

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7381	9	0.1
<b>NZX 50</b>	12754	54	0.4
<b>DJIA Futures</b>	34948	-50	-0.1
<b>S&amp;P 500 Futures</b>	4408	-7	-0.2
<b>NASDAQ Futures</b>	15032	-14	-0.1

**Local Markets Commentary**

The Australian market commences today's trade with influential domestic data due late morning and key data in hand pre-trade, ahead of material economic indicators out of the US and euro zone tonight.

Overnight US equities trade proved ultimately positive, but most key commodities sentiment negative.

Also overnight, a series of reports regarding, and/or from ships in the Gulf of Oman raised Middle East tensions further.

**Locally** today, the Australian Bureau of Statistics (ABS) reports finalised June quarter **retail sales** at **11.30am** AEST. Preliminary retail sales figures were released last month.

Pre-trade, the AiG has reported a contractionary **48.5 construction sector activity** index for July, following a decidedly expansionary 55.5 for July, and against forecasts for 56.0.

Regionally today, Caixin is due to release its July **services PMI** for **China** at **11.45am** AEST.

In overnight commodities trade, **oil** ultimately extended Monday's fall.

US **gold** futures settled moderately lower.

**Iron ore** price moves continued mixed, Qingdao (CFR China, 62% fines) iron ore rising just US25c/t to \$US184.67/t, and Nymex (CFR China, 62% fines) futures declining slightly to almost \$US181.00/t.

LME **copper** and **nickel** extended recent falls. **Aluminium** turned lower.

The **\$A** rose a little, to ~US73.95c, after trading at US73.90c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	35116	278	0.8
<b>S&amp;P 500</b>	4423	36	0.8
<b>NASDAQ</b>	14761	80	0.6
<b>FTSE 100</b>	7106	24	0.3
<b>DAX 30</b>	15555	-14	-0.1
<b>Shanghai Comp</b>	3448	-16	-0.5

**Overseas Markets Commentary**

Choppy trade featured across major European and UK equities markets, and in early US trade, overnight.

**Today's Stock Watch**
**GUD Holdings (GUD)**

32c fully franked final dividend, from 12c a year ago.  
 39.6% higher, \$60.97M full year NPAT.  
 27.2% higher, \$556.98M revenue.  
 \$146.56M net debt.

**BWP Trust (BWP)**

24.9% higher, \$263.17M full year NPAT.  
 2.3% lower, \$152.24M ordinary activities revenue.

**Genworth Mortgage Insurance Australia (GMA)**

5c interim dividend, from no dividend a year ago.  
 \$59.4M interim net loss, following a \$90M 1H FY20 loss.  
 21.1% higher, \$289.7M gross written premium.  
 14.5% higher, \$15.5B new insurance written.

**Air New Zealand (AIZ)**

Pending fuel prices and exchange rates, AIZ anticipates a maximum \$NZ530M FY22 loss, pre-tax and significant items.  
 Previous guidance was for a \$NZ450M maximum loss, but this was before the New Zealand government's new suspension of trans-Tasman quarantine free travel.

**Resources**
**Lithium Australia (LIT)**

LIT subsidiary VSPC has secured a 20-year Australian patent for the production of nickel-free and cobalt-free battery cathode powders.

**Vulcan Energy Resources (VUL)**

Lithium hydroxide production life cycle assessment (LCA) results lodged this morning, proving favourable to VUL's lithium project in the Upper Rhine Valley, Germany.

**Variscan Mines (VAR)**

Results from San Jose zinc-lead mine drilling include several high-grade and/or significant-width assays.  
 Intersections lodged this morning.

**Energy**
**Woodside Petroleum (WPL)**

Anticipated Scarborough project capex has risen to \$US12B.  
 Details lodged this morning.

**Regergen Ltd (RLT)**

Further three helium sales agreements (two 15-year and one 10-year) secured for the Virginia gas project phase two facility.

**Strike Energy (STX)**

Firm offers for a total 4.75Mtpa of urea received in the second round of the Project Haber proposed urea output off-take process.



Sentiment steadied significantly during US trade however, pushing key US indices to firmly positive settlements.

In relatively scant overnight **data** releases, **euro zone** June producer prices were reported 1.4% higher for the month, after rising 1.3% in May, and following expectations for just a 0.6% new increase.

