

Markets

SFE 200 Futures (9.30am AEST)	7301	19	0.3
NZX 50	12644	49	0.4
DJIA Futures	34878	44	0.1
S&P 500 Futures	4393	-0.75	0.0
NASDAQ Futures	14984	-27	-0.2

Local Markets Commentary

The Australian market commences today's trade on the second last trading day for July with key domestic data due late morning, following mixed overnight international equities and commodities trade, ahead of material economic indicators out of the US and euro zone tonight, and a plethora of large-cap international stocks reporting from later today through tonight.

Locally today, the Australian Bureau of Statistics (ABS) releases June quarter **import and export prices, 11.30am AEST.**

A wave of corporate reports and updates is anticipated, numerous high-profile ones already in hand pre-trade.

Regionally **today**, Covid-19 figures will continue in focus, as does containment locally.

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

US **gold** futures again settled essentially flat, but declined following Fed Reserve chair Jerome Powell's post-policy meeting press conference.

Iron ore prices varied, Qingdao (CFR China, 62% fines) iron ore rising just US\$11c/t to \$US202.68/t, and Nymex (CFR China, 62% fines) futures falling but remaining above \$US214.40/t.

LME **copper** extended Tuesday's fall. **Nickel** and **aluminium** turned and rallied.

The **\$A** appreciated to ~US\$73.75c after trading at US\$73.45c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34931	-128	-0.4
S&P 500	4401	-0.8	-0.0
NASDAQ	14763	102	0.7
FTSE 100	7017	21	0.3
DAX 30	15570	51	0.3
Shanghai Comp	3362	-20	-0.6

Overseas Markets Commentary

Marked vacillating trade featured across most major European, UK and US equities markets overnight, key indices opening and closing variously, amid a deluge of high-profile earnings reports, some major stocks having reported post-Tuesday trade, and others anticipated soon after last night's close.

Alphabet, Apple and Microsoft had announced a total \$US57B in

* Gold and base metals exploration listing – **11.30am AEST – M3M** *

* Sydney rock lobster production listing – **12.30pm AEST – ETT** *

Today's Stock Watch
Unibail Rodamco Westfield (URW)

Interim net rental income fell 22.4% year-on-year to €785M. €12.5B cash.

IRESS Ltd (IRE)

Indicative \$A15.30 - \$A15.50 per share scheme of arrangement takeover proposal received from EQT fund Management, updated from \$14.80 per share in June.

In addition, today's investor day revelations include targeted 7% - 8% growth for FY20 – FY25. Also planning an up to \$100M buy-back.

Macquarie Group (MQG)

Today's AGM materials lodged pre-trade, including a positive early FY22 update. \$A7.4B capital surplus at 30 June.

Peppermint Innovation (PIL)

Philippines finance licence in hand, enabling bizmoto mobile loans.

Incitec Pivot (IPL)

Update lodged in presentation format pre-trade.

IOOF Holdings (IFL)

\$213.3B FUMA at 30 June, up \$9.4B from 30 June 2020.

Investment management FUM crew by \$1.4B (6.2%) during the June quarter to \$23.5B. A \$200M accounting adjustment impairment will be included in FY21 accounts.

NextDC Ltd (NXT)

Outlaying \$124M for a property in Horsley Park, Western Sydney, on which NXT plans to establish a new, 124,000sq m 300MW data centre. Settled 3.5% lower yesterday, at \$12.43.

Resources
Rio Tinto (RIO)

Paying a \$US3.76 ordinary dividend and \$US1.85 special dividend, each fully franked following a \$US216.47 dividend a year ago. The \$A equivalents are \$A5.0942 (ordinary) and \$US2.5064 (special). \$US12.31B interim net earnings, against \$US3.32B a year ago. 143% higher, \$US13.66B operating activities net cash, bolstered by aluminium, copper and iron ore prices. \$US3.14B net cash.

Fortescue Metals Group (FMG)

Shipped a record 49.3Mt of iron ore, during the June quarter, boosting the FY21 tally to 182.2Mt. Average revenue came in at a record \$US168/t, against a \$US15.23/t C1 cost. FY22 guidance also lodged pre-trade.



June quarter profits post-Tuesday trade, Apple buoyed by a jump in iPhone sales.

Overnight, the US Federal Reserve policy meeting retained status quo, but the post-meeting statement emphasised economic progress that would continue to be monitored.

The \$US and US treasury bond yields rose immediately following the statement release.

At the post-meeting press conference, Fed chair Jerome Powell revealed that while the US economic recovery was progressing, 'substantial further progress', including sustained strong job numbers, was needed before the central bank would begin to pare back the \$US120B/month asset purchases program.

He described the meetings discussions regarding the 'timing, pace and composition' of asset purchases as an initial 'deep dive'.

Mr Powell indicated any rate rises were even further away and assured the Fed would provide advanced notice of asset program change.

