

Markets

SFE 200 Futures (9.30am AEST)	6792	33	0.5
NZX 50	10850	-2	-0.0
DJIA Futures	27230	32	0.1
S&P 500 Futures	3025	3	0.1
NASDAQ Futures	8011	9	0.1

Local Markets Commentary

The Australian market opens today's trade ahead of an early-afternoon Bank of Japan post-policy meeting statement, the commencement of face-to-face high-level official China-US trade talks in Shanghai later today, and earnings from Apple and Facebook in the US tonight.

Locally today, a weekly consumer sentiment reading is due pre-trade.

The Australian Bureau of Statistics (ABS) publishes June **building approvals 11.30am** AEST.

In addition, another mass of June quarter corporate reports is anticipated ahead of end-of-month.

Regionally, the **Bank of Japan's** (BoJ) post-policy meeting statement is expected **1pm** AEST, following this morning's (9.50am AEST) June industrial production figures.

A BoJ quarterly outlook report is also due for release this afternoon.

In overnight commodities trade, WTI **crude** rallied some while Brent settled with a relatively meagre gain.

US **gold** futures (August) closed slightly higher.

Iron ore (Nymex CFR China, 62% Fe) slipped US9c/t, remaining slightly above \$US120.00/t.

LME **copper** joined **nickel** in rally mode, but pace appeared constrained. **Aluminium** swung to settle a modestly higher.

The **\$A** remained within a narrow range after trading at ~US69.05c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27221	29	0.1
S&P 500	3021	-5	-0.2
NASDAQ	8293	-37	-0.4
FTSE 100	7687	138	1.8
DAX 30	12417	-2	-0.0
Shanghai Comp	2941	-4	-0.1

Overseas Markets Commentary

Choppy trade featured across several major European and US equities markets overnight, although the NASDAQ and FTSE100 each settled into a trend, one negative and the latter positive.

Japan – Bank of Japan policy statement – 1pm AEST

*** Financial services listing midday AEST – SZL ***

Second last trading day for July

Today's Stock Watch

Orica Ltd (ORI)

Today's investor day presentation lodged pre-trade. The scheduled 9am AEST Sydney briefing has been webcast.

Spark Sport (SKT)

SKY decoders will offer access to a Spark Sport pop-up channel for the Rugby World Cup 2019.

Sezzle Inc (* SZL)

Buy now-pay later specialist scheduled to list on the ASX **midday** AEST following a \$43.57M IPO at \$1.22 per CDI/share. 78.57M CDIs/shares. Trading commences on a deferred settlement basis. Normal (T+2) trade is expected Thursday.

Resources

Silver Lake Resources (SLR) / Egan Street Resources (EGA)

SLR will make a recommended takeover offer for EGA whereby EGA shareholders will receive 0.27 SLR shares for each EGA share. Details and rationale lodged this morning. SLR has traded at \$1.145 - \$1.525 over the past five trading sessions, and EGA at 29.5c – 35c.

Northern Star Resources (NST)

Produced 900,268oz during FY 2019 and recovered 813,134oz. Sold a record 840,580oz. \$A1296/oz AISC. Produced 250,572oz of gold during the June quarter, and recovered 226,028oz. Sold a record 232,042oz. \$A1238/oz AISC. Pogo presentation lodged this morning. \$361M cash and equivalents, against \$288M at 31 March.

Resolute Gold (RSG)

Produced 305,436oz of gold during the year to 30 June, at a \$US924/oz AISC. June quarter production totalled 78,132oz, at a \$US939/oz AISC. Sold 68,900oz at \$US1274/oz during the June quarter. \$A56M cash, bullion and listed investments, plus \$A134M worth of gold in circuit inventory. Revising FY 2019 (to 31 December) production guidance to 330,000oz at \$US990/oz.

Ramelius Resources (RMS)

Produced 196,679oz of gold at a \$A1192/oz AISC during FY 2019, against 208,118oz at \$A1191/oz for FY 2018. June quarter output tallied 47,342oz at \$A1106/oz. \$A106.8M cash and gold.



Among currencies, the British pound slid against the \$US and euro, supporting FTSE trade and pushing 10-year government bonds to their lowest in ~three years.

This appeared mostly in response to tough UK leadership talk regarding plans to separate from the European Union (EU) within the current timetable.

Separately, the \$US was traded against ongoing interest rate speculation ahead of this week's US Federal Reserve policy meeting.

Select trade information was again on tap, ahead of US-China high-level in-person talks scheduled to commence later today in Shanghai.

As foreshadowed by Chinese data released over the weekend, US Department of Agriculture data revealed the US had shipped 600,000t of soybean, across nine loads, to China last week, representing the greatest weekly pace of such shipments since mid-February, even though the cargoes were ordered at least two months ago. In addition, one load of corn was also exported from the US to China last week.

