

Markets

SFE 200 Futures (9.30am AEST)	7615	-19	-0.2
NZX 50	12282	37	0.3
DJIA Futures	39044	-99	-0.3
S&P 500 Futures	5244	-23	-0.4
NASDAQ Futures	18070	-109	-0.6

Local Markets Commentary

The Australian market commences mid-week trade with the \$A at ~US65.20c, Reserve Bank of Australia (RBA) officials meeting with a parliamentary committee, key domestic economic data due, and some in hand pre-trade, plus influential data also anticipated out of China.

US equities markets bounced by 0.7% - 1.0% overnight.

Locally today, RBA assistant governor (economic) Sarah Hunter and RBA economic analysis deputy head Natasha Cassidy are meeting with the Australian Government's **cost of living** Senate committee, from 9am AEST.

At 11.30am, the Australian Bureau of Statistics (ABS) releases a report containing select **cost of living** indices for the June quarter.

At the same time, the RBA publishes its monthly chart pack, a graphical summary of **economic trends**.

The RBA will also release a June retail transactions report this morning.

Pre-trade, Ai Group has released July industry indices.

The **manufacturing** index rose to -19.5 from -26.5.

The **construction** index remained unchanged, at -23.2.

The **overall industry** index improved to -20.7 from -25.6.

Regionally today, **China** is expected to release July **international trade** figures at 1pm AEST.

Japan's leading economic index for June is scheduled for release a couple of hours later.

In overnight **commodities** trade, **oil** turned 0.2% - 0.4% higher.

US **gold** (Comex) futures continued to settle lower, this time by 0.5%.

Iron ore (Nymex CFR China, 62% Fe) fell by greater than 1.0%, settling below \$US103/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** swung variously higher, aluminium gaining 2%.

The **\$A** rose to US65.20c after trading at ~US64.90c - ~US65.05c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	38998	294	0.8
S&P 500	5240	54	1.0
NASDAQ	16367	167	1.0

Today's Stock Watch
GQG Partners (GQG)

\$US156.3B FUM at 31 July from \$US155.6B for 30 June.

HighCom Ltd (HCL)

Anticipating \$46M FY24 revenue, at the lower end of guidance, due to a delayed contract.

EBITDA is expected as a \$10M loss, impacted by \$6.2M worth of impairments reported in 1H.

2H EBITDA is ~\$2M.

Bravura Solutions (BVS)

Fidelity International will pay a £29M licence fee to use and develop Sonata software for Fidelity business use.

Saunders International (SND)

SND has recently secured four NSW contracts worth a combined \$20.59M.

Details lodged pre-trade.

LBT Innovations (LBT)

AstraZeneca is purchasing five APAS Independence instruments, with LBT providing installation, plus annual maintenance and support services for seven years.

Consideration is estimated at \$US2.2M - \$US2.7M.

A sixth instrument was previously installed for AstraZeneca's validation.

Integrated Research (IRI)

IRI has appointed Ian Lowe as CEO, effective 1 October.

Resources
ABx Group (ABX)

Tasmania Deep Leads REE project drilling has returned thicker-than-anticipated dysprosium and terbium intersections.

Assays lodged this morning.

Mt Malcolm Mines (M2M)

Heralding gold recoveries from WA Golden Crown gold prospect tailings.

Ongoing rock chip sampling, with visible gold noted.

Energy
Energy Resources of Australia (ERA) / Rio Tinto (RIO)

ERA has initiated Federal Court action against the Australian Government, related Australian and Northern Territory government ministers and authorities following a decision not to renew the Jabiluka mineral lease.

As the lease is due to expire Sunday, ERA has also sought an injunction to put a hold on the renewal decision's execution.

RIO holds 86.33% of ERA.



FTSE 100	8027	18	0.2
DAX 30	17354	15	0.1
Shanghai Composite	2867	7	0.2

Overseas Markets Commentary

Vacillating sentiment featured across major European and UK equities markets overnight.

US markets generally trended higher following cautious starts. Sentiment notably weakened in the last hour of trade, some attributing this to domestic politics and also increased warnings of Iranian revenge for an attack in Tehran last week.

Goldman Sachs described US recession risk as 'limited' and two US Federal Reserve regional presidents dismissed views that one set of figures signalled a recession.

