

Markets

SFE 200 Futures (9.30am AEST)	7367	-19	-0.3
NZX 50	12740	37	0.3
DJIA Futures	34795	74	0.2
S&P 500 Futures	4387	7	0.2
NASDAQ Futures	14967	14	0.1

Local Markets Commentary

The Australian market opens today's trade with the Reserve Bank of Australia (RBA) convening a policy meeting from which outcomes and commentary are keenly anticipated this afternoon.

In addition, material domestic economic indicators are due late morning, and South Korea has released key data pre-trade.

Weak risk sentiment persisted across overnight US equities trade.

Commodities trade proved mixed.

Locally today, the RBA publishes its policy meeting outcomes statement **2.30pm** AEST.

This morning, the Australian Bureau of Statistics (ABS) is due to release two reports - June **lending**, including for housing, and **building approvals**, each at **11.30am** AEST.

Post-trade, the RBA publishes monthly **commodity prices**.

Regionally, **South Korea** has this morning announced 0.2% **CPI** growth for July, following 0.1% deflation for June.

Against July 2020, the CPI is 2.6% higher.

Japan is scheduled to host a 10-year government bond auction this afternoon.

In overnight commodities trade, **oil** fell decisively.

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

Iron ore prices proved mixed, Qingdao (CFR China, 62% fines) iron ore rising \$US2.85/t to \$US184.42/t, and Nymex (CFR China, 62% fines) futures following Friday's significant China port falls lower, sliding to almost \$US181.00/t.

LME **copper** and **nickel** continued variously lower. **Aluminium** turned to record a new gain.

The **\$A** rose to ~US73.6c, after trading at ~US73.55c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34838	-97	-0.3
S&P 500	4387	-8	-0.2
NASDAQ	14681	8	0.1
FTSE 100	7082	49	0.7
DAX 30	15569	24	0.2
Shanghai Comp	3464	67	2.0

RBA – post-policy meeting statement – 2.30pm AEST
Today's Stock Watch
Credit Corp Group (CCP)

\$88.13M full year NPAT, from \$15.45M a year ago.

19.6% higher, \$374.79M revenue. \$9.574 NTA from \$8.403.

36c fully franked dividend, from no final FY20 dividend.

Centuria Office REIT (COF)

\$76.94M full year NPAT, from \$23.05M a year ago.

13.8% higher, \$166.63M income.

News Corporation (NWS)

Planning to outlay \$US1.15B cash to acquire the oil price information service OPIS and related assets from S&P Global and HIS Markit.

Electro Optic Systems (EOS)

Webcast teleconference scheduled to commence **2pm** AEST.

EOS has secured a JV with Nova Systems to compete for Australian Defence Department selection as a sovereign industry partner (SIP) to support a guided weapons and explosive ordinance program.

The 50:50 JV has been named the Sovereign Missile Alliance.

Brickworks Ltd (BKW)

Proposing to outlay \$US51.1M for select Southfield Corporation assets including brick distributor Illinois Brick Company.

BKW will use debt facilities to fund the potential purchase.

PointsBet Holdings (PBH)

\$A81M, \$8-per-share institutional entitlement offer completed, with \$100 per share achieved for the shortfall bookbuild. Retail offer scheduled for 6 – 20 August.

PBH last traded at ~\$10.96.

PARKD Ltd (PKD) / Axiom Properties (AXI)

PKD and AXI have agreed to jointly and exclusively pursue opportunities to develop and construct car parks within Australia.

PKD plans to present a proposal to the University of South Australia for a fully-funded Adelaide CBD multi-level car park.

Westpac Banking Corporation (WBC)

WBC has completed the sale of its vendor finance business, for which a 'small' accounting loss was included in FY20 accounts.

Resources
Anson Resources (ASN)

MoU secured with TETRA Technologies Inc for the collaborative development of ASN's Paradox brine project.

Details lodged this morning.

Definitive agreements targeted for within six months.

Overseas Markets Commentary

Major European, UK and US equities markets mostly opened higher overnight, but sentiment soon waxed and waned variously, producing mixed settlements.

China's July manufacturing PMIs, reported over the weekend and yesterday, appeared to concern, as did some overnight US data releases.

In addition, Covid-19 news heightened concerns regarding international economic recovery, following weekend concessions from authorities in the US that renewed containment measures were likely.

