

Markets

SFE 200 Futures (9.30am AEST)	6896	-11	-0.2
NZX 50	11564	32	0.3
DJIA Futures	32449	84	0.3
S&P 500 Futures	4099	6	0.1
NASDAQ Futures	12926	2	0.0

Local Markets Commentary

The Australian market commences mid-week trade with a clutch of key domestic and regional economic reports due late morning and material domestic data in hand pre-trade, ahead of key data releases for the US and Europe tonight, and with geopolitical relations firmly in focus.

US equities sentiment ultimately continued to decline overnight.

Locally today, the AiG has reported a decidedly contractionary **45.3** estimate for the national July **construction PMI**. This from 46.2 for June and predictions of an improvement to 48.0.

The Australian Bureau of Statistics (ABS) is scheduled to release a finalised June quarter **retail sales** report, at **11.30am AEST**.

At the same time, the ABS reports several June quarter **cost of living indices**.

Also at 11.30am, the **Reserve Bank of Australia** (RBA) publishes its monthly chart pack, updating **economic and financial trends** in graphic format and hence presenting the bases for the central bank's current forecasts.

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

In overnight commodities trade, **oil** turned modestly higher.

US **gold** futures posted a further gain, albeit slight.

Iron ore (Nymex CFR China, 62% Fe) continued to decline, falling below \$US113.5/t.

Overnight LME (3mth evening) **copper**, **nickel** and **aluminium** were pushed yet lower, nickel decidedly so.

The **SA** again remained within a relatively narrow range after trading at ~US69.25c early yesterday evening.

This morning, the SA has been pushed towards US69.10c

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	32396	-402	-1.2
S&P 500	4091	-27	-0.7
NASDAQ	12349	-20	-0.2
FTSE 100	7409	-4	-0.1
DAX 30	13449	-30	-0.2
Shanghai Comp	3186	-74	-2.3

Today's Stock Watch
Virgin Money UK (VUK)

Anticipating 'an uncertain economic environment'.

Meanwhile, VUK digital personal and business current accounts sales grew 45% year-on-year during the third quarter, to ~45,000.

Unsecured lending rose 3.8% to ~£6B, and business lending by 0.3% to ~£8.3B.

£23M impairment charge. CET1 rose by 0.1% to 14.8%.

Considering further capital distributions this year.

Genworth Mortgage Insurance Australia (GMA)

12c fully franked interim dividend from 5c fully franked a year ago. In addition, GMA is planning to commence a \$100M share buy-back this month.

68.2% lower, \$18.9M interim NPAT. 34.9% lower, \$188.6M gross written premium. \$3.63 NTA from \$3.47.

Orica Ltd (ORI)

Trading halt called this morning in association with an equity raising in support of the proposed acquisition of Axis Mining Technology.

Consideration for the purchase includes \$A260M upfront cash and up to \$A90M as a deferred conditional earn-out.

ORI is conducting a fully underwritten \$A650M, \$16-per-share institutional share placement, and \$A75M, price-to-be-determined non-underwritten SPP.

ORI has traded at \$16.46 - \$17.22 over the past five sessions.

Growthpoint Properties Australia (GOZ)

Outlaying ~\$45M cash for Fortius Funds Management.

Additional details lodged pre-trade.

Pinnacle Investment Management Group (PNI)

17.5c fully franked final dividend, from 17c a year ago.

13.9% higher, \$76.365M full year NPAT.

41.5% higher, \$45.997M continuing activities revenue.

\$2.00 NTA from \$1.27.

BWP Trust (BWP)

84.9% higher, \$486.64M full year NPAT. 0.7% higher, \$153.27M revenue. \$3.87 NTA from \$3.29.

Flat, previously-declared 9.27c fully franked final distribution.

Resources
Galileo Mining (GAL)

WA Norseman project Callisto discovery RC drilling has returned additional significant 3E intersections. Assays lodged pre-trade. Mineralisation remains open in all directions.

Rio Tinto (RIO)

\$525M cash Cortez gold royalty sale completed.



Overseas Markets Commentary

Vacillating sentiment again featured across major European, UK and US equities markets overnight.

Inflation remained in focus, as did geopolitical relations, with select corporate earnings reports and outlooks continuing to surprise on the upside.