The Fed officials offered rates could go lower if needed and that the Fed remained prepared to adjust policy in general as needed.

US bond demand fell and the \$US index turned ~0.07% higher.

Corporate earnings remained in focus, with better-than-expected reports pushing the likes of Caterpillar and Uber higher.

Yesterday, the Reserve Bank of Australia had retained a 4.35% cash rate, citing the need for relatively tight policy in the face of elevated inflation levels. The RBA had also ventured that it did not consider any interest rate cuts likely for at least six months. Policy makers also noted considerable economic outlook uncertainty.

In overnight **economic data** releases, **euro zone** June retail sales fell by 0.3% against expectations for a 0.1% decline following a 0.1% May rise.

Against June 2023, sales were also down 0.3%, following June's 0.5% year-on-year increase.

The July construction PMI fell to a six-month low of 41.4 from 41.8.

June factory orders for **Germany** surprised on the upside, jumping by 3.9% for the month, against consensus for a 0.8% rise following May's 1.7% fall.

Germany's July construction PMI rose to a nonetheless remaining decidedly contractionary 40.0 from 39.7.

In the **UK**, the July BRC retail sales monitor indicated like-for-like sales were 0.3% higher than for July 2023, following a 0.5% June year-on-year fall.

The July construction PMI for the UK jumped by 3.1 to 55.3, defying forecasts for a slighter improvement to 52.7.

In the **US**, June international trade statistics included a 1.5% rise for exports and 0.6% for imports for the month.

June quarter household debt came in at \$US17.8 trillion from \$US17.7 trillion recorded for the March quarter.

An August economic optimism index improved to a seven-month peak of 44.5 from 44.2. Forecasters had anticipated 45.0 for the new reading.

Among the debt offers, a UK 20-year treasury gilt auction resulted in a 4.372% yield from 4.519%.

Earlier, Japan had hosted a 10-year government bond auction which had delivered a 0.926% yield from 1.091%.

Tonight in the US, June consumer credit figures are due, together

Pre-Open Announcements

Super Retail Group (SUL)

SUL has appointed former AMP (ASX: AMP) and Qantas (ASX: QAN) CFO Colin Storrie as a non-executive director, effective 1 September.

Resources

Maronan Metals (MMA)

Heralding an exceptional intersection delivered by infill drilling within the Maronan project Ag-Pb and Cu-Au deposit, Cloncurry region, Queensland.

Westgold Resources (WGX)

WGX has commenced TSX trade.

St George Mining (SGQ)

SGQ ultimately gained 20.59% yesterday, returning from a trading halt to trade as high as 4.5c before settling at 4.1c after announcing the planned acquisition of a niobium-REE project in Brazil.

SGQ is paying an initial \$US10M cash, plus \$US6M nine months out from close and \$US5M 18 months out.

SGQ is also issuing project vendor Itafos 10% of SGQ shares, ~10M SGQ options, and ~11M SGQ performance rights.

In association, SGQ agreed to conduct a \$A20M capital raising, but says it has firm commitments in hand for a \$A21.5M share placement at 2.5c per share.

Additional details lodged in early ASX trade yesterday.

Across the five sessions prior to the halt, SGQ had traded at 3.2c – 3.4c.

Post-ASX trade yesterday, SGQ announced non-executive director Kecheng Cai has resigned from the SQG board.

Mr Cai was appointed to the SGQ board January this year.

Ardea Resources (ARL) / De Grey Mining (DEG) / Kingsgate Consolidated (KCN) / Rumble Resources (RTR)

Diggers & Dealers forum presentations lodged post-trade yesterday.

Energy

BPH Energy (BPH) / Bounty Oil & Gas (BUY) / MEC Resources (MMR)

Seeking a Federal Court review, declaration and order in relation to the time taken for a decision on the conditions relating to the JV PEP11 permit, offshore NSW.

Advent Energy subsidiary Asset Energy holds 85% of PEP11 and is operator. BUY holds 15%.

MEC holds 37.95% of Advent Energy.

BPH holds 36% of Advent Energy.

Bowen Coal (BCB)

BCB traded as low as 1.4c yesterday while heading towards a sixth-consecutive lower settlement.

Yesterday's trade resulted in a 29.17% drop with ~120M



with weekly mortgage applications and 30-year rates.

