

Markets

SFE 200 Futures (9.30am AEST)	6907	-7	-0.1
NZX 50	11724	-5	-0.0
DJIA Futures	32680	-77	-0.2
S&P 500 Futures	4134	-13	-0.3
NASDAQ Futures	13180	-49	-0.4

Local Markets Commentary

The Australian market opens a new week's trade with influential new data in hand over the weekend from China amid exacerbating military conflicts and disputes involving threats of military intervention, as the domestic major reporting season begins to ramp.

Sentiment vacillated across US equities trade overnight Friday.

Since overnight Friday trade, **China** reportedly simulated an air and sea attack on Taiwan, before reducing activity and announcing new 'regular' regional military drills.

In other China developments, air and train services were cancelled for a small resort area, due to a Covid outbreak and only essential services were reported to be remain open.

Elsewhere, deadly exchanges across the **Israel - Palestinian Gaza** strip border were described as relentless prior to a ceasefire reported to be holding since overnight.

Ukraine in the meantime, announced four additional ships loaded with export grain and seed oil left Ukrainian ports, but also that further infrastructure at a key nuclear power facility in a region under Russian control had suffered damage from new attacks.

In the **US** overnight, the Senate approved the 'Inflation Reduction Act' economic package covering taxes and spending on healthcare and climate policies, with the vice president providing the deciding vote.

Locally today, no major economic reports are due for release.

Plenty of commentary is focused on several major **corporate reports** and outlooks, including broader sector prospects, due from today through the week.

Regionally today, **Japan** reports July **bank lending** just prior to the ASX open.

Over the weekend, **China** reported July **trade** statistics these including a record \$US101.26B trade surplus, following \$US97.94B for June and expectations of \$US99.00B.

Exports rose 18% higher year-on-year, against ranging predictions of 15% - 18%, and following a 17.9% year-on-year rise for June.

Imports grew 2.3% year-on-year, against forecasts for a 3.0% - 3.7% increase, following June's 1.0% year-on-year growth, and put down to yet-recovering demand.

Integrated circuit imports appeared of greatest concern, tumbling 19.6% year-on-year and pointing to a mix of reduced demand and continuing supply disruptions.

China's July **foreign reserves**, also reported yesterday, tallied

Today's Stock Watch

Aurizon Holdings (AZJ)

10.9c fully franked final dividend, from 14.4c, 70% franked a year ago. 15% lower, \$513M full year NPAT. 2% higher, \$3.075B continuing operations revenue. Anticipating \$1.47B - \$1.55B FY23 EBITDA.

Suncorp Group (SUN)

17c fully franked final dividend, from 20c final and 8c special fully franked dividends a year ago. 34.1% lower, \$681M full year NPAT. 36.7% lower, \$673M cash earnings. 13.97% higher, \$16.169B revenue.

ResApp Health (RAP)

Pfizer has increased its scheme of arrangement offer for RAP from A14.6c cash-per-share to A20.8c cash-per-share, matching the independent expert's preferred value. RAP traded at 11.5c - 19.5c last week.

Kazia Therapeutics (KZA)

The paxalisib clinical trial for treating brain metastases in combination with radiotherapy has delivering 'promising' interim data. The data will be presented at the CNS Clinical Trials and Brain Metastases conference scheduled for 12 - 13 August (this coming Friday and Saturday).

Monadelphous Group (MND)

\$100M worth of new resources contracts in hand, three for projects in Western Australia and one for the Oyu Tolgoi project, Mongolia.

Platinum Asset Management (PTM)

\$A17.956B FUM at 31 July, from \$A18.214B 30 June.

Resources

OZ Minerals (OZL) / BHP Group (BHP)

BHP has presented an indicative \$A25 cash-per-share scheme of arrangement takeover proposal to OZL.

OZL's board views the proposal as inadequate, in that it 'significantly undervalues' OZL, and describes the move as 'highly opportunistic'. OZL traded at \$18.055 - \$19.30 last week. BHP traded at \$37.92 - \$39.39.

Zenith Minerals (ZNC)

Queensland Develin Creek copper-zinc project resource updated to 4.9Mt @ 1.2% Cu, 1.4% Zn, 0.2g/t Au and 7g/t Ag. Snook and other Develin Creek prospect identified mineralisation is yet to be included in the project resource.

Energy

Beach Energy (BPT)

BPT and BP Singapore have finalised an LNG sale and purchase agreement under which BP will purchase all BPT Waitsia stage two LNG output, expected to tally 3.75Mt.



\$US3.104 trillion, essentially in line with forecasts for \$US3.10 trillion following June's \$US3.071 trillion.

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

US **gold** futures turned lower, retreating below \$US1800/oz.

Iron ore (Nymex CFR China, 62% Fe) also turned, but higher, trading above \$US109.0/t.

Overnight LME (3mth evening) **copper** rallied. **Aluminium** also continued higher. **Nickel** settled essentially flat.

