

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7253	33	0.5
<b>NZX 50</b>	12663	23	0.2
<b>DJIA Futures</b>	34203	33	0.1
<b>S&amp;P 500 Futures</b>	4287	5	0.1
<b>NASDAQ Futures</b>	14585	22	0.2

**Local Markets Commentary**

The Australian market opens mid-week trade, on the last trading session for the June quarter and Australian financial year, with influential regional and domestic economic indicators due by late morning, a further \$A depreciation, and four Australian capital cities in lockdown.

Overnight international equities trade ultimately demonstrated mostly limited conviction.

**Locally** today, the Reserve Bank of Australia (RBA) publishes the monthly financial aggregates report, which includes **private sector credit**, 11.30am AEST.

At the same time, the RBA also releases sector **bank lending** figures.

**Regionally** today, **China** is expected to report June **PMIs** 11am AEST.

May industrial production is due for **Japan**, just before ASX open.

Pre-ASX trade, **South Korea** has reported a 0.7% fall for May industrial production, for the month, following a 1.6% April drop and expectations of a new 0.4% decline.

Retail sales fell 1.8% for the month, against a 2.1% April increase and forecasts for a new 1.4% rise.

In overnight commodities trade, **oil** settled slightly higher, following Monday's fall.

US **gold** futures turned and fell.

Qingdao **iron ore** (CFR China, 62% fines) swung lower, by \$US6.29/t to \$US212.33/t.

Nymex iron ore (CFR China, 62%) also declined, but by just US90c/t to \$US214.36/t.

LME **copper** extended its recent decline. **Nickel** turned modestly higher. **Aluminium** rallied further.

The **\$A** fell further, to US75.10c, after dropping to ~US75.30c early yesterday evening.

**Overseas Markets.**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	34292	9	0.0
<b>S&amp;P 500</b>	4292	1	0.0
<b>NASDAQ</b>	14528	28	0.2
<b>FTSE 100</b>	7088	15	0.2
<b>DAX 30</b>	15691	136	0.9
<b>Shanghai Comp</b>	3573	-33	-0.9

**2020 – 2021 financial year / June quarter – last trading day**
**Today's Stock Watch**
**IODM Ltd (IOD)**

Anticipating ~30% revenue growth following the signing of an initial client in the UK.

**AusNet Services (AST)**

The Australian Energy Regulator (AER) draft decision on AST's 2022-27 transmission revenue review features reductions in proposed revenue, capital and operating expenditure.

Details lodged pre-trade.

AST anticipates a final AER decision by 31 January 2022.

**Strategic Elements (SOR)**

SOR's moisture-powered battery has demonstrated it can power a Bluetooth communication device featuring temperature and humidity sensors.

Details lodged pre-trade.

**Apiam Animal Health (AHX)**

Planning to outlay a combined \$16M for the south-east Queensland Scenic Rim Veterinary Service and Boonah Veterinary Hospital. Details, including significant revenue boost expectations, lodged this morning.

**Audio Pixels Holdings (AKP)**

Heralding packaged chips improvements.

Details lodged pre-trade.

**Resources**
**Carawine Resources (CWX) / IGO Ltd (IGO)**

IGO has earned 70% of the CWX-IGO WA Fraser Range JV tenements following a \$5M exploration spend.

A further \$1.3M exploration spend is anticipated over the coming year.

**Kingsgate Consolidated (KCN)**

LoI secured to sell the Chile Nueva Esperanza gold-silver project for a total ~\$A69M in cash and equity, to TSX\_V-listed TDG Gold Corp.

**Energy**
**Renegen Ltd (RLT)**

RLT's C3PO well has delivered 30,000cuft/d gas with 1.7% helium and 95% methane, despite being waterlogged to enable electronic wireline logging.

In addition, the R2D2 well is indicating 1% - 2.5% helium concentrations.

Planning to plug and abandon the P10 and P12 wells.

June quarter activities report, in presentation format, also lodged pre-trade.



## Overseas Markets Commentary

Sentiment waxed and waned variously across major European, UK and US equities markets overnight, ahead of tonight's end-of-quarter and half-year trade, and material data releases due out of various key nations from today through the end of the week.

Asia region Covid-19 containment struggles, and a batch of renewed international travel restrictions, appeared to influence northern hemisphere analyst risk commentary.

Also overnight, **European Central Bank** (ECB) president Christine Lagarde asserted that euro zone inflation remained under control, and that the overall regional economy was improving.

In the meantime, as reports of an elaborate commencement of China Communist Party centenary celebrations Monday evening (ahead of tomorrow's anniversary) emerged, China's and Russia's presidential representatives continued to tout the early-week extension to the nations' friendship agreement.

Among overnight **data** releases, **Germany** released an initial 0.4% growth June CPI estimate, for the month, following a 0.5% May increase.

Against June 2020, the national CPI was 2.3% higher, in line with expectations.

