

Markets

SFE 200 Futures (9.30am AEST)	7770	-115	-1.5
NZX 50	12321	-132	-1.1
DJIA Futures	39606	-273	-0.7
S&P 500 Futures	5316	-61	-1.1
NASDAQ Futures	18236	-320	-1.7

Local Markets Commentary

The Australian market commences a new week's trade with further key data and reports due both domestically and regionally, amid continued disquiet regarding potential Middle East developments.

US equities markets dropped for a second consecutive session overnight Friday, this time by 1.5% - 2.4%.

Since overnight Friday trade, the US has announced it is deploying additional warships and aircraft to the Middle East.

Iran's Revolutionary Guards have threatened 'severe revenge' for the killing of a Hamas leader in Tehran last week. Following this targeted killing and another in Lebanon, representatives from Iran, Iraq, Lebanon and Yemen had reportedly convened formal discussions on Friday.

Locally today, economic commentary will focus on likely outcomes to be announced tomorrow afternoon at the conclusion of a **Reserve Bank of Australia** (RBA) monetary policy meeting which commences today.

Meanwhile, the Melbourne Institute July **inflation gauge** has now been listed for release late this morning.

Regionally, Caixin is scheduled to release a July **services PMI** for **China** at **11.45am** AEST.

Bank of **Japan** monetary policy meeting minutes are anticipated just prior to the ASX open.

In overnight Friday **commodities** trade, **oil** tumbled further, Brent crude trading well below \$US80/bbl and WTI beneath \$US75/bbl.

US **gold** (Comex) futures turned modestly lower, closing below \$US2470/oz.

Iron ore (Nymex CFR China, 62% Fe) rose for a second consecutive session, adding ~1% to trade back at \$US104/t.

LME (3mth evening) **copper** and **nickel** settled little changed. **Aluminium** turned and fell ~1.5%.

The **\$A** range-traded after falling towards US65.10c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	39737	-611	-1.5
S&P 500	5347	-100	-1.8
NASDAQ	16776	-418	-2.4
FTSE 100	8175	-109	-1.3

Today's Stock Watch
Ramsay Health Care (RHC)

Anticipating \$884M - \$889M full year NPAT, bolstered by a \$618M after-tax cash profit for the sale of Ramsay Sime Darby. Impairments and interest rate swaps are expected to negatively impact after-tax results by \$24.5M and \$13.1M respectively.

Argo Investments (ARG)

Flat, 18c fully franked final dividend.

6.9% lower, \$A252.96M full year NPAT. 5.9% lower, \$285.52M operating activities income. \$9.61 NTA from \$9.03.

Virgin Money UK (VUK)

June quarter (Q3) customer lending fell 0.7% year-on-year to £72.048B. Customer deposits grew by 3.8% to £69.827B.

The NIM slipped from 1.93% to 1.89%.

CET1 declined from 14.9% to 14.4%.

£10M transaction costs incurred for FY24 to date, and expected to come in 'significantly higher'.

The proposed acquisition of Nationwide Building Society remains subject to regulatory approvals, but with UK Competition and Markets Authority approval in hand, is expected to be completed by 31 December.

Centuria Capital Group (CNI)

Webcast scheduled for **10.30am** AEST.

Outlaying up to \$21M for a 50% holding in data server provider Reset Data. Presentation lodged pre-trade.

Viva Leisure (VVA)

Upper end of FY24 revenue guidance achieved. Acquisitions update also lodged.

Resources
Lynas Corporation (LYC)

Resources and reserves update lodged this morning.

The WA Mt Weld rare earth deposit resource (2.5% cut-off) is estimated at 106.6Mt @ 4.1% TREO, for 4.389Mt of TREO.

The total reserve (2.8% cut-off) at 30 June measured 32.0Mt @ 6.4% TREO, for 2.064Mt of TREO.

Talisman Mining (TLM)

TLM has been granted the Dubbo, NSW Yarindury project exploration licence, EL 9679, which hosts a large copper-gold target. A land access agreement is in hand. Pending regulatory approval, TLM plans to commence diamond drilling by month's end. Additional details lodged this morning.

