

Markets

SFE 200 Futures (9.30am AEST)	5642	-12	-0.2
NZX 50	7599	-28	-0.4
DJIA Futures	21282	-9	0.0
S&P 500 Futures	2419	-1	0.0
NASDAQ Futures	5673	-4	-0.1

Local Markets Commentary

Australian market mid-week trade will likely be pushed and pulled by supportive commodities but negative international equities leads.

In overnight commodities trade, US **gold** futures turned higher but settled effectively flat. **Oil** accelerated the pace of its latest recovery. LME **copper** swung higher again. **Iron ore** (China port, 62% Fe) jumped to approach \$US60/t.

The **\$A** fell after rising to US76.20c early yesterday evening, even though the \$US also depreciated.

Locally today, a US Federal Reserve regional president is due to speak publicly in Canberra.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21311	-99	-0.5
S&P 500	2419	-20	-0.8
NASDAQ	6147	-101	-1.6
FTSE 100	7434	-12	-0.2
DAX 30	12671	-100	-0.8
Shanghai Comp	3191	6	0.2

Overseas Markets Commentary

Major European and US equities markets reacted overnight to US economic outlook and reputation commentary, central bank pronouncements and currency swings, an international cyber attack and international political argy-bargy.

A **US** healthcare bill vote was pushed back, bolstering concerns planned legislation to introduce tax reform, significant budget spending changes and general support for infrastructure and manufacturing may prove too difficult to become reality.

In the meantime, the International Monetary Fund (IMF) cited inequity concerns associated with the proposed US budget, plus doubts regarding tax restructuring and spending plans, in reducing its 2017 and 2018 GDP growth forecasts by 0.2% and 0.4% respectively to 2.1%.

A research firm released the results of a survey which indicated international regard for the US had dropped over the past several months.

In London, US **Federal Reserve** chair Janet Yellen London boldly predicted financial sector reforms would likely prevent another global financial crisis over the next few decades.

Releasing a **Bank of England** (BoE) financial stability report, governor Mark Carney underscored the central bank's concern should local financial institutions not increase their capital holdings by as

APRA – chairman Wayne Byres addresses an AmCham event

* Investment company listing **1pm** AEST – **WMI** *

Today's Stock Watch

Dexus Property Group (DXS)

Proposing to form a joint venture with Commercial & General, under which the two groups will establish a wholesale unlisted healthcare fund.

The fund will be called Australian Healthcare Property Fund and will initially hold \$370M worth of properties (completion value basis). DXS says another \$390M worth of properties, some still planned, could potentially be included in the fund. DXS expects the fund will launch by year's end.

DXS trades ex-dividend (23.76c) tomorrow.

Sirtex Medical (SRX)

Cutting ~15% of staff at a pre-tax cost of \$5.3M, and writing off clinical and R&D assets to the tune of ~\$90M.

SRX chief medical officer David Cade is leaving, over a three-month period, after 14 years with the company.

Planning to report full-year results 23 August.

SkyCity Entertainment Group (SKC)

Chairman Chris Moller is retiring from the SKC board 31 December. Rob Campbell, an SKC director since April, has been appointed chairman-elect.

Mr Campbell chairs Summerset Group Holdings (ASX & NZX: SNZ) and Tourism Holdings (NZX: THL), and is a Precinct Properties (NZX: PCT) director.

The a2 Milk Company (A2M)

Long-term A2M non-executive director Richard Le Grice is retiring from the A2M board Friday. Mr Le Grice has been an A2M director since 2007.

UUV Aquabotix (UUV)

UUV is today launching an underwater drone that can inspect dams and reservoirs, but which is specifically designed for high energy current environments. Details lodged this morning.

ITL Health Group (ITD)

ITD's pathology test business MyHealthTest has attracted a \$2.6M Australian Government grant to develop new tests for dried blood spots. MyHealthTest plans to be selling diabetes, prostate, thyroid and cholesterol tests by the end of the year.