Against June 2020, prices were up 10.2%.

In the **US**, June factory orders rose 1.5% for the month, following a 2.3% May climb. Forecasters had anticipated a new 0.8% rise.

The IBD/TIPP economic optimism index came in at 53.6 from 54.3, with 54.0 anticipated.

In the **UK**, a 30-year treasury gilt auction produced a 0.972% yield, from 1.274% previously.

Yesterday afternoon **Japan's** 10-year bond offer delivered a 0.009% yield against 0.058% previously.

**Tonight** in the **US**, the ISM's influential services sector activity index for July, and a private sector July employment report are due, together with weekly new mortgage applications.

Elsewhere, the euro zone reports June retail sales. Finalised July services PMI estimates are also due for the euro zone and UK.

Companies scheduled to report earnings later today and tonight include: Commerzbank, CVS Health, DoubleU Games, Fox Corp, General Motors, Honda Motor, Isuzu Motors, Itochu, Kraft Heinz, Petrobras, Ricoh, Roku, SK Telecom, Seoul Semiconductor, Sony, Sumitomo, Toyota Motor, Uber and Yamaha.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Dec)</b>	<b>1814.1</b>	oz	-8.1	<b>-0.4</b>
<b>Silver (NY) (Sep)</b>	<b>25.582</b>	oz	0.007	<b>0.0</b>
<b>Gold (LON)</b>	<b>1811</b>	oz		
<b>Platinum</b>	<b>1042</b>	oz	-10	<b>-1.0</b>
<b>WTI Crude (NYMEX Sep)</b>	<b>70.56</b>	bbf	-0.70	<b>-1.0</b>
<b>Brent Crude (ICE EUR Sep)</b>	<b>72.41</b>	bbf	-0.48	<b>-0.7</b>
<b>Iron Ore (NYMEX,CHN,62%)</b>	<b>181.01</b>	t	-0.20	<b>-0.1</b>
<b>Copper (LME Ind)</b>	<b>9532</b>	t	-173	<b>-1.8</b>
<b>Nickel</b>	<b>19360</b>	t	-155	<b>-0.8</b>
<b>Aluminium</b>	<b>2591</b>	t	-22	<b>-0.8</b>
<b>Lead</b>	<b>2390</b>	t	-7	<b>-0.3</b>
<b>Zinc</b>	<b>2964</b>	t	-88	<b>-2.9</b>
<b>Tin</b>	<b>34700</b>	t	-110	<b>-0.3</b>

### Commodities Commentary

**Oil** – overnight reports of a potential hijacking of a ship in the Gulf of Oman, off the coast of the UAE and near the Strait of Hormuz entrance, followed reports earlier from four vessels, all oil tankers, claiming they were 'not under command'.

As one of them later began moving, an Oman defence marine patrol plane was spotted in the area.

Meanwhile, Iran reportedly warned against any accusations in relation to the reports coming out of the Gulf.

In addition yesterday, Iran's president described US sanctions as 'tyrannical'.

BP and ConocoPhillips reported buoyant quarterly results, as

## Pre-Open Announcements

### Serko Ltd (\* SKO)

Trading conditions continue to be volatile.

July New Zealand domestic travel booking volumes came in 37% higher than for July 2019.

July Australian domestic travel bookings were 65% lower than for July 2019, however.

AGM scheduled for 18 August.

### VEEM Ltd (VEE)

Anticipating 97% higher, \$4.9M FY21 NPAT and 34% higher, \$59.5M revenue.

### Tinybeans Group (TNY)

LEGO Systems has renewed its TNY partnership for FY22, enabling the advertising of DUPLO products via TNY to customers in the US.

### RPM Automotive Group (RPM)

\$1.789M option underwriting agreement secured.

### CV Check (CV1)

CV1 has appointed recent Foxtel product executive director Michael Ivanchenko as CEO, effective 30 August.

### Range International (RAN)

RAN subsidiary Re>Pal is planning to manufacture fencing from recycled plastic at a Cairns, far northern Queensland property for which has signed a lease proposal.

Re>Pal is acquiring equipment and tools previously owed by the former ReGen Plastics.

### Clover Corporation (CLV)

CLV has appointed acting CFO and company secretary Andrew Allibon to these roles, effective immediately.

