

**Markets**

|                                      |       |     |      |
|--------------------------------------|-------|-----|------|
| <b>SFE 200 Futures</b> (9.30am AEST) | 7720  | -24 | -0.3 |
| <b>NZX 50</b>                        | 11763 | -27 | -0.2 |
| <b>DJIA Futures</b>                  | 39476 | -35 | -0.1 |
| <b>S&amp;P 500 Futures</b>           | 5529  | -5  | -0.1 |
| <b>NASDAQ Futures</b>                | 20023 | -29 | -0.1 |

**Local Markets Commentary**

The Australian market commences today's trade with Reserve Bank of Australia (RBA) policy meeting minutes due amid a plethora of commentary regarding potential international impacts from likely national election outcomes in France, the UK and US.

US equities markets swung variously higher overnight.

**Locally** today, the RBA releases June **monetary policy meeting minutes** at **11.30am AEST**.

**Regionally** pre-trade, **South Korea** has reported 0.2% June **deflation** for the month, and 2.0% inflation growth on an annualised basis.

May's inflation growth had been reported at 0.1% and 2.7% respectively, and June consensus had been recorded for the same growth rates.

Yesterday, **South Korea** reported a 7.5% year-on-year drop in June imports, following a 2% May decline.

This afternoon, **Japan** hosts a 10-year government bond auction.

In overnight **commodities** trade, **oil** prices rose by ~2%.

US **gold** (Comex) futures settled just US70c/oz lower.

**Iron ore** (Nymex CFR China, 62% Fe) rallied by ~1%, closing at \$US108/t.

LME (3mth evening) **copper** and **nickel** extended Friday's gains. **Aluminium** settled little changed.

The **\$A** fell beneath US66.60c after trading at ~US66.80c early yesterday evening.

**Overseas Markets**

| INDEX                     | CLOSE | +/- | %   |
|---------------------------|-------|-----|-----|
| <b>Dow Jones</b>          | 39170 | 51  | 0.1 |
| <b>S&amp;P 500</b>        | 5475  | 15  | 0.3 |
| <b>NASDAQ</b>             | 17879 | 147 | 0.8 |
| <b>FTSE 100</b>           | 8167  | 3   | 0.0 |
| <b>DAX 30</b>             | 18291 | 55  | 0.3 |
| <b>Shanghai Composite</b> | 2995  | 27  | 0.9 |

**Today's Stock Watch**
**Shape Australia Corporation (SHA)**

Anticipating \$830M FY24 revenue, against \$862.4M for FY23. NPAT is expected to have grown by 40%, to \$15M - \$16M and EBITDA by 25%, to \$25M - \$26M.

**HMC Capital (HMC)**

HMC has achieved financial close for the ~\$127.5M cash and scrip acquisition of commercial real estate private credit fund manager Payton Capital.

Contingent further consideration of up to \$16.5M is payable in FY26.

**Mayne Pharma (MYX)**

Settling a shareholder class action which had alleged misleading or deceptive conduct and continuous disclosure failures.

MYX insurance will pay \$4.7M of the \$A38M settlement amount, with the balance to be funded from MYX cash reserves.

No liability is admitted.

**Redflow Ltd (RFX)**

RFX has secured an MoU with Queensland government-owned energy generator Stanwell Corporation, covering the collaborative development and deployment of the RFX X10 battery in a 400 MWh project.

Technical and due diligence is planned for a 5 MWh X10 battery project at the Stanwell Future Energy Innovation Training hub.

**Resources**
**Renegade Exploration (RNX)**

Initial drilling within the Queensland Mongoose Deeps prospect has delivered a large IOCG system.

Details lodged pre-trade.

**Kingsrose Mining (KRM)**

Resuming from a trading halt with an exploration permit in hand for Penikat PGE project Area 1, Finland.

KRM last traded at 3.9c.

**Tesoro Gold (TSO)**

Heralding Chile El Zorro gold project Ternera East target first-pass drilling results.

Assays lodged this morning.

**Critical Resources (CRR)**

Canada Mavis Lake lithium project exploration has delivered high-grade assays and indicated significant additional mineralised zones.



## Overseas Markets Commentary

Trade across major European, UK and US equities markets diverged overnight from meandering through markedly choppy, to decisively positive.

Trader considerations included a batch of key data releases, coupled with monetary policy commentary and speculation regarding likely election outcomes in France, the UK and the US, and their broader implications.

Opening a European Central Bank (ECB) banking forum, ECB president Christine Lagarde offered that economic risks remained and there appeared no current pressing need for further euro zone interest rate cuts.

Earlier yesterday, Caixin released a 51.8 June manufacturing PMI for China, following 51.7 for May, and defying consensus for a decline to 51.2.

Yesterday afternoon (AEST) post-ASX trade, the RBA reported a 4.1% fall in commodity prices for June, following a 6.0% May drop.

Among a slew of overnight **economic data** releases, **Germany's** preliminary June CPI inflation estimate represented 0.1% growth for the month and 2.2% on an annualised basis, against respective 0.2% and 2.3% forecasts.

