

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	5989	27	<b>0.5</b>
<b>NZX 50</b>	11770	13	<b>0.1</b>
<b>DJIA Futures</b>	27097	42	0.2
<b>S&amp;P 500 Futures</b>	3319	3	0.1
<b>NASDAQ Futures</b>	11092	0	0.0

**Local Markets Commentary**

The Australian market commences today's trade with largely positive overnight international equities leads, ahead of a Bank of England policy meeting later tonight.

Overnight international commodities trade also proved mostly positive for a third consecutive session.

**Oil** continued to settle higher.

US **gold** futures (December) rallied further, settling beyond \$US2048/oz.

**Iron ore** (Nymex CFR China, 62% Fe) ultimately extended this week's gains, surpassing \$US116.25/t.

LME **copper** turned higher and **aluminium** modestly lower. **Nickel** picked up the pace of its current run higher.

The **\$A** fell to ~US71.60c after trading beyond US72.00c early yesterday evening.

This morning, the \$A has again traded above US72.00c.

**Locally** today, **DJW** and **RIO** trade ex-dividend. *Please see p4 for additional details.*

Also today, the Australian Bureau of Statistics (ABS) provides supplementary detail to the previously released June building approvals report.

*Meanwhile, Japan's markets are heading towards a Monday public holiday long weekend.*

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	27202	373	<b>1.4</b>
<b>S&amp;P 500</b>	3328	21	<b>0.6</b>
<b>NASDAQ</b>	10998	57	<b>0.5</b>
<b>FTSE 100</b>	6105	69	<b>1.1</b>
<b>DAX 30</b>	12660	59	<b>0.5</b>
<b>Shanghai Comp</b>	3378	6	<b>0.2</b>

**Overseas Markets Commentary**

Choppy trade persisted across most major European and US equities markets overnight.

Key US indices largely demonstrated the most conviction amid some encouraging economic data releases and corporate earnings reports, also buoyed by a dose of remaining optimism for a new US economic support package.

\* Drill and blast services listing 10.30am AEST – DDB \*

**Today's Stock Watch**
**ResMed Inc (RMD)**

9% higher, \$US770.3M June quarter revenue, pushing full year revenue to a 13% higher, \$3.0B. 84% higher June quarter net operating profit; 40% higher (\$US621.7M) for the full year.

**Metcash Ltd (MTS)**

MTS has appointed former GrainCorp (ASX: GNC) CFO Alistair Bell as CFO. Current MTS CFO Brad Soller is retiring but will remain with MTS for a transition period scheduled for 1 September – 7 December.

**Alcidion Ltd (ALC)**

The UK National Health Service (NHS) has included ALC in a £3M clinical communications procurement framework program designed to phase out the use of pagers by 31 December 2021.

The process will underscore the capabilities of ALC's Smartpage two-way messaging system. Smartpage has also been chosen by four health services, including, in Australia, ACT Health and the Townsville Hospital and Health Service.

**Nick Scali (NCK)**

12.5% higher, 22.5c fully franked final dividend. Essentially flat, \$42.076M full year NPAT. 2.1% lower, \$262.48M revenue. 90.17c NTA, against \$1.0222.

July written sales orders grew 70% year-on-year.

**Scentre Group (SCG)**

Anticipating a 10% reduction in the carrying value of the SCG property portfolio to be included in interim results due for release 25 August. Expecting at least \$250M post-overheads and tax net operating cashflow. Meanwhile, board and executive remuneration returned to normal 1 August, after a Covid-19 – related reduction from 1 May.

**IntelliHR Ltd (IHR)**

Resuming from a trading halt with a \$2.5M, 7.5c-per-share placement to the Slattery Family Trust.

IHR will also conduct a \$3M rights issue (14 August – 4 September), at the same price, and fully underwritten by a group including the Slattery Family Trust. IHR traded at 7c – 7.8c the five sessions prior to calling the halt.

**Lovisa Holdings (LOV)**

30 LOV outlets are now closed across metropolitan Melbourne for six weeks, due to new Covid-19 containment measures.

19 LOV stores similarly have been closed in California since 14 July and two remain closed in New York.

LOV online trade continues and distribution centres remain



The \$US weakened again.

Among a sizeable batch of overnight **data** releases, the **euro zone** July services PMI was finalised at a decidedly expansionary 54.7 from a contractionary 48.3 for June.

Regional June retail sales were reported 5.7% higher for the month and 1.3% higher than for June 2019.

May sales were revised to a 20.3% gain for the month, but 3.1% year-on-year decline.

In **Germany**, the final 55.6 July services PMI represented an 8.3-point rise for the month.

The **UK's** July services PMI was finalised at 56.5 from 47.1.