Carnaby Resources (CNB)

Declaring a new Mt Isa, Queensland Greater Duchess copper-gold project copper find, within the Mohawk prospect.



DAX 30	17661	-408	-2.3
Shanghai Composite	2908	-25	-0.8

Overseas Markets Commentary

Sentiment fell on opening again, and subsequently deteriorated further across most major European, UK and US equities markets overnight Friday.

FTSE 100 sentiment proved the most buoyant intra-session, this put down in part to Thursday's Bank of England 0.25% interest rate cut decision.

In the US, the NASDAQ dropped by greater than 2.0% for a second consecutive session, falling into technical correction territory.

US July workforce figures, in particular weaker-than-anticipated jobs creation and an unexpected increase in the unemployment rate, appeared to add to general economic fears.

While boosting chances for a near-term US interest rate cut, some analysts speculated the first cut ought to have come earlier, in order to avoid a US recession.

US bonds were decidedly in favour as a safe-haven, also for a second-consecutive session, as stock prices dropped across several sectors. 10-year US bond yields reportedly fell by 0.18%.

Amazon's and Intel's softer-than-expected earnings outlooks, released post-US trade Thursday, appeared a major influence on sentiment.

Domestic factors weighed also, the US continuing to weigh up potential US presidential election outcomes, come the November poll, and 'catastrophic' flooding forecast from a tropical storm expected to become a hurricane before crossing the Florida coast mid-Monday (US time).

The UK, in the meantime, faced growing regional civic unrest.

In broader developments, Ukraine came under further intense attack from Russia and Middle East relations remained at simmering point.

Earlier Friday, Australia reported a 4.8% year-on-year July increase in producer prices, while South Korea published a 2.6% annualised July CPI inflation rate.

In overnight Friday **economic data** releases, **US** July workforce statistics included the creation of 114,000 new jobs, soundly defying expectations for 175,000.

The June tally moreover, was revised to 179,000 from the initially estimated 206,000.

The unemployment rate climbed 0.2% to 4.3%, against consensus for no change.

Average hourly earnings grew by 0.2% for the month, against expectations for a 0.3% bump, the same rate of increase recorded for June.

Against July 2023, hourly earnings were up 3.6% from June's annualised 3.8% increase.

The July participation rate was calculated at 62.7% from 62.6%.

Continuing the weaker-than anticipated reports, July factory orders were estimated to have dropped by 3.3% for the month, against consensus for a 2.9% decline following June's 0.5% decrease.

Tonight in the US, the ISM's influential services PMI is due for July,

Pre-Open Announcements

Structural Monitoring Systems (* SMN)

Aft pressure bulkhead smart sensor inspection testing completed successfully.

Boeing has confirmed that technical issues noted earlier this year have been resolved.

PYC Therapeutics (* PYC)

VP-001 clinical trial update lodged this morning.

The trial is investigating VP-001 as a potential treatment for retinitis pigmentosa type II.

LTR Pharma (* LTP)

Prescribing of erectile dysfunction treatment SPONTAN underway under the TGA special access scheme.

Austal Ltd (ASB)

ASB has delivered a seventh 'evolved Cape-class patrol boat' to the Royal Australian Navy under a contract for the delivery of 10 such vessels.

The remaining three are under construction, with one expected to be handed over by year's end.

Imugene Ltd (IMU)

~31.5M shares are due for release from voluntary escrow Wednesday.

Careteq Ltd (CTQ)

Executive director Alex Boyd has resigned from the CTQ board.

Resources

Alcoa Corporation (* AAI)

June quarter report, as prepared for the US, lodged this morning.

Northern Star Resources (* NST)

Kalgoorlie-Boulder, WA KCGM site visit presentation lodged pre-trade.

Larvotto Resources (* LRV)

Hillgrove gold-antimony project pre-feasibility study results in hand.

Killi Resources (* KLI)

IP geophysical surveying has identified gold-copper targets within the Mt Rawdon West project, Queensland.

Test drilling scheduled to commence by month's end.

Black Cat Syndicate (* BC8)

Paulsens gold project restart deemed fully funded with a three-year, \$US\$20.5M secured loan note facility from Nebari Natural Resources Credit Fund II.

