

Markets

SFE 200 Futures (9.30am AEST)	7335	22	0.3
NZX 50	12782	46	0.4
DJIA Futures	34941	-10	0.0
S&P 500 Futures	4404	1	0.0
NASDAQ Futures	15121	23	0.2

Local Markets Commentary

The Australian market commences the last week of trade for July with positive overnight Friday international equities leads, amid Covid-19 containment deliberations and growing economic disquiet regarding global logistics aggravations.

Over the weekend, shipping, port and rail organisations warned of another international supply chain hiatus, labelling the situation a crisis, and citing the Covid-19 Delta spread, and catastrophic flooding events in Germany and China over the past two weeks.

One logistics group ventured port issues through to March 2022.

This was before a typhoon crossed China's coast yesterday, impacting additional transport networks with flights in and out of Shanghai, and Yangshan Port shipping, suspended.

In addition, forecasters predicted prolonged and heavy typhoon rain in the region affected by last week's floods.

Locally today, national debate regarding Covid-19 management will continue.

Meanwhile, CommSec is due to release its State-of-the-States economic report.

The number of companies reporting June quarter results is also expected to ramp heading into month's end.

Regionally **today**, preliminary July PMIs are due for Japan 10.30am AEST.

In overnight Friday commodities trade, **oil** continued to rise, but at a more moderate pace.

US **gold** futures turned slightly lower.

Iron ore varied, Qingdao (CFR China, 62% fines) iron ore falling \$US1.30/t to \$US201.33/t, and Nymex (CFR China, 62% fines) futures swinging higher, to beyond \$US216.00/t.

LME **copper** and most other key base metals extended Thursday's rally.

The **\$A** traded within a relatively narrow range after trading at ~US73.70c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35062	238	0.7
S&P 500	4412	44	1.0
NASDAQ	14837	152	1.0
FTSE 100	7028	59	0.9
DAX 30	15669	155	1.0

* Discount apparel retailer listing – 11am AEST – BST *

Today's Stock Watch
AMP Ltd (AMP)

A restructure of advice services will include the transfer of AMP Financial Planning clients to advisers from 1 January 2022. Additional changes lodged pre-trade.

Digital Wine Ventures (DW8)

June quarter revenue rose 33% for the three months, to \$1.02M. Record 75,000 cases shipped.

DW8 added 68 new suppliers, boosting the active suppliers tally to 375.

ECS Botanics Holdings (ECS)

ECS has secured a five-year, \$4.5M supply agreement with Poland-headquartered Alivio Spolka.

ECS will supply \$900,000 worth of medicinal cannabis products each year, commencing by year's end.

Cromwell Property Group (CMW)

CMW has appointed recent Investa Property Group CEO Jonathan Callaghan as CEO, effective no later than 1 January 2022.

CMW will pay Mr Callaghan \$1Mpa total fixed remuneration.

Atheris Technologies (AVR)

Australian 20-year patent granted for AVR's 'Sterilised packaging system for catheter' system.

Cann Group (CAN)

Resuming from a trading halt with commitments for a \$10M institutional placement, and plans for \$10M SPP, pending shareholder approval, each at 27.5c per share.

CAN traded at 36c – 40.5c the five sessions immediately prior to calling the halt.

June quarter report also lodged pre-trade.

Resources
Lynas Rare Earths (LYC)

June quarter sales revenue tallied \$A185.9M, from \$110M for the March quarter.

Produced 3778t against 4463t during the March quarter.

Sold 4758t of rare earths oxides, against 3096t.

\$A680.8M cash and short-term deposits.

Energy
Santos Ltd (STO)

The offshore WA Exmouth Basin Van Gogh phase 2 infill oil well has been producing at a rate as high as 23,200bbl/d.

STO 52.5% Van Gogh-Coniston-Novara project interest and operator; INPEX holds the balance 47.5%.



Shanghai Comp 3550 -24 -0.7

Overseas Markets Commentary

Risk tolerance returned across major European, UK and US equities markets overnight Friday, major indices opening higher and maintaining or improving on gains through their respective sessions.

This, at the commencement of summer holiday season and ahead of a major earnings week.

In Europe, the European Medicines Agency recommended approval of Moderna's Covid-19 vaccine for use in recipients as young as 12 years old, ahead of a decision by the European Commission.

Across the Atlantic, case numbers were reported to be growing in 50 US States.