July new car sales jumped 11.3% year-on-year, following a 34.9% June reversal.

A UK government 10-year bond auction realised a 0.138% yield, against 0.197% previously.

In the **US**, the national trade deficit improved to \$US50.7B in June, from \$US54.8B at the end of May.

The ISM's keenly anticipated services sector activity index rose to 58.1 from 57.1.

A July private sector employment report disappointed however, estimating the creation of 167,000 jobs during July against 4.3M in June, and following expectations of 1.55M.

Weekly mortgage applications dropped 5.1% after a 0.8% fall the previous week, despite average 30-year mortgage rates falling from 3.2% to 3.14%.

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

Elsewhere, the **Bank of England** convenes a policy meeting, after which it will issue an outcomes statement and an inflation report.

Companies scheduled to report earnings later today and tonight include: Adidas, AXA, Bristol-Myers Squibb, CBS, Credit Agricole, Diageo, Glencore, ING, Inpex, ITV, Kobe Steel, Lotte Shopping, Merck, Motorola, Mylan, News Corp, Nintendo, Rinnai, Royal Caribbean, Ryobi, Shiseido, Siemens, Singapore Telecommunications, SK Telecom, Symantec, T-Mobile, Toyota Motor, Uber Technologies, ViacomCBS, Worldpay and Yamaha Motor.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Dec)	<b>2049.3</b>	oz	34.7	<b>1.4</b>
<b>Silver (NY)</b> (Sep)	<b>26.890</b>	oz	0.862	<b>3.3</b>
<b>Gold (LON)</b> (4 Aug)	<b>1978</b>	oz		
<b>Platinum</b>	<b>962</b>	oz	17	<b>2.9</b>
<b>WTI Crude</b> (NYMEX Sep)	<b>42.19</b>	bbl	0.49	<b>1.2</b>
<b>Brent Crude</b> (ICE EUR Oct)	<b>45.17</b>	bbl	0.74	<b>1.7</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>116.27</b>	t	0.72	<b>0.6</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>6491</b>	t	33	<b>0.5</b>
<b>Nickel</b>	<b>14350</b>	t	300	<b>2.1</b>
<b>Aluminium</b>	<b>1761</b>	t	-7	<b>-0.4</b>
<b>Lead</b>	<b>1920</b>	t	36	<b>1.9</b>
<b>Zinc</b>	<b>2380</b>	t	51	<b>2.2</b>
<b>Tin</b>	<b>17855</b>	t	110	<b>0.6</b>

open in Melbourne and China.

## Pre-Open Announcements

### Centuria Industrial REIT (CIP)

Resuming from a trading halt having raised \$240M in a \$3.15-per-unit institutional entitlement offer, in support of acquisitions.

A \$100M retail offer, at the same price, is scheduled for 11 – 20 August.

CIP traded at ~\$3.24 before calling the halt.

### Volpara Health Technologies (VHT)

Strategy update webinar scheduled to commence **10.30am** AEST.

### Dynamic Drill & Blast Holdings (\* DDB)

Drilling and blast services provider scheduled to list **10.30am** AEST following a \$5M IPO at 20c per share. 29.2M quoted shares.

### Alliance Aviation Services (\* AQZ)

18.6% higher, \$26.97M full year NPAT.

7.8% higher, \$298.619M revenue.

\$1.72 NTA, against \$1.34.

\$54.4M debt; \$44.4M net cash.

Presentation also lodged post-trade yesterday.

### ELMO Software (ELO)

\$18.62M full year net loss, against a \$13.18M net loss a year ago.

25.0% higher, \$50.05M revenue.

### Advance Nanotek (ANO)

44.72% fall in full year NPAT to \$5.33M.

46% higher, \$17.97M revenue.

Production, sales and demand commentary lodged post-trade yesterday.

Anticipating commercialising several new products, including sunscreens, during FY21.

### Envirosuite Ltd (EVS)

Planning to outlay \$A1.35M for water modelling R&D technology software specialist AqMB Holdings.

### Redflex Holdings (RDF)

RDF has secured a one-year extension, worth ~\$A6.3M revenue, to a maintenance services agreement with Transport for New South Wales.

## Resources

### Great Western Exploration (\* GTE)

Resuming from a trading halt with commitments for a \$2.5M placement at 18c per share, underpinned by two mining executives. Details lodged post-trade yesterday.

GTE traded at 14c – 23.5c the five active trading sessions before calling the halt.



## Commodities Commentary

**Oil** – Brent crude and WTI each settled overnight at their most since 6 March, but well below session highs.

Each had traded up to 4% higher intra-session, WTI reaching \$US43.52/bbl.

