

Markets

SFE 200 Futures (9.30am AEST)	5960	-26	-0.4
NZX 50	11593	14	0.1
DJIA Futures	26310	13	0.1
S&P 500 Futures	3217	4	0.1
NASDAQ Futures	10560	20	0.2

Local Markets Commentary

The Australian market opens mid-week trade with key domestic data due by late-morning, a Hong Kong GDP update anticipated later today, and with the US Federal Reserve chairman Jerome Powell speaking publicly early tomorrow morning AEST, following a policy meeting.

In addition, a swag of large-cap companies reports internationally from today through tonight.

Locally today, the Australian Bureau of Statistics reports June quarter **CPI 11.30am** AEST.

Regionally, Hong Kong is scheduled to release an initial June quarter GDP estimate, **6.30pm** AEST, following an 8.9% annual decrease for the March quarter.

In overnight commodities trade, **oil** swung lower, ultimate Brent crude moves again more moderate than for WTI.

US **gold** futures (August) settled higher, extending this week's gains.

Iron ore (Nymex CFR China, 62% Fe) rose just US3c/t, settling essentially flat a little beyond \$US170.70/t.

LME **copper** extended Monday's gain. **Nickel** turned lower.

Aluminium rallied decisively.

The **\$A** appreciated to ~US71.50c after trading at ~US71.30c early yesterday evening.

This morning, the \$A has approached US71.60c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26379	-205	-0.8
S&P 500	3218	-21	-0.7
NASDAQ	10402	-134	-1.3
FTSE 100	6129	24	0.4
DAX 30	12835	-3	-0.0
Shanghai Comp	3228	23	0.7

Overseas Markets Commentary

Major European and US equities markets trade again demonstrated skittish sentiment overnight, major US indices settling at or near session lows.

The US stimulus package to be debated in parliament looked at risk on all sides, prompting a meeting between the US treasury secretary and key Republican and Democrat representatives.

Australia – June quarter CPI – 11.30am AEST
Today's Stock Watch
Virgin Money UK (VUK)

Increased provisions by £42M (net) during the June quarter to £584M. Customer deposits grew 4.8% during the three months, to £67.7B. Business lending rose 5.7% to £8.8B, boosted by government-backed lending schemes demand. For the nine months to 30 June, business lending increased by 15.6%.

June quarter personal lending fell 2.7% to £5.2B.

13.3% CET1 ratio.

Three VUK-probability weighted Oxford Economics UK economic recovery scenarios also lodged post-trade yesterday.

Dimerix Ltd (DXB)

Teleconference scheduled to commence **11am** AEST. Reporting positive endpoint results for the DMX-200 Phase2a clinical study involving patients suffering a rare kidney disorder.

LiveTiles Ltd (LVT)

June quarter statistics lodged pre-trade, including a record \$11.2M cash receipts tally, 58% year-on-year annualised recurring revenue growth to \$58.2M, and \$37.8M cash on hand at 30 June.

SUDA Pharmaceuticals (SUD)

Australian Therapeutics Goods Administration (TGA) approval in hand for ZolpiMist to be registered as a short-term adult insomnia treatment, enabling the commencement of sales.

Resources
Independence Group (IGO)

Produced 102,007oz of Tropicana gold at a \$A1440/oz AISC during the June quarter, boosting FY20 output to 463,118oz at \$A1171/oz. Produced 7181t and 30,436t of Nova nickel for the quarter and FY20 respectively, cash costs estimated at \$A2.70/lb Ni and \$A2.41/lb Ni respectively.

Nova copper output tallied 3210t and 13,772 respectively.

June quarter income tallied \$A159.8M.

\$453.2M net cash at 30 June.

St Barbara (SBM)

Produced 108,612oz of gold at a \$A10301/oz AISC during the June quarter, boosting the FY20 tally to 381,887oz at a \$A1369/oz AISC.

\$A316M debt at 30 June, but with \$A200M to be paid this week.

\$A405M cash at bank and term deposit at 30 June.

FY21 guidance also lodged this morning.

Rio Tinto (RIO)

Interim results anticipated later today. A teleconference is scheduled to commence **4.15pm** AEST.



In the meantime, the US Federal Reserve commenced a two-day policy meeting overnight.

Earlier, the US had bemoaned military exercises conducted by Iran in the Strait of Hormuz, criticising these as needlessly inflammatory.

In overnight **data** releases, a CBI distributive trades index for the **UK** jumped to four from -37.

The **US** Conference Board consumer confidence reading undershot expectations, coming in at 92.6, from 98.3 for June and following forecasts of 95.

The Case-Shiller May house price index rose 0.4% against a 0.8% April increase.

The Richmond Fed manufacturing index was in the meantime calculated at 10, from 0 and following expectations of five.

