

Markets

SFE 200 Futures (9.30am AEST)	6645	22	0.3
NZX 50	10575	31	0.3
DJIA Futures	26956	-14	-0.1
S&P 500 Futures	3000	-1	0.0
NASDAQ Futures	7891	3	0.0

Local Markets Commentary

The Australian market commences today's trade with further key domestic data due today, following the best spread of overnight commodities price moves for the week to date, and with an Independence Day public holiday celebrated in the US, meaning no regular trade for US equities and commodities markets tonight.

Locally today, the Australian Bureau of Statistics publishes May retail sales **11.30am** AEST.

In overnight commodities trade, **oil** swung higher.

US **gold** futures (August) continued to rally.

Iron ore (China port, 62% Fe) slipped a few US cents per tonne, remaining above \$US123/t.

LME **copper**, **nickel** and **aluminium** each turned to record gains.

The **\$A** continued to appreciate to ~US70.30c after climbing beyond US70.10c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26966	179	0.7
S&P 500	2996	23	0.8
NASDAQ	8170	61	0.8
FTSE 100	7609	50	0.7
DAX 30	12616	90	0.7
Shanghai Comp	3015	-29	-0.9

Overseas Markets Commentary

Major European and US equities markets opened higher overnight, gains mostly never looking seriously threatened (the DJIA the exception), amid mixed data releases and in shortened US trade.

Geopolitical tensions appeared in greater focus again.

Russia in the meantime labelled US sanctions against Iran as 'unlawful' and claimed Iran had not caused Persian Gulf instability. Further, Russia's energy minister declared, 'We support Iran'.

For his part, the US president renewed a warning to Iran about a likely aggressive response to making threats.

In addition, the UN reported a significant late-Tuesday air strike in Libya's Tripoli.

Reports also emerged from the US military that China had tested a ballistic missile in the South China Sea from a facility reportedly built by China within a contested islands area.

Australia – retail sales – 11.30am AEST
Today's Stock Watch
Stockland (SGP)

Residential portfolio strategic partnership secured with Capital Property Group acquiring 50% of the planned Queensland Sunshine Coast Aura development.

SGP says Capital's investment price represents a 30% premium to book value.

SGP has settled higher the past three trading sessions, yesterday closing at \$4.34.

Unibail-Rodamco-Westfield (URW)

URW has completed the €850M (net) sale of the Paris La Défense district Tour Majunga building.

Pushpay Holdings (PPH)

Resuming from a trading halt having completed a bookbuild for \$NZ45.3M sale of the partial PPH holdings of (PPH director) Chris Heaslip associated interests.

The bookbuild achieved a \$NZ3.70-per-share clearing price.

PPH last trade on the ASX at \$A3.65.

ASX Ltd (ASX)

June statistics lodged this morning, including a total \$1.8B worth of initial capital raisings, against ~\$1.1B during June 2018 and \$37.4B for FY 2019.

Class Ltd (CL1)

Account numbers grew by 2461 during the June quarter, to 179,082.

CL1's customer tally grew by 39 to 1545.

Expecting to lodge a FY 2019 report 20 August.

Resources
Independence Group (IGO)

Produced WA Nova project nickel, copper and cobalt in concentrate during FY 2019 in quantities that each exceeded guidance. Tropicana gold production and sales came within guidance.

June quarter and FY 2019 preliminary breakdown figures lodged this morning. Planning to lodge a June quarter report 31 July.

Emmerson Resources (ERM)

Northern Territory Mauretania project diamond drilling has returned additional significant-width, high-grade assays, including 4m @ 158g/t Au from 97m.

Red 5 (RED)

Reporting additional outstanding assays from King of the Hills underground drilling.

RED recouped 5.9% yesterday, settling at 18c.



Among overnight data releases, the **euro zone** June services sector activity index rose by 0.7 to 53.6.

Germany's came in at a healthy 55.8, from 55.4 in May.

The **UK's** June services PMI was calculated at 50.2 from 51.0.

This pushed the British pound lower, as 75% of UK economic growth is traditionally considered to come from the services sector.

In turn, UK exporters benefited overnight from the softer pound.

Across the Atlantic the **(US)** ISM's June non-manufacturing index declined 1.8 points to a nonetheless robust 55.1.

The national May trade deficit grew 8.4% to \$US55.5B, a five-month high, and the April deficit was raised from \$US50.8B to \$US51.2B.

Analysts attributed increased imports, \$US266.16B worth in May, following \$US257.64B April, to stockpiling ahead of expected new tariffs on goods from China.

May US imports from China rose 12.8% and the trade deficit with China increased 12.2% to \$US30.2B.

A private sector employment estimated 102,000 jobs were created during June, following a disappointing revised 41,000 in May, and against expectations of 140,000.

In a separate job cuts report estimated plans to reduce employee numbers by 41,977, against 58,577 in May.

May factory orders were reported 0.7% lower for the month after falling 1.2% in April.

Weekly mortgage applications slipped 0.1% by volume, but were 41% higher than the corresponding week a year ago.

Weekly new unemployment claims fell by 8000 to 221,000.

Tonight, US markets will not trade due to the Independence Day public holiday.

Among companies scheduled to report, Associated British Foods is expected to provide a trading update later today.

In overnight corporate news UK supermarket chain **J Sainsbury** warned food supplies could be disrupted should the UK separate from the European Union without agreed arrangements in place.

