

Markets

SFE 200 Futures (9.30am AEST)	7280	-15	-0.2
NZX 50	12715	-6	-0.1
DJIA Futures	34759	50	0.1
S&P 500 Futures	4369	10	0.2
NASDAQ Futures	14972	44	0.3

Local Markets Commentary

The Australian market opens Friday trade with new domestic data in hand pre-trade, and an overnight weakening of US equities trade sentiment.

Locally today, National Cabinet convenes again to discuss Covid-19 containment policy as the majority of three Australian States remain under strict restrictions.

July PMI estimates, as calculated by Markit are in hand: a contractionary 44.2 (from 56.8) for services sector activity; and a remaining expansionary 56.8 (from 58.6) for manufacturing.

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

US **gold** futures turned to record a slight gain.

Iron ore was pushed decisively lower, Qingdao (CFR China, 62% fines) iron ore dropping \$US12.16/t to \$US202.63/t, and Nymex (CFR China, 62% fines) futures declining to below \$US214/t.

LME **copper** and most key base metals rallied.

The **\$A** effectively trod water, after trading at US73.80c early yesterday evening.

Japan's markets will remain closed today, due to a public holiday.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34823	25	0.1
S&P 500	4367	9	0.2
NASDAQ	14685	53	0.4
FTSE 100	6968	-30	-0.4
DAX 30	15515	92	0.6
Shanghai Comp	3575	12	0.3

Overseas Markets Commentary

Major European, UK and US equities markets again mostly opened higher overnight, but ensuing trade varied considerably amid some marked vacillating sentiment.

Economic indicators on both sides of the Atlantic mostly proved disappointing.

Central bank policy was also in focus.

The **European Central Bank's** (ECB) policy meeting resulted in no change to rates, and underscored expectations of low rates until inflation reached sustained 2% levels 'over the medium term', in addition to extending an €8.5 trillion asset purchase program until

* Mineral exploration listing – 1 pm AEST – WGR *

Today's Stock Watch
Crown Resorts (CWN) / The Star Entertainment Group (SGR)

SGR is withdrawing its 10 May indicative proposal to merge with CWN.

Insurance Australia Group (IAG)

Expecting a \$427M FY21 net loss, against a \$435M FY20 net profit.

A \$33M net profit is anticipated for 2H 21.

Anticipating 3.8% higher, FY21 gross written premium and a 1.5% increase in net earned premium to \$7.47B.

Some FY22 guidance also lodged pre-trade.

Planning to lodge audited full year results 11 August.

Perpetual Ltd (PPT)

AUM grew 3.1% to \$A98.3B during the June quarter.

Breakdown statistics also lodged pre-trade.

Planning to lodge full year results 19 August.

Milton Corporation (MLT)

8c fully franked final dividend, against 8.5c a year ago.

21.0% lower, \$92.4M full year NPAT.

18.3% lower, \$97.7M operating revenue.

Booktopia Group (BKG)

BKG will outlay ~\$3M to secure 25% of a newly-established Australian subsidiary of UK-headquartered Welbeck Publishing Group. The new subsidiary, Welbeck ANZ, is expected to be fully operational in the Australian and New Zealand publishing market by the end of January 2022.

Resources
Silver Lake Resources (SLR)

Produced 62,126oz of gold and 445t of copper with a \$A1478/oz AISC during the June quarter.

Sold 60,617 oz of gold at \$2275/oz.

\$330.2M cash and bullion. \$11.1M worth of gold in circuit and concentrate.

Anticipating selling 235,000oz – 255,000oz of gold with a \$1550/oz – 1650/oz AISC during FY22. Copper sales are expected to tally 600t – 1000t.

Gascoyne Resources (GCY)

Produced 17,416oz of gold with a \$A1589/oz AISC during the June quarter.

Sold 17,993oz at \$2516/oz.

\$9.4M net cash.



March 2022.

Meanwhile, the bank viewed inflation as rising for several months yet, but pulling back during 2022.

President Christine Lagarde confirmed easy monetary policy support was still viewed as being required for some time.

Meanwhile, **Bank of England** deputy governor Ben Broadbent reiterated the UK central bank's view that inflation increases were not considered to be lasting, and offered that it may be most appropriate for the bank to 'do nothing' in response in the meantime while prices rose.

Among overnight **data** releases, the **UK's** CBI industrial trends orders index slipped to 17 from 19.

The CBI business optimism index for the September quarter dropped to 27 from 38, following forecasts for an improvement to 45.

An initial July consumer confidence reading for the euro zone deteriorated to -4.4 from -3.3, against forecasts for a boost in a positive direction, albeit to -2.6.

In the **US**, weekly new unemployment claims came in at 419,000, against expectations of a fall to 340,000 from 368,000 the previous week.

The June Chicago Fed national activity index tumbled to 0.09 from 0.26, following forecasts for a jump to 0.45.

The Conference Board leading index fell to 0.7% from 1.2%, against an anticipated 1.1%.

June existing home sales rose 1.4% for the month, however, following a 1.2% May fall.

Further, the July Kansas City Fed manufacturing index rose to 41 from 30, far exceeding an anticipated 31.

Tonight in the US, Markit's initial July PMI estimates are due.

Elsewhere, preliminary July PMI readings are also expected for the UK and euro zone.

Companies scheduled to report earnings later today and tonight include: American Express, Honeywell, Hyundai Engineering & Construction, Hyundai Steel, Kimberly-Clark, Norsk Hydro, Reliance Industries and Schlumberger.

In overnight corporate news, **Intel** and **Twitter** have reported post-US trade, each surpassing headline figure expectations, but with Intel sounding caution for the September quarter.

Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Aug)	1805.4	oz	2	0.1
Silver (NY) (Sep)	25.38	oz	0.13	0.5
Gold (LON)	1802	oz		
Platinum	1088	oz	14	1.3
WTI Crude (NYMEX Sep)	71.91	bbbl	1.61	2.3
Brent Crude (ICE EUR Sep)	73.79	bbbl	1.56	2.2
Iron Ore (NYMEX,CHN,62%)	213.81	t	-4.56	-2.1
Copper (LME Ind)	9444	t	95	1.0
Nickel	18890	t	307	1.7
Aluminium	2473	t	19	0.8
Lead	2399	t	60	2.5
Zinc	2934	t	4	0.2
Tin	33525	t	0	0.0

Pre-Open Announcements

Youfoodz Holdings (* YFZ)

Anticipating FY21 EBITDA at the lower end of \$1M - \$2M guidance.

Net revenue is expected to come in at \$146.4M, following \$146M - \$148M guidance.

June quarter net revenue rose 11.6% year-on-year to \$37.8M.

Janus Henderson Group (* JHG)

JHG has appointed State Street Alpha COO James Lowry to the newly-established JHG position of chief operating officer.

Perenti Global (* PRN)

PRN has appointed recent Australian government finance, investment, trade and tourism advisor Timothy Longstaff as a non-executive director, effective 16 August.

NobleOak Life (NOL)

Life insurance friendly society completed its ASX listing yesterday, following a \$63.1M IPO at \$1.95 per share.

Opened at \$2.05 and traded at \$1.92 - \$2.06 before settling on par at \$1.95.

1.1M shares were traded across 209 transactions.

83.92M quoted shares.

Best & Less Group Holdings (* BST)

Discount apparel retailer scheduled to list on the ASX 11am AEST **Monday**, following a \$60M IPO at \$2.16 per share.

~125.37M quoted shares.

Resources

Western Gold Resources (* WGR)

Explorer scheduled to list on the ASX **1pm** AEST, following a \$7M IPO at 20c per share.

62.84M quoted shares.

Victory Goldfields (* 1VG)

Mineral explorer completed a successful ASX listing yesterday, following a \$5M IPO at 20c per share.

Opened at 25c and traded as low as 22c where it settled for the day.

3.29M shares changed hands across 202 transactions.

~31.67M quoted shares.

Energy

FAR Ltd (* FAR)

Recommencing ASX trade on today's open following an extended extension and the sale of offshore Senegal interests to Woodside Petroleum (ASX: WPL).

Last valued at \$1.10 following a share consolidation.

Norwest Energy (* NWE)

Perth Basin Lockyer Deep-1 gas well update lodged this morning, including a temporary suspension of activity due to equipment and personnel delays as a result of WA border closures.

**Commodities Commentary**

Oil – increased demand forecasts from the likes of Morgan Stanley supported overnight oil prices amid \$US swings.

Among the price forecasters, Barclays has lifted its 2021 mean average crude price to \$US69/bbl.

A weekly US petroleum rig count is due tonight.

Gold – an ultimate \$US pull back and some weaker-than-expected economic indicators supported overnight gold interest.

European Central Bank policy meeting outcomes and the subsequent press conference, plus comments from the Bank of England also boosted expectations of lower rates for longer.

Base metals – accommodative central bank comments appeared the main influences on overnight LME trade.

In addition, analysts report ongoing considerable interest in buying into price dips, despite this week's raised concerns at economic global recovery.

Japan's markets remain closed today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7383	0.0027	0.37
EUR – USD	1.1774	-0.0019	-0.16

Australian Data Today

Markit	Services and manufacturing PMIs	Jul

US Data Tonight

Markit services and manufacturing PMIs (prelim)	Jul

Other Overseas Data Today & Tonight

UK	Retail sales	Jul
UK	GfK consumer sentiment	Jul
UK	Services and manufacturing PMIs (prelim)	Jul
Germany	Services and manufacturing PMIs (prelim)	Jul
Euro zone	Services and manufacturing PMIs (prelim)	Jul

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Trading Halts

Company	Code	Resuming
BARD1 Life Sciences	BD1	23 Jul
Dateline Resources	DTR	23 Jul
Vonex Ltd	VN8	23 Jul
Weststar Industrial	WSI	23 Jul
8Common Ltd	8CO	26 Jul
Burgundy Diamond Mines	BDM	26 Jul
Cann Group	CAN	26 Jul
Decmil Group	DCG	26 Jul
Evolution Mining	EVN	26 Jul
MaxiTRANS Industries	MXI	26 Jul

Suspensions (selected)

Company	Code	Since
Crater Gold Mining	CGN	9 Jul
Jervois Mining	JRV	21 Jul
Heron Resources	HRR	16 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MIR	28 Jul	8.5	100	2.54
MIRNA	28 Jul	4.25	100	0.00

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	BCI	Jun Q
	GCY	Jun Q (tele 1pm)
	MLT	Full year
	MIN	Jun Q
	PPT	Jun Q
	SLR	Jun Q
Mon	AFI	Full year (NB: webinar 27 Jul 3.30pm)
	LYC	Jun Q
	NUH	Jun Q (webinar midday)
Tue	AND	Full year (webinar 11.15am))
	FLN	Interim (tele 11am)
	OZL	Jun Q
Wed	IGO	Jun Q (webcast 10am)
	RIO	Interim
	SBM	Jun Q



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Thu	CCP	Full year
	FMG	Jun Q
	IGO	Jun Q
	IRE	Investor day
	JHG	Jun Q
	PLS	Jun Q (wcast tele 10am)
Fri (30 Jul)	FFG	AGM
	ICI	AGM
	OGC	Jun Q
	ORG	Jun Q