Also late weekend, a Chinese media report claimed the National Development & Reform Commission and Ministry of Commerce had confirmed China had contacted US producers and/or suppliers regarding the supply of several agricultural products since 19 July, and that some orders had subsequently been placed.

Last week's US data showed included China's cancellation of orders for 148,000t of soybean.

Among scant data releases, a Texas region manufacturing index improved, albeit it to -6.3, against -12.1 last month.

Earlier in the UK, June mortgage lending was calculated at £3.73B, against £3.10B in May. Net overall lending to individuals rose by £1B for the month, to £4.8B.

Tonight in the US, the Federal Reserve commences a two-day policy meeting, amid further public criticism from the US president and pressure to cut rates, this time by more than 0.25%. Meeting outcomes will be known early Thursday (AEST).

Among data releases, (US) June personal income and spending plus pending home sales are due, together with a Conference Board consumer sentiment reading and May house price index.

Elsewhere, a preliminary July CPI reading is due for **Germany**.

Companies scheduled to report earnings later today and tonight include: Advanced Micro Devices, Apple, Bayer, BP, ConocoPhillips, Eli Lilly, Facebook, General Electric, Gilead Sciences, Hino Motors, Hyundai Steel, L'Oréal, Mastercard, Merck, Mitsubishi Chemical, Mondelez International (brands include Cadbury, Nabisco, Oreo, Philadelphia, Ritz, Toblerone, Trident), Nintendo, Pfizer, Procter & Gamble, Reckitt Benckiser, Samsung Electronics and Sony.

In overnight corporate news, **Pfizer** revealed a plan to spin off an off-patent drugs division and to merge this with **Mylan**, to create a company that will own products such as Epi-pen, Lipitor and Viagra.

Pfizer and Mylan also reported quarterly earnings, with Pfizer revealing less-than-optimal revenue.

Beyond Meat pleased with quarterly progress, but was ultimately pummelled due to another capital raising.

Pre-Open Announcements

Medibio Ltd (* MEB)

Compass Group Australia has signed for a 300-employee trial of MEB's corporate health system ilumen.

ISignThis Ltd (* ISX)

June quarter and half-year update presentation lodged this morning, together with June quarter financials.

WestStar Industrial (* WSI)

June quarter cash receipts reached a record \$17.8M, against \$5.83M for the March quarter. \$10M cash at bank.

LiveTiles Ltd (* LVT)

Annualised recurring revenue grew 167% over the year to 30 June, to \$40.1M.

June quarter cash receipts increased by 52% over the three months, to \$7.9M.

IMF Bentham (IMF)

\$18.7M June quarter gross income, higher than the aggregate for the previous three quarters.

Additional June quarter information lodged pre-trade.

PointsBet Holdings (* PBH)

PBH has secured Double Eagle Hotel & Casino as a sports betting partner in Colorado, US.

APN Property Group (* APD)

CFO Michael Groth has resigned after 13 years with APD.

Mr Groth will continue with APD across a notice period and is likely to leave APD late this year.

APD head of business development and corporate finance Joseph De Rango has been appointed as APD's new CFO, commencing 1 September.

Kyckr Group (KYK)

FY 2019 revenue (unaudited) rose 20% to \$2.1M.

June quarter revenue grew 28% year-on-year to \$532,000.

Trading halt called this morning.

Swick Mining Services (SWK)

SWK has appointed Ventnor Capital and Ventnor Securities principal Stuart Carmichael as an independent non-executive director.

Mr Carmichael is also chairman of Schrole Group (ASX: SCL) and Serpentine Technologies (ASX: S3R), and a director of De.mem Ltd (ASX: DEM) and ClearVue Technologies (ASX: CPV).

In addition, Mr Carmichael was previously an Al Jaber Group executive director.

Blue Skies Alternative Access Fund (BAF)

Joint company secretary Leyya Taylor has resigned.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1420.4	oz	1.1	0.1
Silver (NY) (Sep)	16.44	oz	0.043	0.3
Gold (LON)	1420	oz		
Platinum	879	oz	16	1.9
WTI Crude (Sep)	56.87	bbl	0.67	1.2
Brent Crude (Sep)	63.62	bbl	0.15	0.2
Iron Ore (CHN port 62%)	120.02	t	-0.09	-0.1
Copper (LME,3mth,PM)	6018	t	55	0.9
Nickel	14355	t	250	1.8
Aluminium	1813	t	6	0.3
Lead	2053	t	-14	-0.7
Zinc	2466	t	28	1.1
Tin	17600	t	-50	-0.3
CBT Wheat (Jul)	5.03	bshl	0.07	1.3

Commodities Commentary

Oil – some hesitancy demonstrated in overnight trade, ahead of new US-China trade talks, the US Federal Reserve policy meeting, and key economic data releases, as the UK again admonished Iran to release a UK-flagged vessel detained in the Strait of Hormuz earlier this month.

