

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	6910	32	0.5
<b>NZX 50</b>	11764	59	0.5
<b>DJIA Futures</b>	32757	-13	0.0
<b>S&amp;P 500 Futures</b>	4152	-4	-0.1
<b>NASDAQ Futures</b>	13236	-36	-0.3

**Local Markets Commentary**

The Australian market opens today's trade with material domestic economic data due late morning, and a continued focus on central bank moves with the Bank of England conducting a policy meeting from later today and the European Central Bank publishing an economic bulletin tonight.

Asia-Pacific geopolitical relations also remain fluid.

US equities rallied overnight.

**Locally** today, the Australian Bureau of Statistics (ABS) is scheduled to release June trade figures at **11.30am AEST**.

Also today, cost-of-living, energy supply and climate change legislation commentary is expected to continue.

**Regionally** today, no major economic reports are scheduled for release.

In largely negative overnight commodities trade, **oil** turned again and dropped, Brent crude falling below \$US97/bbl and WTI settling beneath \$US91/bbl.

US **gold** futures also fell.

**Iron ore** (Nymex CFR China, 62% Fe) continued to decline, but at a steeper pace.

Overnight LME (3mth evening) **copper** settled lower for a third consecutive session. **Nickel** and **aluminium** also continued to decline.

The **\$A** appreciated to US69.50c after trading at ~US69.35c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	32813	416	1.3
<b>S&amp;P 500</b>	4155	64	1.6
<b>NASDAQ</b>	12668	319	2.6
<b>FTSE 100</b>	7446	37	0.5
<b>DAX 30</b>	13588	138	1.0
<b>Shanghai Comp</b>	3164	-23	-0.7

**Overseas Markets Commentary**

Despite some hesitant openings, major European, UK and US equities markets trended decidedly higher overnight.

Several corporate earnings reports and/or outlooks exceeded expectations, with tech sector sentiment largely benefiting.

**Today's Stock Watch**
**Centuria Industrial REIT (CIP)**

Full year results lodged on publication.

**Orica Ltd (ORI)**

Resuming from a trading halt having completed conducting a fully underwritten \$A650M, \$16-per-share institutional share placement, in support of the proposed acquisition of Axis Mining Technology.

Consideration for the purchase includes \$A260M upfront cash and up to \$A90M as a deferred conditional earn-out.

ORI has scheduled a \$A75M, price-to-be-determined non-underwritten SPP for 10 – 26 August. ORI traded at \$16.46 - \$17.22 over the five sessions prior to calling the halt.

**NRW Holdings (NWH)**

Anticipating \$2.4B full year revenue.

Expecting \$157.0M EBITA, from \$150M - \$155M previous guidance. \$219.3M cash holdings; \$66.6M net debt.

**Magellan Financial Group (MFG)**

\$A60.2B FUM recorded on 29 July, from \$A61.3B for 30 June.

**ASX Ltd (ASX)**

\$9.3B total capital raised during July, down 10% on July 2021.

The average number of daily cash markets trades rose by 10%, but the average daily on-market value fell 3% to \$5.189B.

Additional July activity statistics lodged pre-trade.

**Unibail Rodamco Westfield (URW)**

Proposing to reduce energy intensity by an additional 15% after cutting this by ~17% in Europe since 2015.

Details lodged post-trade yesterday.

**Worley Ltd (WOR)**

Construction management and general services contracts secured with Corpus Christi Polymers, for new facilities expected to produce 1.1Mt of polyethylene terephthalate and 1.3Mt of terephthalic acid in Corpus Christi, Texas, US.

**Gale Pacific (GAP)**

Anticipating \$10.2M - \$10.7M FY22 pre-tax profit.

2H expectations also lodged this morning.

**Resources**
**Anson Resources (ASN)**

Heralding grades determined by ongoing resource expansion drilling within the Paradox lithium project, Utah, US.

**Askari Metals (AS2)**

Heralding the results of rock and cold stream sediment sampling within the WA Kimberley Horry copper and gold project. Assays lodged this morning.

An RC drilling program is scheduled to commence late-month.

**China-US** relations remained tense with China vowing to conduct significant military drills around Taiwan following the visit by the US House of Representatives speaker, the third in line to the US presidency.

Chinese aircraft were again reported to have breached Taiwan's boundaries while buzzing the Taiwan Strait.

Meanwhile, the list of banned imports from Taiwan appeared to lengthen.

A trio of US Federal Reserve regional presidents continued to promote inflation taming as the central bank's priority and a 0.5% rate increase in September as likely, pending data.

Earlier yesterday, Caixin reported a better-than-anticipated July services PMI for China.