He also reiterated, 'We won't have an extended period of high inflation', adding the Fed would ensure an average 2%, even though it foresaw months of >2% inflation.

He explained 'transitory' meant inflation increases would end, rather than producer prices ultimately being pulled back.

In overnight **data** releases, **Germany's** June import prices rose 1.6% for the month, against forecasts of a 1.2% increase.

Against June 2020, prices were 12.9% higher.

The GfK August consumer sentiment index was estimated on par with July, at -0.3, defying expectations of a further drop to -2.

In **Russia**, June year-on-year GDP growth was reported at 8.5%, following forecasts of a 9.5% rise.

In the **US**, June wholesale inventories were calculated 0.8% higher for the month, in line with forecasts and following a 1.3% May increase.

Weekly mortgage applications jumped by 5.7% after falling 4% the previous week.

The mean average 30-year mortgage rate fell to 3.01% from 3.11%.

Tonight in the US, a preliminary June quarter GDP reading, weekly new unemployment claims and June pending home sales are anticipated.

Elsewhere, Germany reports an initial July CPI estimate.

Companies scheduled to report earnings later today and tonight include: Airbus, Amazon, Anheuser-Busch InBev, Arcelor Mittal, AstraZeneca, Atlassian, BAE Systems, Baidu, Comcast, Daewoo Engineering, Fujitsu, Gilead Sciences, Hino Motors, Hyundai, KIA Motors, LG Electronics, Lloyds Banking, L'Oréal, MasterCard, Merck & Co, Mitsubishi Electric, Nestlé, Nokia, Nomura Research, Northrop Grumman, Panasonic, Royal Dutch Shell, Samsung Electronics, Sanofi, Vale and Volkswagen.

In overnight corporate news, **Facebook** revealed (post-US trade) it expected weaker advertising revenue during this second half of 2021.

Earlier, **Pfizer** revealed it anticipated 2021 Covid-19 vaccine sales revenue to come in at \$US33.5B, after selling \$US7.8B worth of the vaccine during the June quarter.

Pre-Open Announcements

East 33 (* ETT)

Sydney rock oyster producer and supplier scheduled to list on the ASX **12.30pm** AEST, following a \$32M IPO at 20c per share. ~222M quoted shares.

Australian Agricultural Company (* AAC)

Today's AGM materials lodged pre-trade.

Imugene Ltd (* IMU)

Resuming trade having completed a \$90M, 30c-per-share placement. \$5M SPP planned at the same price.

Webinar scheduled for 10.30am AEST.

IMU traded at 31c - 35.5c the five trading sessions immediately prior to calling the trading halt.

Splitit Payments (* SPT)

Record 38% higher year-on-year \$US90.3M June quarter merchant sales volume (MSV), pushing 1H FY21 MSV to \$US172.4M.

Shopper numbers grew by 66,000 to 566,000.

The merchants tally rose 167% to 2800.

PointsBet Holdings (PBH)

June quarter operational statistics lodged pre-trade.

CV Check (* CV1)

Record \$6.4M June quarter revenue.

\$12.9M cash at bank.

Quickstep Holdings (* QHL)

Outlaying \$1M over two payments for a minority holding in unmanned commercial and military air systems developer Carbonicboats.

Blackmores Ltd (BKL)

Non-executive director Christine Holman has resigned from the BKL board, effective immediately.

humm group (HUM)

HUM has appointed former Commonwealth Bank (ASX: CBA) executive manager risk and governance advisor, and subsidiaries company secretary, Belinda Hannover as company secretary, effective yesterday.

Ms Hannover takes over from Isobel Rogerson who has been appointed HUM executive VP operations Canada.

Cashwerkz Ltd (CWZ)

June quarter operating revenue grew 61% for the quarter and 521% year-on-year.

Anticipating \$700,000 revenue for July.

Additional statistics lodged in presentation form post-trade yesterday.

Resources

M3 Mining (* M3M)

Gold and base metals explorer scheduled to list on the ASX



Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1799.7	oz	-0.10	-0.0
Silver (NY) (Sep)	24.88	oz	0.23	0.9
Gold (LON)	1800.4	oz		
Platinum	1060	oz	15	1.4
WTI Crude (NYMEX Sep)	72.39	bbbl	0.74	1.0
Brent Crude (ICE EUR Sep)	74.74	bbbl	0.26	0.4
Iron Ore (NYMEX,CHN,62%)	214.44	t	-0.55	-0.3
Copper (LME Ind)	9694	t	-66	-0.7
Nickel	19565	t	207	1.1
Aluminium	2536	t	45	1.8
Lead	2345	t	6	0.3
Zinc	2978	t	-6	-0.2
Tin	34485	t	-40	-0.1

Commodities Commentary

Oil – overnight trade appeared mostly pushed and pulled by Covid-19 – related economic growth uncertainty, US data and weak equities market sentiment.