Wildcat Resources (* WC8)

WA Pilbara region Tabba Tabba lithium project drilling has returned several high-grade and significant-width



together with the report from a Federal Reserve loan officers' survey and a S&P Global final July services PMI.

Elsewhere, the euro zone publishes July producer prices. The Bank of Russia releases a monetary policy report.

Companies listed to report earnings or provide trading updates later today or tonight include: BioNTech, CSX, Itochu, Japan Steel Works, Kikkoman, Orix, and Subaru.

In overnight Friday and weekend corporate news, Nvidia announced a three-month delay to the launch of new AI chips, for which billions of dollars of orders have reportedly been received from Alphabet (for Google use), Meta Platforms and Microsoft.

Berkshire Hathaway revealed a \$US276.9M cash holding and 15% lower year-on-year \$30.34B June quarter net income. Operating profit rose 15%, to \$US11.6B.

Canada's markets will remain closed tonight, due to a public holiday.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Dec)	2469.8	oz	-11	-0.4
Silver (COMEX 5000 Sep)	28.39	oz	-0.09	-0.3
Platinum	956	oz	-4	-0.4
WTI Crude (NYMEX Sep)	73.52	bbbl	-2.79	-3.7
Brent Crude (ICE EUR Oct)	76.81	bbbl	-2.71	-3.4
Iron Ore (NYMEX CHN port;62%Fe)	104	t	1.17	1.1
Copper (LME 3mth Evening)	9082	t	3	0.0
Nickel	16325	t	-13	-0.1
Aluminium	2268	t	-33	-1.5
Lead	2030	t	-43	-2.1
Zinc	2663	t	-55	-2.0
Tin	30223	t	294	1.0

Commodities Commentary

Oil – prices fell to ~seven month lows overnight Friday, but ultimate sessional falls proved well off session lows (- >\$US3).

US headline monthly employment statistics spawned recession commentary, coming in the wake of some weaker-than-anticipated figures earlier in the week, and not just for the US.

New data for China, released through the week, had continued to fuel growth fears not just for China but for trading partners, this underscored from comments delivered in conjunction with corporate earnings reports from across multiple sectors.

In addition overnight Friday, results published from a media-conducted survey indicated OPEC+ output had risen by 100,000bbbl/d in July (to 26.7MMbbbl/d).

OPEC was estimated to have exceeded its reported collective monthly target by 240,000bbbl/d.

Iran reportedly produced the most crude in a month since 2018.

Meanwhile, another report from a research firm put Asian crude imports for July at their least since 2022.

A weekly US petroleum drill rig report, published by Baker Hughes overnight Friday, included no change in the total number (482) of operational oil rigs.

Gold – prices swung overnight Friday, gaining early on further

intersections.

Assays lodged this morning.

Carnavale Resources (* CAV)

Heralding metallurgical test work results, including up to 99.5% recovery, for ore from the WA eastern goldfields Kookynie gold project Swiftsure deposit.

Meteoric Resources (* MEI)

The Caldeira rare earth project resource has been further bolstered by a resource update for the Figueira mining licences.

Project pre-feasibility anticipated by year's end.

Red 5 (* RED)

Ontario, Canada Sugar Zone project drilling results and commentary lodged this morning.

Macro Metals (* M4M)

M4M has applied for 25 WA Pilbara region exploration licences covering a total 749sq km. Details lodged pre-trade.

Galan Lithium (GLN)

GLN has secured \$650,000 in support of working capital with the issue of 4.75M shares at 13.7c each to Acuity Capital.

The transaction follows a previously-announced 'at the market' agreement.

GLN traded at 12.5c – 15c last week.

Calidus Resources (CAI, receivers & managers, administrators appointed)

Receivers and managers have invited, from today, expressions of interest for the acquisition and/or recapitalisation of CAI.

Operational update lodged post-trade Friday, together with a recap of key 30 June operational statistics.

Further, CAI's receivers and managers are investigating 'a decision to mine and process additional ore from Blue Bar'.