Yesterday, the Reserve Bank of Australia (RBA) pushed the cash rate 0.5% higher again, to 1.85%.

Overnight, two US Federal Reserve regional presidents spoke publicly, each emphasising inflation control would require further Fed action, one venturing an up to 0.5% rate increase was possible in September and the other emphasising if data allowed, the rate increases would not need to be as high as 0.75%.

China-US tensions remained high with the US House of Representatives' speaker's visit to Asia including an overnight visit to Taiwan.

Prior to confirmation of the visit, China announced an import ban on select food products from Taiwan.

The US also confirmed sanctions on companies, including some from China, which it concluded had assisted Iran to sell oil and petrochemical products to customers in east Asia.

Also overnight, **Russia's** defence ministry accused the **US** of direct involvement in the Russia-Ukraine conflict.

Among scant overnight **data** releases, a **US** June job opportunities report included an estimated 10.698M openings against 11.303 for May and forecasts for a further 11M opportunities in June. Commentators appeared keen to point out the June estimate was the lowest in nine months.

Also overnight, US July vehicle sales were reported to have tallied 13.35M from 13M for June.

The UK treasury hosted a 10-year gilt auction, this producing a 1.782% yield from 2.145%.

Yesterday afternoon AEST, Japan hosted a 10-year government bond auction which resulted in a 0.168% yield from 0.248%.

Tonight in the US, the influential ISM non-manufacturing index is due, together with June durable goods orders, factory orders, and weekly mortgage applications.

Elsewhere, Germany is due to reveal June international trade figures and to conduct a 10-year government bond auction.

Companies scheduled to report earnings include: Albemarle, AP Moeller-Maersk, AXA, BMW, Casio Computer, Commerzbank, CVS Health, eBay, Honda Motor Company, Korea Shipbuilding & Offshore Engineering, Moderna, Nintendo, Nomura, Novo Nordisk, Regeneron Pharmaceuticals, Ricoh, Siemens Healthineers, Société Générale, Seoul Semiconductor, Subaru Corp, Sumitomo Corp, Toyota Motor Corp, Veolia, Yamaha Corp and Yum! Brands.

In overnight corporate news, **BP** reported an \$US8.45B underlying quarterly profit, buoyed by petroleum prices. The group also raised its dividend, by 10%.

Pre-Open Announcements

PolyNovo Ltd (PNV)

PNV scheduled a webcast to commence 9.30am AEST to introduce Swami Roate, PNV's new CEO, appointed last week to take up his position mid-month.

ResApp Health (RAP)

Quarterly activities-focused teleconference scheduled to commence **10am** AEST.

Link lodged post-trade yesterday.

RAP lodged the report pre-trade Wednesday last week.

Chimeric Therapeutics (CHM)

The Japan Patent Office has granted a patent entitled '*Chimeric antigen receptors containing a chlorotoxin domain.*'

Webcentral Ltd (WCG)

Planning to commence a 12-month on-market buy-back of up to 10% of shares 17 August.

Link Administration Holdings (LNK)

Shareholders will vote 22 August on the revised scheme of arrangement under which Dye & Durham Corporation proposes to acquire LNK.

Frontier Energy (FHE)

FHE OTCQX trade is underway.

Resources

Pilbara Minerals (* PLS)

Attracted a \$US6350/t (dry) FOB bid for a 5000t cargo of ~5.5% lithia spodumene concentrate via the PLS 'battery material exchange' (BMX).

Dateline Resources (* DTR)

Heralding additional positive rare earth indications from Colosseum project technical studies.

West African Resources (* WAF)

Burkina Faso Kiaka gold project feasibility results, including a 7.7Moz resource, lodged this morning. WAF 90%.

Cobre Ltd (* CBE)

Additional Botswana Ngami project copper mineralisation determined in a third diamond drill hole.

Drilling continues.

Chalice Mining (CHN)

Diggers & Dealers forum presentation lodged post-trade yesterday.

CHN is scheduled to present, and to livestream this event, from 10.55am AEST today.

Link also lodged post-trade yesterday.

SSR Mining (SSR)

June quarter results, including a US7c quarterly dividend, lodged pre-trade.