Chip manufacturer **Broadcom** was reported to be finalising a deal to acquire cybersecurity specialist Symantec which was pushed almost 14% higher.

Tesla benefited more than 4.5% after reporting record June quarter 95,200 vehicle delivery representing a 51% year-on-year increase.

US equities markets will remain closed tonight, due to the Independence Day public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1420.9	oz	12.9	0.9
Silver (NY) (Sep)	15.238	oz	0.98	0.6
Gold (LON)	1391	oz		
Platinum	839	oz	9	1.1
WTI Crude (Aug)	57.34	bbl	1.09	1.9
Brent Crude (Sep)	63.82	bbl	1.42	2.3
Iron Ore (CHN port 62%)	123.16	t	-0.03	-0.0
Copper (LME,3mth,PM)	5933	t	41	0.7
Nickel	12345	t	235	1.9
Aluminium	1787	t	6	0.3
Lead	1877	t	-12	-0.7

Pre-Open Announcements

Ava Risk Group (* AVA)

\$A629,000 worth of new oil and gas sector contracts secured.

Anticipating 160% higher, \$31.5M FY 2019 revenue.

Additional statistics lodged this morning.

Ecofibre Ltd (* EOF)

June quarter Ananda comparative growth graphic lodged this morning.

EOF traded 14% higher Tuesday and 10% higher yesterday, settling at \$2.64 after closing out last week at \$2.10.

BidEnergy Ltd (BID)

~\$2.128M better off following the exercise of ~1.755M options.

An issue of ~1M shares for the unexercised options will go the underwriter at 68c per share, just delivering BID a further \$714,691.

BID has traded at 69c – 74.5c over the past five trading sessions.

Invex Therapeutics (* IXC)

Biopharmaceutical manufacturer scheduled to list midday AEST tomorrow following a \$12M IPO at 40c per share.

~31.25M listed shares.

Twiggy Forrest group Minderoo is the major shareholder.

Resources

First Graphene (* FGR)

Sri Lanka government-owned Kahatagaha Graphite has placed an order for an additional 500t of FGR graphite.

Trading Halts

Company	Code	Resuming
IODM Ltd	IOD	4 Jul
Kalamazoo Resources	KZR	4 Jul
Titomic Ltd	TTT	4 Jul
Nuheara Ltd	NUH	5 Jul
Silver Mines	SVL	5 Jul
Encounter Resources	ENR	8 Jul

Suspensions (select)

Company	Code	Since
Agua Resources	AGR	3 Jul
Alice Queen	AQX	25 Jun
Apollo Minerals	AON	3 Jul
China Magnesium Corporation	CMC	1 Jul
Golden Rim Resources	GMR	1 Jul
GWR Group	GWR	13 Jun
Marenica Energy	MEY	2 Jul
Mindax Ltd	MDX	26 Jun



Zinc	2453	t	-14	-0.6
Tin	18310	t	640	3.6
CBT Wheat (Jul)	5.13	bshl	0.10	2.0

Commodities Commentary

Oil – lower-than-normal overnight trade was pushed and pulled by geopolitical positioning, a deadly air attack on Libya’s capital Tripoli and data.

A weekly US petroleum inventories report, published overnight by US government agency the EIA overnight, included a 1.1MMbbl decline in stored crude. Petrol stocks fell by 1.6MMbbl.

A weekly US petroleum rig count was also released overnight, the number of operational oil rigs estimated to have slipped by five to 788.

Post-US trade Tuesday, industry group the API had estimated in its weekly report that US crude stockpiles had fallen by 5MMbbl.

Meanwhile, European producers were reported to have exported 850,000t of gasoline to the east coast of the US during June, following 1.63Mt in May. For the first 10 days of July however, orders were estimated at 5.62MMbbl, following a 335,000bbl/d Philadelphia refinery fire last month which could mean the facility will close permanently.

There will be no regular Nymex oil trade tonight, and hence no new settlement, due to the US Independence Day public holiday.

Gold – Comex gold futures settled at a six-year peak overnight, trade supported by falling yields for both European and US bonds, following an agreed nomination for the ECB presidency and a US presidential recommendation for two appointments to the US Federal Reserve.

Some disappointing US data, a UK services sector activity index that pointed to restrained national economic growth, and some geopolitical argy-bargy were also cited as a reason for continued gold interest.

Intra-session, August futures traded ~\$US20/oz above the settlement price.

There will be no regular Comex gold trade tonight, and hence no new settlement, due to the US Independence Day public holiday.

Apart from geopolitical factors, the next major influence on Comex gold trade is expected to be Friday’s release of US June employment figures.

Base metals – pushed and pulled overnight by mixed data and geopolitical news, and in association, by swinging currencies Caixin’s June services PMI for China, reported yesterday, slipped to 52.0 from 52.7.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7033	0.0002	0.03
EUR – USD	1.1287	0.0011	0.09

Australian Data Today

ABS	Retail sales	May
ABS	Job vacancies	May Q

Oro Verde	OVL	3 Jul
Pura Vida Energy	PVD	28 Jun
Titan Minerals	TTM	28 Jun
Wellard Ltd	WLD	3 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CAM	Today	1.25	100	5.15
MEC	Today	1	100	2.29
TRA	Mon	4.73	85	5.34
CKF	Tue	10.5	100	2.13
MTS	Tue	7	100	5.02



Overseas Data Today & Tonight

Germany	Construction PMI	Jun
Euro zone	Retail sales	May

Need More Information?

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