

Markets

SFE 200 Futures (9.30am AEST)	6166	-8	-0.1
NZX 50	8968	-33	-0.4
DJIA Futures	24695	6	0.0
S&P 500 Futures	2775	1	0.0
NASDAQ Futures	7253	-1	0.0

Local Markets Commentary

The Australian market commences today's trade on negative overnight international equities and major commodities leads, ahead of influential data out of China.

In commodities trade, **oil** dived.

US **gold** futures dropped.

Iron ore (China port, 62% Fe) fell.

LME **copper** slid, **nickel**, **aluminium** and other base metals also recording significant declines.

The **\$A** continued lower, to ~US73.60c after trading below US73.95c early yesterday evening.

Locally today, the Melbourne Institute publishes a monthly inflation expectations report.

Regionally, **China's** June foreign direct investment tally is expected **midday** AEST.

Lending figures are potentially scheduled for release post-ASX trade.

Any outcomes statement from a NATO leaders' summit concluding in Brussels later today is expected to be void of overall firm agreement on immigration, defence and trade matters.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	24700	-219	-0.9
S&P 500	2774	-20	-0.7
NASDAQ	7717	-43	-0.6
FTSE 100	7592	-100	-1.3
DAX 30	12417	-193	-1.5
Shanghai Comp	2778	-50	-1.8

Overseas Markets Commentary

Major European and US equities markets fell on open overnight, with the barest of risk sentiment able to prevail throughout ensuing trade.

Earlier, the US revealed a list of \$US200B worth of imports from **China** for which it planned to boost tariffs later next month.

China indicated it would keep retaliating, labelling the US a 'bully'.

Meanwhile, at the commencement of a two-day NATO leaders' summit in Brussels the US president bluntly accused allies of unfair practice.

Among **US** data releases, June producer prices rose 0.3% for the month and 3.4% year-on-year, following 0.5% and 3.1% gains for May and against forecasts of a more modest 0.2% June rise.

The annual increase represented the most in 6.5 years, helping push the \$US higher, in part on bolstered expectations of an additional two US rate

Today's Stock Watch

Sydney Airport (SYD)

SYD has appointed David Gonski AC as a non-executive director, effective late September.

Mr Gonski is chairman of the Australia & New Zealand Banking Group (ASX: ANZ).

The a2 Milk Company (A2M)

Anticipating 68% higher, \$922M FY 2018 revenue.

Expecting a 30% EBITDA-to-sales ratio, and for this to remain consistent for FY 2019.

Cleanaway Waste Management (CWY)

Acquiring 50% of ResourceCo Holdings' Sydney recovery facility for \$25M.

In association, CWY is forming a JV with ResourceCo.

Praemium Ltd (PPS)

34% year-on-year increase in June quarter gross inflows totalling \$760M.

Annual gross inflows have grown 50% to \$3.0B.

FUA are 35% higher for the year, at \$8.3B.

AP Eagers (APE)

Anticipating record \$69.5M interim NPAT, following \$68.1M a year ago. Planning to release results 22 August.

InvoCare Ltd (IVC)

Proposing to acquire Archer & Sons Funeral Homes, effective 20 July (Friday next week).

IVC is acquiring the south west WA business directly from its family owners.

Wattle Health Australia (WHA)

WHA has appointed former Specialty Fashion Group (ASX: SFH) GM Georgia Sotiropoulos as an executive director, effective immediately. Ms Sotiropoulos is also a previous Woolworths (ASX: WOW) divisional GM.

Resources

Resolute Mining (RSG)

Produced 284,127oz of gold during FY 2018, at a \$A1355/oz AISC. Achieved \$A1703/oz for 262,381oz sold.

\$A113M cash, bullion and listed investments.

FY 2019 production and cost guidance also lodged this morning.

OceanaGold Corporation (OGC)

Raising 2018 output guidance to 500,000oz - 540,000oz.

Half-year production to 30 June is estimated at 268,597oz of gold and 7808t of copper.

Additional preliminary half-year and June quarter statistics lodged post-trade yesterday.

OCG plans to publish official figures post-ASX trade/pre-Toronto trade 26 July.

A webcast teleconference scheduled for 7.30am AEST 27 July.

Access details also lodged post-trade yesterday.

Atlas Iron (AGO)

Shipped 2.1Mt of (wet) iron ore during the June quarter, 4% more than for the March quarter. Cash costs totalled \$A62/t CFR China, the same as for the March quarter. \$57M cash on hand.

rises before year's end.

May wholesale inventories were revised to a 0.6% increase from the initial 0.5% estimate. Stocks rose 5.9% year-on-year.

A €3B 10-year sovereign bond auction in **Germany** was achieved on (-0.02 – 0.03) reduced yields.

Meanwhile, the **Bank of Canada** lifted the overnight cash rate by 0.25% to 1.50%.

Tonight in the US, June CPI and the national monthly budget statement are anticipated.

Weekly new unemployment claims are also due.

Elsewhere, **NATO** leaders will conclude their latest round of meetings, but a universally agreed outcomes statement looked unlikely overnight.

Companies scheduled to report earnings or provide trading updates include ASOS and Delta Air Lines

In overnight corporate news, investment group **Tiger Global** revealed it had acquired a \$US1B holding in Japan's **SoftBank**.

As anticipated, **Twenty-First Century Fox** agreed new terms in a revised £24.5B offer for **Sky** Plc, and subsequently fell ~4%.

Apple fell ~1.5% on allegations it had applied pressure to ensure discounts in Japan and hence increased sales.

