

Markets

SFE 200 Futures (9.30am AEST)	5738	6	0.1
NZX 50	7605	-16	-0.2
DJIA Futures	21425	-11	-0.1
S&P 500 Futures	2424	-1	0.0
NASDAQ Futures	5579	-2	0.0

Local Markets Commentary

The Australian market commences mid-week trade on no US equities leads due to the 4 July public holiday.

Key commodities leads are weak at best. In overnight trade, US **gold** futures turned higher. **Oil** settled barely changed. LME **copper** continued lower. **Iron ore** fell.

Among today's domestic data releases, AiG is due to release its June services sector activity index pre-trade. June vehicle sales are also anticipated today.

Regionally, Caixin is expected to publish its final June services and composite PMIs for **China 11.45am** AEST.

The **\$A** again traded in a narrow band after slipping below US76.0c early yesterday evening. The **\$A** initially dropped in the hour immediately following the RBA's post-policy meeting statement.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21479	Public	Holiday
S&P 500	2429	"	"
NASDAQ	6110	"	"
FTSE 100	7357	-20	-0.3
DAX 30	12437	-38	-0.3
Shanghai Comp	3183	-13	-0.4

Overseas Markets Commentary

Overnight, major European equities markets traded lower overnight, vacillating on corporate news, swinging commodities prices and international geopolitical jostling.

US equities markets did not trade, due to the Independence Day holiday.

In new data releases, the **UK's** 54.8 June construction PMI represented a 1.2 slip from May.

Euro zone May producer prices were reported 3.3% higher year-on-year, following a 4.3% gain in April.

Tonight in the US, the Federal Reserve publishes the minutes of its June policy meeting.

ISM's New York business activity index is also due, together with an economic optimism report and final May factory orders.

Meanwhile, finance minister and other forums are underway, ahead of the **G20** leaders' summit scheduled for Friday and Saturday in Hamburg. The heads of China and South Korea will also meet later today with host, German chancellor Angela Merkel.

In overnight corporate news, a pickup in sales for UK supermarket chain **Sainsbury's** was attributed to select demand due to warmer-than-average

Today's Stock Watch

Vocus Communications (VOC)

VOC has granted Kohlberg Kravis Roberts and affiliates non-exclusive due diligence, following a KKR approach involving an indicative \$3.50 cash-per-share offer.

VOC has traded at \$3.19 - \$3.52 over the past five sessions.

Flight Centre (FLT)

Anticipating \$325M - \$330M FY 2017 pre-tax underlying profit.

Total transaction value (TTV) is expected to surpass \$20B, against \$19.3B a year ago.

Growth has been boosted by improved business in Australia and New Zealand, plus 'strong' results for North America and the Europe, Middle East and Africa (EMEA) division.

Planning to publish audited full-year results 24 August.

GR Engineering Services (GNG) / Gascoyne Resources (GCY)

GNC has secured a \$66.5M EPC contract with GCY's WA Murchison region Dalgaranga gold project.

BARD1 Life Sciences (BD1)

Resuming from a trading halt having raised \$1M in a 0.8c-per-share placement. A \$1M SPP is also planned at the same price.

BD1 traded at 0.9c - 1c last week.

Australian Foundation Investment Company (AFI)

AFI has this morning lodged the group's top 25 investments, as at 30 June.

Class Ltd (CL1)

Added a record 31,503 accounts for the year to 30 June, with CL1's SMSF market share estimated to have grown 5% to 24%.

8208 new accounts were recorded for the June quarter.

Dividend payments will be made half-yearly, rather than quarterly.

Metcash Ltd (MTS)

Trading ex-dividend (4.5c) tomorrow. MTS has traded higher the past five sessions, closing at \$2.42 yesterday. Looking set to fall up to 2.5% in early trade today.

Programmed Maintenance Services (PRG)

Trading ex-dividend (3.5c) tomorrow.

Resources

Rio Tinto (RIO)

WA Pilbara Yandicoogina iron ore operations have been suspended due to the death yesterday of an onsite employee.

Doray Minerals (DRM)

An additional \$4.39M payment received for Deflector gold project gold-copper middlings has boosted total such payments to \$19.42M. DRM says it has reduced net debt to \$23.4M.

Plymouth Minerals (PLH)

Up to 95% lithium recovery achieved in new testing using ore from PLH's San Jose lithium-tin project, Spain.

Energy

Liquefied Natural Gas (LNG)

\$1.5B amended equity agreement commitment secured with Stonepeak Partners, in support of Magnolia LNG project funding. Details lodged this morning.

weather.