Yesterday the number of provinces in China to have recorded spates of new cases recently was reported to have reached 15, with many areas locked down to complete new testing, and Beijing (also having reported new diagnoses) cutting transport ties with other affected areas.

Among overnight **data** releases, **Germany's** June retail sales were calculated 4.2% higher for the month, following a 4.6% May jump and expectations of a more modest 1.5% new increase.

Sales were 6.2% higher than for June 2020.

The nation's robust 65.9 final July manufacturing PMI represented a 0.8-point increase for the month.

The **euro zone's** overall July manufacturing sector activity index was finalised at 62.8, down 0.6 from the final June reading, but 0.2 above expectations.

In the **UK**, the 60.4 July final manufacturing PMI estimate was in line with forecasts but down 3.5 points for the month.

In the **US**, the ISM's July manufacturing index fell to 59.5 from 60.6, remaining relatively strong, but followed expectations for a slight slip only, to 60.4, and also represented a second consecutive pull-back.

June construction spending rose 0.1% for the month, after a 0.2% May decline and following forecasts for a 0.4% increase.

Tonight in the US, June factory orders and an economic optimism index are due.

Elsewhere, the euro zone is scheduled to report producer prices. A 30-year treasury gilt auction is anticipated in the UK, with the previous yield recorded at 1.274%.

Companies scheduled to report earnings later today and tonight include: Activision Blizzard, Alibaba, Avis Budget, BMW, BP, ConocoPhillips, Daikin Industries, Eli Lilly, KKR, Mitsubishi Corp, Marubeni, Mitsui, Monster Beverage, Philips 66, Ralph Lauren, Sony, Standard Chartered, and Warner Music.

Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Dec)	1822.2	oz	5.00	0.3
Silver (NY) (Sep)	25.58	oz	0.03	0.1
Gold (LON)	1826	oz		
Platinum	1052	oz	9	0.9
WTI Crude (NYMEX Sep)	71.26	bbbl	-2.69	-3.6
Brent Crude (ICE EUR Sep)	72.89	bbbl	-2.52	-3.3
Iron Ore (NYMEX,CHN,62%)	181.21	t	-30.78	-14.5

Pre-Open Announcements

Good Drinks Australia (* GDA)

Unaudited 40% higher, \$51.6M FY21 revenue.

Thorn Group (* TGA)

TGA suitor has acquired 41.39% of TGA in its 21c-per-share takeover offer.

The offer is due to close Friday, unless Somers picks up more than 50% of TGA.

TGA recommends shareholders reject the offer.

TGA has traded at 21c – 22c the past five trading sessions.

PharmAust Ltd (* PAA)

PAA subsidiary Epichem has completed building its benchtop oxidative hydrothermal dissolution flow reactor, to convert waste (including plastics, coal, rubber tyres, trees and crops) to fuels.

Cycliq Group (CYQ)

CYQ has appointed Timothy Slate as CFO and company secretary, effective yesterday.

In association, recent CFO John Bell and recent company secretary Arron Canicais have resigned.

Resources

Apollo Consolidated (* AOP)

Heralding Rebecca gold deposit drilling results ahead of further metallurgical assessment.

Assays include 75.8m @ 4.64g/t Au, which incorporates 9m @ 15.2g/t Au.

EcoGraf Ltd (* EGR)

Land reservation agreement secured in Sweden for establishing a battery anode material facility using EGR's HFfree process.

EGR anticipates relatively low power costs due to local renewable energy supply.

Hastings Technology Metals (HAS)

Investor presentation lodged post-trade yesterday, following the pre-trade announcement of an industrial area on the outskirts of Onslow, WA receiving conditional approval for HAS's planned hydrometallurgical plant for the Yangibana rare earth project.

HAS added 7.5c yesterday, settling at 21.5c.

First Graphene (FGR)

FGR graphene (PureGRAPH) has been used as a control in test research by the University of Adelaide and Australian Research Council development to develop an analytical process to detect counterfeit graphene materials.

The subsequent research paper was published in *Analytical Chemistry* last week.

Lithium Australia (LIT)

Provisional patent co-operation treaty application filed in relation to alkaline battery recycling by LIT 90%-held subsidiary Envirostream Australia.