Tonight in the **US**, the Federal Reserve announces outcomes at the conclusion of a two-day policy meeting.

June pending home sales, wholesale inventories and weekly mortgage applications are due.

Companies scheduled to report earnings later today and tonight include: Automatic Data Processing, Barclays, BASF, Boeing, Credit Suisse, Deutsche Bank, Facebook (post-US trade), General Electric, General Motors, GlaxoSmithKline, Hino Motors, Lloyds Banking, Mitsubishi UFJ Financial, Nomura, Paypal, Qualcomm, Rio Tinto, Saipem, Sanofi, Shopify, Sony, Southern Copper, Spotify, Sumitomo Mitsui Financial, Takeda Pharmaceutical, Vale and Yum China Holdings.

In overnight corporate news, **Advanced Micro Devices**, which reported post-US trade, boosted its full-year revenue expectations due to growing renewed chip demand as industry lockdowns eased. This pushed the stock ~9% higher in post-settlement trade.

Earlier, news of the commencement of further potential Covid-19 vaccine trials by both **Moderna** and Oxford University appeared overshadowed by claims Moderna was planning to sell any vaccine to higher income nations, at up to \$50 - \$US60 per course.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1944.6	oz	13.6	0.7
Silver (NY) (Sep)	24.30	oz	-0.2	-0.8
Gold (LON) (24 Jul)	1902	oz		
Platinum	948	oz	6	0.6
WTI Crude (NYMEX Sep)	41.04	bbbl	-0.56	-1.4
Brent Crude (ICE EUR Sep)	43.22	bbbl	-0.19	-0.4
Iron Ore (NYMEX,CHN,62%)	107.72	t	0.03	0.0
Copper (LME,3mth Ind,PM)	6469	t	42	0.7
Nickel	13685	t	-95	-0.7
Aluminium	1728	t	19	1.1
Lead	1860	t	5	0.2
Zinc	2263	t	30	1.3
Tin	18015	t	-10	-0.1

Commodities Commentary

Oil – demand optimism suffered from geopolitical angst, plus reports out of the US regarding significant initial opposition to a proposed new stimulus plan, as various international regions,

Pre-Open Announcements

CIMIC Group (** CIM)

In exclusive negotiations with Elliott Advisors (UK) for Elliott to potentially acquire 50% of CIM's Thiess.

Orbital Corporation (** OEC)

Unaudited full year statistics lodged this morning, including \$33.8M revenue.

Downer EDI (** DOW)

Contracts worth a total \$324M recently secured. Details lodged this morning.

Australian Agricultural Co (* AAC)

Today's AGM chairman and MD/CEO speeches were lodged post-trade Monday.

Westpac Banking Corporation (* WBC)

WBC coupled yesterday's personnel changes with the revelation that reports supplied to AUSTRAC had contained some information that was incomplete and/or inaccurate and that some information was omitted.

The personnel changes included the resignation of chief strategy and operating officer and recent acting CFO Gary Thursby, effective 2021.

In association, WBC has created an operating division covering operations and technology, and has appointed Bank of Montreal North America select divisional CIO and COO Scott Collary as COO.

Mr Thursby will also be WBC acting chief information officer when, as previously flagged, Craig Bright leaves WBC, at COB 25 September, and until Mr Collary commences with WBC.

WBC has traded lower the past three trading sessions, yesterday settling at \$17.46 after closing at \$18.09 Thursday last week.

AFT Pharmaceuticals (* AFP)

Products containing codeine will be restricted for prescription-sale only in New Zealand from 5 November.

Fluence Corporation (* FLC)

\$US20M finance facility secured with an Upwell Water affiliate.

Decmil Group (DCG)

Confirming chair David Saxelby and non-executive director Bill Healy have retired from the DCG board.

Independent legal practitioner Andrew Barclay has been appointed as DCG's new chairman.

DCG CFO Peter Thomas has been appointed as a DCG director and will retain his CFO role only until the end of 2020.

Bard1 Life Sciences (BD1) / Sienna Cancer Diagnostics (SDX)

BD1 has completed its scheme-of-arrangement acquisition of SDX.



including Florida in the US, continued to report persistently high tallies for new Covid-19 diagnoses.

In addition, Iran conducted annual military drills in the Strait of Hormuz, including with a simulated US aircraft carrier as a target.

The activity drew the ire of the US, just as US exercises with allies in the South China Sea have done with China over the past week.

The US said Iran's activity proved sufficiently confronting for the US to place two regional bases on high alert.

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

An industry report published overnight, indicated a 6.8MMbbl crude draw.

In the meantime, Brent October futures prices were reported up to 53c/bbl higher than those for the September contract.

Gold – prices swung overnight, profit-taking noted in early US trade, and the \$US holding some ground.

