

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	6034	26	<b>0.4</b>
<b>NZX 50</b>	11618	33	<b>0.3</b>
<b>DJIA Futures</b>	26502	18	0.1
<b>S&amp;P 500 Futures</b>	3234	2	0.1
<b>NASDAQ Futures</b>	10689	14	0.1

**Local Markets Commentary**

The Australian market commences today's trade following largely positive overnight US equities and key commodities sentiment, but with international Covid-19 cases continuing to be reported higher, US-China relations remaining curdled, and influential data and reports to feature from mid-week.

Material international economic data releases are due from tomorrow through week's end.

Further, high-profile, large-cap stocks are scheduled to report internationally from later today also through the end of the week.

**Locally** today, the weekly ANZ/Roy Morgan **consumer sentiment** reading is due pre-trade.

**11.30am** AEST, the Australian Bureau of Statistics (ABS) releases a **Covid-19** report covering impacts on **jobs and wages** for the week ending 11 July,

In overnight commodities trade, **crude** added to Friday's gains, but again more so for WTI than for Brent.

US **gold** futures (August) achieved new record peaks, this time for both intra-session trade and at settlement, as precious metals in general recorded sharp gains.

**Iron ore** (Nymex CFR China, 62% Fe) continued slightly lower, but remained above \$US107.65/t.

LME **copper** and other key base metals seesawed higher, **nickel** resuming rally mode.

The **\$A** fell to ~US71.00c after trading at ~US71.30c early yesterday evening.

This morning, the \$A has been propelled beyond US71.50c.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	26585	115	<b>0.4</b>
<b>S&amp;P 500</b>	3239	24	<b>0.7</b>
<b>NASDAQ</b>	10536	173	<b>1.7</b>
<b>FTSE 100</b>	6105	-19	<b>-0.3</b>
<b>DAX 30</b>	12839	0.6	<b>0.0</b>
<b>Shanghai Comp</b>	3205	8	<b>0.3</b>

**Overseas Markets Commentary**

Marked vacillations featured across most major European and US equities indices overnight, but the NASDAQ and S&P 500 trended decisively higher in second-half trade.

**Today's Stock Watch**
**Perpetual Ltd (PPT)**

Resuming from a trading halt having completed a fully underwritten \$A225M, \$30.30-per-share institutional placement.

This is associated with plans to outlay \$US319M for 75% of US-headquartered Barrow Hanley.

A \$A40M SPP, at a yet-to-be-determined price, is also scheduled, for 4 – 26 August.

In addition, PPT is negotiating a \$A225M new debt facility.

PPT traded at \$31.84 - \$34.69 last week.

**GUD Holdings (GUD)**

12c fully franked final dividend, against 31c a year ago.

26.7% lower, \$43.68M full year NPAT.

0.9% higher, \$438.02M revenue.

\$142.2M net debt.

**Credit Corp (CCP)**

Nil final dividend. 78% drop in full year NPAT to \$15.45M.

3% lower, \$313.40M revenue. \$8.40 NTA, against \$8.427.

\$400M cash and undrawn credit.

**WhiteHawk Ltd (WHK)**

US Government cyber risk radar contract secured for a base \$US580,000pa and up to an additional \$US600,000pa services revenue, for up to five years.

**PainChek Ltd (PCK)**

June quarter contracted clients grew 18.3% during the three months, to 207. This, against 32 at 30 June 2019.

Contracted aged care beds rose 23.6% for the quarter, to 61,571, against 10,590 a year earlier. \$6.1M cash.

**PointsBet Holdings (PBH)**

39.2% active clients growth achieved during FY20, to 111,361.

Additional statistics lodged this morning.

**Resources**
**Iluka Resources (ILU)**

12.2% higher, 5.03Mt FY20 mineral sands production. Sales volumes fell 17.6% to 348.7M. 16.3% lower, \$A456.6M sales revenue. \$A62M net cash.

**Energy**
**Energy Resources of Australia (ERA) / Rio Tinto (RIO)**

18% lower, \$40.215M ERA interim NPAT.

Continuing operations revenue fell 7% to \$176.465M.

Uranium oxide sales revenue slipped 1% to \$168.161M.

\$251.75M cash and equivalents.

86.3% ERA owner RIO is scheduled to report interim results tomorrow.



In the US, new fiscal aid optimism remained, with an estimated \$US1 trillion support plan, negotiated between key US Republican parliamentarians and US administrative officials, deemed ready for broader consideration.

Elements of the package were immediately criticised by both Republicans and Democrats, but this was viewed as a catalyst for further near-term progress.

The US administration, in the meantime, had indicated it was not ready to thaw China relations anytime soon, while encouraging support from allies.

In addition, the reported number of new Covid-19 cases continued to surge internationally, further threatening both domestic and global economic recovery prospects.

Among overnight **data** releases, **euro zone** June lending to households and businesses grew by 3% and 7.1%, after rising 3% and 7.3% respectively in May.

