

Markets

SFE 200 Futures (9.30am AEST)	7328	19	0.3
NZX 50	12673	0.1	0.0
DJIA Futures	35012	-22	-0.1
S&P 500 Futures	4413	-1	0.0
NASDAQ Futures	15115	-3	0.0

Local Markets Commentary

The Australian market opens today's trade with key regional data in hand and due late morning, following weak overnight international equities, and mixed commodities, trade leads, plus an \$A appreciation.

A US conference speech from the Reserve Bank of Australia's (RBA) deputy governor plus earnings reports from high-profile US stocks are anticipated tonight.

June quarter reports and a smattering of full year and interim results are expected to feature **locally** today.

RBA deputy governor Guy Debelle presents online to a forex markets conference in the US from 10.35pm AEST.

Regionally **today**, China is scheduled to release a June **industrial profits** update **11.30am** AEST.

South Korea has announced an initial estimate for **June quarter GDP** growth pre-trade, this coming in at 0.7%, following a 1.7% increase for the three months to 31 March.

Year-on-year the new reading represented 5.9% growth.

Bank of Japan governor Haruhiko Kuroda is scheduled to speak publicly 3.30pm AEST.

In overnight commodities trade, Brent **crude** continued to gain, but WTI was pushed a little lower.

US **gold** futures also settled slightly down.

Iron ore prices varied once again, Qingdao (CFR China, 62% fines) iron ore adding \$US1.41/t, reach \$US202.74/t and Nymex (CFR China, 62% fines) futures pulling back moderately, to below \$US215.20/t.

LME **copper** and **nickel** continued to rally. **Aluminium** also extended Friday's gain, but slightly so.

The **\$A** rose to ~US73.80c after trading at ~US73.40c - ~US73.60c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35144	83	0.2
S&P 500	4422	11	0.2
NASDAQ	14841	4	0.0
FTSE 100	7025	-2	-0.0
DAX 30	15619	-50	-0.3
Shanghai Comp	3467	-83	-2.3

* Mining services listing – 11.30am AEST – AQN *

Today's Stock Watch
Japara Healthcare (JHC)

JHC has preferred the Little Company of Mary Health Care takeover proposal and agreed to a \$1.40 cash-per-share scheme implementation acquisition.

JHC has traded at \$1.13 - \$1.235 over the past five trading sessions.

Temple & Webster (TPW)

85% higher, record \$326.3M FY21 revenue. \$97.5M cash.

Revenue for 1 – 24 July 2021 grew 39% year-on-year.

NRW Holdings (NWH)

NWH has secured two new contracts, worth \$26.5M and \$60M respectively. Details lodged pre-trade.

Prescient Therapeutics (PTX)

The phase 1b PTX-100 trial has delivered sufficient safety in treating solid and haematological cancers.

Resources
BlueScope Steel (BSL)

Anticipating \$1.72B FY21 underlying EBIT. 2H EBIT is expected to come in at \$1.19B, against \$1.0B - \$1.08B guidance. Planning to lodge audited results 16 August.

OZ Minerals (OZL)

Produced 32,681t of copper and 57,875oz of gold in concentrate with a US1.345/lb AISC during the June quarter.

January – June revenue tallied \$986M.

\$134M cash balance. Nil debt.

Independence Group (IGO)

Outlaying \$A45M to acquire the WA Silver Knight nickel-copper-cobalt sulphide deposit from the Creasy Group, and to form a JV with the Creasy Group over exploration tenements surrounding Silver Knight.

Silver Knight is located 35km NE of IGO's Nova project.

EcoGraf Ltd (EGR)

Heralding results (99.98% carbon) from using the EcoGrafHF-free method to purify a lithium-ion anode cell production scrap sample from SungEel Hitech Co.

Energy
Oil Search (OSH)

June quarter production fell 4.1% for the three months, to 6.6MMboe, due to maintenance.

Revenue rose 21.5% to \$US366.2M.

\$US1.2B liquidity. Net debt down 5.3%.



Overseas Markets Commentary

Vacillating sentiment featured across major European, UK and US equities markets overnight, amid a batch of high-profile corporate earnings reports and disappointing data releases on both sides of the Atlantic.

In the US, the DJIA, S&P 500 and NASDAQ nonetheless, and albeit slightly, maintained a run of record high settlements.

Official US-China talks held in Tianjin yesterday, involving the deputy US secretary of state and China's foreign minister produced an accusatory statement from China and acknowledgement of difficulties from the US.