The **\$A** fell to ~US69.10c after trading at US69.50c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	32803	77	0.2
S&P 500	4145	-7	-0.2
NASDAQ	12658	-63	-0.5
FTSE 100	7440	-8	-0.1
DAX 30	13574	-89	-0.7
Shanghai Comp	3227	38	1.2

Overseas Markets Commentary

Swinging trade again featured across major European, UK and US equities markets overnight Friday, sentiment appearing to vacillate on some positive economic indicators on both sides of the Atlantic, but also escalating international conflict in addition to a broadening exchange of geopolitical threats.

Large technology and tech-related stocks suffered the most, this mostly attributed to fears of monetary policy being tightened too quickly in the face of rampant inflation, and potential recession.

Headline US July employment figures surprised with their relative strength, appearing to ease some recession fear, but also pushing the \$US higher on expectations the statistics would spur the US Federal Reserve FOMC to continue with a relatively brisk pace of interest rate increases in order to curb domestic inflation levels.

528,000 new jobs were reported for July and the unemployment rate fell by 0.1% to 3.5%.

The new jobs tally followed 398,000 jobs added in June and soundly overshoot expectations of 290,000 to be created in July.

Meanwhile, Israel – Palestinian Gaza strip military attacks intensified and China ramped military exercises through shipping and air routes into Taiwan.

In the Russia-Ukraine conflict, Russia was reported to have continued assaults on both industrial and civilian infrastructure, amid heightened warnings of a nuclear incident involving Europe's largest nuclear power facility under Russian control in Zaporizhzhia Ukraine.

In overnight Friday **data** releases, **Germany's** June industrial production surprised on the upside, rising by 0.4%, defying forecasts for a 0.45 fall after a 0.1% May decline.

July new domestic vehicle registrations were reported 12.9% below those for July 2021. Forecasters had anticipated 16.7% fewer registrations.

In the **UK**, the BBA mortgage rate for July was reported at its

Pre-Open Announcements

Imugene Ltd (IMU)

Positive new data from the Phase 1 IMPRINTER (PD1-Vaxx) trial has been presented at the World Conference on Lung Cancer, Vienna, Austria. The conference commenced Saturday and continues through tomorrow. Details lodged this morning.

Paradigm Biopharmaceuticals (PAR)

Presenting, on invitation, mucopolysaccharidosis program results at the Lysosomal Diseases conference in Sydney, February 2023.

Additional details and clinical plans lodged pre-trade.

Air New Zealand (AIZ)

June passenger numbers rose by 17.9% year-on-year but were 23.9% lower than for 2019.

For the year-to-date, passenger tallies are down 10.4% year-on-year, and 56.3% lower than for the same period for 2019.

Comprehensive breakdown statistics lodged pre-trade.

Medical Developments International (MVP)

Resuming from a trading halt having raised ~\$20M in a \$2.00-per-share institutional placement and entitlement offer.

A retail entitlement offer is scheduled for 11 – 25 August.

MVP traded at ~\$2.3126 - \$2.706 over the five sessions prior to calling the halt.

Atturra Ltd (ATA) / MOQ Ltd (MOQ)

ATA has boosted its scheme of arrangement offer for MOQ from 5c cash-per-share to 6c cash-per-share.

Resources

Magnum Mining & Exploration (MGU)

MGU has appointed MGU strategic technical advisor Neil Goodman as CEO and as a director of MGU 100% subsidiary Nevada Iron Llc, effective immediately.

Mr Goodman is a former Rio Tinto Hismelt Corporation GM and is MD of Smelt Tech Consulting.

Globe Metals & Mining (GBE)

GBE director Bo Tan is providing an additional \$A500,000 loan facility to GBE, for six months, in support of short-term working capital.

As with a \$A1M loan facility provided by Mr Tan in March, the new facility will be repayable in cash or by the issue of GBE shares at 6.35c each.

Interest payable is at 8% pa.

Default interest set at 20% pa.

Shareholder approval is required for the conversion of the loan amount into GBE shares.

GBE traded at 7.4c – 9.1c last week.

Lithium Power International (LPI)

Completion of the acquisition of Lysander Lithium Pty Ltd is expected by month's end.



highest since April 2017, at 4.54%. This from 4.38% for June and against forecasts for 4.40%.

In the **US**, in addition to the headline July employment figures, average hourly earnings rose by 5.2%, the same pace at which they grew during July.

In addition, US consumer credit was estimated to have jumped by \$US40.15B in June after growing by \$US23.79B in May. Economists had predicted a practically status quo \$US23.9B increase for June.

Tonight in the US, no major economic reports are scheduled for release.

Elsewhere, an independent consumer sentiment index is due for the euro zone.

Companies scheduled to report earnings later today or tonight include: American International Group, Baidu, Barrick Gold, BioNTech, Dominion Energy, Inpex, Kia Corp, Kirin Holdings, News Corporation, POSCO International, Samsung C&T, Softbank Group, Take-Two Interactive Software and Tyson Foods.