WAM Microcap (* WMI)

Investment company scheduled to list **1pm** AEST following a \$154M IPO at \$1.10 per share. HSBC Custody Nominees (Australia) 2.25%.

Resources

Newcrest Mining (NCM)

NSW Cadia East ore is being extracted from one panel as from today, to test remediation and upgrade work following damage from a regional earthquake in mid-April. Mining from another panel is likely to recommence by the end of September.

Energy

Sundance Energy (SEA)

Initial production rates lodged this morning for four Eagle Ford (US) wells operated by SEA.

much as ~£11B within 18 months, largely to counter consumer lending risk.

In Portugal, positive regional economic confidence talk from **European Central Bank** (ECB) president Mario Draghi propelled the € higher against the \$US and lit a fire under select bond yields.

Mr Draghi again warned however, that the region remained in economic mode.

In **US** data releases, Case-Shiller estimated US house prices across 20 cities rose 5.5% during April, following a 5.8% increase in March.

The Conference Board's June consumer confidence index rose one point for the month, to 118.9.

The Richmond Fed's regional manufacturing index was estimated six points higher, at 7.

Tonight in the US, May pending home sales, goods trade balance and wholesale inventories are due, together with weekly mortgage applications.

The ECB-hosted central bankers' forum concludes in Portugal, the third day featuring a panel discussion which includes the heads of the ECB, BoJ and BoE.

Monsanto and Dixons Carphone are due to report quarterly and full-year results respectively.

In overnight corporate news, a €2.4B fine imposed by a European Union (EU) regulator on **Alphabet's** Google appeared a major catalyst in another tech sector sentiment slump.

The continental surprises continued, **Nestlé** announcing a 20B Swiss franc buy-back.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1247	oz	0.5	0.0
Silver (NY) (Jul)	16.7	oz	0.05	0.3
Gold (LON)	1250	oz	4	0.4
Platinum	917	oz	2	0.2
WTI Crude (Aug)	44.2	bbl	0.9	2.0
Brent Crude (Aug)	46.7	bbl	0.8	1.8
Iron Ore (CHN port 62%)	59.7	t	2.9	5.2
Copper	5858	t	64	1.1
Nickel	9260	t	235	2.6
Aluminium	1883	t	21	1.1
Lead	2286	t	31	1.4
Zinc	2747	t	28	1.0
Tin	19280	t	-10	-0.1
CBT Wheat (Jul)	4.53	bshl	0.03	0.7

Commodities Commentary

Oil – an international cyber attack affecting Russia's Rosneft and shipping firm AP Moeller-Maersk, combined with a falling \$US, supported overnight trade interest.

Weekly US petroleum inventories are due tonight, a calculated by the EIA.

Gold – another \$US fall supported overnight gold interest.

Prices pulled back however, attributed to some positive US data and US Federal Reserve chair Janet Yellen's take on global economics.

Base metals – a weak \$US against several key currencies, plus optimistic comments from China's premier at a World Economic Forum event yesterday, supported overnight LME trade.

Pre-Open Announcements

Updater Inc (UPD)

Heralding positive pilot program results involving 6847 users of UPD's moving services. Teleconference scheduled to commence 10.30am AEST. Access details lodged this morning.

UPD is resuming from a trading halt having last traded at 85c.

Touchcorp Ltd (TCH) / Afterpay Holdings (AFY)

The Bermuda Supreme Court has sanctioned the planned merger of TCH and AFY, to form Afterpay Touch Group.

XTEK Ltd (XTE)

Resuming from a trading halt having raised \$A3M in oversubscribed 46c-per-share placement. A \$500,000 SPP at the same price is also planned. Funds are largely earmarked for XTclave and XTatlas development, including a production facility. XTE last traded at 55c.

ELMO Software (* ELO)

Talent management software specialist scheduled to list 11am AEST tomorrow following a \$25M IPO at \$2.00 per share. National Nominees 4.48%; JP Morgan Nominees Australia 3.32%; BNP Paribas Nominees 2.31%.