A **euro zone** economic sentiment index was estimated at 117.9, from 114.5, following forecasts of a more modest rise to 115.9.

**UK** May domestic vehicle manufacturing came in as a 934.3% improvement on that for May 2020.

May UK mortgage lending rose to £6.6B, following expectations of £3.4B, and from £3.0B for April.

In the **US**, the Conference Board's June consumer confidence index was reported at 127.3, from 120 for May.

Case-Shiller and government April house price indices indicated respective 2.1% and 1.8% gains for the month, and 14.9% and 15.7% year-on-year increases.

**Tonight** in the **US**, a June **private sector employment** report, a Chicago PMI update, the Conference Board June consumer confidence report, May pending home sales, and weekly mortgage applications are due.

Elsewhere, a **euro zone** June **CPI** estimate is keenly anticipated, together with the **UK's** final estimate for March quarter **GDP**.

*Meanwhile, the US is heading towards a Monday public holiday weekend in celebration of 4 July.*

*US markets will be closed Monday 5 July.*

### Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
<b>Gold (NY) (Aug)</b>	<b>1763.6</b>	oz	-17.1	<b>-1.0</b>
<b>Silver (NY) (Sep)</b>	<b>25.9</b>	oz	0.35	<b>-1.3</b>
<b>Gold (LON)</b>	<b>1780</b>	oz		
<b>Platinum</b>	<b>1062</b>	oz	-24	<b>-2.2</b>
<b>WTI Crude (NYMEX Jul)</b>	<b>72.98</b>	bbl	0.07	<b>0.1</b>
<b>Brent Crude (ICE EUR Aug)</b>	<b>74.76</b>	bbl	0.08	<b>0.1</b>
<b>Iron Ore (NYMEX,CHN,62%)</b>	<b>214.36</b>	t	-0.90	<b>-0.4</b>
<b>Copper (LME Ind)</b>	<b>9361</b>	t	-28	<b>-0.3</b>
<b>Nickel</b>	<b>18360</b>	t	61	<b>0.3</b>

## Pre-Open Announcements

### Dexus Property Trust (\* DXSDB) / Dexus (DXS)

DXSDB is expected to commence ASX trade (with Group 2) on **tomorrow's** ASX open.

Each DXSDB security will comprise one unit in a newly-established Dexus Property Trust (DPT) and one Dexus Operations Trust (DXO) unit.

The current DXS staple securities have comprised one unit each of DXO, the Dexus Diversified Trust (DDF), the Dexus Industrial Trust (DIT) and Dexus Office Trust (DOT).

Under a change approved 22 June, DPT will comprise DDF, DIT and DOT.

Hence, the new DXSDB will essentially be the current DXS, performing the same DXS operations, but under a new stapled securities structure.

DXSDB trading will commence on a deferred settlement basis. Once normal (T+2) trade commences, likely 7 July, the ASX code will be DXS.

### Life360 Inc (360)

Planning to establish a family advisory council, the members of which are expected to invest an initial total \$US2.1M in 360.

The members will include Vanessa Bryant (wife of the late Kobe Bryant), Tony Hawk (US professional skateboarder), Nicole and Michael Phelps (Michael a US Olympic swimmer), Bill Perry (TikTok influencer), Jada and Chris Paul (Chris an NBA All-Star), and Chip and Joanna Gaines (US TV personalities).

In addition, 360 expects the proposed Jobit acquisition to complete within 30 days.

Further, 360 co-founders Christopher Hulls (also 360 CEO and a 360 executive director) and Alex Haro (also a 360 non-executive director) have established respective \$A10.5M and \$A5.5M 24-month personal loan facilities with a third-party lender.

The loans are secured respectively by 854,701 360 shares and 447,700 shares, representing 17.8% and 17.4% of the co-founders' respective holdings.

360 is continuing with a strategic review.

360 recouped 4.87% yesterday, settling at \$6.25.

### AUB Group (AUB)

AUB has appointed Richard Bell as general counsel and company secretary, effective yesterday.

In association, AUB joint company secretary David Franks has resigned.

Allan Luu remains with AUB as an additional company secretary.

### Eden Innovations (EDE)

Presentation lodged post-trade yesterday.



Aluminium	2532	t	42	1.7
Lead	2312	t	72	3.2
Zinc	2943	t	38	1.3
Tin	31265	t	-472	-1.5

### Commodities Commentary

**Oil** – OPEC’s overnight claim that international demand growth for crude would jump by as much as 5MMbbl/d during the second half of this year came with a warning of some outlook risk due to uncertainty regarding containment of Covid-19 variants.

The assertion came following an OPEC joint technical committee, with OPEC secretary general Mohammad Barkindo singling out the Covid-19 Delta strain as a ‘wild card’.

OPEC was also aware debt levels from fiscal and monetary stimulus could push inflation higher, he said.

An OPEC+ joint ministerial monitoring committee (JMMC) meeting scheduled for later today and tonight, has reportedly been pushed back to tomorrow, during which OPEC and OPEC+ member meetings are also scheduled.