A US weekly inventories report, published overnight by government agency the EIA, included a 7.37MMbbl fall in stored crude, but 419,000bbl rise in petrol stocks.

Net US crude imports rose by 1.26MMbbl/d.

**Gold** – despite broader equities appetite, but with a weaker \$US, gold trade continued to set settlement records overnight, in particular Comex October futures.

US private sector employment figures surprised on the downside, adding to interest in tonight's weekly new unemployment claims tally and a job cuts report, ahead of tomorrow night's US national employment market statistics.

**Base metals** – demand optimism appeared to prevail overnight, with sentiment also supported by a softer \$US.

Caixin's July services PMI for **China**, reported yesterday, fell 4.3 points for the month to 54.1.

**China's** July trade figures are keenly anticipated tomorrow.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7203	0.0011	0.16
<b>EUR – USD</b>	1.1874	0.0010	0.09

### Australian Data Today

ABS	Building approvals (additional details)	Jun
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### US Data Tonight

Challenger job cuts	Jul
Initial jobless claims	1 Aug

### Other Overseas Data Today & Tonight

<b>UK</b>	BoE policy statement	5 Aug
UK	BoE inflation report	Aug
UK	Construction PMI	Jul
<b>Germany</b>	Factory orders	Jun
Germany	Construction PMI	Jul
<b>Euro zone</b>	Construction PMI	Jul

### Need More Information?

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### Lithium Australia (\* LIT)

Positive preliminary report received regarding processes described in the patent application for recovering lithium phosphate from solutions.

Details lodged this morning.

### Talga Resources (\* TLG)

Heralding results from feasibility work conducted for the Vittangi flake graphite-to-anode project, northern Sweden.

Details, including recoveries and concentrate production energy savings, lodged post-trade yesterday.

Anticipating first commercial production in 2023.

### Red 5 (\* RED)

WA King of the Hills gold project final feasibility outcomes anticipated by 30 September.

Update lodged this morning.

### Trading Halts

Company	Code	Resuming
Caprice Resources	CRS	6 Aug
Elementos Ltd	ELT	6 Aug
Shree Minerals	SHH	6 Aug
STEMify Ltd	SF1	6 Aug
Surefire Resources	SRN	6 Aug
Alicanto Minerals	AQI	7 Aug
DroneShield Ltd	DRO	7 Aug
Global Oil & Gas	GLV	7 Aug
MGC Pharmaceuticals	MXC	7 Aug
Nanoveu Ltd	NVU	7 Aug
New World Resources	NWC	7 Aug
Pantoro Ltd	PNR	7 Aug
Ragnar Metals	RAG	7 Aug
Orion Minerals	ORN	10 Aug
Strandline Resources	STA	10 Aug
G Medical Innovations	GMV	11 Aug
Salt Lake Potash	SO4	11 Aug

### Suspensions (select)

Company	Code	Since
Acacia Coal	AJC	22 Jul
Aurora Minerals	ARM	21 Jul
Ausgold Ltd	AUC	5 Aug
eSense-Lab Ltd	ESE	27 Jul
Factor Therapeutics	FTT	17 Jul
Heron Resources	HRR	4 Aug
Leaf Resources	LER	16 Jul
Stone Resources Australia	SHK	28 Jul

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Syntonic Ltd	SYT	4 Aug
Ultima United	UUL	22 Jul

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>DJW</b>	Today	<b>5.25</b>	100	7.10
<b>RIO</b>	Today	<b>216.47</b>	100	5.47
BKI	Tomorrow	3.32	100	5.12
JHG	Tomorrow	50.24	0	7.33
OZG	Tomorrow	0.3	100	2.97
WIC	Tomorrow	3	100	6.00
AFI	Tue (11 Aug)	14	100	3.78
ZEN	Tue	14	100	0.00

**Reports & Events**

(selected)

When	Company	Report/Event
<b>Today</b>	<b>NCK</b>	Full year (tele 10am)
	<b>NWS</b>	Jun Q/Full year (US time; o/night Thurs AEST)
	<b>RMD</b>	Jun Q (pre-ASX trade; w/cast <b>6.30am</b> AEST)
	<b>VHT</b>	Strategy briefing (webinar 10.30am)
<b>Tomorrow</b>	AGG	Interim (post-ASX trade)
	ELO	Full year (tele 10am)
	IAG	Full year
	JHX	AGM
	REA	Full year (w/cast 8.30am)
<b>Mon</b>	AZJ	Full year (w/cast 10.30am)
	CEN	Full year
	GPT	Interim (tele 10am)
<b>Tue</b>	CGF	Full year
	CQE	Full year (tele 11am)
	JHX	Jun Q (1Q FY21) (9am AEST)
	SCP	Full year