Resources

Magnis Resources (MNS)

Townsville lithium-ion battery 400ha production site selected. The Townsville City Council offered the Flinders Highway, Woodstock area land in exchange for project equity.

Gold Road Resources (GOR)

GOR commenced a four-day road show across Melbourne and Sydney yesterday. Presentation lodged this morning.

Trading Halts

Company	Code	Resuming
Heron Resources	HRR	29 Jun
Dart Mining	DTM	29 Jun
Link Administration Holdings	LNK	29 Jun
Neuren Pharmaceuticals	NEU	29 Jun

Suspensions (selected)

Company	Code	Since
Delta SBD	DSB	31 May
Manalto Ltd	MTL	24 Jun
Molopo Energy	MPO	31 May
Novo Latio	NLI	26 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AAD	Tomorrow	1	0	1.58
ABW	Tomorrow	0.82	0	7.03
AID	Tomorrow	1.54	0	7.49
AJA	Tomorrow	21	0	6.44
AJD	Tomorrow	2.43	0	5.65
AOD	Tomorrow	0.33	0	6.07
AOF	Tomorrow	3.8	0	6.76
AOG	Tomorrow	9	0	3.30
APA	Tomorrow	23	0	4.60
APW	Tomorrow	~1.51	0	4.37

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7586	0.0003	0.04
EUR – USD	1.1338	0.0000	0.00

US Data Tonight

Trade balance	May
Wholesale inventories	May
Pending home sales	May
MBA mortgage applications	23 Jun

Other Overseas Data Today & Tonight

UK	Nationwide house prices	Jun
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ARF	Tomorrow	~3.08	0	5.22
AUP	Tomorrow	10	0	9.94
AVN	Tomorrow	4.02	0	6.54
AYF	Tomorrow	8.75	40.45	5.78
BWP	Tomorrow	8.85	0	5.58
CDP	Tomorrow	20.1	0	5.01
CHC	Tomorrow	15.6	0	5.26
CIP	Tomorrow	4.85	0	8.04
CLW	Tomorrow	6.4	0	3.77
CMW	Tomorrow	~2.09	0	8.42
CQR	Tomorrow	14	0	6.60
CZZ	Tomorrow	40	100	2.59
DXS	Tomorrow	23.76	0	4.53
EMF	Tomorrow	3	0	3.09
ENN	Tomorrow	4.6	0	5.75
ERF	Tomorrow	5	0	4.71
FET	Tomorrow	3.55	0	5.04
FOR	Tomorrow	~11.47	0	5.62
GCM	Tomorrow	~0.98	0	4.40
GDF	Tomorrow	2.35	0	8.32
GDI	Tomorrow	~3.88	0	7.35
GMG	Tomorrow	13.2	0	3.16
GOZ	Tomorrow	10.9	0	6.36
GPT	Tomorrow	12.3	0	4.78
GTY	Tomorrow	5.6	0	4.53
HPI	Tomorrow	9.9	0	6.32
IDR	Tomorrow	8	0	6.67
IOF	Tomorrow	10.2	0	4.38
LEP	Tomorrow	10.25	0	4.31
LTN	Tomorrow	0.9	0	0.00
MGR	Tomorrow	5.5	0	4.62
NSR	Tomorrow	4.6	0	5.97
PLG	Tomorrow	3.62	0	7.22
RCT	Tomorrow	7	0	6.23
RFF	Tomorrow	2.41	0	5.06
RFP	Tomorrow	~2.51	100	0.00
SCP	Tomorrow	6.7	0	5.62
SGP	Tomorrow	12.9	0	5.43
SYD	Tomorrow	16.5	0	4.30
TCL	Tomorrow	26.5	13.2	4.11
TGP	Tomorrow	~1.63	0	6.74
TOT	Tomorrow	4.8	0	9.01
URF	Tomorrow	5	0	5.19
VCX	Tomorrow	8.6	0	6.36
GNC	Fri	15	100	1.91