Energy

Buru Energy (* BRU)

Agreement secured for Sabre Energy to farm in to the WA onshore Canning Basin EP 428 Rafael Shallow prospect.

BRU will retain 50% and operatorship.

Additional details lodged this morning.

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	ARG	Full year
	K2F	Full year
Tomorrow	AGL	Full year
	CAT	AGM
	CRN	Interim (w/cast tele 10am)
	CTT	Full year



weaker-than-anticipated US economic data, and the \$US trading at four-month lows.

In later trade however, profit-taking and liquidity bolstering, heading into a geopolitically-sensitive weekend, switched sharp gains to modest falls.

General sentiment is expected to swing this week on material economic data for key trading nations from early-week, geopolitical developments that could influence safe-haven demand.

Base metals – overnight Friday base metals sentiment in general appeared impacted by a batch of international economic data across the week that had undershot expectations. This included US statistics from Thursday and overnight Friday that appeared to spark recession talk more than bolster demand optimism based on a likely US interest rate cut next month and possibly another by year's end.

In industry news, BHP and Lundin Mining agreed on a \$296M purchase of TSX-listed South American copper assets owner Filo.

The ongoing interest in copper deals appeared to support some copper trade.

Similarly, continued predictions of an eventual turn in relative nickel demand versus supply has kept nickel sentiment fluid.

Caixin's July services PMI for China, due today, could influence some of tonight's trade.

China's July international trade figures and inflation updates are expected to influence some sentiment also, from mid-week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6513	0.0003	0.06
EUR – USD	1.0909	-0.0002	-0.01

Australian Data Today

MelInst	Inflation gauge	Jul

US Data Tonight

ISM services PMI	Jul
Federal Reserve loan officer survey	Aug
S&P Global services PMI (final)	Jul

Other Overseas Data Today and Tonight

China	Caixin services PMI	Jul
Japan	Monetary policy meeting minutes	Jul
Japan	Services PMI (final)	Jul
UK	New car sales	Jul
UK	Services PMI (final)	Jul
Germany	Services PMI (final)	Jul
Euro zone	Producer prices	Jul
Euro zone	Investor confidence	Aug
Euro zone	Services PMI (final)	Jul

	LTM	Jun Q
Wed	LNW	Jun Q
Thu	AMP	Interim
	AVH	Jun Q (w/cast 1pm PDT)
	CLW	Full year
	CRN	Interim
	NWS	Full year (o/night in the US)
	MGR	Full year
	NXG	Jun Q
	TCL	Full year
Fri	360	Jun Q
	BLD	Full year
	NCK	Full year
	QBE	Interim
	REA	Full year

Trading Halts

Company	Code	Resuming
Allup Silica	APS	5 Aug
Altech Batteries	ATC	5 Aug
Botala Energy	BTE	5 Aug
CurveBeam AI	CVB	6 Aug
Dreadnought Resources	DRE	5 Aug
Gold Mountain	GMN	5 Aug
Heavy Minerals	HVY	5 Aug
Merchant House International	MHI	6 Aug
NeuRizer Ltd	NRZ	5 Aug
Provaris Energy	PV1	6 Aug
Rare Foods Australia	RFA	5 Aug
Red Mountain Mining	RMX	5 Aug
Resources & Energy Group	REZ	6 Aug
St George Mining	SGQ	6 Aug
State Gas	GAS	5 Aug
Waratah Minerals	WTM	6 Aug

Suspensions (selected)

Company	Code	Since
Aeon Metals	AML	26 Jul
Korab Resources	KOR	29 Jul
Magellan Global Fund	MGF	12 Jul
Mighty Craft	MCL	22 Jul
Mineral Commodities	MRC	31 Jul
Pacific Nickel Mines	PNM	18 Jul
Regional Express Holdings	REX	31 Jul



Russia Monetary policy report Aug

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
QIP	Today	7.1	100	4.63
QRI	Today	1.17	0	8.75
AMH	Tomorrow	3	100	3.06
BKI	Tomorrow	4	100	4.44
MYG	Wed	2	100	1.20
PSQ	Wed	7	100	2.17
AAI	Fri	10.71	0	0.00
DJW	Fri	8	100	4.75