Copper (LME Ind)	9636	t	-91	-0.9
Nickel	19500	t	-52	-0.3
Aluminium	2615	t	21	0.8
Lead	2405	t	21	0.9
Zinc	3030	t	2	0.1
Tin	34925	t	-44	-0.1

Commodities Commentary

Oil – slower manufacturing growth, reported for both China and the US, from the weekend through yesterday and last night, coupled with worsening Covid-19 containment scenarios also reported over the same timeframe for the two major nations, appeared the major influences on last night's new-month trade.

In the meantime, a media survey report included estimated increased OPEC production for July, tallying the most since April 2020.

Commentary out of BP and ConocoPhillips will not go unnoticed tonight, with each scheduled to report results.

Gold – weaker \$US, inflation views and ongoing accommodative central bank policy appeared to support overnight gold trade.

Commentary surrounding a Bank of England policy meeting Thursday and statements from today's Reserve Bank of Australia policy meeting could start to swing some gold sentiment, but key data releases are also in focus.

Base metals – prices swung overnight, with new-month considerations including new data out of China over the weekend and yesterday, company news and a turn lower for the \$US.

Caixin's China manufacturing PMI, reported yesterday, and **China's** official (NBS) July PMIs, reported over the weekend, appeared to spawn expectations of renewed supportive fiscal policy.

The Caixin PMI fell one point to 50.3, against forecasts of a slighter decline, to 51.

Meanwhile, industrial action was anticipated at the Escondida copper operation following reports a union had knocked back operator BHP's final workforce contract offer.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7364	0.0020	0.27
EUR – USD	1.1873	0.0001	0.01

Australian Data Today

RBA	Policy meeting outcomes statement	3 Aug
ABS	Lending indicators	Jun
ABS	Building approvals	Jun
RBA	Commodity prices (4.30pm AEST)	Jul

US Data Tonight

Factory orders	Jun
IBD/TIPP economic optimism	Aug

Almonty Industries (All)

Tungsten exploration and mining company completed its ASX listing yesterday, following an ~\$15.25M IPO at \$1.00 per share. Opened at \$1.00 and traded as high as \$1.05 before closing on par at \$1.00.

507,000 shares changed hands across 23 transactions.

~15.25M quoted shares/CDIs.

Trading Halts

Company	Code	Resuming
Elanor Commercial Property Fund	ECF	3 Aug
Fiji Kava	FIJ	3 Aug
Frontier Resources	FNT	3 Aug
IODM Ltd	IOD	3 Aug
IPB Petroleum	IPB	3 Aug
Paradigm Pharmaceuticals	PAR	3 Aug
West Wits Mining	WWI	3 Aug
8Common Ltd	8CO	4 Aug
Atrum Coal	ATU	4 Aug
Bowen Coking Coal	BCB	4 Aug
Comet Ridge	COI	4 Aug
Eastern Iron	EFE	4 Aug
eMetals Ltd	EMT	4 Aug
Hot Chill	HCH	4 Aug
QEM Ltd	QEM	4 Aug
ResApp Health	RAP	4 Aug
Synertec Corporation	SOP	4 Aug
Family Zone Cyber Safety	FZO	6 Aug

Suspensions (selected)

Company	Code	Since
Crater Gold Mining	CGN	9 Jul
Fargo Enterprises	FGO	26 Jul
Magnis Energy Technologies	MNS	29 Jul
Salt Lake Potash	SO4	29 Jul
Torian Resources	TNR	2 Aug

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CVC	Today	5	100	1.35
KKC	Today	1	0	4.55
AMH	Tomorrow	4.5	100	1.96
DJW	Thu	5.75	100	3.33
DJWN	Thu	2.88	100	0.00
BKI	Fri	3	100	2.62
JHG	Fri	38	0	3.39
OZG	Fri	0.35	100	2.35
WIC	Fri	3	100	4.84



New York Fed household debt Jun

Other Overseas Data Today & Tonight

Euro zone Producer prices Jun

Need More Information?

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Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	COF	Full year
	CCP	Full year
Tomorrow	BWP	Full year (audio w/cast 11am)
	GMA	Interim
	GUD	Full year
Thur	NCK	Full year (10am teleconf)
	PNI	Full year
	RMD	Jun Q
Fri	GXY	AGM
	REA	Full year