

Markets

SFE 200 Futures (9.30am AEST)	7737	-35	-0.5
NZX 50	11793	75	0.6
DJIA Futures	39512	43	0.1
S&P 500 Futures	5532	11	0.2
NASDAQ Futures	19964	37	0.2

Local Markets Commentary

The Australian market opens trade for the new financial year, and hence the September quarter, with key economic data in hand domestically and from China and new material economic reports domestically and regionally.

In addition, international trade sentiment is in sharper focus, due to yesterday's election polling in France, plus the 4 July (Thursday) UK election and US Independence Day public holiday.

US equities markets turned variously lower overnight Friday.

Since overnight Friday trade, two major media organisations in the UK have called this week's **UK** election in favour of the Labour party, rather than the governing Conservative party.

In **France**, the first round of national parliamentary polling yesterday placed the far-right National Rally party well ahead of the governing Together centrist alliance.

Iran's presidential election resulted in the calling of a run-off vote Friday this week, with neither of the leading candidates, one deemed a moderate, securing the required majority.

In the **US**, speculation has intensified regarding the US president continuing in the presidential election campaign culminating in a November vote.

Locally today, the ANZ June **job advertisements** report is anticipated at **11.30am** AEST.

Pre-trade, CoreLogic has reported a 0.7% increase in national overall **residential property prices** for June, confirming an 8.0% rise in for 2023 - 2024, against a 2.0% pullback for 2022 - 2023.

The June quarter increase came in at 1.8% following 1.9% for the March quarter.

Also today, the Reserve Bank of Australia (RBA) publishes June holdings of government securities.

Post-ASX trade, RBA releases June **commodity prices**.

Stocks trading ex-dividend today include **CQR**. *Please see p4 for a detailed ex-dividends list.*

Regionally, yesterday **China** reported official June **PMIs**.

The **manufacturing** PMI remained unchanged for the month, at 49.5, in line with consensus.

The services PMI fell to 50.5 from 51.1, against expectations of a slight slip, to 51.0.

Caixin is scheduled to release its June **manufacturing** PMI for China at **11.45am** AEST.

Today, **South Korea** is due to publish June international trade figures as the ASX opens.

Today's Stock Watch
Lendlease Corporation (LLC)

Revising anticipated FY24 operating profit after tax to \$260M - \$275M, due to the expected completion of the Life Science interests sale being pushed into 1H FY25.

Meanwhile, LLC is planning to sell the group's US military housing business for \$A480M.

Biome Australia (BIO)

FY24 revenue is estimated at \$13M, against the previously forecast \$12.5M and representing an 80% increase for the year.

January – June sales rose 82% year-on-year, to \$7M, bolstered by \$3.8M (+88%) for the June quarter.

Atlas Arteria (ALX)

APRR capital management decisions lodged this morning.

ALX will hold ~30.82% of APRR as a result of one initiative.

APRR is the 2318km Autoroutes Paris-Rhin-Rhone tollway.

This route has traditionally produced the most profit for ALX.

Sprintex Ltd (SIX)

\$1M initial order in hand for SIX to evaluate ammonia emissions for Netherlands-headquartered MW Techniek (Mest Water).

SIX will develop custom compressors for Mest Water, which has paid a 50% deposit.

Mest Water will purchase up to a proposed 22 compressors at at a €19,000 target sales price each.

Post-successful commissioning, SIX and Mest Water envisage a five-year supply agreement.

Resources
Sierra Rutile (SRX)

The SRX has agreed to a 16c-per-share takeover offer from 19.9% SRX shareholder Gemcorp, valuing SRX at \$A67.9M.

SRX traded at 12.5c – 14c last week, settling at 13.25c Friday.

In addition, SRX is confirming the recommencement in full of Area 1 operations, following an initial review of safety risks.

Investigations are ongoing.

WA1 Resources (WA1)

Initial WA West Arunta project Luni niobium deposit resource estimated at 200Mt @ 1.0% Nb₂O₅.

The resource includes 53Mt @ 2.1% Nb₂O₅ (0.25% lower cut-off).

Energy
Blue Star Helium (BNL)

Heralding independently-assessed State 16 flow rates.



Japan reports June consumer confidence an hour prior to the ASX close.

Markets in Hong Kong are closed today due to a public holiday.

In overnight Friday **commodities** trade, **oil** settled barely to slightly changed.

US **gold** (Comex) futures rose slightly, approaching \$US2340/oz.

Iron ore (Nymex CFR China, 62% Fe) turned 0.3% higher, remaining below \$US107/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** rallied between 0.9% and 1.3%.

The **\$A** rose to ~US66.75c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	39119	-45	-0.1
S&P 500	5460	-22	-0.4
NASDAQ	17733	-126	-0.7
FTSE 100	8164	-16	-0.2
DAX 30	18235	25	0.1
Shanghai Composite	2967	22	0.7

Overseas Markets Commentary

Weak sentiment prevailed across major European, UK and US equities markets overnight Friday.