JP Morgan and tech company Vantiv were reported to be competing to acquire UK payments specialist **Worldpay**, which was pushed almost 30% higher.

Spain's **Banco Santander** suffered on a €7.1B rights issue designed to support the acquisition of Banco Popular, which is otherwise deemed to 'fail'.

Meanwhile, the Italian Government officially took over **Banca Monte dei Paschi di Siena** with a \$US6.1b injection.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1224	oz	4	0.3
Silver (NY) (Jul)	16.1	oz	-0.0	-0.2
Gold (LON)	1224	oz	-6	-0.5
Platinum	912	oz	8	0.9
WTI Crude (Aug)	47.1	bbl	0.0	0.0
Brent Crude (Aug)	49.6	bbl	-0.07	-0.1
Iron Ore (CHN port 62%)	63.2	t	-1.1	-1.7
Copper	5892	t	-36	-0.6
Nickel	9180	t	-210	-2.2
Aluminium	1928	t	1	0.1
Lead	2300	t	-37	-1.6
Zinc	2793	t	-12	-0.4
Tin	19950	t	-200	-1.0
CBT Wheat (Jul)	5.37	bshl		

Commodities Commentary

Oil – prices swung lower before recovering some.

A report estimated OPEC had exported a daily 25.92MMbbl during June, 1.9MMbbl/d more than a year earlier.

NYMEX traded overnight but in a truncated session.

Gold – a softer \$US and North Korea's latest nuclear weapon test were cited as the major factors in overnight US futures gains.

COMEX traded overnight but in a shortened session.

Base metals – Monday's LME copper inventories appeared to unsettle sentiment, estimated to have grown 10% in a session.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7610	0.0007	0.09
EUR – USD	1.1355	0.0009	0.08

Australian Data Today

AiG	PSI	Jun
VFACTS	Vehicle sales	Jun

US Data Tonight

Fed Reserve policy meeting minutes	Jun
ISM New York business activity	Jun
Factory & durable goods orders (final)	May
IBD/TIPP economic optimism	Jul

Other Overseas Data Today & Tonight

China	Caixin services PMI (final)	Jun
Japan	Nikkei services PMI (final)	Jun
UK	Markit services PMI (final)	Jun

Pre-Open Announcements

Redflex Holdings (RDF)

Subsidiary Redflex Traffic Systems has secured a three-year fixed photo detection and enforcement camera support and maintenance contract with Roads & Maritime Services, NSW.

Resources

Amani Gold (ANL)

48.7Mt @ 1.5g/t Au initial indicated and inferred resource calculated for the DRC Giro gold project Kebigada deposit, using a 0.9g/t Au cut-off.

Mineralisation remains open at depth.

ANL 55.25%.

Energy

Senex Energy (SXY) / Beach Energy (BPT) / Origin Energy (ORG) / Planet Gas (PGS)

SXY June drilling summary lodged this morning.

Trading Halts

Company	Code	Resuming
Black Rock Mining	BKT	5 Jul
Graphex Mining	GPX	5 Jul
Kibaran Resources	KNL	5 Jul
Magnis Resources	MNS	5 Jul
OreCorp Ltd	ORR	5 Jul
ShareRoot Ltd	SRO	5 Jul
Strandline Resources	STA	5 Jul
Volt Resources	VRC	5 Jul
8Common Ltd	8CO	6 Jul
Lindian Resources	LIN	6 Jul
Peak Resources	PEK	6 Jul
Swift Networks Group	SW1	6 Jul
Tanga Resources	TRL	6 Jul
Walkabout Resources	WKT	6 Jul
Caravel Minerals	CVV	7 Jul

Suspensions (selected)

Company	Code	Since
Cradle Resources	CXX	4 Jul
Novo Lito	NLI	26 Jun
Valor Resources	VAL	4 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
EDC	Today	~1.79	100	6.29
ABP	Tomorrow	8.75	0	5.45
CAM	Tomorrow	1.25	100	5.51
MPP	Tomorrow	~3.76	0	5.47
MTS	Tomorrow	4.5	100	1.86
PRG	Tomorrow	3.5	100	3.84
RND	Tomorrow	10	100	0.00
TBR	Tomorrow	20	100	0.00
RGWB	11 Jul	33	100	0.00



UK	New vehicle sales	Jun
Germany	Markit services PMI (final)	Jun
Euro zone	Retail sales	May
Euro zone	Markit services PMI (final)	Jun

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