**Commodities**

COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Dec)	1789.7	oz	2.00	0.1
Silver (NY) (Sep)	20.14	oz	-0.22	-1.1
Gold (LON) (1 Aug)	1772	oz		
Platinum	894	oz	-14	-1.6
WTI Crude (NYMEX Sep)	94.42	bbl	0.53	0.6
Brent Crude (ICE EUR Oct)	100.54	bbl	0.51	0.5
Iron Ore (NYMEX CHN port;62%Fe)	113.36	t	-0.99	-0.9
Copper (LME 3mth Evening)	7807	t	-12	-0.2
Nickel	23515	t	-1082	-4.6
Aluminium	2417	t	-16	-0.7
Lead	2050	t	-4	-0.2
Zinc	3299	t	-16	-0.5
Tin	24149	t	-672	-2.7

Commodities Commentary

Oil – supply and demand scenarios appeared to largely influence overnight trade.

The OPEC+ deliberations scheduled to commence later today, have been preceded by a monitoring committee meeting and statement reported to recommend an at-most modest lift in output, amid expectations of an 800,000bbl/d 2022 surplus rather than the previously anticipated 1MMbbl/d.

In the meantime, Venezuela's July exports were reported 27% lower than for June.

Tonight, a weekly US petroleum inventories report is due from government agency the EIA.

Overnight post-US trade, the American Petroleum Institute (API) published a weekly report which included a 2.165MMbbl climb for US crude stocks last week.

Gold – overnight trade appeared pushed and pulled by US-China tensions, currency swings and weakening equities sentiment risk.

A Bank of England policy meeting scheduled for overnight tomorrow will keep monetary policy and inflation and recession commentary forefront among trader considerations.

Base metals – inventory updates and broader reduced risk sentiment appeared the major influences on overnight LME trade.

Caixin's July services PMI for **China**, due today, could influence some of tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6912	-0.0045	-0.65
EUR – USD	1.0161	-0.0106	-1.04

Australian Data Today

AiG	PCI	Jul
RBA	Chart pack	Aug
ABS	Retail sales (final)	Jun Q
ABS	Living cost indices (selected)	Jun Q

Trading Halts

Company	Code	Resuming
Change Financial	CCA	3 Aug
IMEXHS Ltd	IME	3 Aug
Kula Gold	KGD	3 Aug
Lanthanein Resources	LNR	3 Aug
MetalsTech Ltd	MTC	3 Aug
Mighty Kingdom	MKL	3 Aug
Theta Gold Mines	TGM	3 Aug
Total Brain	TTB	3 Aug
Orica Ltd	ORI	4 Aug
Tempest Minerals	TEM	4 Aug
The a2 Milk Company	A2M	4 Aug
Peregrine Gold	PGD	5 Aug

Suspensions (selected)

Company	Code	Since
Caravel Minerals	CVV	2 Aug
Creso Pharma	CPH	29 Jul
Design Milk Co	DMC	2 Aug
Fintech Chain	FTC	1 Aug
Memphasys Ltd	MEM	29 Jul
Montem Resources	MR1	25 Jul
Ovato Ltd	OVT	21 Jul
Rimfire Pacific Mining	RIM	28 Jul
Technology Metals Australia	TMT	2 Aug
Wiluna Mining Corporation	WMC	21 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AMH	Today	2.5	100	3.07
CVC	Today	5	100	3.85
QRI	Today	0.82	0	5.33
JHG	Fri	39	0	5.64
DJW	8 Aug	7	100	4.27
FRI	8 Aug	2	100	5.48
BKI	9 Aug	4.65	100	3.69
AFI	10 Aug	14	100	2.99

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	BWP	Full year
	GMA	Interim (tele 10am)
	PNI	Full year
	UMG	Investor day

**US Data Tonight**

ISM non-manufacturing	Jul
Factory orders	Jun
Durable goods orders	Jun
S&P Global services PMI (final)	Jul
MBA mortgage applications	29 Jul

Other Overseas Data Today & Tonight

China	Caixin PMI services	Jul
Japan	Services PMI (final)	Jul
UK	Services PMI (final)	Jul
Germany	Trade balance	Jun
Germany	Services PMI (final)	Jul
Euro zone	Retail sales	Jun
Euro zone	Services PMI (final)	Jul
Euro zone	Producer prices	Jun

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

Tomorrow	CIP	Full year
Fri	GDF	Full year

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.