May inflation had also been reported 0.1% higher for the month, and 2.4% higher than for May 2023.

Finalised June manufacturing PMI readings across the **euro zone** remained dour and little changed from the initial estimates, which had represented declines for the month.

In the **UK**, the June manufacturing PMI was revised from an initial 0.2-point increase for the month, to 51.4, to a 0.3-point decrease to 50.9.

In the meantime, Nationwide reported a 0.2% monthly rise for UK June housing prices and a 1.5% annualised increase. Forecasters had anticipated a 0.1% decline for the month and 1.1% year-on-year appreciation.

In the **US**, the ISM's 48.5 June manufacturing PMI represented a 0.2-point fall for the month and a third consecutive monthly decline, against consensus for an improvement to 49.1.

May construction spending was estimated 0.1% lower for the month, against forecasts for a 0.1% rise following a 0.3% April climb.

**Tonight** in the US, July economic optimism and May job openings reports are due.

Elsewhere, US Federal Reserve chair Jerome Powell speaks at the ECB central banking forum in Portugal, hosting a panel with Ms Lagarde.

Also tonight, an initial euro zone June CPI inflation reading is due.

In addition, Germany hosts a 10-year government bond auction and the UK a three-year treasury gilt auction.

Further, tonight's US trade volumes are expected to prove the most for the remainder of the week, given an early close overnight tomorrow, ahead of Thursday's 4 July holiday, and likely subsequent light trade overnight Friday.

## Pre-Open Announcements

### **Ansell Ltd (\* ANN)**

ANN has completed the group's purchase of the Kimberly-Clark personal protective equipment business.

### **Centuria Office REIT (\* COF)**

COF has settled the \$37.35M sale of 555 Coronation Drive, located in the Brisbane, Queensland riverside suburb of Toowong.

COF is using the sale proceeds to repay debt.

### **BlueBet Holdings (BBT)**

Shareholders of NTD trading business betr now own ~47.2% of BBT following completion of BBT's merger with betr via the issue of ~265.39M BBT shares.

### **AUB Group (AUB)**

AUB has completed its acquisition of a 70% holding in specialist underwriting agency Pacific Indemnity.

AUB has paid an initial \$A105M and expects deferred contingent consideration to tally \$A35M.

### **CVC Ltd (CVC)**

Chasing up to \$A15M via an unsecured non-convertible notes offer at \$A100.50 per note.

Additional details lodged post-trade yesterday.

### **Technology One (TNE)**

TNE has appointed MYOB CEO Paul Robson as an independent non-executive director.

### **ARC Funds (ARC)**

ARC non-executive director Darren Anderson has resigned from the ARC board.

In addition, ARC has appointed CEO Scott Beeton as MD.

### **Wellard Ltd (WLD)**

WLD added 2c (117.65%) yesterday, settling at 3.7c after announcing the \$12.8M sale of the M/V Ocean Ute for \$US12M cash, and intention to return the majority of net sales proceeds to shareholders.

Intra-session, WLD had traded as high as 4c, buoying trade volume and transaction numbers to ~2.84M and 90 respectively.

### **Frugl Group (FGL)**

~1.97M options exercisable at \$1.50 each are due to expire 20 July, but FGL has traded at 5c – 12c over the past three months.

## Resources

### **Strickland Resources (\* STK)**

STK has completed the acquisition of the Rogozna gold and base metals project, Serbia.

The project hosts a 5.44Moz gold equivalent (AuEq) resource, comprising 2.96Moz of gold, 214,000t of copper and 364,000t of zinc.

**Commodities**

| COMMODITY                              | CLOSE  | \$US/ | +/-   | %    |
|--|--------|-------|-------|------|
| <b>Gold</b> (COMEX 100 Aug)            | 2338.9 | oz    | -0.7  | -0.0 |
| <b>Silver</b> (COMEX 5000 Sep)         | 29.61  | oz    | 0.05  | 0.2  |
| <b>Platinum</b>                        | 973    | oz    | -15   | -1.5 |
| <b>WTI Crude</b> (NYMEX Aug)           | 83.38  | bbl   | 1.84  | 2.3  |
| <b>Brent Crude</b> (ICE EUR Sep)       | 86.60  | bbl   | 1.60  | 1.9  |
| <b>Iron Ore</b> (NYMEX CHN port;62%Fe) | 108    | t     | 1.17  | 1.1  |
| <b>Copper</b> (LME 3mth Evening)       | 9653   | t     | 60    | 0.6  |
| <b>Nickel</b>                          | 17408  | t     | 136   | 0.8  |
| <b>Aluminium</b>                       | 2523   | t     | -0.36 | -0.0 |
| <b>Lead</b>                            | 2225   | t     | -4    | -0.2 |
| <b>Zinc</b>                            | 2936   | t     | 0.8   | 0.0  |
| <b>Tin</b>                             | 32943  | t     | 195   | 0.6  |

**Commodities Commentary**

**Oil** – a Houthi claim that it had launched new attacks on ships linked to Israel, the UK and US in the Arabian, Mediterranean and Red Seas and also the Indian Ocean pushed crude prices higher overnight.