In overnight Friday and weekend corporate news, **Berkshire Hathaway** reported a \$US43.8B June quarter net loss and \$US9.3B operating profit.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1791.2	oz	-15.7	-0.9
Silver (NY) (Sep)	19.84	oz	-0.28	-1.4
Gold (LON)	1773	oz	-10	-0.6
Platinum	934	oz	5	0.5
WTI Crude (NYMEX Sep)	89.01	bbbl	0.47	0.5
Brent Crude (ICE EUR Oct)	94.92	bbbl	0.80	0.8
Iron Ore (NYMEX CHN port;62%Fe)	107.03	t	1.90	2.0
Copper (LME 3mth Evening)	7870	t	144	1.9
Nickel	22236	t	6	0.0
Aluminium	2419	t	13	0.6
Lead	2069	t	23	1.1
Zinc	3482	t	43	1.2
Tin	24410	t	-120	-0.5

Commodities Commentary

Oil – since overnight Friday trade, China's July oil imports have been reported as 9.5% lower than for July 2021, at ~8.79MMbbl/d, this in part put down to the impacts of remaining, albeit select, Covid-containment restrictions.

January – July imports were reportedly 4% lower than for the period in 2021, at ~9.98MMbbl/d.

Refined oil product exports rose from 3.21Mt in June to 3.41Mt, this nonetheless representing a 23% drop from July 2021.

Stronger-than-anticipated US monthly jobs figures pushed away recession fears for some overnight Friday, restoring potential higher demand versus reduced supply scenarios to the forefront.

A stronger \$US, in association with the statistics and subsequent expectations the US Federal Reserve could move with greater confidence on rate increases, appeared to exert little influence on overnight Friday trade moves.

In addition, a weekly US petroleum drill rig report, published overnight Friday, included seven fewer operational oil rigs, the

Additional information regarding LPI shares to be issued to Lysander lodged post-trade Friday.

LPI traded at 49c – 60.5c last week, settling at 60.5c Friday, after closing out the previous week at 53.5c.

Summit Minerals (SUM)

Explorer completed its ASX listing Friday, following a \$4.61M IPO at 20c per share.

Opened at 15.5c and traded at 14.5c – 16c before settling at 15c.

~3.77M shares were traded across 222 transactions.

~24.73M quoted shares.

Four lithium and REE projects in WA and an antimony project in Queensland.

Trading Halts

Company	Code	Resuming
Mesoblast Ltd	MSB	8 Aug
Nova Minerals	NVA	8 Aug
Proteomics International Laboratories	PIQ	8 Aug
Recharge Metals	REC	8 Aug
Bryah Resources	BYH	9 Aug
Cooper Metals	CPM	9 Aug
DXN Ltd	DXN	9 Aug
Southern Cross Gold	SXG	10 Aug

Suspensions (selected)

Company	Code	Since
Design Milk Co	DMC	2 Aug
Fintech Chain	FTC	1 Aug
Memphasys Ltd	MEM	29 Jul
Montem Resources	MR1	25 Jul

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
DJW	Today	7	100	4.10
FRI	Today	2	100	5.44
BKI	Tomorrow	4.65	100	3.71
AFI	Wed	14	100	2.96
RIO	Thu	383.7	100	11.12
SSR	Thu	7	0	1.08

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	AIZ	Jun
	AZJ	Full year



first fall recorded in 10 weeks. This pulled back the tally of oil rigs in operation to 598.

Nonetheless, Brent crude settled 11% lower for the week and WTI down 8%.

Gold – safe-haven interest in gold evaporated overnight Friday, in part due to better-than-anticipated economic data releases on both sides of the Atlantic.

In addition, the positive US data pushed the \$US higher on rate expectations, also reducing gold sentiment.

This week, gold trade considerations are expected to include GDP and CPI releases for key economies.

Base metals – economic data releases that surprised on the upside, a weaker \$US and falling inventories supported higher prices for select metals overnight Friday.

China's July trade statistics, released over the weekend, essentially contained little surprise, at least for the headline figures, but will influence some trade **tonight**.

Copper imports fell 13.8% for the month, but came in 9.3% higher than for July 2021, at ~463,694t.

For January – July, copper imports were up 5.8%.

Aluminium and aluminium product exports reportedly tallied ~652,198t, 39.1% higher than for July 2021.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6908	-0.0003	-0.04
EUR – USD	1.0175	-0.0006	-0.06

Overseas Data Today & Tonight

Japan	Bank lending	Jul
Japan	Eco watchers survey (incl outlook; 3pm AEST))	Jul
Euro zone	Sentix investor confidence	Aug

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	DXC	Full year
	NWS	Jun Q; Full year (NB 5pm EDT US 8 Aug)
	SUN	Full year
Tomorrow	MP1	Full year
Wed	CBA	Full year
	DXI	Full year
Thu	AMP	Interim
	DOW	Full year
	MGR	Full year
	OFX	AGM
	QBE	Interim
	RMD	Jun Q (w/cast NB Fri 12 Aug 6.30am)
	TLS	Full year
Fri	WDS	Interim
	BBN	Full year
	BFG	Full year
	HCW	Full year
	IAG	Full year

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