An IFO business climate index for **Germany** came in at 90.5, from 86.2 for June. Forecasters had anticipated 88.5.

In the **US**, June durable goods orders were calculated 7.3% higher for the month, following a 15.1% May jump.

A Texas region manufacturing index improved to -3 from -6.1.

**Tonight** in the **US**, the Federal Reserve commences a two-day policy meeting.

A consumer confidence reading, plus a house price index and another regional manufacturing index are also due.

Big-name earnings reports are also anticipated from tonight through the end of the week.

Companies scheduled to report earnings later today and tonight include: 3M, Advanced Micro Devices (post-US trade), Amgen, Banco Santander, Canon, Chubb, eBay, Harley-Davidson (pre-US trade), McDonald's, Mondelez, Nissan Motor, Pfizer, Raytheon, Reckitt Benckiser, Samsung Electro-Mechanics, Softbank Technology, S&P Global, Starbucks (post-US trade) and Visa.

In overnight corporate news, **Mitsubishi Motors** delivered a sobering Covid-19 – impacted earnings report.

**Moderna** revealed the US Government was supporting its Covid-19 potential vaccine development program with an additional ~\$US470M.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Aug)	<b>1931</b>	oz	33.5	<b>1.8</b>
<b>Silver (NY)</b> (Sep)	<b>24.501</b>	oz	1.65	<b>7.2</b>
<b>Gold (LON)</b> (24 Jul)	<b>1902</b>	oz		
<b>Platinum</b>	<b>942</b>	oz	33	<b>3.6</b>
<b>WTI Crude</b> (NYMEX Sep)	<b>41.60</b>	bbl	0.31	<b>0.8</b>
<b>Brent Crude</b> (ICE EUR Sep)	<b>43.41</b>	bbl	0.07	<b>0.2</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>107.69</b>	t	-0.23	<b>-0.2</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>6427</b>	t	27	<b>0.4</b>
<b>Nickel</b>	<b>13780</b>	t	155	<b>1.1</b>
<b>Aluminium</b>	<b>1710</b>	t	12	<b>0.7</b>
<b>Lead</b>	<b>1855</b>	t	44	<b>2.4</b>
<b>Zinc</b>	<b>2233</b>	t	23	<b>1.0</b>
<b>Tin</b>	<b>18025</b>	t	405	<b>2.3</b>

## Pre-Open Announcements

### Australian Agricultural Co (\* AAC)

**Tomorrow's** AGM chairman and MD/CEO speeches lodged post-trade yesterday.

### SRG Global (SRG)

\$30M worth of new contracts secured with Western Australia's Water Corporation.

Details lodged pre-trade.

### Osprey Medical (\* OSP)

DyeVert unit sales fell 7% during the June quarter and by 48% year-on-year.

OSP reduced operating activities cash outlay by 44% during the three months.

\$A14.9M cash balance.

### Spirit Telecom (\* ST1)

Second-half FY20 revenue grew 133% year-on-year, and 80% for the six months, to \$22.4M.

June quarter revenue grew 14% for the three months, to \$11.9M.

\$14M cash and available debt.

### Aroa Biosurgery (\* ARX)

New Zealand-headquartered soft tissue regeneration product designer and retailer continued to gain yesterday, after completing a stellar ASX listing Friday, following a \$45M IPO at 75c per share.

Friday, ARX opened at \$1.40 and traded at \$1.28 - \$1.56 before settling at \$1.35.

Yesterday, ARX again opened at \$1.40 before trading at \$1.37 - \$1.53 and settling at \$1.47.

### 5G Networks (5GN)

Pleading ignorance in response to an ASX price query.

5GN has traded higher the past five sessions, yesterday adding 18% to settle at \$1.865 after trading as high as \$1.95.

5GN closed out the trading week ending 17 July at \$1.15.

## Resources

### Musgrave Minerals (\* MGV)

WA Break of Day gold project Starlight discovery drilling has returned additional high-grade RC drilling results. Further, initial diamond drilling results underscore expectations of additional high-grade mineralisation down plunge.

### Anglo Gold Ashanti (\* AGG)

Anticipating \$US392M - \$US416M interim NPAT.

Additional guidance, together with commentary, lodged this morning.

### Kingwest Resources (KWR)

June quarter report lodged post-trade yesterday.



## Commodities Commentary

**Oil** – overnight prices were pushed and pulled by: demand considerations in the wake of persistent increases in daily international Covid-19 diagnoses; China-US relations remaining strained; a yet weaker \$US; progress on a new proposed US stimulus package; and the wait for definitive news of US petroleum industry damage from Gulf of Mexico storms.

**Gold** – US futures traded at a record \$US1941.90/oz high overnight, well surpassing the previous \$US1920.70/oz record set ~nine years ago.

Meanwhile, silver returned to favour, with futures pushed to a \$US24.82/oz seven-year peak.