In overnight **data** releases, the July IFO business climate index for **Germany** came in at 100.8 from 101.7, against forecasts of an improvement to 102.5.

The current conditions sub-component index improved by 0.7 to 100.4, but the expectations index fell 2.5 points to 101.2.

In the **US**, June new home sales dropped 6.6% for the month, following a 7.8% May tumble, the new tally (676,000) representing the least in 14 months.

The Dallas Fed (Texas region) manufacturing index fell from 31.1 to 27.3, following expectations of a 0.9-point rise.

Tonight in the US, the Federal Reserve commences a two-day policy meeting from which outcomes will be known early Thursday morning (AEST).

US economic indicators due for release include: June durable goods orders, the Conference Board July consumer confidence reading, the Richmond Fed manufacturing index and two May home price indices.

Companies scheduled to report earnings later today and tonight include: 3M, Advanced Micro Devices, Alphabet (Google parent; post-US trade), Apple (post-US trade), Archer Daniels Midland, Boston Scientific, Chubb, Dassault Systemes, General Electric, Hyundai Construction Equipment, Hyundai Electric and Energy Systems, Kumba Iron Ore, LG Household and Healthcare, Microsoft, Mitsubishi Motors, Mondelez, Raytheon Technologies, Reckitt Benckiser, Southern Copper, Starbucks and Visa.

In overnight corporate news, **Tesla** has reported post-US trade, June quarter headline figures exceeding expectations.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1799.2	oz	-2.60	-0.1
Silver (NY) (Sep)	25.32	oz	0.09	0.3
Gold (LON)	1799.6	oz		
Platinum	1059	oz	4	0.4
WTI Crude (NYMEX Sep)	71.91	bbbl	-0.16	-0.2
Brent Crude (ICE EUR Sep)	74.50	bbbl	0.40	0.5
Iron Ore (NYMEX,CHN,62%)	215.16	t	-0.87	-0.4
Copper (LME Ind)	9836	t	241	2.5
Nickel	19675	t	360	1.9
Aluminium	2506	t	4	0.2
Lead	2370	t	-2	-0.1
Zinc	3003	t	26	0.9

Pre-Open Announcements

Aquirian Ltd (* AQN)

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

Kina Securities (KSL) / Westpac Banking Corporation (WBC)

The PNG Independent Consumer and Competition Commission (ICCC) has determined in a draft decision that the proposed KSL acquisition of 89.91% of Westpac Bank PNG would not deliver public benefits that outweigh public detriment.

The ICCC will consider stakeholder submissions and has invited KSL to make a presentation to a pre-final decision conference to be hosted by the ICCC.

WBC will also submit additional information to the ICCC.

The ICCC has set a 20 August deadline for submissions.

WBC is also proposing to sell Westpac Fiji to KSL.

Freelancer Ltd (FLN)

\$1.68M interim net loss, following a \$1.14M loss a year ago. 5.7% lower, \$27.82M revenue.

8VI Holdings (8VI)

Today's AGM materials lodged pre-trade.

MaxiTRANS Industries (MXI)

Presentation focusing on MXI's proposed sale of its trailer business lodged post-trade yesterday.

MXI added 33.3% Friday last week after announcing the intended ~30.3M sale, including MXI's Ballarat property, plus the additional sale of two additional properties for ~\$18.05M cash.

PPK Group (PPK)

General counsel and company secretary Pat Rogers has resigned, effective immediately, due to health reasons.

PPK has appointed Will Shiel to take over from Mr Rogers, effective ~16 August.

PPK director Tony McDonald will be PPK's interim company secretary.

Ansarada Group (AND)

\$33.4M FY21 revenue, increasing by 16% during 2H.

Bisalloy Steel (BIS)

CFO and company secretary Luke Beale has resigned, but will remain with BIS for a three-month notice period.

RBR Group (RBR)

CEO and MD Richard Carcenac has resigned, but will remain with RBR during a notice period until 24 October.

RBR has experienced security issues in Mozambique and Covid-19 travel difficulties.

RBR is considering 'practicalities and timing' with regards to the appointment of a new CEO/MD.

Chair Ian Macpherson's role is an executive one.



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Commodities Commentary

Oil – overnight sentiment appeared pushed and pulled by currency swings, and varying supply and demand views, in part due to ongoing reports of a recent increase in Covid-19 spread in China, and also to anticipated regulatory change.

Brent crude settled higher but WTI crude lower.

Gold – a softer \$US pushed Comex futures beyond \$US1812.00/oz overnight but caution ahead of the US Fed Reserve policy meeting produced a sub-\$1800.00/oz settlement.