In exploration news, late yesterday, China revealed plans to establish a select group to target deep petroleum reserves.

**Gold** – prices swung intra-session during relatively light overnight trade.

US treasury yields rose, detracting from some gold interest.

Meanwhile, high prices were cited as one reason central banks purchased 56% less gold in May than April, the overall net tally coming in at 10t.

China was reported to have purchased no gold during May.

**Base metals** – new data for China, early-week inventory updates and further relatively weak international manufacturing data pushed and pulled overnight new-quarter trade.

Copper stocks in LME-approved warehouses were reported significantly higher than for mid-May and the ICSG estimated a 13,000t April surplus for international refined copper stocks.

Meanwhile, Southern Copper was reported to be resuming development of the planned 120,000tpa Tia Maria project in Peru.

A June manufacturing PMI for China, published by Caixin yesterday, belied expectations for a decline, but represented a 0.1-point only improvement for the month, to 51.8.

Caixin is scheduled to release a June services PMI for China tomorrow.

**Exchange Rates**

| CURRENCIES       | LAST   | +/-     | %     |
|------------------|--------|---------|-------|
| <b>AUD – USD</b> | 0.6654 | -0.0013 | -0.20 |
| <b>EUR – USD</b> | 1.0737 | -0.0018 | -0.17 |

**Australian Data Today**

|     |                                 |     |
|-----|---------------------------------|-----|
| RBA | Monetary policy meeting minutes | Jun |
|-----|---------------------------------|-----|

Both resource expansion and exploration drilling are underway with three diamond rigs in operation and a fourth anticipated soon.

Acquisition consideration has included a \$A750,000 cash exclusivity fee, ~379.78M STK shares voluntary escrowed for 18 months and 50M STK unquoted options, exercisable within five years at 13.5c each.

Details of vendor liabilities also assumed by STK lodged post-trade yesterday.

STK has traded at 10.5c – 12c over the past two weeks.

**IGO Ltd (IGO)**

Environmental, social and governance-focused roadshow presentation lodged post-trade yesterday.

IGO is presenting in Melbourne and Sydney this week.

**Kore Potash (KP2)**

Conditionally ~\$US1.28M better off following a ~91.8M share subscription at US0.1c each.

Conditions include shareholder approval.

KP2 has traded on the ASX at 2.5c – 3.6c over the past ~three weeks.

**ChemX Materials (CMX)**

CMX executive director and company secretary Stephen Strubel has become a non-executive director.

Mr Strubel remains CMX company secretary.

**Heavy Minerals (HVY)**

Pleading ignorance to an ASX price query other than to point out that the company had been mentioned in an investment publication.

HVY settled at 5.3c Thursday last week, added 28.3% Friday to close at 6.8c and traded as high as 8.5c yesterday before settling at 7.3c.

**Energy****Botala Energy (BTE)**

~82.87M BTE shares are due to be released from mandatory escrow 14 July.

**Trading Halts**

| Company                    | Code | Resuming |
|----------------------------|------|----------|
| Astral Resources           | AAR  | 2 Jul    |
| Beston Global Food Company | BFC  | 3 Jul    |
| BPM Minerals               | BPM  | 3 Jul    |
| Cannindah Resources        | CAE  | 3 Jul    |
| Island Pharmaceuticals     | ILA  | 3 Jul    |
| Jindalee Lithium           | JLL  | 3 Jul    |
| Power Minerals             | PNN  | 2 Jul    |
| Recce Pharmaceuticals      | RCE  | 3 Jul    |
| Rimfire Resources          | RIM  | 3 Jul    |
| Tivan Ltd                  | TVN  | 3 Jul    |

**US Data Tonight**

|                                  |     |
|----------------------------------|-----|
| JOLTS job openings               | May |
| RCM/TIPP economic optimism index | Jul |

**Other Overseas Data Today and Tonight**

|                    |                        |     |
|--------------------|------------------------|-----|
| <b>South Korea</b> | CPI inflation          | Jun |
| <b>Euro zone</b>   | CPI inflation (prelim) | Jun |

**Need More Information?**

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**Suspensions** *(selected)*

| Company                 | Code | Since  |
|-------------------------|------|--------|
| Besra Gold              | BEZ  | 19 Jun |
| Calidus Resources       | CAI  | 1 Jul  |
| New Talisman Gold Mines | NTL  | 28 Jun |
| NSX Ltd                 | NSX  | 27 Jun |
| OZZ Resources           | OZZ  | 20 Jun |
| Triton Minerals         | TON  | 1 Jul  |

**Ex-Dividends**

| Code         | Ex-Div   | Div (c)    | Franking (%) | Yield (%) |
|--------------|----------|------------|--------------|-----------|
| <b>REP</b>   | Today    | <b>1.4</b> | 0            | 6.77      |
| <b>SGLLV</b> | Today    | <b>45</b>  | 100          | 1.90      |
| GNC          | Tomorrow | 24         | 100          | 3.15      |
| QRI          | Tomorrow | 1.17       | 0            | 8.78      |
| CAM          | Thu      | 1.35       | 100          | 6.61      |