In China-US relations overnight Friday, China announced sanctions against several US officials, citing the US position on Hong Kong.

Among overnight Friday **data** releases, **euro zone** preliminary PMI readings remained relatively robust, the services sector activity index rising 2.1 points to 60.4, and the manufacturing PMI slipping by 0.8 to 62.6.

Germany's services PMI jumped 4.7 points to 62.2.

The manufacturing activity index rose by 0.5 to 65.6.

In the **UK**, June retail sales were reported 0.5% higher for the month, following a 1.3% May fall and forecasts of a 0.7% increase.

Against June 2020, sales were 9.7% higher.

The July GfK consumer confidence index, released early Friday, was estimated at -7 from -9, in line with expectations.

Both the services and manufacturing initial PMI estimates disappointed, even while remaining relatively strong, the services activity index falling by 4.6 to 57.8, and the manufacturing PMI by 3.5 to 60.4.

In the **US**, Markit's initial July PMI estimates came in mixed, the more GDP-influencing services sector activity index dropping to 59.8 from 64.6.

Relatively, however, while the magnitude and direction of change concerned, the new reading would normally be considered robust.

The manufacturing PMI was calculated at 63.1 from 62.1, following forecasts of a slight decline to 61.8.

Tonight in the US, June new home sales and the Dallas Fed (Texas region) manufacturing index are due.

Companies scheduled to report earnings later today and tonight include: Hasbro, Lockheed Martin, Louis Vuitton, Otis, Philips, Ryanair Holdings and Tesla.

In overnight Friday corporate news, motor and electrical manufacturers, and companies including Domino's Pizza continued to decry a shortage of construction supplies and production parts, in addition to this past year's semiconductor shortfalls.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1801.8	oz	-3.60	-0.2

Pre-Open Announcements

Best & Less Group Holdings (* BST)

Discount apparel retailer scheduled to list on the ASX **11am** AEST, following a \$60M IPO at \$2.16 per share. ~125.37M quoted shares.

Nuheara Ltd (* NUH)

FY21 sales jumped 517% to a record \$10.7M.

Tyro Payments (* TYR)

24% increase in July year-to-date TTV to \$1.705B.

Eden Innovations (EDE)

\$US535,000 order in hand for an interstate highway repair project in Georgia, US.

PTB Group (PTB)

Favourable profit guidance tightening lodged pre-trade.

Swift Media (SW1)

A 29% year-on-year rise in June quarter revenue to \$4.9M boosted FY21 continuing operations revenue to \$17.6M, representing 15% annual growth.

Net debt fell 26% for the full year, to \$4.1M.

\$3.9M cash, up 58%.

4D Medical (4DX)

\$80.9M cash at 30 June.

Conference presentation lodged this morning, in addition to the company's June quarter activities report.

4DX traded lower each session last week, settling at \$1.365, after closing out the previous week at \$1.52.

The a2 Milk Company (A2M)

A2M has appointed Dyson Appliances Australia and New Zealand human resources head Amanda Hart as chief people and culture officer, effective 6 September.

Roots Sustainable Agricultural Technologies (ROO)

Executive chair and CEO Boaz Wachtel has temporarily stepped down from the chairman's role.

ROO director Adam Blumenthal will be non-executive chair until shareholders approve Mr Wachtel as both CEO and executive chair.

Mr Wachtel also co-founded MMJ Group Holdings (ASX: MMJ) and CresoPharma (ASX: CPH) and is a former MMJ MD and previous CPH executive chair.

Aquirian Ltd (* AQN)

Mining services company scheduled to list on the ASX **11.30am** AEST **tomorrow**, following an \$8M IPO at 20c per share. 80M quoted shares.

Resources

Blackstone Minerals (* BSX)

BSX's 'nickel day' today features three webinars commencing **2.30pm** AEST and concluding 4.30pm.



Silver (NY) (Sep)	25.23	oz	-0.15	-0.6
Gold (LON)	1799.6	oz	0.15	0.0
Platinum	1055	oz	-33	-3.1
WTI Crude (NYMEX Sep)	72.07	bbl	0.16	0.2
Brent Crude (ICE EUR Sep)	74.10	bbl	0.31	0.4
Iron Ore (NYMEX,CHN,62%)	216.03	t	2.85	1.3
Copper (LME Ind)	9595	t	152	1.6
Nickel	19315	t	425	2.3
Aluminium	2502	t	29	1.2
Lead	2372	t	-27	-1.1
Zinc	2977	t	43	1.5
Tin	34170	t	630	1.9

Commodities Commentary

Oil – continued, but more modest overnight Friday gains were mostly attributed to general optimism exhibited across northern hemisphere equities trade at the beginning of summer holiday season.