In the US, considerations included economic indicators and reactions to the Thursday evening major presidential candidates' debate.

In Europe and the UK, attention appeared divided amid key economic data and election commentary ahead of yesterday's initial polling in France and this Thursday's UK national vote.

Among overnight Friday **economic data** releases, the **UK's** final March quarter GDP reading represented 0.7% growth for the three months and 0.3% on an annualised basis.

This followed a December quarter three-month pullback of 0.3% and year-on-year 0.2% fall.

An initial June CPI inflation estimate for **France** place inflation growth at 0.1% for the month and 2.1% on an annualised basis, following no change during May, coupled with 2.3% annualised growth.

June producer prices in the meantime fell 1.4% for the month, following a 3.6% May drop. Against June 2023, producer prices were down 6.7%, the same year-on-year rate of decline as calculated for May.

May import prices for **Germany** were reported flat for the month and down 0.4% against May 2023. In April, prices had risen by 0.7% but were down 1.7% year-on-year.

In the **US**, the May personal consumer expenditure (PCE) price index came in flat for the month, in line with consensus, and following a 0.3% April increase.

Against May 2023, the PCE was up 2.6% against April's 2.7% annualised rise.

May personal income and spending rose by 0.5% and 0.2% respectively, against expectations of 0.4% and 0.3%.

April spending had risen by 0.1% against a 0.3% rise in income.

Pre-Open Announcements

Fletcher Building (* FBU) / SkyCity Entertainment Group (SKC)

Practical completion achieved for SKC's Hobson Street Hotel, as part of the combine New Zealand International Convention Centre and Hobson Street Hotel project (NZICC).

FBU continues to target completion of the project by year's end.

In the meantime, FBU has settled remaining contract works insurance claims with NZICC insurers and SKC.

FBU says the proceeds are 'materially in line' with the February provision.

SKC expects to open the Horizon Hotel 1 August.

Contact Energy (* CEN)

Confirming go-ahead for a 100MW battery at Glenbrook, NZ, using a Tesla Megapack 2 XL battery energy storage system. Tesla will also provide commissioning and long-term maintenance services.

MMA Offshore (MRM)

MRM 7.7% shareholder Halon Investments says it will vote in favour of the improved \$2.70-per-share scheme of arrangement offer for MRM by Cyan MMA Holdings.

Synlait Milk (SM1)

People and culture director Cathy Gamien has resigned from SM1.

Ingenia Communities Group (INA)

Sally Evans plans to retire from the INA board at the conclusion of the INA November AGM.

AVADA Group (AVD)

Operational review results, including a restructure under the one brand, lodged post-trade Friday.

SIV Capital (SIV)

SIV will receive \$500,000 as settlement of an accidental asset losses claim.

Austin Engineering (ANG)

CEO and MD David Singleton plans to retire from his ANG roles at the end of FY25.

Genetic Technologies (GTG)

CFO and company secretary Kathryn Andrews plans to retire from her GTG roles.

Wellnex Life (WNX)

Chair Mario Tascone has resigned from the WNX board, citing increased Chemist Warehouse commitments.

Gratiffi Ltd (GTI)

GTI non-executive director and former chair Stephen Borness has retired from the GTI board.

Alfabs Australia (* AAL)

Mining equipment hire and engineering specialist completed



Meanwhile, the 68.2 final June consumer sentiment reading, as calculated by the University of Michigan, represented a 0.9-point decline for the month, against consensus for a larger fall to 65.8.

The June Chicago PMI jumped to its highest reading since November 2023, a nonetheless remaining contractionary 47.4, from 35.4, against consensus for a more mild improvement to 40.0.

Tonight in the US, at the beginning of a holiday-interrupted trading week, the ISM's June manufacturing PMI and May construction spending are due.

Elsewhere, Germany releases an initial CPI inflation reading for June.

European Central Bank (ECB) president Christine Lagarde speaks publicly as the ECB hosts a central banking forum.

Markets in Canada will be closed, due to a public holiday.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Aug)	2339.6	oz	3	0.1
Silver (COMEX 5000 Sep)	29.56	oz	0.3	1.0
Platinum	994	oz	8	-0.8
WTI Crude (NYMEX Aug)	81.54	bbl	-0.20	-0.2
Brent Crude (ICE EUR Aug)	86.41	bbl	0.02	0.0
Iron Ore (NYMEX CHN port;62%Fe)	106.83	t	0.32	0.3
Copper (LME 3mth Evening)	9592	t	83	0.9
Nickel	17273	t	193	1.1
Aluminium	2524	t	33	1.3
Lead	2229	t	46	2.1
Zinc	2935	t	7	0.3
Tin	32748	t	540	1.7

Commodities Commentary

Oil – prices settled only slightly changed overnight Friday, among end-of-quarter and half-year positioning.

Meanwhile, US government agency the EIA released a report which included a rise in April crude production, and also demand, to four-month peaks, but a fall in petrol demand to a two-month low of 8.83MMbbl/d.

