** continued higher.

The **\$A** was pushed to US 69.35c after trading at US68.65c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	32037	162	0.5
S&P 500	3999	39	1.0
NASDAQ	12060	162	1.4
FTSE 100	7271	6	0.1
DAX 30	13247	-35	-0.3
Shanghai Comp	3272	-33	-1.0

Today's Stock Watch
Insurance Australia Group (IAG)

Estimated \$347M full year NPAT from a \$427M FY21 net loss. Additional information and FY23 guidance also lodged pre-trade.

Accent Group (AX1)

Anticipating \$61M - \$63M FY22 EBIT, including \$7.6M worth of one-off charges.

Planning to release full year results post-ASX trade 18 August.

ResApp Health (RAP)

A clinical study has indicated ResAppDx can identify acute respiratory disease in people wearing surgical masks.

Further, there was very little difference in identifying respiratory disease between mask use and not wearing a mask.

Estia Health (EHE)

EHE has appointed Simon Willcock as a non-executive director, effective 1 September.

Professor Willcock is Macquarie University's MQ Health primary care and wellbeing services program director.

In addition, Professor Willcock has been independent chair of EHE's clinical governance committee since 2019.

Resources
Vulcan Steel (VSL)

Planning to outlay \$NZ165M for Ulrich Aluminium Company.

ioneer Ltd (INR)

Nevada, US Rhyolite Ridge lithium-boron project binding off-take agreement secured with Ford.

Ford intends to take 7000tpa of lithium carbonate over five years, commencing 2025.

Elmore Ltd (ELE)

ELE subsidiary Peko Iron Project has secured a magnetite concentrate off-take agreement with Royal Advance (Hong Kong).

Additional details, including pricing, lodged this morning.

Jervois Mining (JRV)

Secured \$US91.2M revenue during the June quarter, pushing 1H revenue to \$US196.3M.

Estimated \$US26.8M 1H EBITDA.

Aurelia Metals (AMI)

Produced an estimated 98,461oz of gold with a \$A1707/oz AISC during FY22.

Breakdown details lodged this morning.

Planning to lodge June quarter statistics 28 July.



Overseas Markets Commentary

Regional issues produced further chop across major European and UK equities markets overnight, but featured only in early US trade.

Yesterday evening (AEST), **Italy's** parliament was dissolved by the president. PM Mario Draghi resigned yesterday, following unsuccessful attempts to repair a fractured coalition government.

In the **US**, the administration advised the president was receiving anti-viral medication but working while isolating after recording a positive Covid test. A spokesperson also described his symptoms as 'very mild'.

Ahead of a **US Federal Reserve** policy meeting next week, new US economic data reports pointed to a milder interest rate increase than some had anticipated earlier this month.

Also overnight, the **European Central Bank (ECB)** raised interest rates for the first time in 11 years, commencing with a 0.50% hike.

The ECB also vowed to work to avoid a debt emergency due to borrowing cost increases, conceding rates would climb further and warning that economic activity had slowed in the euro zone and faced ongoing risk from the Russia-Ukraine conflict.

Heading into the meeting, the ECB deposit facility rate sat at -0.5% and the marginal lending rate at 0.25%.

Earlier yesterday, the **Bank of Japan (BoJ)** retained its key lending rate at -0.1%.

In a set of updated the forecasts the BoJ lowered its 2022 domestic GDP growth forecast to 2.4% from the 2.9% predicted three months earlier.

The BoJ raised its anticipated 2022 domestic inflation rate to 2.3% from 1.9%.

In **Russia-Ukraine** developments, a deal was reported to be imminent for recommencing some Ukraine grain shipments via the Black Sea.

In addition, Russia's Gazprom resumed some gas supply via the Nord Stream line following maintenance work.

Among overnight **data** releases, the **UK's** June public sector net borrowing fell by £22.11B to £13.226B.

In the **US**, weekly new unemployment claims tallied 251,000 from 244,000 the previous week. An increase had been anticipated but only to ~245,000.

The Philadelphia Fed July manufacturing index tumbled to -12.3 from -3.3, defying predictions for an improvement to -1.2.

Likewise, the Conference Board's June leading index declined to -0.8% from -0.6%, against expectations for -0.3%.

Tonight in the US, S&P Global's initial July PMI readings are due.

Elsewhere, the Bank of Russia announces any rate changes from a policy meeting commencing later today.

Germany's central bank, the Bundesbank, publishes a monthly report.

Companies listed to report earnings include: American Express, NextEra Energy, Norsk Hydro, Reliance Industries, Schlumberger, Tokyo Steel Manufacturing, Twitter and Verizon.

Pre-Open Announcements

G8 Education (GEM)

Appointing Big W MD Pejman Okhovat as MD and CEO, taking over from Gary Carroll effective 3 January.

Mr Carroll will remain with GEM until 31 December.