Among a swag of mixed overnight **data** releases, **euro zone** June retail sales surprised on the downside, calculated as having fallen 1.2% for the month against expectations for a 0.2% decline following May's 0.4% increase.

Further, against June 2021, sales were down 3.7%.

June producer prices rose 1.1% for the month after increasing 0.5% during May.

Against June 2021, prices were up 35.8%.

The bloc's July services PMI was finalised at 51.2, from 53.0 for June and an initial 50.6 estimate for July.

**Germany's** June trade statistics included a €7.7B trade surplus, defying predictions for a €13.6B deficit following May's €2.6B surplus.

Seasonally adjusted, exports climbed 4.5% against expectations of a 1% increase.

Imports rose 0.2%. Forecasters had anticipated a 1.3% after a 3.2% May increase.

The July services PMI was finalised at a contractionary 49.7 against the expansionary 52.4 calculated for June.

A 15-year government bond auction in the meantime notably resulted in a 1.04% yield from 1.91%.

In the **UK**, the July services PMI was finalised at 52.6, undershooting an initial 53.3 estimate against June's reported 54.3.

In the **US**, the ISM's July non-manufacturing index improved to 56.7 from 55.3, defying forecasts for a decline to 52.5.

June factory orders came in 2% higher for the month following a 1.8% May increase and forecasts for another rise at the same pace.

Weekly mortgage applications rose by 1.2% after falling 1.8% the previous week.

The average 30-year mortgage rate fell to 5.43% from 5.74%.

**Tonight** in the US, June international trade figures, a July job cuts report and weekly new unemployment claims are anticipated, ahead of tomorrow night's national employment statistics for July.

Elsewhere, the **Bank of England** convenes a policy meeting and announces outcomes, and the **European Central Bank** (ECB) publishes an economic bulletin.

Companies scheduled to report earnings include: Adidas, AIG, Alibaba Group, Atlassian Corp, Bayer, Block (owns Afterpay), CBRE Group, ConocoPhillips, Daewoo Engineering, Duke Energy, Eli Lilly, Glencore, ING, Kellogg, Kikkoman Corp, Merck, Motorola

## Pre-Open Announcements

### Vonex Ltd (VN8)

Anticipating improved net cash flow, having completed the final cash payment under the deferred consideration for the \$31M partial acquisition last year of MyNetFone direct business.

### Infratil Ltd (IFT)

IFT has approved the on-market acquisition of up to \$40M worth of IFT shares by/on behalf of Morrison & Co.

A similar approval was granted in February, resulting in a May completion of the shares purchased under that approval.

### Decmil Group (DCG) / Southern Cross Electrical Engineering (SXE)

A DCG-SXE dispute regarding subcontracted work for the Rio Tinto (ASX: RIO) Amrun project, Queensland has been settled and arbitration terminated.

DCG says the settlement terms are confidential but in line with the company's accounting position.

### VGI Partners Global Investments (VG1)

Planning to extend the 12-month on-market share buy-back for up to 12 months commencing 17 August.

## Resources

### Lindian Resources (LIN)

LIN has appointed former Arafura Resources (ASX: ARU) MD Alistair Stephens as CEO, effective 8 August (Monday next week).

In addition, non-executive chair Asimwe Kabunga has been appointed as executive chairman.

## Energy

### Aus Tin Mining (ANW)

Negotiating the extension of an option for ANW to potentially acquire the central Queensland Mackenzie coal project.

Should the extension not be secured, ANW is entitled to a \$50,000 deposit refund.

The option expired 31 July (this past Sunday).

### Po Valley Energy (PVE)

August update lodged post-trade yesterday in presentation format.

PVE added 17.65% yesterday, settling at 8c.

## Trading Halts

Company	Code	Resuming
Tempest Minerals	TEM	4 Aug
Arafura Resources	ARU	5 Aug
Cobre Ltd	CBE	5 Aug
Peregrine Gold	PGD	5 Aug
Zimi Ltd	ZMM	5 Aug



Solutions, Rolls-Royce, SoftBank Corp and Vertex Pharmaceuticals.

### Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
<b>Gold (NY)</b> (Dec)	1776.4	oz	-13.3	-0.7
<b>Silver (NY)</b> (Sep)	19.89	oz	-0.25	-1.3
<b>Gold (LON)</b> (2 Aug)	1780	oz		
<b>Platinum</b>	899	oz	5	0.6
<b>WTI Crude</b> (NYMEX Sep)	90.66	bbl	-3.76	-4.0
<b>Brent Crude</b> (ICE EUR Oct)	96.78	bbl	-3.76	-3.7
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	110.11	t	-3.25	-2.9
<b>Copper</b> (LME 3mth Evening)	7677	t	-130	-1.7
<b>Nickel</b>	22353	t	-162	-0.7
<b>Aluminium</b>	2381	t	-36	-1.5
<b>Lead</b>	2024	t	-26	-1.3
<b>Zinc</b>	3266	t	-33	-1.0
<b>Tin</b>	24195	t	46	0.2

### Commodities Commentary

**Oil** – prices swung notably overnight, considerations including a \$US move higher, US inventories data, an OPEC+ production decision, economic data releases, expectations of yet higher interest rates (and hence likely reduced demand) and heightened geopolitical and trade tensions between the US and China and China and Taiwan.

Brent crude settled at the lowest since a few days before Russia entered Ukraine in February and WTI at the lowest since one day after the initial confirmation of invasion activity, 25 February.

The overnight OPEC+ meeting resulted in a targeted 100,000bbl/d overall increase in output from September.

A weekly US petroleum inventories report, published overnight by government agency the EIA, included a 4.467MMbbl increase in stored crude and 163,000bbl rise for petrol stocks.

Net crude imports had grown by a daily 2.214MMbbl and petrol production had fallen by 366,000bbl/d.

Meanwhile, supplies from the Caspian line to the Black Sea were reported lower.

Overnight Tuesday post-US trade, the American Petroleum Institute (API) had published a weekly report which included a 2.165MMbbl climb for US crude stocks last week but also 200,000 fewer barrels of petrol in storage.

**Gold** – a stronger \$US and return to equities risk sentiment pushed gold prices lower overnight, as another group of US Federal Reserve presidents supported significant rate increases and despite heightened US-China tensions.

A Bank of England policy meeting scheduled for tonight is expected to swing some currency trade and hence influence some gold trade considerations.

**Base metals** – indications of a series of rate hikes to come, at least in the US, and an associated \$US move higher, damaged overnight LME base metals interest.

Among data releases, Caixin's July services PMI for **China**, reported yesterday, represented a one-point improvement to 55.5, also exceeding forecasts for a maximum 55.2.

China's July trade statistics are anticipated over the weekend, and could add some caution to late-week trade.

### Suspensions (selected)

Company	Code	Since
Creso Pharma	CPH	29 Jul
Design Milk Co	DMC	2 Aug
Fintech Chain	FTC	1 Aug
Memphasys Ltd	MEM	29 Jul
Mighty Kingdom	MKL	3 Aug
Montem Resources	MR1	25 Jul
Rimfire Pacific Mining	RIM	28 Jul
Technology Metals Australia	TMT	2 Aug
Total Brain	TTB	3 Aug

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
JHG	Tomorrow	39	0	5.71
DJW	Mon	7	100	4.17
FRI	Mon	2	100	5.52
BKI	Tue	4.65	100	3.71
AFI	Wed	14	100	3.00
RIO	Thu (11 Aug)	383.7	100	11.22

### Reports & Events

(selected; all times AEST)

When	Company	Report/Event
<b>Today</b>	<b>ASX</b>	Jul
	<b>CIP</b>	Full year
	<b>MFG</b>	Jul
	<b>SQ2</b>	Jun Q
<b>Mon</b>	AZJ	Full year
	DXC	Full year
	SUN	Full year
<b>Tue</b>	MP1	Full year
<b>Wed</b>	CBA	Full year
	DXI	
<b>Thu (11 Aug)</b>	AMP	Interim
	DOW	Full year
	MGR	Full year
	OFX	AGM
	QBE	Interim
	RMD	Jun Q (w/cast <b>NB Fri 12 Aug 6.30am</b> )
	TLS	Full year
	WDS	Interim

**Exchange Rates**

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6943	0.0011	0.16
<b>EUR – USD</b>	1.0159	-0.0016	-0.16

**Australian Data Today**

ABS	Trade balance	Jun
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**US Data Tonight**

Trade balance	Jun
Initial jobless claims	30 Jul
Challenger job cuts	Jul

**Other Overseas Data Today & Tonight**

<b>UK</b>	BoE policy statement	4 Aug
UK	Construction PMI	Jul
UK	New domestic vehicle sales	Jul
<b>Germany</b>	Factory orders	Jun
Germany	Construction PMI	Jul
<b>Euro zone</b>	ECB economic bulletin	Aug
Euro zone	Construction PMI	Jul

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<b>Fri (12 Aug)</b>	BBN	Full year
	BFG	Full year
	HCW	Full year
	IAG	Full year

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