A weekly US petroleum drill rig report, published overnight Friday Baker Hughes, included a six-rig fall in the number of operational oil rigs, pegging back the tally to 479, the lowest since December 2021.

Among the forecasters, Barclays placed Brent crude at ~\$US90/bbl for the next few months.

The Brent August contract expired on settlement overnight Friday. The September delivery contract settled at \$US85/bbl, 0.3% lower for the session.

Gold – overnight Friday gold sentiment swung a little on US data releases, but for a third consecutive quarter, prices achieved a record close. The June quarter increase came in at 5% for the three months, and 21% year-on-year.

In the meantime, Bank of America warned of US government debt and hence a fragile-looking bond market.

A US inflation indicator released overnight Friday (PCE), proved in line with expectations, and hence offered no catalyst for gold

its ASX listing Friday, following an \$18M IPO at 25c per share. Opened at 26c and slipped to 24.5c before settling on par for day one, at 25c.

~2.55M shares changed hands across 127 trades.

~120.6M quoted shares.

Resources

IGO Ltd (IGO)

IGO has received \$A159.3M worth of dividend payments from Tianqi Lithium Energy Australia for the June quarter, pushing the FY24 total to \$A761.4M.

Manhattan Corporation (MHC)

Following an internal review focusing on cost-cutting for the Chebogue lithium project, Canada MHC GM Canada Paul Smith has left MHC.

Lunnon Metals (LM8)

LM8 non-executive director Ian Junk has retired from the LM8 board.

Mr Junk was a founding shareholder of LM8's predecessor, private company ACH Nickel.

He remains a 4.44% LM8 shareholder.

Calidus Resources (CAI)

Administrators, receivers and managers appointed.

Energy

Infini Resources (* I88)

Heralding Canada Portland Creek uranium project soil sampling results.

Assays lodged pre-trade.

NuEnergy Gas (* NGY)

NGY subsidiary Dart Energy has agreed a Heads of Agreement (HoA) for the sale of Dart coal bed methane to Perusahaan Gas Negara over a proposed 15 years.

Trading Halts

Company	Code	Resuming
Argent BioPharma	RGT	2 Jul
Astral Resources	AAR	2 Jul
Kingsrose Mining	KRM	2 Jul
Power Minerals	PNN	2 Jul
Saturn Metals	STN	1 Jul
Triton Minerals	TON	1 Jul
Venture Minerals	VMS	1 Jul
Wellard Ltd	WLD	2 Jul

Suspensions (selected)

Company	Code	Since
Besra Gold	BEZ	19 Jun
Calidus Resources	CAI	1 Jul



prices.

Potential interest rate moves will remain in focus this week, with the US Federal Reserve chair speaking at a European Central Bank central banking forum overnight tomorrow, ahead of the release of Fed policy meeting minutes overnight Wednesday. US monthly employment statistics follow the 4 July holiday overnight Friday.

Base metals – China’s June PMIs, reported yesterday, included a larger-than-expected slowing of activity for the services sector, but the reading continued to indicate expansion. The manufacturing PMI remained unchanged for the month, at a contractionary 49.5.

Also over the weekend, China’s administration announced a *rare earths* tracing system, scheduled to come into effect 1 October.

Overnight Friday, end-of-quarter positioning was noted, together with reactions to supportive economic data releases, including positive UK growth, and no new indication that the US Federal Reserve would need to put on hold a rates reduction. Hence, the \$US was perceived to be likely to be contained.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6678	0.0008	0.13
EUR – USD	1.0737	0.0024	0.23

Australian Data Today

CoreLogic	Residential property prices	Jun
ANZ	Job advertisements	Jun
RBA	Holdings of government securities & semis	Jun
RBA	Commodity prices	Jun

US Data Tonight

ISM manufacturing PMI	Jun
Construction spending	May
S&P Global manufacturing PMI (final)	Jun

Other Overseas Data Today and Tonight

China	Caixin manufacturing PMI	Jun
Japan	Consumer confidence (3pm AEST)	Jun
Japan	Tankan large manufacturers index	Q2
South Korea	International trade	Jun
UK	Nationwide housing prices	Jun
UK	Manufacturing PMI (final)	Jun
UK	BoE consumer credit	May
Germany	CPI inflation (prelim)	Jun
Germany	Manufacturing PMI (final)	Jun
Euro zone	Manufacturing PMI (final)	Jun

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New Talisman Gold Mines	NTL	28 Jun
NSX Ltd	NSX	27 Jun
Orion Minerals	ORN	27 Jun
OZZ Resources	OZZ	20 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CQR	Today	12.4	0	7.72
MGF	Today	3.66	0	3.27
PE1	Today	3.16	0	4.67
REP	Tomorrow	1.4	0	9.02
SGLLV	Tomorrow	45	100	1.98
GNC	Wed	24	100	3.16
QRI	Wed	1.17	0	8.81
CAM	Thu	1.35	100	6.57

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