In addition, the US conducts a 10-year note auction.

Elsewhere, Germany reports June international trade statistics and hosts a 15-year bond auction.

Companies listed to report earnings or provide trading updates later today or tonight include: AP Moeller-Maersk, Asahi Group Holdings, China Airlines, Equinix, Fujifilm Holdings, Glencore, Honda Motor, Isuzu Motors, Kobe Steel, Light & Wonder, Mazda Motor, Monster Beverage, Novo Nordisk, Olympus, Rinnai, Shiseido, Shopify, Sumitomo Metal Mining, Walt Disney and Warner Bros.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Dec)	2431.6	oz	-12.8	-0.5
Silver (COMEX 5000 Sep)	27.22	oz	0.01	0.0
Platinum	913	oz	4	0.4
WTI Crude (NYMEX Sep)	73.20	bbl	0.26	0.4
Brent Crude (ICE EUR Oct)	76.48	bbl	0.18	0.2
Iron Ore (NYMEX CHN port;62%Fe)	102.86	t	-1.32	-1.3
Copper (LME 3mth Evening)	8946	t	39	0.4
Nickel	16427	t	111	0.7
Aluminium	2299	t	46	2.0
Lead	1961	t	23	1.2
Zinc	2610	t	-33	-1.2
Tin	29681	t	171	0.6

Commodities Commentary

Oil – overnight trade considerations included news of planned lower production out of Libya, broadening and strengthening commentary regarding a potential near-term retaliatory response from Iran for an assassination attack in Tehran last week, and a published ‘undersupply’ view.

Libya’s National Oil Corporation revealed it planned a gradual reduction of output from the El Sharara field, while a UBS analyst ventured oil ‘fundamentals’ suggested an undersupplied market.

US government agency the EIA in the meantime published a report which included an ~400,000bbl/d fall in global stockpiles during January – June, and a potential 800,000bbl/d decline during July – December.

The EIA also ventured \$US85/bbl - \$US90/bbl Brent prices by year’s end.

A weekly US petroleum inventories report is due tonight the EIA.

Overnight post-US trade, the American Petroleum Institute (API) published a weekly report which included a 180,000bbl increase in US crude stocks last week.

Gold – market-watchers cited a firming \$US, higher bond yields and calmer equities markets as the main influences on overnight gold prices.

Base metals – a mix of supply and demand views, bargain-buying, currency moves, improved equities markets sentiment, and some caution ahead of key data due out of China appeared to direct overnight base metals trade.

China’s July international trade figures, expected today, will influence some of tonight’s trade.

shares changing hands across 1895 transactions.

BCB is pleading ignorance in response to an ASX query.

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Tomorrow	AMP	Interim
	AVH	Jun Q (w/cast 1pm PDT)
	CLW	Full year
	LNW	Jun Q (o/night tonight in the US)
	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
Greenwing Resources	GW1	8 Aug
Rubicon Water	RWL	7 Aug
Summit Minerals	SUM	8 Aug

Suspensions (selected)

Company	Code	Since
Aeon Metals	AML	26 Jul
Altech Batteries	ATC	5 Aug
Heavy Minerals	HVY	5 Aug
Korab Resources	KOR	29 Jul
Mighty Craft	MCL	22 Jul
Mineral Commodities	MRC	31 Jul
Pacific Nickel Mines	PNM	18 Jul
Regional Express Holdings	REX	31 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MYG	Today	2	100	1.23
PSQ	Today	7	100	2.16
AAI	Fri	10.71	0	0.00
DJW	Fri	8	100	4.82



Inflation updates are anticipated Friday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6519	0.0101	1.57
EUR – USD	1.0926	-0.0021	-0.19

Australian Data Today

Ai Group	Industry indices	Jul
ABS	Cost of living indices (select)	Jun Q
RBA	Chart pack (economic trends)	Aug
RBA	Retail transactions (incl cards & chqs)	Jun

US Data Tonight

Consumer credit	Jun
Mortgage applications; 30-year rates	2 Aug

Other Overseas Data Today and Tonight

China	International trade	Jul
Japan	Leading economic index (prelim)	Jun
UK	Halifax house price index	Jul
UK	BBA mortgage rate	Jul
Germany	International trade	Jun
Germany	Industrial production	Jun

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.