The US Federal Reserve commences a policy meeting tonight with outcomes and official commentary due early Thursday AEST.

In the meantime, progress continued to be reported regarding a new fiscal stimulus package for the US, and US-China tensions remained in focus, each factor supporting gold trade.

**Base metals** – overnight gains were attributed to a recent string of encouraging economic data releases, further stimulus optimism, inventories and ongoing relative \$US weakness.

LME warehoused *copper* was noted again at seven-month lows, and the ICE \$US index declined 0.9% to two-year lows, as a proposed \$US1 trillion support plan, negotiated between key US Republican parliamentarians and US administrative officials, was promoted as 'ready' to present to parliament in general.

Meanwhile, a new report promoted the move to greater *aluminium* use in electric vehicle manufacturing.

China's January – July industrial profits, reported yesterday, were revealed 12.8% lower year-on-year. January – June profits were calculated to have dropped 19.3%.

China releases official (NBS) July PMIs later this week.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7151	0.0001	0.01
<b>EUR – USD</b>	1.1759	0.0007	0.06

### Australian Data Today

ANZ/RoyMgn	Consumer sentiment	26 Jul
ABS	Covid-19 impacts (jobs, wages)	11 Jul

### US Data Tonight

Case Shiller house price index	May
Conference Board consumer confidence	Jul
Richmond Fed manufacturing	Jul

### Other Overseas Data Today & Tonight

<b>UK</b>	CBI distributive trades	Jul
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KWR has traded higher the past four sessions, gaining 13.5% to settle at 21c yesterday after closing out the trading week ending 17 July at 12.5c.

### Aeris Resources (AIS)

AIS has appointed former Newcrest Mining (ASX: NCM) executive Colin Moorhead as a non-executive director, effective yesterday.

In association, Marcus Derwin has resigned as an AIS director. Mr Derwin was initially appointed to the AIS board as a Standard Chartered Bank nominee.

### Energy

#### Stanmore Coal (\* SMC)

Produced 2.39Mt of saleable coal during FY20, boosted by 496,000t for the June quarter.

Additional statistics lodged post-trade yesterday.

Further, SMC is changing the company's financial year end date to 31 December from 30 June.

### Trading Halts

Company	Code	Resuming
Metalsearch Ltd	MSE	28 Jul
Stone Resources Australia	SHK	28 Jul
Capricorn Metals	CMM	29 Jul
Digital Wine Ventures	DW8	29 Jul
Dimerix Ltd	DXB	29 Jul
Ecofibre Ltd	EOF	29 Jul
Kinetiko Energy	KKO	29 Jul
New Century Resources	NCZ	29 Jul
Sabre Resources	SBR	29 Jul
Breaker Resources	BRB	31 Jul
Castillo Copper	CCZ	31 Jul
Eastern Iron	EFE	31 Jul
Imagion Biosystems	IBX	31 Jul

### Suspensions (select)

Company	Code	Since
Acacia Coal	AJC	22 Jul
AppsVillage Australia	APV	27 Jul
Aurora Minerals	ARM	21 Jul
Blossomvale Holdings	BLV	7 Jul
eSense-Lab Ltd	ESE	27 Jul
Factor Therapeutics	FTT	17 Jul
Leaf Resources	LER	16 Jul
Ultima United	UUL	22 Jul

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
GCI	Thu	0.72	0	4.67

**Need More Information?**

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MIR	Thu	6.5	100	1.32
PMV	Thu	34	100	2.14
PTL	Thu	0.7	100	4.94
OCA	Fri	0.95	0	4.16

**Reports & Events**

(selected)

When	Company	Report/Event
<b>Today</b>	<b>CCP</b>	Full year
	<b>DRO</b>	AGM (2.30pm)
	<b>GUD</b>	Full year (audio webcast 11am)
	<b>ILU</b>	Jun Q
	<b>OSP</b>	Jun Q
	<b>PBH</b>	Jun Q (tele 9.30am)
	<b>UWL</b>	Jun Q
<b>Tomorrow</b>	ALQ	AGM (10am)
	AAC	AGM (10am)
	APE	AGM (9am)
	IGO	Jun Q
	JHG	Interim, Jun Q
	LVT	Jun Q (tele 11am)
	RIO	Interim (tele 4.15pm AEST)
	URW	Interim
<b>Thu</b>	CIM	Interim
	DTS	AGM (4pm)
	FMG	Jun Q
	GMA	Interim (10am)
	KLA	Jun Q; interim (post-ASX trade)
	LOM	AGM (1pm)
	MQG	AGM (10.30am)
	MRC	AGM (5pm AEST)
	OGC	Jun Q (post-ASX trade; w/cast 7.30am Fri)
	ORE	Jun Q (webcast 10am)
	SUP	AGM (midday)
	THC	AGM (11am)
	XAM	AGM (10am)
<b>Fri</b>	GGG	AGM (12.30pm)
	HCT	AGM (3pm)
	YAL	AGM (1pm)