A US weekly petroleum inventories report, published overnight, included a 4.09MMbbl fall in crude stocks and 2.25MMbbl draw on stored petrol.

Net crude imports fell 616,000bbl/d while daily petrol production rose by 649,000bbl.

Overnight Tuesday post-US trade, an industry-produced weekly report had included an estimated 4.73MMbbl draw on US crude stocks last week.

Gold – overnight price moves proved constrained ahead of the US Federal Reserve's post-policy meeting statement, post-Comex gold futures settlement.

Futures ultimately declined following the Fed chair's press conference, this attributed to no near-term rate rises and a persisting view that inflation growth could average 2%, despite being much higher this year.

Base metals – overnight trade appeared largely influenced by media survey results focusing on forecasts for *copper*, *nickel* and *aluminium* prices.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7379	0.0017	0.23
EUR – USD	1.1845	0.0027	0.23

Australian Data Today

ABS	Import and export prices	Jun Q
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US Data Tonight

GDP (preliminary)	Jun Q
Pending home sales	Jun

11.30am AEST, following a \$4.6M IPO at 20c per share. 27.96M quoted shares.

Sandfire Resources (* SFR)

Produced 18,252t of copper and 9016oz of gold in concentrate during the June quarter, pushing the FY21 totals to 70,845t and 39,459oz respectively.

C1 costs came in at US93c/lb and US82c/lb respectively. \$574M cash on hand. Nil debt, excluding lease liabilities.

Lynas Rare Earths (* LYC)

Favourable Malaysia High Court decision.

Austral Gold (AGD)

AGD has secured an option agreement with Pampa Metals Corporation whereby AGD will return 2.963M Pampa shares to Pampa in relation to the proposed acquisition of interests in the Cerro Blanco and Morros Blancos properties.

This will reduce AGD's Pampa holding to ~13.6%.

Additional agreement details lodged post-trade yesterday.

Energy

Strike Energy (STX) / Warrego Energy (WGO)

WA Perth Basin EP469 JV West Erregulla production test update, focusing on gas-water contact, lodged pre-trade.

STX 50% and operator; WGO 50%.

Trading Halts

Company	Code	Resuming
Aroa Biosurgery	ARX	29 Jul
BPM Minerals	BPM	29 Jul
Jatcorp Ltd	JAT	29 Jul
Magnis Energy Technologies	MNS	29 Jul
Pilbara Minerals	PLS	29 Jul
Salt Lake Potash	SO4	29 Jul
Victory Mines	VIC	29 Jul
Allegiance Coal	AHQ	30 Jul
Conico Ltd	CNJ	30 Jul
Melbana Energy	MAY	30 Jul
Rhythm Biosciences	RHY	30 Jul
Tasman Resources	TAS	30 Jul
Zenith Minerals	ZNC	30 Jul

Suspensions (selected)

Company	Code	Since
8Common Ltd	8CO	26 Jul
Crater Gold Mining	CGN	9 Jul
Fargo Enterprises	FGO	26 Jul
Jayex Technology	JTL	28 Jul
Scorpion Minerals	SCN	27 Jul
Theta Gold Mines	TGM	28 Jul



Initial jobless claims

24 Jul

Other Overseas Data Today & Tonight

UK	BoE consumer credit	Jun
France	Producer prices	Jun
Germany	CPI (preliminary)	Jul
Germany	Unemployment	Jun
Euro zone	Economic confidence	Jul

Need More Information?

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
GCI	Today	0.77	0	4.45
PCI	Today	0.32	0	3.36
QRI	Today	0.7	0	6.06
TCF	Today	3	0	1.54
MOT	Tomorrow	0.84	0	6.57
MXT	Tomorrow	0.59	0	4.44
PGG	Tomorrow	0.68	0	4.74
NBI	Mon	0.8	0	5.13
CVC	Tue	5	100	1.43
AMH	Wed	4.5	100	1.98
DJW	Thu (5 Aug)	5.75	100	3.40
DJWN	Thu	2.88	100	0.00
BKI	Fri (6 Aug)	3	100	2.63
OZG	Fri	0.35	100	2.35
WIC	Fri	3	100	4.94

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	AAC	AGM
	BLY	Jun Q
	CCP	Full year
	FLC	Jun Q
	FMG	Jun Q
	IPL	Update (webcast tale 10am)
	IRE	Investor day (10.30am – midday)
	JHG	Jun Q (NB : webcast tele 10pm)
	MQG	AGM
	OEC	Full year
	PLS	Jun Q (webcast tele 10am)
	PBH	Jun Q (webcast tele 10am)
	SFR	Jun Q
	SPT	Jun Q (webinar, incl Q&A, 9am)
Tomorrow	FFG	AGM
	ICI	AGM
	OGC	Jun Q
	ORG	Jun Q