



## **FIVE at FIVE AU: ASX trims losses as Fortescue takes a hammering**

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### **Body**

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While the ASX has trimmed early losses, it will finish the day in the red.

The S&P/ASX200 dropped 39.40 points or 0.49% to 7,950.20. The index has lost 0.26% for the last five days, but sits 1.65% below its 52-week high.

Bottom-performing stocks in this index are [Fortescue Ltd \(ASX:FMG\)](#) and Arcadium Lithium Plc, down 9.88% and 5.87% respectively.

Looking at the sectors, Consumer Discretionary was in the green today gaining 0.15%. Consumer Staples gained 0.11%.

The worst-performed sector was Materials down 1.93%. Energy which lost 0.71%.

Over in small caps, the S&P/ASX Small Ordinaries dropped 0.63% to 3,002.90. Over the past five days, it is 1.07% lower.

### **Fortescue shares plunge**

**Fortescue** took a hammering today as major institutional investors exit the stock, with a major \$1.85 billion block trade occurring at \$18.55 per share. The company lost \$5 billion in market capitalisation. Over the past six months, the stock has decreased by 37%.

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The Financial Review indicated that fund managers were searching for buyers in the range of \$18.55 to \$19.10 per share, reflecting an 8.8% to 6.1% discount compared to Monday's closing price.

**Fortescue** is currently grappling with various issues, including lower-than-expected guidance, increased capital expenditures and potential pressure on its dividend policy due to weaker earnings forecasts.

Analysts are pessimistic about the stock, expecting its valuation premium over BHP and Rio Tinto to diminish. They also highlight ongoing execution risks and concerns over low-grade iron ore.

### Impact of US earnings season

Saira Malik, chief investment officer of Nuveen, has shared her perspectives on the impact of the US earnings season on markets and portfolio strategies for investors seeking solid fundamentals and exposure to major themes and trends.

Malik highlights the ongoing volatility in the US political and economic landscape, which may steady slightly as Vice President Kamala Harris has secured the Democratic presidential nomination and is now selecting potential running mates.

The second quarter earnings results have been mixed, with Tesla and Alphabet underperforming, signalling that the benefits of artificial intelligence (AI) may already be factored into technology stocks. Additionally, there is ongoing debate over whether the recent shift from momentum and growth stocks to small caps will continue.

In terms of portfolio considerations, Malik suggests that publicly listed global infrastructure is a valuable asset class, particularly given the potential for increased market volatility in the second half of 2024. Infrastructure offers solid fundamentals and an opportunity to engage with significant themes such as the growth of generative AI and the trend towards onshoring and nearshoring manufacturing operations.

Investing in data centres and electric power-generating developers is crucial to support the growing demand for generative AI, requiring significant investment in new power-generating capacities globally, especially favouring renewable technologies.

Electric distribution utilities are expected to benefit from an expanding customer base, spreading fixed costs over more users, which allows for further investment and reduced costs for end-users. Utilities also trade at a considerable discount to the S&P 500 Index, offering additional investment opportunities.

### Five at five

#### Strickland Metals sees Warmblood emerge as substantial system with 1.4-kilometre gold trend unlocked

A significant high-grade gold intercept at the Warmblood prospect of [Strickland Metals Ltd \(ASX:STK\)](#) within the 100%-owned Horse Well Project in Western Australia's Yandal Greenstone belt has unlocked a 1.4-kilometre gold trend.

### Read more

#### Tamboran Resources raises additional US\$7.4 million from NYSE IPO in partial exercise of over-allotment option

[Tamboran Resources Corporation \(NYSE:TBN, ASX:TBN\)](#) has added an additional US\$7.4 million to the war chest after the underwriters of its initial public offering (IPO) to the New York Stock Exchange (NYSE) exercised an over-allotment option to purchase 308,750 shares at US\$24.00 per share.

### Read more

#### Poseidon Nickel gold exploration highlights greenfields potential for multiple commodities

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[Poseidon Nickel Ltd \(ASX:POS, OTC:PSDNF\)](#) continues to demonstrate the greenfields potential of its Windarra, Lake Johnston and Black Swan projects in Western Australia outside of their nickel resources with ongoing exploration highlighting gold prospectivity.

**Read more**

**Race Oncology RC110 bisantrene treatment meets efficacy goals in Phase 2 acute myeloid leukaemia trial**

[Race Oncology Ltd \(ASX:RAC, OTC:RAONF\)](#) welcomes results from an investigator-sponsored Phase 1b/2 trial of RC110 bisantrene for the treatment of acute myeloid leukaemia (AML), which exceeded the predetermined efficacy threshold with a 40% response rate.

**Read more**

**Brookside Energy at "pivotal moment" with FMDP completion underway; production within three months**

[Brookside Energy Ltd \(ASX:BRK, OTC:RDFF\)](#) has reached a "pivotal moment" in its history with multi-well completion operations underway at the Flames-Maroons Development Plan (FMDP) in the southern SCOOP Play in Oklahoma's Anadarko Basin and production within three months.

**Read more**

**On your six**

**Perseus Mining produces more than 120,000 ounces of gold in June quarter; almost 510,000 ounces in FY 2024**

[Perseus Mining Ltd \(ASX:PRU, TSX:PRU, OTC:PMNXF\)](#) recorded another strong quarter at its West African operations with 120,929 ounces of gold produced in the June quarter at an All-in-Site Cost (AISC) of US\$1,173 per ounce.

**Read more**

**The one to watch**

**Iondrive confirms DES technology viability in large-scale trials**

[Iondrive Ltd \(ASX:ION\)](#) CEO Ebbe Dommissie joins Jonathan Jackson in the Proactive studio to discuss the successful completion of large-scale bench trials at the University of Adelaide, marking a significant milestone for its deep-eutectic solvent (DES) battery recycling technology.

**Watch**

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