A weekly US petroleum rig count, published overnight Friday, included a seven-strong jump in operational oil rigs to 387.

After dropping ~7% Monday, both Brent and WTI crude settled higher for the week, Brent for the first time in four weeks and WTI the first in three.

Gold – overnight Friday trade was pushed and pulled by a weaker-than-anticipated Markit-calculated PMI reading for the US, improved equities risk appetite, a turn higher for US 10-year bond yields and \$US buoyancy.

Commentary leading into, and from, the US Federal Reserve's policy meeting, plus June quarter GDP estimates for Germany and the US, are likely to swing some of this week's trade.

Base metals – liquidity support comments from both US Federal Reserve and European Central Bank officials were cited for overnight Friday's flourish higher even after Thursday's rallying.

Cash prices for *lead* continued higher, due to delivery disruption from Germany's Rhine region floods, but not so three-month contract prices.

China's June industrial profits update is anticipated tomorrow.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7368	0.0002	0.02
EUR – USD	1.1776	0.0003	0.03

Australian Data Today

CommSec	State of the States	Jul
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US Data Tonight

New home sales	Jun
Dallas Fed manufacturing index	Jul

In association, BSX is has this morning lodged the North Vietnam Ta Khoa refinery pre-feasibility study results.

An initial batch of battery grade nickel:cobalt:manganese (NCM) 811 precursor sample has been produced in the Simulus Engineer laboratory, using a nickel concentrate blend including material from BSX's Vietnam Ta Khoa nickel-copper-PGE project Ban Phuc deposit and other third-party feed.

The NCM was graded at >99.7% purity.

Mincor Resources (* MCR)

\$58.9M cash at bank at 30 June.

June quarter activities report lodged this morning.

MCR added 14.5% Friday, settling at \$1.30 following Golden Mile nickel drilling results, which in turn followed BHP's (ASX: BHP) announcement of a nickel supply agreement with Tesla.

MCR holds an off-take agreement with BHP.

Vimy Resources (VMY)

Non-executive director Luc Giacobazzi has resigned, effective Friday (23 July).

Western Gold Resources (* WGR)

Explorer completed its ASX listing Friday, following a \$7M IPO at 20c per share.

Opened at 19c and traded at 18c – 20c before settling on par at 20c.

3.12M shares changed hands across 235 transactions.

62.84M quoted shares.

Energy

Hazer Group (HZR)

\$24.6M cash reserves at 30 June.

Trading Halts

Company	Code	Resuming
8Common Ltd	8CO	26 Jul
Burgundy Diamond Mines	BDM	26 Jul
Scorpion Minerals	SCN	27 Jul
Xstate Resources	XST	27 Jul

Suspensions (selected)

Company	Code	Since
Crater Gold Mining	CGN	9 Jul
Jervois Mining	JRV	21 Jul
Weststar Industrial	WSI	23 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MIR	Wed	8.5	100	2.58
MIRNA	Wed	4.25	100	0.00
GCI	Thu	0.77	0	4.45

**Other Overseas Data Today & Tonight**

Japan	PMIs (prelim)	Jul
Germany	IFO business climate	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

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Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	AFI	Full year (NB: webinar 27 Jul 3.30pm)
	BSX	Nickel investor day (webinars from 2.30pm)
	DW8	Jun Q
	LYC	Jun Q
	NUH	Jun Q (webinar midday)
Tomorrow	AND	Full year (webinar 11.15am)
	FLN	Interim (tele 11am)
	OZL	Jun Q
Wed	ALQ	AGM
	GOR	Jun Q
	NIC	Jun Q (webcast 11am)
	RIO	Interim
	SBM	Jun Q
Thu	AAC	AGM
	CCP	Full year
	FMG	Jun Q
	IPL	Operational update
	IGO	Jun Q
	IRE	Investor day
	JHG	Jun Q (NB: webcast tele 10pm)
	MQG	AGM
PLS	Jun Q (webcast tele 10am)	
Fri	FFG	AGM
	ICI	AGM
	OGC	Jun Q
	ORG	Jun Q