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

Post-overnight US trade, industry group the API released a report which included an estimated 8.15MMbbl fall in crude stocks and 2.4MMbbl rise in petrol inventories last week.

**Gold** – overnight trade appeared mostly influenced by a stronger \$US and bent towards bond investments, Comex futures trading at 2.5-month lows.

Key data reports out of several jurisdictions today and tonight, covering inflation, GDP, employment, manufacturing and retail sales, could swing some of tonight’s trade.

**Base metals** – overnight base metals sentiment appeared pushed and pulled by currency moves and varying demand and supply scenarios.

Russia was reported to be raising export tariffs for *aluminium, copper, nickel* and *steel* products.

Meanwhile, LME copper cash trade indicated no perceived supply shortage.

China’s official (NBS) PMI updates, due today, plus other international PMIs tonight, could sway some end-of-quarter trade considerations tonight.

Yesterday, Japan reported May unemployment had grown from 2.8% to 3.0% during May, and that retail sales had pulled back 0.4% for the month, against expectations for a 1.9% improvement.

### Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7511	-0.0053	-0.71
EUR – USD	1.1900	-0.0022	-0.19

### Australian Data Today

AIG	PMI	Jun
RBA	Financial aggregates	Jun
RBA	Bank lending	Jun

### Resources

#### Neometals Ltd (NMT)

WA goldfields Mt Edwards project Widgie Townsite deposit nickel sulphide resource updated to 2.476Mt @ 1.6% Ni, for 39,300t of nickel.

The Mt Edwards 26 North nickel sulphide resource has also been updated, to 871,000t @ 1.43% Ni for 12,400t of nickel.

The Mt Edwards overall resource is now 10.215Mt @ 1.6% Ni for 162,510t of nickel.

#### Variscan Mines (VAR)

VAR has appointed experienced lawyer, investment banker and former Australian World Cup captain Nicholas (Nick) Farr-Jones AM as a non-executive director, effective tomorrow.

Non-executive director Susan Vearncombe has resigned from the VAR board, effective today.

#### Polymetals Resources (POL)

Mineral exploration company completed its ASX listing yesterday, following a \$5.2M IPO at 20c per share.

Opened at 17c and dipped to 14c before settling back at 17c.

1.43M shares changed hands across 73 transactions.

38.3M quoted shares.

#### Australian Rare Earths (\* AR3)

Mineral explorer scheduled to list on the ASX 10.30am AEST tomorrow, following a \$12M IPO at 30c per share.

44.78M quoted shares.

### Energy

#### Carnarvon Petroleum (\* CVN)

Confirming plans to drill Buffalo-10 in October, having selected a preferred jack-up drill rig.

CVN operator and 50%, but free-carried for the initial \$US20M of Buffalo-10 costs.

### Trading Halts

Company	Code	Resuming
EP&T Global	EPX	30 Jun
TerraCom Ltd	TER	30 Jun
TNT Mines	TIN	30 Jun
Zinc of Ireland	ZMI	30 Jun
Applyflow Ltd	AFW	1 Jul
Leigh Creek Energy	LCK	1 Jul
rhipe Ltd	RHP	1 Jul
Sayona Mining	SYA	1 Jul

### Suspensions *(select)*

Company	Code	Since
Creso Pharma	CPH	29 Jun
Matador Mining	MZZ	29 Jun
Mineral Commodities	MRC	29 Jun



RBA International reserves; foreign currency liquidity Jun

**US Data Tonight**

ADP private sector employment	Jun
Chicago PMI	Jun
Pending home sales	May
MBA mortgage applications	25 Jun

**Other Overseas Data Today & Tonight**

<b>China</b>	NBS PMIs	Jun
<b>Japan</b>	Industrial production (prelim)	May
Japan	Consumer confidence (3pm AEST)	Jun
<b>South Korea</b>	Retail sales	May
South Korea	Industrial production	May
<b>UK</b>	GDP (final)	Mar Q
<b>Germany</b>	Unemployment	Jun
<b>Euro zone</b>	CPI (prelim)	Jun

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Proteomics International Laboratories PIQ 29 Jun

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>LRT</b>	Today	<b>14.69</b>	0	1.46
<b>MOT</b>	Today	<b>1.92</b>	0	6.80
<b>MXT</b>	Today	<b>0.6</b>	0	4.55
<b>OPH</b>	Today	<b>36.36</b>	0	0.00
<b>PGG</b>	Today	<b>1.37</b>	0	4.89
<b>RF1</b>	Today	<b>75</b>	0	4.56
<b>VTH</b>	Today	<b>2.5</b>	0	3.02
MGF	Tomorrow	3.66	0	0.00
MHH	Tomorrow	2.25	0	2.88
MTS	Tomorrow	9.5	100	3.72
NBI	Tomorrow	1.73	0	4.70
PE1	Tomorrow	2.5	0	2.11
TGA	Fri	1	100	0.00

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