Mr Allibon has been with CLV since May, but previously was LEEF Independent Living Solutions CFO and company secretary.

## Resources

### Prospect Resources (PSC)

Heralding Zimbabwe Chishanya carbonatite project soil sampling results, confirming two sizeable rare earth elements anomalies.

### De Grey Mining (DEG)

Replacing *a Diggers & Dealers* presentation lodged early afternoon yesterday and retracting the initial presentation's peer comparisons information.

### Orion Minerals (ORN)

South Africa Okiep copper project exploration plans lodged post-trade yesterday.

### Pantera Minerals (\* PFE)

Multi-mineral explorer scheduled to list on the ASX **11.30am AEST tomorrow**, following a \$7M IPO at 20c per share.

Three projects – one each focused on iron ore, manganese and base metals - in the northern half of WA.



anticipated, on higher prices, but commentators pointed to risks, including enduring Covid-19 impacts.

A weekly US petroleum inventories report is due tonight.

Overnight post-US trade, an industry report has included an estimated ~880,000bbl draw on crude stocks last week.

**Gold** – a return to positive risk sentiment in US equities trade, plus some reported profit-taking following recent futures settlements beyond \$US1800.00/oz, pushed prices lower overnight.

Some key reports and data releases from tonight through week's end are expected to keep sentiment fluid.

**Base metals** – Covid-19 spread, in particular in China, coupled with recently reported slowing economic indicator growth, also in China, appeared the major influences on overnight base metals trade.

In project news, a road blockade which had impacted the Peru Las Bambas *copper* operation for a week was reported to have ended.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7399	0.0004	0.06
<b>EUR – USD</b>	1.1869	-0.0006	-0.05

### Australian Data Today

AiG	PCI	Jul
ABS	Retail sales	Jun

### US Data Tonight

ISM non-manufacturing	Jul
ADP private sector employment	Jul
Markit services PMI (final)	Jul
MBA mortgage approvals	30 Jul

### Other Overseas Data Today & Tonight

<b>China</b>	Caixin services PMI	Jul
<b>Japan</b>	Services PMI (final)	Jul
<b>UK</b>	Services PMI (final)	Jul
<b>Germany</b>	Services PMI (final)	Jul
<b>Euro zone</b>	Retail sales	Jun
Euro zone	Services PMI (final)	Jul

### Need More Information?

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38.5M quoted shares.

### Trading Halts

Company	Code	Resuming
Atrum Coal	ATU	4 Aug
Bowen Coking Coal	BCB	4 Aug
Eastern Iron	EFE	4 Aug
eMetals Ltd	EMT	4 Aug
Hot Chill	HCH	4 Aug
QEM Ltd	QEM	4 Aug
ResApp Health	RAP	4 Aug
Synertec Corporation	SOP	4 Aug
Aldoro Resources	ARN	5 Aug
Essential Metals	ESS	5 Aug
Suvo Strategic Metals	SUV	5 Aug
Family Zone Cyber Safety	FZO	6 Aug
Rewardle Holdings	RXH	6 Aug

### Suspensions (selected)

Company	Code	Since
Crater Gold Mining	CGN	9 Jul
Fargo Enterprises	FGO	26 Jul
IODM Ltd	IOD	3 Aug
Salt Lake Potash	SO4	29 Jul

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>AMH</b>	Today	4.5	100	1.94
DJW	Tomorrow	5.75	100	3.33
DJWN	Tomorrow	2.88	100	0.00
FSI	Tomorrow	4.75	100	2.57
BKI	Fri	3	100	2.59
JHG	Fri	38	0	3.48
OZG	Fri	0.35	100	2.35
WIC	Fri	3	100	4.82

### Reports & Events

(selected; all times AEST)

When	Company	Report/Event
<b>Today</b>	<b>LEP</b>	Full year
	<b>BWP</b>	Full year (teleconf 10.30am)
	<b>GMA</b>	Interim (teleconf 10am)
	<b>GUD</b>	Full year
<b>Tomorrow</b>	NCK	Full year (teleconf 10am)
	PNI	Full year (teleconf 9am)



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	RMD	Jun Q
<b>Fri</b>	GXY	AGM
	REA	Full year