Meanwhile, Hong Kong net gold imports were reported to have grown 42% during June, from 21.781t in May to 30.887t.

Hong Kong's 37.226t worth of imports was attributed mostly to lower gold prices.

Base metals – a relatively weaker \$US, plus demand expectations following weather-related destruction across areas of China, Germany, and Japan, in association with some anticipated supply restraints appeared to support general overnight LME trade sentiment.

Among yesterday's data releases from key trading nations, Japan's July services activity index indicated further contraction with a reading of 46.4 from 47.2 for June.

Japan's expansionary 52.2 manufacturing PMI represented a 0.2-point slip, against expectations of 51.9.

China's June industrial profits update, due today, will likely influence at least some of tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7384	0.0032	0.44
EUR – USD	1.1802	0.0019	0.16

US Data Tonight

Durable goods orders	Jun
Conference Board consumer confidence	Jul
Richmond Fed manufacturing index	Jul
FHFA house prices	May
Case-Shiller home price index	May

Other Overseas Data Today & Tonight

China	Industrial profits	Jan-Jun
South Korea	GDP (prelim)	Jun Q
UK	CBI distributive trades	Jul
Euro zone	Business & household lending	Jun

Need More Information?

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Tesseract Ltd (TNT)

76.92M shares are due for release from voluntary escrow 2 August (Monday next week).

Best & Less Group Holdings (* BST)

Discount apparel retailer completed a successful ASX listing yesterday, following a \$60M IPO at \$2.16 per share.

Opened at \$2.17 and traded at \$2.16 - \$2.42 before settling at \$2.40.

~4M shares changed hands across 1874 transactions.

~125.37M quoted shares.

East 33 (* ETT)

Sydney rock oyster producer and supplier scheduled to list on the ASX 12.30pm AEST **Thursday**, following a \$32M IPO at 20c per share.

~222M quoted shares.

Resources**Copper Mountain Mining (* C6C)**

Revising 2021 production guidance to 90Mlb – 100Mlb of copper.

\$C38.7M June quarter net income (\$C2.2M adjusted), from a \$C1.5M net loss a year earlier.

\$C85.8M gross profit, against \$C30.3M for the June quarter 2020.

Produced 29.6Mlb of copper equivalent at a \$US1.83/lb AISC during the quarter.

Output comprised 25.5Mlb of copper, 7627oz of gold and 147,973oz of silver.

C6C sold 21.7Mlb of copper, 6545oz of gold and 121,291oz of silver, for sales revenue tallying \$C142.1M.

\$C144.5M cash and equivalents, and \$C46.7M in restricted cash at 30 June.

C6C hosted a teleconference yesterday evening.

Carnavale Resources (CAV)

CAV is exercising an option to acquire 80% of the WA Kookynie gold project, paying \$250,000 cash and 50M CAV shares.

First Au (FAU)

FAU has appointed Ryan Skeen as CEO, effective immediately.

Bryan Frost remains executive chair and MD.

Previous executive director Richard Revelins has become a non-executive director.

Trading Halts

Company	Code	Resuming
Scorpion Minerals	SCN	27 Jul
Xstate Resources	XST	27 Jul
Caeneus Minerals	CAD	28 Jul
Caprice Resources	CRS	28 Jul
Capricorn Metals	CMM	28 Jul



Coda Minerals	COD	28 Jul
Dubber Corporation	DUB	28 Jul
Industrial Minerals	IND	28 Jul
Jayex Technology	JTL	28 Jul
Simple Solutions	SIS	28 Jul
Theta Gold Mines	TGM	28 Jul
Torrens Mining	TRN	28 Jul

Suspensions *(selected)*

Company	Code	Since
8Common Ltd	8CO	26 Jul
Crater Gold Mining	CGN	9 Jul
Fargo Enterprises	FGO	26 Jul
Jervois Mining	JRV	21 Jul
Weststar Industrial	WSI	23 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MIR	Tomorrow	8.5	100	2.60
MIRNA	Tomorrow	4.25	100	0.00
GCI	Thu	0.77	0	4.47

Reports & Events*(selected; all times AEST)*

When	Company	Report/Event
Today	AND	Full year (webinar 11.15am)
	FLN	Interim (tele 11am)
	OSH	Jun Q
	OZL	Jun Q
	TPW	Full year (tele 10.30am)
Tomorrow	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)
	PBH	Jun Q (webcast tele 10am)



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Fri	FFG	AGM
	ICI	AGM
	OGC	Jun Q
	ORG	Jun Q