GEM has traded lower the past three sessions, settling at \$1.075 yesterday after trading as high as \$1.14 Monday.

Family Zone Cyber Safety (FZO)

Approval in hand from the Spanish Government's Council of Ministers for FZO's proposed merger with parental controls specialist Qustodio.

Epsilon Healthcare (EPN)

CEO Jarrod White has resigned, effective immediately.

Subsequently, EPN non-executive chair Steven Xu has been appointed as executive chair and non-executive director Patrick Xu as an executive director.

Mr White will remain available to EPN to provide support for an undisclosed time.

Resources

Panoramic Resources (PAN)

Conference presentation lodged this morning.

TNG Ltd (TNG)

Disclosing receipt of a Section 249B notice.

Energy

Bowen Coking Coal (BCB)

Conference presentation lodged post-trade yesterday.

BCB jumped 18.75% Tuesday, before announcing yesterday that mining had commenced from the Broadmeadow East pit, near Moranbah, Queensland.

Trading Halts

Company	Code	Resuming
Globe Metals & Mining	GBE	25 Jul
Montem Resources	MR1	25 Jul
Morella Corporation	1MC	25 Jul
Santana Minerals	SMI	25 Jul
Tombola Gold	TBA	25 Jul

Suspensions *(selected)*

Company	Code	Since
Collection House	CLH	1 Jul
Ovato Ltd	OVT	21 Jul
Reward Minerals	RWD	21 Jul
Wiluna Mining Corporation	WMC	21 Jul

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1713.4	oz	13.2	0.8
Silver (NY) (Sep)	18.72	oz	0.05	0.3
Gold (LON) (20 Jul)	1709	oz		
Platinum	877	oz	22	2.6
WTI Crude (NYMEX Sep)	96.35	bbl	-3.53	-3.5
Brent Crude (ICE EUR Sep)	103.86	bbl	-3.06	-2.9
Iron Ore (NYMEX CHN port;62%Fe)	105.27	t	0.76	0.7
Copper (LME 3mth Evening)	7324	t	-57	-0.8
Nickel	21481	t	300	1.4
Aluminium	2427	t	-8	-0.3
Lead	2016	t	-21	-1.0
Zinc	2941	t	-69	-2.3
Tin	24911	t	185	0.8

Commodities Commentary

Oil – supply fears were eased overnight, with Libya increasing supply on the lifting late last week of force majeure across several fields and ports, and the post-maintenance resumption of gas flow from Russia via the Nord Stream line.

US petrol demand also appeared to continue to weigh, following a surprise rise in US petrol stocks as revealed in a weekly inventories report overnight Wednesday.

A weekly US petroleum rig report is due tonight.

Gold – the \$US index fell following the European Central Bank decision to raise key rates by 0.5%, this adding support to gold interest.

Market watchers also cited some bargain-buying and short-covering for early price gains.

Base metals – demand fear appeared a strong influence on overnight LME trade, given the 0.5% interest rate hike announced by the European Central Bank.

US economic data releases had also proved weaker than anticipated.

Among the producers, Romanian company ALUM revealed it would not produce raw material *alumina* for 17 months and needed to cut its worker tally by 70%.

This came after Alcoa revealed overnight Wednesday that it was anticipating fewer full-year alumina shipments that initially forecast.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6932	0.0022	0.31
EUR – USD	1.0230	0.0007	0.07

US Data Tonight

S&P Global PMIs (initial)	Jul
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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
UWL	Today	10.5	100	0.00
PPS	Mon	5	100	0.00
KPG	Wed	1.39	100	1.28
MIR	Wed	8.5	100	3.08
MIRNB	Wed	4.25	100	0.00
PSC	Wed	79	0	0.00
EZL	Thu	8.5	100	1.39
GCI	Thu	0.97	0	4.76
TCF	Thu	3	0	6.55

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	JRV	Jun Q
Mon	AFI C6C	Full year (NB w/cast Tue 26 Jul 3.30pm) Jun Q (post-ASX trade)
Wed	ALC IGO RIO	Jun Q (w/cast & Q&A 11am) Jun Q (w/cast 10am) Interim
Thu	AMI ERA FMG JHG MMM OGC URW	Jun Q Interim Jun Q Jun Q; interim Jun Q (NB tele Fri 29 Jun 9am) Jun Q (NB w/cast tele Fri 29 Jun 7.30am) Interim
Fri (29 Jul)	PBH	Jun Q (w/cast tele 10am)



Other Overseas Data Today & Tonight

South Korea	Producer prices	Jun
Japan	CPI	Jun
Japan	PMIs (initial)	Jul
UK	Retail sales	Jun
UK	GfK consumer sentiment (~9am AEST)	Jul
UK	PMIs (initial)	Jul
Germany	PMIs (initial)	Jul
Germany	Bundesbank (central bank) report	Jul
Euro zone	PMIs (initial)	Jul

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