Futures traded as low as \$US1900.20/oz, before setting another intra-session record peak, this one at \$US1974.7/oz, attributed to US-China and US-Iran tensions.

Among the forecasters, Goldman Sachs ventured \$US2300/oz for gold within the next 12 months, and \$US30/oz for silver.

Base metals – stimulus optimism, the launch of further trials by two Covid-19 potential vaccine developers, and warehouse updates appeared to buoy early LME trade.

In industry news, the Antofagasta was reported to have secured a worker contract agreement for the Centinela copper operation

A string of initial June quarter GDP estimates is due to be released from today through the end of the week, this likely to influence some sentiment.

In addition, China releases official (NBS) July PMIs Friday, the last trading day for July.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7160	0.0002	0.03
EUR – USD	1.1720	0.0003	0.02

Australian Data Today

ABS	CPI	Jun

US Data Tonight

Federal Reserve policy statement	Jul
Pending home sales	Jun
Wholesale inventories	Jun
MBA mortgage applications	24 Jul

Other Overseas Data Today & Tonight

Hong Kong	GDP (initial, 6.30pm AEST)	Jun Q
UK	BoE consumer credit	Jun
Germany	Import prices	Jun

In association, former SDX chair and previous Anteo Diagnostics (ASX: ADO) MD and CEO Geoff Cumming has been appointed BD1 chairman.

In addition, former SDX director and current Bio Capital Impact Fund CEO and MD, Helen Fisher, has joined the BD1 board as a non-executive director.

Further, BD1 has appointed former SDX MD Carl Subbings as COO, and former SDX executive director, CFO and company secretary Tony Di Pietro as CFO and company secretary.

Former BD1 chair Peter Gunzburg has resigned.

SDX quotation ends today.

IOOF Holdings (IFL)

Confirming the discontinuance of a class action initiated against IFL in April 2019 has been approved by the NSW Supreme Court with no costs order.

1414 Degrees (14D)

Penelope Bettison has resigned as a 14D director.

Resources

Chalice Gold Mines (* CHN)

Heralding Victoria Pyramid Hill gold project maiden diamond drilling results from across three prospects.

GTi Resources (GTI)

GTI has extended the closing date of its SPP from yesterday to 21 August, due to reduced postal services.

Trading Halts

Company	Code	Resuming
Capricorn Metals	CMM	29 Jul
Digital Wine Ventures	DW8	29 Jul
Ecofibre Ltd	EOF	29 Jul
Kinetiko Energy	KKO	29 Jul
Sabre Resources	SBR	29 Jul
Galena Mining	G1A	30 Jul
ikeGPS Group	IKE	30 Jul
Investigator Resources	IVR	30 Jul
NuEnergy Gas	NGY	30 Jul
Breaker Resources	BRB	31 Jul
Eastern Iron	EFE	31 Jul
Imagion Biosystems	IBX	31 Jul
Aruma Resources	AAJ	3 Aug
Superior Lake Resources	SUP	3 Aug
Ventura Minerals	VMS	3 Aug

Suspensions (select)

Company	Code	Since
Acacia Coal	AJC	22 Jul
Aurora Minerals	ARM	21 Jul

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Blossomvale Holdings	BLV	7 Jul
eSense-Lab Ltd	ESE	27 Jul
Factor Therapeutics	FTT	17 Jul
Leaf Resources	LER	16 Jul
Stone Resources Australia	SHK	28 Jul
Ultima United	UUL	22 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
GCI	Tomorrow	0.72	0	4.69
MIR	Tomorrow	6.5	100	1.35
PCI	Tomorrow	0.32	0	4.66
PMV	Tomorrow	34	100	2.16
PTL	Tomorrow	0.7	100	4.91
QRI	Tomorrow	0.79	0	6.45
OCA	Fri	0.95	0	4.16

Reports & Events

(selected)

When	Company	Report/Event
Today	ALQ	AGM (10am)
	AAC	AGM (10am)
	APE	AGM (9am)
	IGO	Jun Q
	JHG	Interim, Jun Q
	LVT	Jun Q (tele 11am)
	RIO	Interim (tele 4.15pm AEST)
	SBM	Jun Q (audio w/cast 11am)
	URW	Interim
Tomorrow	CIM	Interim
	DTS	AGM (4pm)
	FMG	Jun Q
	GMA	Interim (10am)
	KLA	Jun Q; interim (post-ASX trade)
	LOM	AGM (1pm)
	MQG	AGM (10.30am)
	MRC	AGM (5pm AEST)
	OGC	Jun Q (post-ASX trade; w/cast 7.30am Fri)
	ORE	Jun Q (webcast 10am)
	SUP	AGM (midday)
	THC	AGM (11am)
	XAM	AGM (10am)
Fri	GGG	AGM (12.30pm)
	HCT	AGM (3pm)
	YAL	AGM (1pm)