Netflix gained ~0.7% on an analysts' assessment of a positive subscriber outlook.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1244	oz	-12	-0.9
Silver (NY) (Jul)	15.8	oz	-0.3	-1.6
Gold (LON)	1254	oz	-8	-0.6
Platinum	825	oz	-20	-2.4
WTI Crude (Aug)	70.4	bbl	-3.7	-5.0
Brent Crude (Sep)	73.4	bbl	-5.5	-6.9
Iron Ore <small>(CHN port 62%)</small>	63.3	t	-0.6	-0.9
Copper <small>(LME,3mth,PM)</small>	6145	t	-188	-3.0
Nickel	13880	t	-275	-1.9
Aluminium	2060	t	-30	-1.4
Lead	2200	t	-113	-4.9
Zinc	2563	t	-67	-2.6
Tin	19375	t	-400	-2.0
CBT Wheat (Jul)	4.70	bshl	-0.20	-4.0

Commodities Commentary

Oil – Libya's National Oil Corp announced four ports would resume operations, enabling exports to recommence.

This, together with disquiet surrounding US-China trade tariffs argy-bargy and a strong \$US, pushed overnight prices lower, Brent by the most in a session over the past two years.

Further, Saudi Arabia reported increased June production, approaching 2016 levels.

A weekly US petroleum inventories report, published overnight, calculated a 12.6MMbbl drop in US stored crude, the greatest weekly draw in ~two years.

Refiners drew on supplies to deliver record weekly petrol output.

In addition, oil sands deliveries from Canada remained impacted by a plant failure.

Later today, the International Energy Agency (IEA) is expected to publish its monthly update.

Gold – an appreciating \$US further hurt overnight gold sentiment.

Pre-Open Announcements

Mortgage Choice (* MOC)

Anticipating \$23.2M - \$23.4M FY 2018 NPAT and a \$30M adjustment.

In addition, MOC is implementing new broker remuneration arrangements.

Planning to lodge full year results 21 August.

Orbital Corporation (* OEC)

Anticipating \$1.8M FY 2018 NPAT, against a \$12.3M loss for FY 2017.

Expecting \$22M revenue and \$2.3M EBIT.

\$24.1M cash and receivables.

Meridian Energy (MEZ)

5.4% higher year-on-year retail sales volumes achieved in June. Additional June operating statistics lodged this morning.

ResApp Health (RAP)

Expecting to be able to apply for regulatory approval by year's end for a sleep apnoea clinical study, now that recruitment has exceeded the half-way mark.

ASX Ltd (ASX)

Planning to lodge full year results 16 August and to host a webcast teleconference 9.30am AEST that day.

Resources

Anson Resources (* ASN)

Resuming from a trading halt with a \$2.5M, 11c-per-share placement in support of the Paradox lithium project, Utah, US.

ASN traded at 5.8c – 15.5c during the five sessions immediately prior to calling a trading halt.

Wednesday last week, ASN added 66.7%, Friday 15.8%, and this past Monday 31.8%, settling at 14.5c prior to the trading halt.

Altech Chemicals (* ATC)

Johor, Malaysia high purity alumina plant stage one construction agreement in place with Germany's SMS Group.

Northern Star Resources (NST)

Planning to lodge the company's June quarter report pre-trade 18 July (Wednesday next week), and to host a webcast teleconference 11am AEST that day.

Access details lodged post-trade yesterday.

Energy

Sino Gas & Energy (SEH)

Resources and reserves update lodged this morning, together with plans for Lone Star's acquisition of SHE.

Trading Halts

Company	Code	Resuming
Chapmans Ltd	CHP	12 Jul
Velpic Ltd	VPC	12 Jul
AdAlta Ltd	1AD	13 Jul
CCP Technologies	CT1	13 Jul
Dacian Gold	DCN	13 Jul
Enterprise Metals	ENT	13 Jul
Indago Energy	INK	13 Jul
MGC Pharmaceuticals	MXC	13 Jul
Rural Funds Group	RFF	13 Jul



Base metals – little risk appetite evident overnight, a stronger \$US also bruising any interest, ahead of a series of additional **China** data, including June quarter GDP (Monday), due from today through Tuesday next week.

China's June lending and foreign direct investment figures are expected today.

June trade statistics are scheduled for release tomorrow.

June vehicle sales, reported yesterday, rose 4.8% following a 9.6% rise in May.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7363	-0.0005	-0.06
EUR – USD	1.1676	0.0001	0.00

Australian Data Today

MelbInst	Inflation expectations	Jul
RBA	Card transactions	Jun

US Data Tonight

CPI		Jun
Budget statement		Jun
Initial jobless claims		7 Jul

Other Overseas Data Today & Tonight

China	New lending	Jun
China	FDI	Jun
UK	RICS house prices	Jun
Germany	CPI (final)	Jun
Euro zone	Industrial production	May
Euro zone	ECB policy meeting minutes	Jun

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Stemcell United	SCU	13 Jul
TV2U International	TV2	13 Jul

Suspensions (select)

Company	Code	Since
Animoca Brands Corporation	AB1	11 Jul
Centennial Mining	CTL	25 Jun
Crowdspark Ltd	CSK	6 Jul
Genera Biosystems	GBI	4 Jul
Netlinkz Ltd	NET	4 Jul
Pursuit Minerals	PUR	18 Jun
Vector Resources	VEC	6 Jul
WPG Resources	WPG	27 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BEL	Today	0.5	100	8.70
PL8	16 Jul	0.5	100	4.48
MIR	26 Jul	8.5	100	tbc

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