Gold – another meagre gain underscored caution ahead of this week's most influential events, including the resumption of US-China trade negotiations, the US Federal Reserve policy meeting (over two days from tonight) and US jobs figures.

Base metals – China's June industrial profits, reported on the weekend, appeared to have less influence on overnight trade than normal, due to the commencement of official US-China trade talks scheduled for later today.

Official PMI updates are expected out of China tomorrow.

Japan's June industrial production is due today, just prior to the ASX open, and ahead of an early-afternoon policy statement from the Bank of Japan.

Yesterday, Japan's June retail sales were reported flat for the month and 0.5% higher year-on-year, following respective 0.4% and 1.3% May gains.

In overnight metal-specific news, China's June refined *zinc* imports were reported 57% higher than a year earlier, at 56,878t.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6901	-0.0001	-0.01
EUR – USD	1.1144	-0.0001	-0.01

Australian Data Today

ANZ/RoyMgn	Consumer sentiment	28 Jul
ABS	Building approvals	Jun

Resources**Grange Resources († GRR)**

June quarter iron ore product sales totalled 346,126t, against 508,493t for the March quarter.

Of these, concentrate sales rose 9t to 45t.

The overall average realised product price rose to \$A176.62/t FOB from \$A164.12/t.

Lower concentrate production (373,347t against 480,585t) and scheduled maintenance (enabling full 2H concentrator and pellet plant production) pushed unit cash operating costs to \$A162.03/t, from \$A121.48/t.

\$A149.63M cash plus liquid investments against \$A207.01M.

Ironbark Zinc (IBG)

\$2M worth of applications received in this month's 1.5c-per-share SPP.

IBG traded at 1.6c – 2.3c last week, dropping 15.8% yesterday to return to 1.6c.

Energy**Liquefied Natural Gas (* LNG)**

June quarter summary and financials lodged this morning.

\$A21.8M cash as at 30 June, against \$A28.7M at the end of March.

Carnarvon Petroleum (CVN)

WA 437-P Dorado-3 drilling underway.

CVN 20%.

Reports & Events

(selected)

When	Company	Report/Event
Today	AQG	Jun Q (post-ASX trade)
	NST	Jun Q
	ORI	Investor Day
	RMS	Jun Q
	RSG	Jun Q
Tomorrow	AAC	AGM
	FLN	Interim
	GMA	Interim
	IGO	Jun Q
Thu	CSC	Jun Q
	RIO	Interim (post-ASX trade)

Trading Halts

Company	Code	Resuming
Alpha HPA	A4N	31 Jul
Anglo Australian Resources	AAR	31 Jul

**US Data Tonight**

Personal income and spending	Jun
Conference Board consumer confidence	Jul
Pending home sales	Jun
Case Shiller home prices	May

Other Overseas Data Today & Tonight

Japan	Bank of Japan (BoJ) policy statement	Jul
Japan	BoJ quarterly outlook	Sep Q
Japan	Industrial production	Jun
Japan	Unemployment	Jun
Germany	CPI (prelim)	Jul
Germany	GfK consumer confidence	Aug
Euro zone	Business confidence	Jul

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.

AuStar Gold	AUL	31 Jul
Global Vanadium	GLV	31 Jul
Greenland Minerals	GGG	31 Jul
Mako Gold	MKG	31 Jul
Marmota Energy	MEU	31 Jul
Podium Minerals	POD	31 Jul
Superior Resources	SPQ	31 Jul
TV2U International	TV2	31 Jul
Zinc of Ireland	ZMI	31 Jul

Suspensions *(select)*

Company	Code	Since
High Grade Metals	HGM	18 Jul
Jiajiafu Modern Agriculture	JJF	22 Jul
Keybridge Capital	KBC	16 Jul
Mobecom Ltd	MBM	29 Jul
West Wits Mining	WWI	26 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CD1	Tomorrow	25	0	0.00
CD2	Tomorrow	22	0	0.00
GCI	Tomorrow	0.84	0	4.64
PCI	Tomorrow	0.4	0	0.07
QRI	Tomorrow	0.81	0	1.88
MXT	Wed	0.77	0	5.59
AMH	Thu	3.5	100	6.76
NBI	Thu	0.9	0	4.54
DJW	5 Aug	10	100	5.48
WQG	5 Aug	2	0	0.00
AFI	6 Aug	14	100	3.70
MLT	8 Aug	10.4	100	3.97
BKI	9 Aug	4.7	100	4.33
OCA	9 Aug	2.12	0	3.55
OZG	9 Aug	0.25	100	3.03
WIC	9 Aug	3	100	5.45